

Account Type

Full Service Advisory Account

Execution Only (non-advised)

**PART I - CLIENT INFORMATION**

Client Information

Registered Business Name

**Emeraude International SAS**

Registered Trading Name (If applicable)

**Emeraude International SAS**

Business Telephone No

**00 33 1 40 20 79 65**

Business Website

**www.emeraude-international.com**

Value Added Tax No

**FR17498618446**

Date of Company Registration

**12/06/2007**

Country of Registration

**France**

Business Registration No

**498618446**

Description of Business

**A family controlled polymers distributor established in 1986 specializing in selling polymers in emerging countries.**

Face to Face

Yes  No

**How did you hear about AFEX?**

Sales Call

Trade Show or Association Meeting

Search Engine/Online Advertisement

Referral from:

**Rizdex**

Printed Publication

Other (please specify):

Principal Place of Business (No PO Box)

Street Address

**2 rue de la Tour des Dames**

City

**Paris**

County

Postcode

**75 009**

Country

**France**

Registered Business Address

Same as Principal Place of Business

Street Address

**2 rue de la Tour des Dames**

City

**Paris**

County

Postcode

**75 009**

Country

**France**

**175**

Business Legal Structure

Private Limited

Designed Activity Company (DAC)

Trust

Other:

Public Limited Company (Plc)

Partnership

Not for Profit

Unlimited Company

Sole Trader

Government Entity

Annual turnover in Euro

Number of Employees

**175**

## PART II – PRODUCTS AND SERVICES

## Products and Services

Currencies required:

EUR, USD, GBP, ZAR

Expected volume amount (Euro):

1,5 Bo EUR

Expected frequency of transactions

 Weekly Monthly Quarterly Yearly

Describe your current hedging strategy:

Risk manage currency exposures using target redemption forwards, pivot TARFs, choosers and other structured FX solutions

Do you have any open positions with other firms? (If Yes, please specify)  Yes  No

Positions with Broader banking groups such BNP Paribas, Societe Generale, HSBC...

Which of the following instruments have been used to execute the hedging strategy?

 Spot and/or Forward FX (if checked, please specify average trade size and frequency)

Average trade size:

20 MEUR

Frequency:

Weekly

 Vanilla Options (if checked, please specify average trade size and frequency)

Average trade size:

Frequency:

 Complex Options (e.g. Barriers, Knock-ins and Knock-outs and Leveraged instruments) (if checked, please specify average trade size and frequency)

Average trade size:

30/50 MEUR

Frequency:

Weekly

 Client would like to receive information about AFEX's products and services, including special offers, rewards, promotions, etc.

## PART III – SIGNATORY INFORMATION

## Suitability

For full service advisory clients, we are required to obtain information necessary to enable us to recommend products that are suitable and, in particular, in accordance with a client's risk tolerance and financial standing, based on the answers to the questions below.

## Hedging Objectives

Investment Horizon:

 0-6 months 6-12 months 12-24 months

Risk Appetite:

 High Medium Low

Financial Capacity:

 Income/Revenue Assets Liabilities

Hedging or Investment Objective:

 Full protection only Partial protection and participation in favourable currency movements Market outperformance, with knockouts and leverage

## Client Classification

MiFID II requires that each client is categorised as either “retail”, “professional” or “eligible counterparty” to ensure that each client receives the appropriate level of investor protection and information. Retail clients may request to “opt-up” to “professional”. Please refer to Appendix II for further information.

Client Classification:

 Retail Per Se Professional

## EMIR Reporting (refer Appendix I)

LEI Number:

969500NSGAV4ZOVVAW10

Are you a non-financial counterparty for EMIR purposes?

 Yes  No

Are you above the EMIR clearing threshold?

 Yes  No

Do you wish to delegate your EMIR transaction reporting obligation to AFEX Markets Europe Limited?

 Yes  No

## PART IV – OWNERSHIP

## Beneficial Ownership

Please complete the below for each natural person who, directly or indirectly, owns or controls 25% or more of the Client. Beneficial owners cannot be another legal entity; they must be the natural persons that, through direct ownership, or through indirect influence or control, such as trustee, power of attorney, or other position of authority or influence over an owner of Client including an informal arrangement with an owner, are able to exercise control over the Client. If there is no individual who maintains at least 25% ownership and/or control, please enter the individual with the largest percentage of ownership. You must list at least one natural person. If there are more than three beneficial owners, please provide the below information for each additional beneficial owner on a separate page.

AFEX may also be required to obtain information for each natural person who, directly or indirectly, owns 10% or more of the Client. If this is required, AFEX will contact you during the account opening process.

## Owner 1

Same as Authorised Signatory or Publicly Listed Company  
(Go to the next section if Client is a publicly listed company).

Title			% of Ownership
<input checked="" type="checkbox"/> Mr <input type="checkbox"/> Miss <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Dr <input type="checkbox"/> Other:			51,41%
First Name	Middle Name(s)	Surname	
YANN	OLIVIER	BUCAILLE-LANREZAC	
Position or Occupation	Date of Birth	Nationality	
President	30/09/1969	French	
Residential Street Address	City		
2 RUE DE L'AMIRAL DE JOINVILLE	NEUILLY-SUR-SEINE		
County	Postcode	Country	
	92200	FRANCE	
Identification Type:	Identification No	Jurisdiction Where Issued	
<input type="checkbox"/> Driving Licence	21EA92211	NANTERRE	
<input type="checkbox"/> National ID Card	Identification Expiry Date		
<input checked="" type="checkbox"/> Passport	28/11/2031		

## Owner 2

Same as Authorised Signatory or Publicly Listed Company

Title			% of Ownership
<input type="checkbox"/> Mr <input type="checkbox"/> Miss <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Dr <input type="checkbox"/> Other:			
First Name	Middle Name(s)	Surname	
Position or Occupation	Date of Birth	Nationality	
Residential Street Address	City		

County	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

Identification Type: <input type="checkbox"/> Driving Licence <input type="checkbox"/> National ID Card <input type="checkbox"/> Passport	Identification No <input type="text"/>  Identification Expiry Date <input type="text"/>	Jurisdiction Where Issued <input type="text"/>
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**Owner 3**

Same as Authorised Signatory or Publicly Listed Company

Title <input type="checkbox"/> Mr <input type="checkbox"/> Miss <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Dr <input type="checkbox"/> Other: <input type="text"/>	% of Ownership <input type="text"/>	
First Name <input type="text"/>	Middle Name(s) <input type="text"/>	Surname <input type="text"/>
Position or Occupation <input type="text"/>	Date of Birth <input type="text"/>	Nationality <input type="text"/>
Residential Street Address <input type="text"/>		
County <input type="text"/>	Postcode <input type="text"/>	Country <input type="text"/>

Identification Type: <input type="checkbox"/> Driving Licence <input type="checkbox"/> National ID Card <input type="checkbox"/> Passport	Identification No <input type="text"/>  Identification Expiry Date <input type="text"/>	Jurisdiction Where Issued <input type="text"/>
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**Owner 4**

Same as Authorised Signatory or Publicly Listed Company

Title <input type="checkbox"/> Mr <input type="checkbox"/> Miss <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Dr <input type="checkbox"/> Other: <input type="text"/>	% of Ownership <input type="text"/>	
First Name <input type="text"/>	Middle Name(s) <input type="text"/>	Surname <input type="text"/>
Position or Occupation <input type="text"/>	Date of Birth <input type="text"/>	Nationality <input type="text"/>
Residential Street Address <input type="text"/>		
County <input type="text"/>	Postcode <input type="text"/>	Country <input type="text"/>

Identification Type: <input type="checkbox"/> Driving Licence <input type="checkbox"/> National ID Card <input type="checkbox"/> Passport	Identification No <input type="text"/>  Identification Expiry Date <input type="text"/>	Jurisdiction Where Issued <input type="text"/>
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**PART V – ADDITIONAL AUTHORISED - INDIVIDUALS AUTHORISED TO TRADE ON BEHALF OF CLIENT**

Each person named below will be duly authorised to place trades and approve transactions on the Client’s behalf. In each case, details of individual knowledge and experience is required for the purposes of assessing appropriateness, where necessary.

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**Authorised Trader 1**

Title  
 Mr  Miss  Mrs  Ms  Dr  Other: \_\_\_\_\_

First Name **FREDERIC** Middle Name(s) **LOUIS** Surname **AMBLARD**

Position **CFO** Date of Birth **09/04/1974** Nationality **FRENCH**

Residential Street Address **33 BIS BOULEVARD BARA** City **PALAISEAU**

County \_\_\_\_\_ Postcode **91120** Country **FRANCE**

Email Address **f.amblard@emeraude-international.com** Business Telephone No **+33 678065254** Account Primary Contact  
 Yes  No

Job Position or Function **CFO** Years Experience in Job Position or Function **21**

How long have you worked in a position trading financial instruments including hedging products?  
**16 Years**

Please specify details about your experience with the following products:

Spot and/or Forward FX:

Years Experience **16 Years** Average Trade Size **10-15 MEUR** Average Yearly Trades **Hundreds of them**

Vanilla Option:

Years Experience \_\_\_\_\_ Average Trade Size \_\_\_\_\_ Average Yearly Trades \_\_\_\_\_

Complex Options (e.g. Barriers, Knock-Ins and Knock-outs and Leveraged instruments):

Years Experience **16 Years** Average Trade Size **50 MEUR** Average Yearly Trades **50**

Do you hold relevant academic or professional qualifications? (If yes, please list)  
 Yes  No

Qualification \_\_\_\_\_ Issuing body or Institution \_\_\_\_\_ Years Completed \_\_\_\_\_

**Authorised Trader 2**

Title  
 Mr  Miss  Mrs  Ms  Dr  Other: \_\_\_\_\_

First Name \_\_\_\_\_ Middle Name(s) \_\_\_\_\_ Surname \_\_\_\_\_

Position \_\_\_\_\_ Date of Birth \_\_\_\_\_ Nationality \_\_\_\_\_

Residential Street Address \_\_\_\_\_ City \_\_\_\_\_

County \_\_\_\_\_ Postcode \_\_\_\_\_ Country \_\_\_\_\_

Email Address \_\_\_\_\_ Business Telephone No \_\_\_\_\_ Account Primary Contact  
 Yes  No

Job Position or Function \_\_\_\_\_ Years Experience in Job Position or Function \_\_\_\_\_

How long have you worked in a position trading financial instruments including hedging products?  
 \_\_\_\_\_

Please specify details about your experience with the following products:

Spot and/or Forward FX:

Years Experience	Average Trade Size	Average Yearly Trades
<input type="text"/>	<input type="text"/>	<input type="text"/>

Vanilla Option:

Years Experience	Average Trade Size	Average Yearly Trades
<input type="text"/>	<input type="text"/>	<input type="text"/>

Complex Options (e.g. Barriers, Knock-Ins and Knock-outs and Leveraged instruments):

Years Experience	Average Trade Size	Average Yearly Trades
<input type="text"/>	<input type="text"/>	<input type="text"/>

Do you hold relevant academic or professional qualifications? (If yes, please list)

Yes  No

Qualification	Issuing body or Institution	Years Completed
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Authorised Trader 3**

Title

Mr  Miss  Mrs  Ms  Dr  Other:

First Name	Middle Name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Position	Date of Birth	Nationality
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential Street Address	City
<input type="text"/>	<input type="text"/>

County	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

Email Address	Business Telephone No	Account Primary Contact
<input type="text"/>	<input type="text"/>	<input type="radio"/> Yes <input type="radio"/> No

Job Position or Function	Years Experience in Job Position or Function
<input type="text"/>	<input type="text"/>

How long have you worked in a position trading financial instruments including hedging products?

Please specify details about your experience with the following products:

Spot and/or Forward FX:

Years Experience	Average Trade Size	Average Yearly Trades
<input type="text"/>	<input type="text"/>	<input type="text"/>

Vanilla Option:

Years Experience	Average Trade Size	Average Yearly Trades
<input type="text"/>	<input type="text"/>	<input type="text"/>

Complex Options (e.g. Barriers, Knock-Ins and Knock-outs and Leveraged instruments):

Years Experience	Average Trade Size	Average Yearly Trades
<input type="text"/>	<input type="text"/>	<input type="text"/>

Do you hold relevant academic or professional qualifications? (If yes, please list)

Yes  No

Qualification	Issuing body or Institution	Years Completed
<input type="text"/>	<input type="text"/>	<input type="text"/>

## PART VI – TERMS AND CONDITIONS

Client enters into this Account Application and Agreement (“Agreement”) with AFEX Markets Europe Limited as of the date this document is executed by Client.

**1. DEFINITIONS**

Whenever used in this Agreement, unless inconsistent with the subject matter or context, the following terms shall have the following meanings:

- 1.1. “Account Application” means the application submitted by Client to AFEX Markets in relation to the Investment Services.
- 1.2. “AFEX” means the AFEX group of related companies, including parents, subsidiaries and affiliates, including, without limitation, AFEX Ireland and AFEX Markets.
- 1.3. “AFEX Markets” means AFEX Markets Europe Limited, a private limited company registered in Ireland with registration number 635056 whose registered address is at Denshaw House, 120/121 Baggot Street Lower, Dublin 2, D02 FD45. AFEX Markets is authorised as a MiFID investment firm and is regulated by the Central Bank of Ireland.
- 1.4. “AFEX Ireland” means Associated Foreign Exchange Ireland Limited, a private limited company registered in Ireland with registration number 597582 whose registered office is at Denshaw House, 120/121 Baggot Street Lower, Dublin 2, D02 FD45. AFEX Ireland is authorised as a payment institution and is regulated by the Central Bank of Ireland.
- 1.5. “AFEX Local Time” means Greenwich Mean Time or Greenwich Mean Time +01:00 (UTC 00:00 and UTC +01:00, as the case may be).
- 1.6. “Base Currency” means the original base currency specified by AFEX Markets as such in the Account Application or otherwise in writing or, failing any such specification, EURO.
- 1.7. “Business Day” means a day on which commercial banks are open for ordinary banking business in both the jurisdiction in which an Order is initiated and the one in which such an Order is executed.
- 1.8. “CBI” means the Central Bank of Ireland.
- 1.9. “Client” means the party entering into this Agreement with AFEX.
- 1.10. “Client Asset Account” means an account held with a banking institution for the purposes of holding Client Money in the name of AFEX Markets and which is designated as a client account.
- 1.11. “Client Asset Regulations” means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Investment Firms) Regulations 2017 (S.I. No. 604 of 2017).
- 1.12. “Client Asset Rules” means the relevant provisions of the MiFID Regulations, the Client Asset Regulations and the CBI’s Guidance on Client Asset Regulations for Investment Firms.
- 1.13. “Client Categorisation” means Client’s classification as a Retail Client, Professional Client or Eligible Counterparty in accordance with the MiFID Regulations.
- 1.14. “Client Money” means all money held by AFEX Markets on behalf of a Client which is client funds pursuant to the Client Assets Rules.
- 1.15. “Confirmation” means the communication sent by AFEX to Client setting out the essential details of an Order.
- 1.16. “Conflicts Policy” means AFEX Markets’ Conflicts of Interest Policy
- 1.17. “Data Delivery Date” means each date specified as such by AFEX Markets and notified to the Client in accordance with Clause 24.3.
- 1.18. “Data Reconciliation” means, in respect of the Client, a comparison of the Portfolio Data provided by AFEX Markets against the Client’s own books and records of all outstanding Relevant Transactions between the parties in order to identify promptly any discrepancies.
- 1.19. “Dispute” means any dispute between the parties (a) which, in the sole opinion of the party delivering the relevant Dispute Notice, is required to be subject to the Dispute Resolution Procedure (or other Agreed Process) pursuant to the Dispute Resolution Risk Mitigation Techniques; and (b) in respect of which a Dispute Notice has been effectively delivered.
- 1.20. “Dispute Notice” means a notice in writing which states that it is a dispute notice for the purposes of Clause 24 and which sets out in reasonable detail the issue in dispute (including, without limitation, the Relevant Transaction(s) to which the issue relates).
- 1.21. “Dispute Resolution Procedure” means the identification and resolution procedure set out in Clause 24.
- 1.22. “Dispute Resolution Risk Mitigation Techniques” means the dispute resolution risk mitigation techniques for OTC derivative transactions set out in Article 11(1)(b) of the European Market Infrastructure Regulation 648/2012 (EMIR) as supplemented by Article 15 of Chapter VIII of the Commission Delegated Regulation (EU) No 149/2013 of 19 December 2012 and published on 23 February 2013 in the Official Journal of the European Union.
- 1.23. “Eligible Counterparty” means a Client who is categorised by AFEX Markets as an eligible counterparty in accordance with the MiFID Regulations.
- 1.24. “EMIR” means the European Market Infrastructure Regulation 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4th July 2012.
- 1.25. “Execution-Only Service(s)” means the Execution of Orders service provided by AFEX Markets without the provision of Investment Advice.
- 1.26. “Facility” means any trading limit, settlement limit, Foreign Currency exposure limit, or credit facility that AFEX Markets has expressly granted to Client.
- 1.27. “Foreign Currency” means any fiat currency other than EURO.
- 1.28. “Initial Margin” means an amount required by AFEX Markets, either in the form of funds held by AFEX Markets for a Client, or in the form of a Payment by Client, to be applied in partial payment for the sale, purchase, and delivery of Instruments.
- 1.29. “Insolvent” means that an entity is insolvent or otherwise unable to pay its debts as they become due, or is subject to any proceeding, whether voluntary or involuntary, for bankruptcy, liquidation, examinership, receivership, administration or relief from creditors.
- 1.30. “Instruments” shall mean the financial instruments that AFEX Markets make available under this Agreement in the form of options, swaps, forward rate agreements and any other derivative contracts relating to currencies, or other derivative instrument, or financial measures which may be settled physically or in cash, but excluding those instruments which are do not constitute financial instruments within the meaning of the MiFID Regulations such as those spot foreign exchange contracts or forward foreign exchange contracts connected to a payment transaction which are outside of the scope of the MiFID Regulations.
- 1.31. “Investment Advice” means the non-independent investment advice on Instruments offered to Client by AFEX Markets.
- 1.32. “Investment Services” means the provision of Investment Advice or Execution-Only Services by AFEX Markets.
- 1.33. “Loss” or “Losses” means direct and consequential financial losses, damages, costs, judgments, penalties, fines, expenses, legal and accounting fees and expenses, costs of investigation, settlements, court costs and other expenses of litigation, as well as fees and expenses and losses not related to litigation or legal process and lost profits.
- 1.34. “Margin Call” means any notice of demand issued by AFEX Markets to Client that either Initial Margin or Variation Margin is due and payable.
- 1.35. “MiFID Regulations” means European Union (Markets in Financial Instruments) Regulations 2017 (S.I. No. 375 of 2017)
- 1.36. “Order” means a request by Client to AFEX Markets to provide Investment Services, including any request for Investment Services made by electronic mail or telephone or as otherwise agreed with AFEX Markets.
- 1.37. “Order Execution Policy” means AFEX Markets’ Best Execution Policy ([afex.com/ireland/AFEX\\_Ireland\\_Order\\_Execution\\_Policy.php](http://afex.com/ireland/AFEX_Ireland_Order_Execution_Policy.php)) as amended from time to time.
- 1.38. “OTC” denotes Over the Counter and means not traded on a Trading Venue.
- 1.39. “Party” or “Parties” mean individually or collectively, Client and AFEX.
- 1.40. “Payment” means good, cleared funds received by AFEX from, or on behalf of, Client.
- 1.41. “Pooled Account” means a Client Asset Account in which the Client Money of more than one client are held;
- 1.42. “Portfolio Data” means material terms in relation to all outstanding Relevant Transactions between the parties in a form and standard that is capable of being reconciled (which may include use of Excel spreadsheets), with a scope and level of detail that would be reasonable to AFEX Markets if it were the receiving party. Unless otherwise agreed between the parties, the information comprising the Portfolio Data to be provided by AFEX Markets on a Data Delivery Date will be prepared as at the close of business on the immediately preceding Business Day of, and as specified in writing by, AFEX.
- 1.43. “Portfolio Reconciliation Due Date” means each date specified as such by AFEX Markets and notified to the Client.
- 1.44. “Portfolio Reconciliation Risk Mitigation Techniques” means the portfolio reconciliation risk mitigation techniques for OTC derivative transactions set out in Article 11(1)(b) of EMIR as supplemented by Article 13 of Chapter VIII of the Commission Delegated Regulation (EU) No 149/2013 of 19 December 2012 and published on 23 February 2013 in the Official Journal of the European Union.
- 1.45. “Professional Client” means either a per se or elective professional client as defined in MiFID Regulations.
- 1.46. “Settlement” means the total amount, including the cost of an Order and any fees and charges, Client owes to AFEX, less any Initial Margin and / or Variation Margin (where applicable) held by AFEX Markets.
- 1.47. “Termination Event” means if the Client:
- 1.47.1. Fails to deliver to AFEX Markets Payment, Settlement, Initial Margin or Variation Margin or, communicates to AFEX an intent not to provide to AFEX Markets the foregoing in relation to any Order;
- 1.47.2. Disputes the validity or existence of an Order;
- 1.47.3. Defaults, or communicates its intent to default, on any of its obligations described in this Agreement including any of the representations or warranties set out in this Agreement or elsewhere;
- 1.47.4. Is or is reasonably likely in AFEX Markets’ opinion to become Insolvent;
- 1.47.5. Ceases or threatens to cease to carry on business or sells all, or substantially all, of the assets of the business;
- 1.47.6. Receives notice of, or becomes subject to a regulatory or enforcement action or investigation which, in the reasonable judgment of AFEX Markets, will materially impair the terms of this Agreement, the expected economic value of this Agreement, or the business reputation of AFEX Markets;

- 1.47.7. Breaches this Agreement or any terms of an Order;
- 1.47.8. Places an Order reasonably deemed by AFEX Markets, to represent a regulatory, compliance or business risk; or
- 1.47.9. Is, or is suspected of, regulatory non-compliance or breach of any laws or regulations.
- 1.48. "Trading Venue" has the meaning given in the MiFID Regulations.
- 1.49. "User" means an individual authorised by Client to access the Investment Services and place and/or enter into Orders on behalf of Client in accordance with this Agreement.
- 1.50. "Value Date" means the date on which an Order becomes due for delivery and Settlement.
- 1.51. "Variation Margin" means cash funds required when the net marked-to-market value of all open orders with AFEX exceeds 10%, or an alternative percentage or fixed amount as AFEX Markets may advise, of the notional value of all open orders, as set out in Clause 22.2.
- 1.52. In this Agreement, capitalised terms which are not defined in this Clause 1, have the meaning given in the clauses in which such capitalised terms are used or the meaning given in the MiFID Regulations and/or the Client Asset Rules.

#### PART A: Relationship between AFEX Markets and Client

### 2. CONDUCTING BUSINESS WITH AFEX

- 2.1. **Agreement.** This Agreement shall apply to any and all Orders placed by Client with AFEX Markets. The specific transactional details of each Order will be agreed upon and will be as set out in a Confirmation.
- 2.2. This Agreement is divided into three parts:
- 2.2.1. Part A sets out the terms and conditions governing the relationship between AFEX Markets and Client;
- 2.2.2. Part B sets out the specific terms governing AFEX Market's provision of Investment Services; and
- 2.2.3. Part C sets out some general information and other important terms governing this Agreement.
- 2.3. **Provision of Investment Services.**
- 2.3.1. AFEX Markets will provide the Investment Services in accordance with the terms of this Agreement.
- 2.3.2. Where AFEX Markets provides Investment Services, AFEX Markets will act as principal in relation to any Order and not as agent of the Client.
- 2.3.3. In providing the Investment Services, AFEX Markets is bound by the MiFID Regulations, the Client Asset Rules, the terms of its CBI authorisation and any other applicable legislation and/or CBI guidance.
- 2.4. **Acceptance of Orders.** Any Order received from Client will be acted upon on a commercially reasonable efforts basis only. There is no guarantee by AFEX Markets that an Order can or will be filled. AFEX Markets is not obliged to trade with the Client notwithstanding receipt of an Order from the Client. AFEX Markets may reject any Order at its sole discretion including, without limitation, if:
- 2.4.1. AFEX Markets determines, in good faith and in its sole discretion, that such Order was not authorised by Client or a User;
- 2.4.2. AFEX Markets determines, in its sole discretion, that the Order may be contrary to law, contrary to prudent business practices, outside AFEX Markets' risk profile, or would require AFEX Markets to exceed the Facility granted to Client;
- 2.4.3. Client is Insolvent or in default of the Agreement or AFEX Markets determines, in its sole discretion, that it may not receive payment from Client in Settlement of the related Order;
- 2.4.4. The Order is unclear, incorrect, incomplete or unsatisfactory to AFEX Markets for any reason.
- 2.5. **Reliance on Instruction.** AFEX Markets is hereby authorised by Client to accept, act and rely upon

any instruction, whether oral or written, that AFEX Markets reasonably believes to have been made by, or on behalf of, Client. AFEX Markets and its representatives are not liable for any Losses Client may suffer as a result of the misconduct of User(s) or any other person purporting to act on behalf of Client.

- 2.6. **Audio Recording.** An audio record of any or all oral Orders, and any other oral communications between the Parties, including Users, may be taken and maintained by AFEX, and Client hereby expressly authorises and agrees to the taking and maintaining of such records. All audio recordings are AFEX's sole property, subject to applicable law. Client agrees that such recordings may be relied upon by AFEX in the event of any dispute.
- 2.7. **Orders Binding.** An Order becomes binding on Client upon receipt by AFEX Markets and creates an obligation on Client to settle the Order. Any Losses in connection with Client's failure to settle an Order are the sole responsibility of Client.
- 2.8. **Means of Processing Transactions.** AFEX Markets will act as counterparty to the Client for any Order and at the same time enters into one or more offsetting trades with a counterparty. AFEX Markets may use whatever intermediary banks, payments systems or methods AFEX Markets deems commercially reasonable and appropriate for processing an Order. Client agrees to be bound by applicable law, regulations, clearing house rules or other rules or procedures of any funds transfer or communications system that is used. While AFEX Markets will make every commercially reasonable effort to ensure the timely fulfilment of each Order, AFEX Markets does not guarantee that an Order can be fulfilled at the price or on the terms requested by the Client and AFEX Markets may be unable to complete an Order if it is unable on a timely basis to enter into an offsetting trade with its liquidity providers. AFEX Markets is not responsible for the speed and timing of payment processing by financial institutions or systems beyond the control of AFEX Markets. AFEX Markets is not responsible for any errors or omissions or for any actions that may be taken or not taken, or fees that may be deducted, by any intermediary or correspondent financial institution in association with any Order, including any cancellation or rejection.
- 2.9. **Inaccuracy or Incomplete Instruction.** Client agrees that AFEX Markets may rely on information provided by Client in processing an Order. If Client fails to provide a timely, complete, accurate or legible instruction, AFEX may hold any funds received from Client or received as a result of an Order as Client Assets in accordance with Clause [20] pending receipt of instructions from Client in relation to those funds. AFEX and its representatives shall not be liable for any Loss as a result of any delay to the fulfilment of an Order caused by Client's failure to provide a timely, complete, accurate or legible instruction regarding these funds. Furthermore, Client agrees that any error or omission in such information is Client's sole responsibility and liability.
- 2.10. **Fees.**
- 2.10.1. Client understands that AFEX will charge certain fees for the Investment Services, as set forth in a fee schedule made available to Client. Client agrees and acknowledges that Client has agreed to the relevant fee for the Investment Services before placing an Order. AFEX may change the fees charged for the Investment Services in its sole discretion at any time upon notice to Client, effective from the date of the notice, or as soon as permitted by applicable law. Client further agrees and acknowledges that all fees payable under this Agreement are exclusive of any legally applicable value added tax or similar sales or turnover tax in any relevant jurisdiction.
- 2.10.2. AFEX Markets will provide Client with information on costs and charges arising in the context of the provision of Investment Services to Client as required by MiFID Regulations. AFEX Markets will provide Client

with an itemised breakdown of such costs and charges on request. Notwithstanding this provision, where Client is a Professional Client or Eligible Counterparty, Client agrees to a limited application of the detailed requirements on provision of information on costs and associated charges to the extent permitted by the MiFID Regulations.

### 3. SETTLEMENT

- 3.1. **Payment.** To fund Orders that Client enters into with AFEX Markets Client is required to make Payment in cleared funds to AFEX Markets. Client may make Payment by bank transfer or direct debit.
- 3.2. **Direct Debit.** Where Client opts to make Payment by direct debit, Client authorises AFEX Markets to transfer funds from the bank account indicated in any agreement between the Parties whereby Client authorises AFEX Markets to electronically debit a bank account designated by the Client. This authority is to remain in full force and effect until AFEX Markets has received written notification from Client of its termination in such time and manner as to afford AFEX a reasonable opportunity to act on such notification after completing all open Orders at the time of such notification.
- 3.3. **Settlement.** Unless otherwise provided in the Agreement or agreed in writing between the Parties, Client agrees to promptly deliver the total amount of the cost to Client of an Order to AFEX Markets' nominated bank account in immediately available funds on or before the Value Date. If Settlement is paid to AFEX electronically, Client agrees that Settlement shall not be recallable by Client without AFEX Markets' prior written consent. If Client fails to make immediate payment in full Settlement for an Order, AFEX Markets has the right to suspend the Agreement; terminate the Agreement; terminate, close or unwind any Order; initiate any proceedings and take any other steps necessary to recover any Settlement amount. Such steps shall be in the sole discretion of AFEX Markets. The Client acknowledges and agrees: (i) that AFEX Markets and its representatives shall have no liability to Client, and Client waives any claim or action against AFEX Markets and its representatives; (ii) to indemnify and hold AFEX and its representatives harmless from any and all Losses incurred by AFEX and its representatives resulting from Client's failure to pay and AFEX Markets' effort to collect any Settlement amount, including any costs associated with terminating and unwinding any Order; (iii) that AFEX Markets may recover interest upon any unpaid amounts calculated at the daily rate of the indicator lending rate for business overdrafts as periodically announced by the local central bank, reserve bank, or monetary authority, plus 2%. AFEX Markets reserves the right to deduct interest, and any fees charged and costs incurred pursuant to this Agreement, from Initial Margins and Variation Margins AFEX Markets may hold for Client. Client acknowledges that AFEX Markets will be entitled to notify a credit reporting body of non-payment by Client, in accordance with any applicable privacy legislation.
- 3.4. **Dishonoured Settlement.** In the event any funds transfer of any kind authorised by Client is dishonoured by Client's financial institution or not completed for any reason, AFEX Markets will charge and Client agrees, unless otherwise restricted by law or regulation, to pay all processing costs, fees, penalties and liabilities incurred by AFEX Markets as a result of such incomplete funds transfer.
- 3.5. **Settlement Extension.** In the event AFEX Markets fails to receive Settlement on or before Value Date, AFEX Markets may, without the consent of Client, amend the originally agreed upon Value Date to the immediately subsequent Business Day ("Settlement Extension"). Client shall pay AFEX Markets any Losses incurred as a result of a difference between the value of the Order on the originally agreed upon Value Date and the prevailing market rate on the subsequent Business

Day. AFEX Markets reserves the right to extend the settlement date of an Order as often as needed prior to its receipt of past due Settlement. At any time prior to the Value Date, Client may request AFEX Markets to extend the Value Date to a future Business Day ("Settlement Extension Request"). All Settlement Extension Requests are subject to the approval of AFEX Markets. AFEX Markets may decline a Settlement Extension Request in its sole discretion for any reason. In the event of AFEX Markets' acceptance of a Settlement Extension Request, Client agrees to pay to AFEX Markets on demand within one (1) clear Business Day the amount of any and all Losses incurred by AFEX and any fee assessed by AFEX to Client in connection with its fulfilment of the Settlement Extension Request.

3.6. **Settlement Default.** Where the Client fails to pay Settlement amount to AFEX Markets in accordance with the Client's obligations under Clause 3.3 above, money that may be held by AFEX Markets on account for the Client may be applied towards meeting any of Client's obligations in relation to an Order, irrespective of any other instructions AFEX Markets may receive. This is without prejudice to Client's obligation to pay AFEX Markets all Settlement amounts (including any fees, charges and ancillary expenses) which are due and owing from Client in cleared funds on or before the Value Date. Any Settlement amount still outstanding following the application of money and other securities in accordance with this Clause 3.6 will remain Client's responsibility.

#### 4. INTELLECTUAL PROPERTY

4.1. **AFEX Systems.** Client acknowledges and agrees that all AFEX intellectual property, including, but not limited to, service marks, logos, trademarks; applications, processes, websites, systems, Instruments and Investment Advice provided to Client ("AFEX Intellectual Property"), are the property of AFEX and protected by copyright law and/or other intellectual property and other laws.

4.2. **Intellectual Property Rights.** All copyright, trademarks, service marks, trade secrets, registered and unregistered design rights and all other intellectual property and other rights in and to the AFEX Intellectual Property, shall remain at all times the sole and exclusive property of AFEX and, where applicable, its licensors. Client shall have no right or interest in or to any such intellectual property or other rights, except the right to access and use the Investment Services as provided for in the Agreement. All rights not expressly granted to Client are reserved by AFEX.

#### 5. FORCE MAJEURE

5.1. In the event that AFEX Markets or its representatives are unable to provide the Investment Services due to abnormal and unforeseeable circumstances which would have been beyond AFEX Markets' or its representatives' control, the consequence of which would have been unavoidable despite all efforts to the contrary, including but not limited to government acts, wars, acts of terrorism, cyber-crimes, strikes, riots, other civil disturbances, legal process, electronic failure or mechanical failure, AFEX Markets and its representatives shall have no liability for direct, indirect, special, incidental or consequential damages, including, but not limited to, loss of profits or expenses, arising in connection with any Order entered into with Client pursuant to the Agreement or any Confirmation.

5.2. AFEX Markets shall not be responsible or liable for any Losses howsoever suffered arising in consequence of any breach, failure to perform or delay in performing any of our obligations to Client arising from:

5.2.1. any breakdown in communications whether between AFEX Markets and Client or between AFEX Markets and any exchange, counterparty or other third party or the failure or defective operation of any computer system; or

5.2.2. anything done or omitted to be done by AFEX Markets or the performance or the failure or

delay in performance of any of AFEX Markets' obligations arising from the absence of any information provided by Client or by third parties to AFEX Markets.

#### 6. TERM, SUSPENSION AND TERMINATION

##### 6.1. Termination Rights.

6.1.1. Either party may terminate this Agreement at any time by giving the other not less than 30 days' written notice.

6.1.2. AFEX Markets may terminate this Agreement upon the occurrence of a Termination Event, without further notice to Client.

6.2. **No Further Orders.** Where either Client or AFEX Markets provides notice to close Client's account and/or terminate this Agreement under Clause 6.1, AFEX Markets reserves the right to refuse to allow Client to place any further Orders during the notice period.

6.3. **Term.** This Agreement has no fixed term.

##### 6.4. Consequence of Termination.

6.4.1. In the event of termination, all debts and obligations that the Client owes AFEX will become immediately due and payable. The Client agrees that AFEX may take any action it is entitled to take under the Agreement or under Applicable Law, including to set-off the whole or any part of any amount owing to the Client against any or all amounts payable by the Client to AFEX.

6.4.2. In the event of termination, all obligations and rights of a continuing nature shall survive termination of the Agreement. The termination of this Agreement shall not affect any outstanding obligations that either party may owe the other. AFEX Markets will use its reasonable endeavours to carry out Client's instructions relating to any Instruments in Client's Account which Client gives in relation to the termination of this Agreement as soon as is reasonably practicable.

#### 7. NETTING ON TERMINATION EVENT

7.1. **Liquidation Date.** On or at any time following the occurrence of a Termination Event, AFEX Markets may cancel any outstanding Orders, terminate the Investment Services and liquidate all or any of Client's open positions (the "Liquidation Date").

7.2. **Settlement.** Following any Liquidation Date, AFEX Markets and Client shall not be obliged to make any payment or delivery otherwise in connection with any Orders outstanding on or after the Liquidation Date, and such payment or delivery obligations may instead be satisfied by settlement (whether by payment, set-off or otherwise) of an amount determined in accordance with clauses 7.3.1 and 7.3.2.

##### 7.3. Netting.

7.3.1. AFEX Markets shall (on or as soon as reasonably practicable after, the Liquidation Date) determine, in respect of each outstanding Order referred to in Clause 7.2, the total cost, loss, or as the case may be, gain, in each case expressed in the Base Currency, as a result of any termination or close-out pursuant to this Agreement, of each payment or delivery which would otherwise have been required to be made in relation to the Order.

7.3.2. AFEX Markets shall treat each cost or loss to AFEX Markets, as a positive amount and each gain by AFEX Markets, so determined, as a negative amount and aggregate all of such amounts to produce a single, net positive or negative amount, denominated in the Base Currency of Client's account (the "Liquidation Amount").

7.3.3. If the Liquidation Amount is a positive amount, Client shall pay it to AFEX Markets and if it is a negative amount, AFEX Markets shall pay it to Client. AFEX Markets shall notify Client of the Liquidation Amount, and by whom it is payable immediately after the calculation of such amount.

7.4. **Settlement.** The Liquidation Amount shall be paid

in the Base Currency by the close of business on the Business Day following the notification from AFEX Markets under Clause 7.3.3. Any Liquidation Amount not paid on the due date will be treated as an unpaid amount and will bear interest, at the rate set out in Clause 3.3.

#### 8. REPRESENTATIONS AND WARRANTIES

8.1. **Representations, Warranties and Covenants.** Client represents, warrants and covenants that at the time of entering into this Agreement (and on an ongoing basis):

8.1.1. All statements contained in the Agreement, and any other information contained in documentation submitted in support of the Agreement, including the Account Application, are true and correct and that Client will notify AFEX Markets immediately if any of such information is no longer true.

8.1.2. Client is responsible for ensuring the accuracy and completeness of instructions in respect of each and every Order.

8.1.3. Client will ratify and be bound by all Orders undertaken by AFEX Markets on Client's behalf in accordance with this Agreement.

8.1.4. Client shall maintain security systems, procedures and controls to prevent and detect the theft of funds; forged, fraudulent and unauthorised instructions and electronic transfer of funds by anyone who is not Client or a User; losses due to fraud or unauthorised access to the service by anyone who is not Client or a User.

8.1.5. Client shall make its own arrangements to provide the equipment and software it needs to meet its desired levels of service, security and reliability. Equipment includes computer systems and telecommunication devices. All equipment and software must meet AFEX Markets' requirements and specifications for the Investment Services AFEX Markets is providing. All purchase, installation and maintenance costs will be at Client's expense. AFEX may, if it chooses, specify security procedures for a service, which Client must follow.

8.1.6. Client shall keep any keys, access codes, security devices and verification procedures safe and confidential, and change them at least as often as the service materials specify. AFEX Markets may establish a routine to verify the source and authenticity of instructions Client gives AFEX Markets and may verify an instruction before acting on it. AFEX Markets may act on instructions that contain the verification routine without checking authority.

8.1.7. Client shall not deliberately, recklessly or negligently, by any act or omission, engage in market abuse-reflecting behaviour nor will Client engage in any prohibited activity under market abuse laws (including Regulation (EU) No. 596/2014 and/or the Market Abuse Regulations 2016 (S.I. No. 349 of 2016) nor will Client require or encourage any other person to do so.

8.1.8. Client is availing of the Investment Services and entering into transactions with AFEX Markets in the course of trade, business or profession and not acting as a consumer within the meaning of relevant consumer credit legislation, the European Communities (Unfair Conduct Terms in Consumer Contracts) Regulations 1995 or the Distance Marketing Regulations and Client is not entitled to the protection afforded to consumer pursuant to the foregoing.

##### 8.2. Limitation on Investment Services.

8.2.1. Client represents, warrants and confirms that all Orders will be placed pursuant to and in accordance with the Agreement.

8.2.2. Client acknowledges that any Order accepted by AFEX Markets will be binding upon and enforceable against Client and does not violate the terms of any other agreement to which Client is bound.

8.2.3. Client agrees to promptly inform AFEX Markets in writing of any change in Client's financial position, personal circumstances, or other information held by AFEX Markets, which may reasonably affect the provision of the Investment Services to Client or would make such information held by AFEX Markets inaccurate, incomplete or misleading. Client agrees to provide any further information AFEX Markets reasonably requests, or which is necessary in order for AFEX Markets to comply with any applicable law or regulation or any of the terms of this Agreement.

### 8.3. Client Funds and Instruments.

8.3.1. Client represents and warrants that:

8.3.1.1. it is acting as a principal and has legal title to all funds used in connection with the Orders, and that any Order is being undertaken in accordance with applicable law.

8.3.1.2. whenever Client submits an Order to trade in Instruments as part of AFEX Markets' provision of Investment Services:

- a. Client has not granted, and will not grant without AFEX Markets' prior written agreement, a charge, hypothec, pledge or create any security interest whatsoever over its interest in the Instruments or its rights in respect of Initial Margin or Variation Margin (which means that there will be no creditors should AFEX Markets need to enforce security against Client);
- b. no-one else has or will have any rights in respect of Instruments, including rights to demand that they be transferred to settle amounts Client owes, or to sell the Instruments; and
- c. Client will not, without AFEX Markets' prior written agreement, sell, dispose of, deal with or give anyone else any rights over its rights in the Instruments or its rights in respect of any Initial Margin or Variation Margin placed with AFEX Markets.

## 9. LEGAL AND REGULATORY COMPLIANCE

9.1. Freezing or Blocking Transactions. In certain circumstances, AFEX may be obliged to freeze or block an Order to comply with Applicable Laws. Freezing or blocking can arise as a result of the account monitoring that AFEX conducts as required by relevant laws. If this occurs, AFEX and its representatives are not liable to Client for any resulting Losses whatsoever and Client agrees to indemnify AFEX and its representatives to the extent that AFEX and its representatives incur any Losses in connection with the freezing or blocking of Client's account.

9.2. Refusal or Delay of Investment Services. AFEX Markets may refuse or delay the provision of Investment Services if AFEX Markets reasonably determines that doing so is necessary to avoid or mitigate Losses to AFEX Markets; to comply with AFEX Markets policies; to adhere to laws or regulations; or to reduce risk to AFEX Markets. This includes, but is not limited to, events where AFEX Markets reasonably suspects that the Investment Services are being used or accessed to perpetrate financial fraud or exploitation, even if Client or User has authorised the Investment Service.

9.3. Disclosure. Client understands that AFEX takes measures to ensure that it is not participating or assisting in money laundering or terrorist financing. Client agrees that AFEX, in its sole discretion, may disclose any transaction-related information including, but not limited to, confidential information of Client in order to satisfy AFEX's legal obligations under Applicable Law, including, but not limited to, anti-money laundering, trade and economic sanctions laws and/or regulations, or as may otherwise be required by law or court order. Furthermore, such disclosure may be made to any governmental agency, body or department

that exercises regulatory or supervisory authority with respect to AFEX's operations, where such disclosure is made to satisfy governmental audit or examination requirements or as part of information required to be submitted to such governmental entities in the ordinary course of business.

9.4. Additional Information. Upon request, Client agrees to provide any additional information that AFEX may need, including with respect to Client, third party payers or payees, authorised representatives, beneficial owners, employees and directors, to satisfy its ongoing legal and regulatory obligations. Failure or delay in providing additional information may result in a delay or failure to provide Investment Services. In addition, Client authorises AFEX to make any inquiries it may deem necessary or appropriate in accordance with Applicable Law, including, without limitation, inquiries into Client's business profile, solvency or credit history, to assess Client's suitability for a business relationship with AFEX as well as ongoing maintenance of that relationship. Such information may extend to Client's authorised representatives and directors.

## 10. USE OF INFORMATION, PRIVACY AND DISCLOSURE

### 10.1. Personal Data.

10.1.1. AFEX shall collect, use and disclose personal data received from Client in accordance with the Data Processing Addendum. The Data Processing Addendum is available at <https://www.afex.com/ireland/dpa.php>. AFEX may transfer personal data to affiliates in countries other than the country in which the information was originally collected or created, including to affiliates in the UK and the United States. AFEX's complete Privacy Notice is available on its website at [https://www.afex.com/ireland/privacy\\_policy.php](https://www.afex.com/ireland/privacy_policy.php).

10.1.2. The Client shall indemnify AFEX and its representatives and hold AFEX and its representatives harmless from and against any and all Losses resulting from AFEX's non-compliance with applicable privacy and data governance laws which are a direct consequence of the actions or omissions of Client.

10.2. New Products and Services. Under a valid consent, AFEX may contact Client, by telephone, mail, or other means, with information about the products and services available which AFEX believes may be of interest to Client.

## 11. LIMITATION OF LIABILITY; INDEMNITY

11.1. Nothing in this Agreement limits or excludes liability for death or personal injury caused by AFEX's gross negligence or the gross negligence of AFEX's employees, agents or subcontractors; for fraud or fraudulent misrepresentation or any other liability that cannot be excluded or limited by law.

11.2. LIMITATION OF LIABILITY. UNDER NO CIRCUMSTANCES SHALL AFEX AND ITS REPRESENTATIVES BE LIABLE TO CLIENT OR TO ANY OTHER PARTY FOR LOST REVENUE, PROFITS OR FOR ANY OTHER SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES, EVEN IF AFEX OR ITS REPRESENTATIVES HAVE BEEN INFORMED OF SUCH POTENTIAL LOSS OR DAMAGE AS A RESULT OF OR ARISING OUT OF THE RELATIONSHIP BETWEEN THE PARTIES OR IN ANY WAY CONNECTED TO THE AGREEMENT. THE PARTIES AGREE THIS LIMITATION REPRESENTS A REASONABLE ALLOCATION OF RISK, WITHOUT WHICH AFEX WOULD NOT HAVE ENTERED INTO THE AGREEMENT. THE LIMITATIONS OF LIABILITY STATED IN THE AGREEMENT SHALL HAVE EFFECT TO THE EXTENT PERMITTED BY APPLICABLE LAW.

11.3. AFEX's Liability. AFEX's and its representatives' liability under the Agreement for any breach by it shall be limited to the currency value of the impugned Order as at the Order date only.

11.4. Limited Liability. In the event AFEX or its representatives are found to be liable to Client for the misdirection or misappropriation of funds, their liability shall be limited to the original amount of such funds misdirected or misappropriated. In the event AFEX or its representatives are found to be liable to Client for any other reason in respect of an Order, such liability shall be limited to the market movement in foreign exchange rates for that Order from the Order date.

11.5. Indemnity. Client will indemnify, defend, and hold AFEX and its representatives harmless from and against any and all claims, Losses, damages, judgments, tax assessments, penalties, and interest arising out of any claim, action, audit, investigation, inquiry, or other proceeding instituted by a person or entity that arises out of or relates to: (a) any actual or alleged breach of Client's representations, warranties, or obligations set forth in the Agreement; (b) Client's wrongful or improper use of the Investment Services; (c) Client's violation of any third-party right, including without limitation any right of privacy, publicity rights or intellectual property rights; (d) Client's violation of any law, rule or regulation of any country; and (e) any other party's use of the Investment Services or access to the Online System through any User's Online System Access Method. These indemnities will survive the termination of this Agreement.

## PART B: INVESTMENT SERVICES

This Part B applies to the provision of Investment Services to the Client by AFEX Markets.

## 12. PROVISION OF INVESTMENT SERVICES

12.1. Service Category. Under this Agreement, AFEX Markets will provide either Execution-Only or Investment Advice Services, (each a "Service Category"). Where AFEX Markets provides Investment Advice Services, Client may execute Orders in accordance with Clauses 16 and 17.

12.2. Portfolio Management. At no time and in no circumstances will AFEX Markets perform any discretionary portfolio management services for Client. All Orders will be at Client's discretion and AFEX Markets will not buy or sell Instruments on Client's account without an Order being placed by Client.

### 12.3. Account Opening.

12.3.1. Client must indicate in its Account Application its:

- 12.3.1.1. preferred Service Category;
- 12.3.1.2. investment objectives, including risk appetite and investment time horizon;
- 12.3.1.3. risk profile; and
- 12.3.1.4. any account limits or investment restrictions which Client wants to apply to its account.

12.3.2. By entering into this Agreement Client is requesting AFEX Markets to open an account based on the selections Client has made and these selections will be applied by AFEX Markets in providing Investment Services until Client notifies AFEX Markets otherwise and AFEX Markets acknowledges receipt of Client's variation or amendment.

12.3.3. Client will also be required to record information regarding Client's investment knowledge and experience in the Account Application. Based on this information, and in accordance with the MiFID Regulations, AFEX Markets will assess whether opening an account is appropriate for Client.

12.3.4. Where the chosen Service Category is Investment Advice, Client will be required to complete a suitability assessment so that AFEX Markets can assess the suitability of the Investment Advice and Instruments for Client. The reason for assessing suitability is to enable AFEX Markets to act in Client's best interests. Where the Service Category is Execution-Only Services, AFEX Markets is not required to assess suitability but Client will be required to complete an appropriateness

assessment and AFEX Markets is required to assess whether Instruments are appropriate for Client.

- 12.4. **Client Obligation to Update Information.** It is Client's responsibility to update AFEX Markets with any change to Client's investment objectives, risk profile, investment restrictions and other relevant information previously notified to AFEX Markets but no such change will be effective until acknowledged and accepted by AFEX Markets. Please note that any changes to relevant information previously notified to AFEX Markets may result in AFEX Markets proposing or effecting significant changes to Client's investments and/or the way in which Client's account is operated.
- 12.5. **Account Limits.** Account limits with respect to the size of any transactions that Client may enter into, or the amount of any loss or liability Client may be exposed to, do not limit or represent Client's liability for losses to AFEX Markets, and the funds Client may hold with AFEX Markets from time to time as Initial Margin or Variation Margin or otherwise do not represent any limit upon Client's financial liability to AFEX Markets.
- 12.6. **Base Currency of the Account.**
- 12.6.1. All investments, including redemption capital and interest, will be retained in the Base Currency where possible unless AFEX Markets receive specific instructions to convert/pay in another currency. In particular circumstances where AFEX Markets cannot hold the proceeds/interest in a specified currency, AFEX Markets will either request alternative instructions from Client or will convert to a currency, which in AFEX Markets' opinion, is appropriate. Where AFEX Markets receives instructions to convert any interest/capital from one currency into another, AFEX Markets will effect such conversion(s) at the current market rate of exchange as soon as practicable. Such conversion shall be entirely at Client's cost and risk.
- 12.6.2. For the purposes of any calculation under these Terms, AFEX Markets may convert amounts denominated in any currency into such other currency as AFEX Markets may from time to time specify, at such rate prevailing at the time of the calculation as AFEX Markets shall reasonably select.
- 12.7. **No Restrictions.** AFEX Markets are proceeding on the basis that (unless otherwise agreed) there are no relevant restrictions relating to the third-party service providers, counterparties or markets in relation to which AFEX Markets may advise Client or act on Client's behalf when providing Investment Services. Client acknowledges and agrees that Client must inform AFEX Markets if any such restrictions apply.
- 12.8. **Risk Acknowledgement.** AFEX Markets Investment Services relate to Instruments whose price depends on fluctuations in the financial markets outside of AFEX Markets' control. Client acknowledges that transactions in derivatives based on foreign exchange rates can carry a high degree of risk and that Client has familiarised itself with the Risk Policy Notice in Schedule 1 to this Agreement, which may be updated from time to time.
- 12.9. **AFEX Markets Policies.** Client acknowledges and confirms that Client has been provided with, and that Client agrees to the following policies in force at the date of this Agreement:
- 12.9.1. a summary of AFEX Markets' **Conflict of Interest Policy**;
- 12.9.2. information about AFEX Markets' **Order Execution Policy**;
- 12.9.3. AFEX Markets' **Complaints Policy**;
- 12.9.4. all guidelines, policies, procedures, user guides, rules, regulations, notices, information, circulars or conditions that AFEX may issue or notify to Client from time to time; and
- 12.9.5. any other documents that may be designated to form part of this Agreement by AFEX Markets.
- 12.10. **Electronic Provision of Information.** Client consents to the provision by AFEX of the

information in Clause 12.8 and where permissible by applicable law, any other information required to be provided to Client, by means of a website or other means of communication.

- 12.11. **Updates to Policies.** The policies set out in Clause 12.8 may be updated from time to time. Where a policy is updated AFEX Markets will confirm this to Client and make a copy available.
13. **CLIENT CATEGORISATION**
- 13.1. **Client Categorisation.** AFEX Markets will inform the Client separately of its Client Categorisation. This Client Categorisation will apply in respect of all Investment Services provided by AFEX Markets to Client.
- 13.2. **Change in Client Categorisation.** Client's Client Categorisation will determine the level of protection afforded to Client under applicable laws. Under the MiFID Regulations, Client has a right to request a different categorisation. AFEX Markets will consider such requests at AFEX Markets' discretion but will not be required to accept any such request. AFEX Markets will notify Client in writing about its entitlement to certain regulatory protection(s) prior to agreeing a re-categorisation request. AFEX Markets may review Client's Client Categorisation at any time, in accordance with the applicable laws. Client will be notified in writing in the event of any change which may affect Client.
- 13.3. **Retail Clients.** If Client has been categorised as a Retail Client, Client is required to provide full details of Client's financial circumstances, investment objectives and risk tolerance to enable AFEX Markets to provide the service Client needs and, when providing Investment Advice, to enable AFEX Markets to recommend the services and products that are suitable for Client. AFEX Markets may from time to time make additional enquiries about Client's financial circumstances, investment objectives and risk profile in order for AFEX Markets to be able to assess whether the Investment Service is appropriate or suitable for Client, meets Client's investment objectives, that Client is able financially to bear any related investment risk, and that Client has the necessary experience and knowledge in order to understand the risks involved in the transaction.
- 13.4. **Professional Clients.** AFEX Markets may not require the information set out in Clause 13.3 from Professional Clients as AFEX Markets is entitled to assume that Professional Clients have the necessary level of experience and knowledge to understand the risks involved in relation to the Investment Services requested for which they are classified as Professional Clients. Professional clients are required to keep AFEX informed of any change in their circumstances which could have an impact on their selection.
14. **EXECUTION-ONLY SERVICE**
- 14.1. Except where Client has indicated its Service Category to be Investment Advice, AFEX Markets will provide Execution-Only Services.
- 14.2. Where AFEX Markets provides Client with the Execution-Only Service, Client represents and warrants that Client initiates each Order solely based on its own analysis and has not received or relied upon any advice or recommendations from AFEX Markets with respect to the suitability or appropriateness of such Order for Client. AFEX Markets will not provide Client with any advice or recommendations when providing Execution-Only Services. However, where required by the MiFID Regulations, AFEX Markets will assess whether the investment products Client is interested in are appropriate for Client.
- 14.3. **Information Sources.** Market information may, from time to time, be provided to Client through AFEX Markets when AFEX Markets is providing an Execution-Only Service. This information may be obtained from various information providers through sources believed to be reliable. AFEX Markets does not guarantee the timeliness, sequence, accuracy, completeness, or fitness for a particular purpose of any market information provided through

AFEX Markets. Such information may include opinions and recommendations of individuals or organisations and Client understands that AFEX Markets may not endorse such recommendations or opinions, and that AFEX Markets is not providing any investment advice, tax, accounting or legal advice to Client by including or making available such market information.

## 15. INVESTMENT ADVISORY SERVICE

- 15.1. **Application of Clauses 15.** The following provisions of Clauses 15 shall only apply in the case where Client has indicated Client's required Investment Service as being 'Investment Advice'.
- 15.2. **Investment Advice.** AFEX Markets provides Investment Advice to clients on a non-independent basis. AFEX Markets will only advise Client on Instruments offered by AFEX Markets. AFEX Markets does not provide Investment Advice on Instruments offered by any third-party providers. AFEX Markets' investment advisors will give advice which is suitable for Client's requirements. AFEX Markets Investment Advice is personal to each client. To provide this personal service Client's appointed investment advisor will maintain a degree of autonomy in advising, subject always to the monitoring and supervision carried out as part of AFEX Markets' investment process. AFEX Markets may recommend and offer guidance in relation to particular investments or make available research and information for AFEX Markets' investment advisors. Each investment advisor may, however, choose not to follow these recommendations. They may rely on their own research and recommend alternative investments on the basis of that research. As a result it is likely that the performance of one client's account will differ from that of a client with a similar investment objective and risk profile but who has a different investment advisor.
- 15.3. **Provision of Advice.**
- 15.3.1. Any advice AFEX Markets gives may be given to Client either verbally or in writing.
- 15.3.2. In providing advice, recommendations, market commentary or other information, AFEX Markets will be making use of information from a variety of sources which AFEX Markets believe to be reliable and accurate, however, AFEX Markets do not give any confirmation as to whether such information is accurate or complete. Furthermore, such investment information may not always be subject to legal requirements designed to promote the independence of such information.
- 15.3.3. Client confirms that Client understands that AFEX Markets will be exercising AFEX Markets' professional judgement to select (from the information AFEX Markets receives) such information as AFEX Markets reasonably considers appropriate on which to base any advice or recommendation AFEX Markets may give Client. AFEX Markets will not be under any obligation to bring all or any information received by AFEX Markets to Client's attention (even if the information concerned proves to be material to any recommendation or advice AFEX Markets may have made).
- 15.3.4. AFEX Markets accepts no responsibility for any Losses arising from the use of such information except where such Losses result from AFEX Markets' wilful default, negligence or fraud.
- 15.3.5. Any use Client makes of AFEX Markets' advice will be entirely Client's responsibility and undertaken at Client's own risk. Client acknowledges and agrees that Client is capable of assessing the merits of, and understanding and accepting, the nature and risks of the Investment Service being provided and any Orders subsequently entered into under this Agreement. Client further acknowledges and confirms that Client is willing and financially able to sustain a total loss of all Client's funds paid to AFEX Markets as a result of engaging in the Investment

Service provided. AFEX Markets will not provide Client with any advice on taxation laws and/or Client's own tax position.

- 15.3.6. Any information or advice AFEX Markets may give is to be used exclusively by Client for Client's own commercial purposes.

#### 15.4. Scope of Investment Advice.

15.4.1. When providing Investment Advice, AFEX Markets will be responsible for advising Client on the composition of Client's account on a continuing basis, having regard to Client's investment objectives, risk profile, investment restrictions and other relevant information as notified to AFEX Markets. AFEX Markets will make suitable recommendations to Client when appropriate, but AFEX Markets will only carry out Orders on Client's instructions. By selecting this service category Client agrees to Client's account with AFEX Markets being managed in this way.

15.4.2. AFEX Markets provides Investment Advice on the basis that the risk profile of Instruments in the account will be assessed over the entire account and not just on the risk profile of each individual investment in an Instrument. This will mean that investments with a higher risk profile than that specified by Client may be included in accounts or be recommended to Client, provided that any such higher risk investments are balanced by an appropriate weighting of low risk investments. AFEX Markets does not provide periodic Investment Advice and does not carry out periodic reviews of the Instruments in the account.

15.4.2.1. If AFEX Markets becomes aware that any proposed transaction may materially breach Client's restrictions AFEX Markets will endeavour to inform Client that this may be the case before proceeding with the transaction.

15.5. Statement of Suitability. When providing investment advice, AFEX Markets shall, before the transaction is made, provide Client with a Statement of Suitability specifying the advice given and how that advice meets the preferences, objectives and other characteristics of Client.

#### 16. EXECUTION OF ORDERS

16.1. Placing Orders. The manner in which Client may place Orders and any conditions that may apply is set out in this Agreement. Notwithstanding Clause 2.4, AFEX Markets reserves the right, in its sole discretion, to refuse to accept any Order opening a new position or increasing an open position.

16.2. Order Acceptance. Acceptance of Client's order will be evidenced by AFEX Markets issuing a Confirmation. The validity of any order shall not, however, be affected by any failure or delay in issuing such Confirmation.

16.3. Margin Transaction. Acceptance of any order does not constitute any acknowledgment, agreement or representation that, for an Order for which Initial Margin or Variation Margin ("Margin") is required, Client's Margin requirement in respect of that Order or any existing Orders are satisfied.

16.4. Trading Outside a Trading Venue. By using or continuing to use 'AFEX Markets' Investment Services, Client acknowledges and agrees that Client has given AFEX Markets prior express consent to execute Orders outside of a Trading Venue (as defined in the MiFID Regulations) including executing Orders on an OTC basis.

16.5. Compliance with Applicable Rules. In undertaking any Order on behalf of clients, AFEX Markets may do whatever it considers necessary to comply with any applicable provision under the MiFID Regulations including any applicable market or exchange practices.

16.6. Intermediate Brokers. AFEX Markets, at its sole and absolute discretion, may arrange for any transaction to be effected with or through the agency of an intermediate broker, who may be an affiliate of AFEX Markets, and may not be based in Ireland. Neither AFEX Markets nor its respective directors, officers, employees or agents will, in

the absence of fraud, wilful default or negligence, be liable to Client for any act or omission of an intermediate broker or agent. No responsibility will be accepted for intermediate brokers or agents selected by Client.

#### 17. BEST EXECUTION REQUIREMENTS

##### 17.1. Best Execution.

17.1.1. AFEX Markets shall take all sufficient steps to obtain, when executing Orders on behalf of clients, the best possible result for its Retail and Professional Clients.

17.1.2. Where AFEX Markets executes an Order received from Client in accordance with Client's specific instructions, Client acknowledges that this shall be treated as satisfying AFEX Markets' obligations of best execution in relation to that instruction.

17.1.3. In accordance with the MiFID Regulations, AFEX Markets has in place an Order Execution Policy, which describes the factors AFEX Markets will take into account in the way in which AFEX Markets will deal with Client's order when arranging or executing transactions in order to obtain the best possible result for Client. Information on AFEX Markets' best execution principles are set out in AFEX Markets' Order Execution Policy (the "Policy"), which is made available on the AFEX website at [www.afex.com](http://www.afex.com). AFEX Markets' best execution principles and the Policy will apply where AFEX Markets are executing orders on Client's behalf. Client acknowledges and agrees that Client has read and understood the Policy and agrees that when placing an order Client gives Client's consent to such order being handled according to AFEX Markets' best execution principles.

17.1.4. Client acknowledges and agrees that AFEX may from time to time make amendments to the Order Execution Policy and that Client is responsible for checking any changes to the Policy that are published from time to time on the AFEX website at [www.afex.com](http://www.afex.com).

17.1.5. Client understands that the Instruments it trades with AFEX Markets are bespoke OTC derivative transactions which are not traded on a Trading Venue and which are tailored to the specific circumstances of Client. When executing Orders in bespoke OTC products such as the Instruments, best execution is reached differently than for trading conducted on a Trading Venue. AFEX Markets' best execution obligations will involve checking the fairness of the price proposed to Client for its agreement by gathering market data used in the price formation process for that Instrument and, where possible, by comparison with similar or comparable products.

17.1.6. Client understands that where AFEX Markets have categorised Client as a Professional Client, AFEX is not required to prioritise the overall costs of the transaction as being the most important factor in achieving best execution for Client.

#### 18. CLIENT REPORTING

18.1. Confirmation. Upon successfully executing a Client order, AFEX Markets will promptly provide Client with the Confirmation. The Confirmation is evidence of certain material terms of the Order. An Order will not be invalidated if for any reason the Confirmation is not issued to Client by AFEX Markets. In such circumstances, the records of AFEX Markets with respect to that Order will constitute conclusive evidence of the terms of the Order. If there are any discrepancies between the Order and the Confirmation, Client must notify AFEX Markets of such discrepancy within one (1) clear Business Day of the day that AFEX Markets sends a Confirmation; otherwise the Confirmation will constitute conclusive proof and agreement of the Parties of the details of the Order.

18.2. Eligible Counterparty. Notwithstanding the above, AFEX Markets reserves the right to enter into

alternative arrangements to those outlined in this clause with Eligible Counterparties regarding the content and timing of reports.

18.3. Request for Reports. Client may at any time request AFEX Markets to provide Client with a statement in a durable medium of Client's account. Client may also request AFEX Markets to provide Client with a copy of any statement previously sent, which AFEX Markets shall provide to Client within five (5) Business Days. AFEX Markets may charge Client an amount that reasonably corresponds to its actual costs for these reports.

18.4. Periodic Reporting. AFEX Markets will report to Client on a quarterly basis on the details of all Client Money held by AFEX Markets for Client and may also provide additional reports where required by the MiFID Regulations. Client may request more frequent reports, which will be provided by AFEX Markets for a fee.

##### 18.5. Verification.

18.5.1. Client should verify all Confirmations, periodic statements, reports, or other reporting or advisory communications Client receives, which will, in the absence of manifest error, be conclusive and deemed acknowledged by Client as correct, unless AFEX Markets receives written notice from Client to the contrary within one (1) clear Business Day of delivery to Client or unless AFEX Markets notifies Client of an error. If Client does not receive any Contract Note or periodic statement which has fallen due, Client must inform AFEX Markets without delay.

18.5.2. Client may not assert any claim against AFEX Markets or its representatives in connection with any errors, discrepancies or irregularities if Client did not exercise reasonable care in examining any such communication which reflected such errors, discrepancies or irregularities, or if Client did not notify AFEX Markets in writing that Client disputes any information contained in, or missing from, any communication.

18.5.3. Client shall provide AFEX with all information necessary for AFEX Markets to investigate the error, discrepancy or irregularity.

#### 19. CONFLICT OF INTEREST

19.1. Conflicts of Interest. AFEX may have an interest, relationship or arrangement that is in conflict with, or otherwise material in relation to, the Investment Services it provides to Client.

19.2. Organisation and Administrative Arrangements. AFEX is required to and does maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to identify and prevent conflicts of interest from adversely affecting the interests of AFEX Markets' clients. Should any conflict of interest arise, AFEX Markets will seek to resolve such conflict in such a way as AFEX Markets believes is in Client's best interests in accordance with AFEX Markets' Conflicts of Interest Policy, a summary of which has been provided to Client separately.

19.3. Disclosure. If the arrangements set out in AFEX Markets' Conflicts of Interest Policy are insufficient to ensure with reasonable confidence that the risks of damage to Client's interests cannot be prevented, AFEX Markets will clearly disclose the general nature and/or the sources of any conflicts of interest to Client and the steps taken to mitigate the risks. This disclosure will be made prior to AFEX Markets undertaking any business on Client's behalf in relation to which the conflict of interest has arisen.

19.4. No Exclusivity. Notwithstanding the duties owed by AFEX Markets to Client under this Agreement, neither AFEX Markets nor AFEX shall be prevented from continuing to act in accordance with this Agreement by the existence of any interest, relationship or arrangement. The Investment Services provided by AFEX Markets to Client are not to be deemed exclusive and AFEX Markets shall be free to render services to other clients

and to retain any benefit or profit received thereby.

## 20. CLIENT MONEY

- 20.1. **Retail Clients.** If Client has been categorised as a Retail Client, any money received by AFEX Markets in respect of Client's account, which is Client Money, shall be treated in accordance with the Client Asset Rules.
- 20.2. **Professional Clients and Eligible Counterparties.** AFEX Markets will hold Client's money as Client Assets unless Client separately agrees in writing that AFEX Markets may treat any transfer of money by Client to AFEX Markets for the purpose of securing or covering Client's present, future, actual, contingent or prospective obligations to AFEX Markets (title transfer collateral arrangement or TTCA). Any such TTCA must be in AFEX Markets' agreed form and signed by Client.
- 20.3. **Client Asset Account.** Where AFEX Markets holds Client's money as Client Money, AFEX Markets will deposit that Client Money in one or more Client Asset Accounts held with third parties. AFEX Markets will exercise reasonable skill, care and diligence in the selection, appointment and periodic review of the financial institutions with which AFEX Markets will hold Client Money, in accordance with regulatory obligations. The list of financial institutions AFEX Markets uses to hold Client Money is set out on our website. AFEX Markets will not be liable for such third parties' actions or omissions, unless so required by Applicable Law.
- 20.4. **Interest.** No interest is paid by AFEX on any funds held on behalf of Client, except as may be agreed and separately documented.
- 20.5. **Security Customer Agreement.** The provisions of Clause 21 shall apply in respect of Client Money where this is required in order to secure AFEX Markets against any indebtedness or other obligations at any time owing from Client to AFEX Markets.
- 20.6. **Pooled Accounts.** Unless otherwise agreed, Client Money will be pooled with money belonging to other clients of AFEX Markets in a Client Asset Account, which shall act as an omnibus account. This means that Client will not have a claim against a specific sum in a specific account in the event of AFEX Markets' insolvency. Subject to any approach taken by the liquidator to AFEX Markets, Client's claim shall be a general claim against the Client Money held in the Client Asset Account. Accordingly, should AFEX Markets default on its obligations to its clients, any shortfall in Client Money held in the Client Asset Account may be shared pro-rata among all clients who hold Client Money in the Client Asset Account. Client consents by way of this Agreement to having its Client Money held in a Pooled Account.
- 20.7. **Pooling Events.** Where a financial institution with which AFEX Markets holds Client Money fails (including the appointment of a liquidator, receiver, administrator, or trustee in bankruptcy, or any equivalent), a consequence of Client Money being held in a Pooled Account may be that if there is any shortfall in the funds held for Client in the Pooled Account with that financial institution, Client may incur a loss.
- 20.8. **Investor Compensation Scheme.** AFEX Markets is a member of the Investor Compensation Scheme in relation to the provision of Investment Services. Client may, if it meets the eligibility requirements, be entitled to compensation under the scheme if AFEX Markets cannot meet its obligations. The amount of compensation payable arising from a successful claim under the Investor Compensation Scheme is limited to 90% of the amount lost, subject to a maximum pay-out of EUR20,000. Further information about compensation arrangements is available from: The Investor Compensation Company DAC, c/o Central Bank of Ireland, PO Box 11517 Spencer Dock North Wall Quay, Dublin 1, Ireland.
- 20.9. **Business Transfer.** Client consents to AFEX Markets transferring any Client Money balances

to a third party as part of a transfer of all or part of AFEX Markets' business to that person provided that:

- 20.9.1. the sums transferred will be held by that person in accordance with the Client Asset Rules; or
- 20.9.2. if not held in accordance with Clause 20.9.1, the person to whom the Client Assets is transferred is subject to a safeguarding regime which will apply adequate measures to protect these sums.
- 20.10. **Dormant Funds.** Client agrees and instructs AFEX Markets to release any Client Money balances to a registered charity of AFEX Markets' choice, for or on Client's behalf, from Client Asset accounts and for AFEX Markets to cease to treat as Client Assets any unclaimed Client Asset balance where:
- 20.10.1. AFEX Markets have determined that there has been no movement on Client's balance for a period of six (6) years (notwithstanding any payments or receipts of charges, interest or similar items);
- 20.10.2. AFEX Markets has taken reasonable steps to trace Client and to return the balance; and
- 20.10.3. AFEX Markets shall make and retain records of all balances released from Client's client bank accounts and undertake to make good any valid claims against any released balances.
- 20.11. **Client Money Deposited Outside of Ireland.** Client Money may be deposited with banks outside of Ireland in accordance with the Client Asset Regulations. The legal and regulatory regime applying to such banks may be different to that of Ireland and in the event of default of such bank those Client Monies may be treated differently than if they were deposited at a bank in Ireland. The Client agrees to AFEX Markets holding Client Money outside of Ireland.

## 21. SECURITY CUSTOMER AGREEMENT

### 21.1. Set-Off.

- 21.1.1. In order to secure any indebtedness or other obligations at any time owing from Client to AFEX Markets, Client agrees to pledge and grant to AFEX Markets a right of retention and right of set off against: (i) all of Client's accounts with AFEX; (ii) all contracts, monies and other property in Client's account or delivered or otherwise provided by Client to secure Client's indebtedness or other obligations to AFEX Markets or in its possession or control for any purpose; and (iii) all products and proceeds of the foregoing (collectively referred to as "Collateral").
- 21.1.2. AFEX Markets may, without prior notice, set off any amount owing by Client to AFEX Markets and / or AFEX Ireland against any other amount owing by AFEX Markets and / or AFEX Ireland to Client, including amounts held as Initial Margin and/or Variation Margin or held as Client Money. For the purpose of this clause, AFEX Markets may convert one amount into the currency in which the other is denominated at a rate of exchange selected by AFEX Markets in its reasonable discretion.
- 21.1.3. In the event that any Initial Margin and/or Variation Margin is used to set off any amounts owed by Client, Client shall immediately restore the Initial Margin and Variation Margin requirements for all Orders, as required by AFEX Markets in accordance with Clause 22, failing which AFEX Markets may terminate any or all unfulfilled Orders and Client shall be responsible for all of AFEX Markets' Losses as a result of such termination(s).
- 21.2. **Use of Collateral.** In the event of any indebtedness to AFEX Markets or AFEX Ireland, AFEX Markets has the right to sell, pledge, grant as security, retain, assign, invest, commingle and otherwise use any Collateral that AFEX holds free from any claim or right of any nature whatsoever and to register any Collateral in the name of AFEX Markets or such nominee as AFEX Markets determines at its sole discretion. Any failure by AFEX Markets to

enforce its rights under this Agreement shall not be deemed a waiver or future waiver of such rights.

- 21.3. **Attorney.** Client hereby irrevocably appoints AFEX Markets as Client's attorney, without notice to Client, to execute and deliver any documents, give any notice and to take any actions on Client's behalf, including the execution, delivery and filing of financing statements, that AFEX Markets deem necessary or desirable to evidence or to protect its interest in respect of any Collateral.

## 22. MARGIN

- 22.1. **Initial Margin Requirement.** AFEX Markets may, in its sole discretion, require Client: (i) to provide Initial Margin in relation to any Order within twenty-four (24) hours of Client's instructions to AFEX Markets to buy or sell Instruments; and/or (ii) to provide Initial Margin, if not already provided, within one (1) clear Business Day at any time whilst an Order remains open.
- 22.2. **Variation Margin Requirement.** If AFEX Markets determines, in its sole discretion, that the net market value of all of Client's open Orders or any other open order Client has with AFEX (including, for the avoidance of doubt, orders with AFEX Ireland) (together "AFEX Orders") has declined and the unrealized loss when marked to market exceeds 10% (or alternative percentage or fixed amount as AFEX Markets may advise), of the notional value of the open AFEX Orders, Client is required to post with AFEX Variation Margin as stated in the Margin Call issued by AFEX. Each time the net market value of all of Client's open AFEX Orders declines and the unrealized loss when marked to market further increases, AFEX may issue a Margin Call whereby Client is required to post additional Variation Margin in the amount stated in the Margin Call within one (1) clear Business Day. Payment of Variation Margin is due on or before the close of business on the next Business Day after the day AFEX Markets issues Margin Call to Client. All Initial Margin and Variation Margin posted to AFEX Markets shall be treated as being held in respect of AFEX Markets' MiFID business.
- 22.3. **Valuation of Orders.** Instruments are marked to market using prevailing market rates provided from a reputable financial data provider at a time predetermined by AFEX Markets. AFEX Markets reserves the right to change the financial data provider at any time without notice to Client.
- 22.4. **Purpose of Initial Margin.** Initial Margin is intended to maintain the relative value of the Instruments which Client places an Order with AFEX Markets to buy or sell or to address, in AFEX Markets' sole discretion, an adverse change in Client's financial standing and/or credit worthiness or an adverse change in the external economic environment. Client acknowledges and agrees that the amount of Initial Margin will be determined by AFEX Markets in its sole and reasonable discretion, subject to the total of any such payments being less than or equal to the total payment obligation owed to AFEX Markets with respect to the relevant Order, and that AFEX Markets may require Initial Margin to be made even if AFEX Markets has provided Client with a Facility. Any Initial Margin delivered by Client and received by AFEX Markets are non-refundable and will be applied to satisfy Client's total payment obligation owed to AFEX Markets with respect to the relevant Instrument on the Value Date or any other amount permitted by the Agreement.
- 22.5. **Remedy for Failure to Honour Initial Margin or Variation Margin Requirements.** If AFEX Markets does not receive Initial Margin or Variation Margin when due, AFEX Markets, at its option and in its sole discretion, may close out any or all of Client's open Orders and apply the proceeds first to reimburse AFEX Markets or the amounts due under the Orders, including all Losses, and remit the balance of the proceeds, if any, to Client. If the proceeds of disposition are insufficient to fully satisfy the amount owing to AFEX Markets, then Client shall pay to AFEX Markets the difference within one (1) clear Business Day.

**22.6. Security Interest.**

22.6.1. Any debt owed by AFEX Markets which represents Initial Margin and/or Variation Margin received by AFEX Markets, will be subject to any set-off rights under this Agreement or under Applicable Laws.

22.7. **Return of Variation Margin.** If the unrealised loss of all open AFEX Orders with AFEX by Client falls below the Variation Margin requirements established elsewhere in this Agreement or requirements under applicable law, based on AFEX Markets' computation on any Business Day, then Client may request that AFEX Markets return to it the difference between the amount(s) held and the Variation Margin required to be held by AFEX Markets on that Business Day. Any such request must be made, in writing, before 12:00, AFEX Markets Local Time, on the same Business Day, and AFEX Markets will process the request on the Business Day on which it was made and the surplus Variation Margin will be returned in a timely manner. Any request made after 12:00 AFEX Local Time, will be processed by AFEX Markets the following Business Day and the Variation Margin will be returned to Client in a timely manner.

22.8. **Margin Risk.** Client should note that trading on Margin involves significant risks and that:

- 22.8.1. Client can lose more than Client's Margin and in certain circumstances Client's losses may be unlimited; and
- 22.8.2. if the market moves against Client's position, or Margin rates are increased, there may be insufficient money in Client's account to satisfy Margin requirements under this Agreement and AFEX Markets may automatically liquidate any or all of Client's positions at a loss.

**23. SINGLE AGREEMENT**

23.1. All Orders for Instruments are entered into in reliance on the fact that this Agreement and the Confirmations form a single agreement between the parties, and the parties would not otherwise enter into any Order for Instruments.

**24. EMIR RISK MITIGATION TECHNIQUES****24.1. Client Status.**

24.1.1. Client represents and agrees that Client is a non-financial counterparty (as defined in EMIR) or an entity established outside of the European Union which, to the best of Client's knowledge, would constitute a non-financial counterparty and that Client is not subject to a clearing obligation pursuant to EMIR. Client represents and agrees further that Client will notify AFEX Markets in writing if the deemed representation proves to have been incorrect when deemed to have been made or repeated by Client.

24.1.2. Client agrees that where the representation in Clause 24.1.1 is incorrect, Client and AFEX Markets shall comply with the standards for the timely, accurate and appropriately segregated exchange of collateral in accordance with EMIR and any terms separately agreed between Client and AFEX Markets.

24.2. **Disclosure.** Client consents to the disclosure of AFEX Markets' names and the transaction information associated with any OTC transaction to either (i) a legal regulatory authority whose rules or requirements with respect of disclosure on application; or (ii) a Trade Repository (which may include related third party service providers including for the purposes of using such information for portfolio reconciliation via a third party provider) for provision of Trade Repository services (including data access by trade data recipients). Client agrees that such consent overrides any existing confidentiality obligation owed between the parties.

**24.3. Portfolio Reconciliation.**

24.3.1. Client agrees to reconcile portfolios annually or as required by the Portfolio Reconciliation Risk Mitigation Techniques for the purpose of which AFEX Markets will provide Portfolio Data to Client on each Data Delivery Date and

Client will perform a Data Reconciliation on each Portfolio Reconciliation Due Date.

24.3.2. When carrying out portfolio reconciliation in accordance with Clause 24.3.1, if Client identifies one or more discrepancies which Client determines, acting reasonably and in good faith, are material to the rights and obligations of the parties in respect of one or more Relevant Transaction(s), Client will notify AFEX Markets in writing as soon as reasonably practicable and the parties will consult with each other in an attempt to resolve such discrepancies in a timely fashion for so long as such discrepancies remain outstanding, using, without limitation, any applicable updated reconciliation data produced during the period in which such discrepancy remains outstanding. If Client does not notify AFEX Markets that the Portfolio Data contains discrepancies by 16:00, AFEX Local Time on the fifth Business Day following the later of the Portfolio Reconciliation Due Date and the date on which AFEX Markets provided such Portfolio Data to Client, Client will be deemed to have affirmed such Portfolio Data.

24.3.3. Client agrees that any variation in the collateral valuation or the value of the contract under a 10% threshold do not constitute a Dispute. Client cannot raise a Dispute for such minor discrepancies. All the other discrepancies may give rise to a Dispute.

24.4. **Disputes.** In the event that a discrepancy is identified, either party may raise a Dispute regarding a transaction. Both Parties will endeavour in good faith to resolve this Dispute by exchanging any relevant information and by identifying and using any Agreed Process which can be applied to the subject of the Dispute or determining and applying a resolution method for the Dispute.

24.4.1. In the event that any Dispute is not resolved within five (5) Business Days, both Parties shall escalate these issues internally to appropriately senior members of staff in an effort to resolve the Dispute.

24.4.2. Each Party agrees that, to the extent the Dispute Resolution Risk Mitigation Techniques apply to each party, it will have internal procedures and processes in place to record and monitor any Dispute for as long as the Dispute remains outstanding.

24.5. **No Waiver.** Any action or inaction of either party in respect to Clauses 24.3 and 24.4 are without prejudice to, and will not be presumed to operate as an exercise or waiver, in whole or part, of any rights, powers, privileges or obligations the parties may possess in respect of each other under any Agreed Process or other contractual agreement, by operation of law or otherwise.

**25. EMIR TRADE REPORTING**

25.1. **Reporting Obligation.** In accordance with EMIR, AFEX Markets are required to report OTC transactions entered into under this Agreement ("Reporting Obligation").

25.2. **Provision of Information.** To enable AFEX Markets to comply with its Reporting Obligation, Client agrees to provide such information (and updates to such information as may have already been provided) relating to Client as AFEX Markets may reasonably require (the "Counterparty Data").

25.3. **Representation.** Client hereby: (i) represents to AFEX Markets that such Counterparty Data as Client delivers is, at the time of delivery, true, accurate and complete in every material respect; (ii) acknowledges and agrees that AFEX Markets may use the Counterparty Data to comply with AFEX Markets' Reporting Obligation and rely on the Counterparty Data without investigation, unless and until Client informs AFEX Markets otherwise; and (iii) undertake to provide AFEX Markets, on reasonable notice, with any material changes or updates to the Counterparty Data.

25.4. **Reporting Delegation.** Where the Client has elected for AFEX Markets to make EMIR trade reports on Client's behalf in the Investment Account Opening

Form (as "Reporting Delegate"), AFEX Markets will make EMIR trade reports on Client's behalf and the terms of Schedule 2 will apply. Client acknowledges and agrees that Client will remain solely liable for Client's reporting obligations under EMIR or other applicable laws and AFEX Markets shall have no liability in respect of any of the same.

25.5. **Client Responsibility.** For the avoidance of doubt, where Client has not elected for AFEX Markets to make EMIR trade reports on Client's behalf, Client acknowledges and agree that AFEX Markets is not required to report trades on Client's behalf and AFEX Markets shall comply only with AFEX Markets' Reporting Obligations under EMIR.

**PART C - GENERAL TERMS AND CONDITIONS****26. COMMUNICATION AND NOTICES****26.1. Communication and Notices.**

26.1.1. Client agrees that AFEX may communicate with and give notice to Client in writing, by facsimile and electronically or via electronic mail to User(s). All such communications will be considered to have been provided in accordance with the terms of the Agreement. Client agrees that it is Client's responsibility to access all such communications.

26.1.2. All communications sent by regular mail will be deemed received five (5) clear Business Days after the date of the mailing. All communications sent by personal delivery will be deemed received on the day of actual delivery, if a Business Day, and if not a Business Day, on the next Business Day after the day of actual delivery. Facsimile communications will be deemed to have been received on the day of transmission if a Business Day, and if not a Business Day, on the next Business Day after the day of transmission. All electronic communications will be deemed to be received on the day the electronic communication is sent, if a Business Day, and if not a Business Day, on the next Business Day after the date on which the electronic communication is sent.

26.1.3. Client must inform AFEX immediately in writing of any change of: beneficial ownership, address, delivery information, Client financial institution or designated account(s) or its bank/financial institution from which AFEX has been granted the authority to initiate electronic debits. Any changes directed by a notice will be taken into effect by AFEX within thirty (30) days after AFEX's receipt of such notice.

26.1.4. If AFEX is unable to deliver any communications due to incorrect address or contact information, Client is in breach of the Agreement and AFEX will have no further obligation to seek out correct contact information to continue to attempt to deliver. AFEX is not responsible for Client's failure to receive any communication if sent in accordance with contact information as provided by Client.

26.1.5. If Client uses electronic mail to communicate with AFEX, Client agrees to bear the risk that such electronic mail may be corrupted, modified, incomplete, hacked, compromised or be undelivered with or without notice to the sender or receiver. Client agrees to bear the risk of these events and agrees to hold AFEX harmless from acting or failing to act on any and all electronic communications purporting to be sent by Client.

**27. DISPUTE RESOLUTION**

27.1. Subject to Clause 24.4, the Parties will use their best efforts to resolve any disputes arising hereunder without formal litigation. If a dispute arises out of, or in connection with, the Agreement or the performance, validity or enforceability of it and the Parties do not resolve some or all of the dispute through normal internal discussions, then the Parties shall follow the procedure set out in this clause:

- 27.1.1. At first instance, the matter in dispute will be escalated to the most senior officer within each Party; and
- 27.1.2. At second instance, if the Parties do not resolve some or all of the issues in dispute within fifteen (15) Business Days after the first day that the matter has been escalated at first instance, then the Parties agree to attempt to resolve the dispute through mediation, in accordance with the Terms of Mediation set out in this Agreement.
- 27.2. The Parties agree that the representatives selected to participate at all instances in the dispute resolution process will have the authority required to settle the dispute, whether by virtue of the authority of their office, or by virtue of delegated authority.
- 27.3. Any discussions between the Parties at the first and second instances shall be regarded as "without prejudice" for the purpose of settlement negotiations and shall be treated as confidential by the Parties and their representatives, unless otherwise required by law. However, evidence that is independently admissible or discoverable shall not be rendered inadmissible or non-discoverable by virtue of its use during the negotiations.
- 27.4. No Party may commence any court proceedings in relation to any dispute arising out of this Agreement until it has attempted to settle the dispute by mediation and either the mediation has terminated or the other Party has failed to participate in the mediation, provided that the right to issue proceedings is not prejudiced by a delay.
- 27.5. The Parties agree that Clause 28 shall not prevent AFEX Ireland from seeking payment for unsettled Orders through the use of a duly registered collection agency. Should recovery not be successful through the collection agency process, the Parties shall subsequently attorn to the process set out in Clause 28.
- 27.6. **Complaints.** Should the Client have any complaints regarding the Investment Services, the Client must contact their AFEX Markets account executive in the first instance for details of AFEX Markets' complaints procedure. Clients that are still dissatisfied following AFEX Markets' response to any complaint, may have a right to refer a complaint to the Financial Services and Pensions Ombudsman at Lincoln House, Lincoln PI, Dublin 2, D02 VH29. While Client is pursuing a resolution to the dispute pursuant to the Financial Services and Pensions Ombudsman Services procedure, the processes set out in Clauses 33 and 34 will be suspended.
- 28. TERMS OF MEDIATION**
- 28.1. **Notice.**
- 28.1.1. If a dispute arises and the Parties do not resolve some or all of that dispute through first instance and second instance negotiations, as set out above, then the Parties will attempt to settle it by mediation in accordance with the Centre for Effective Dispute Resolution ("CEDR") Model Mediation Procedure. To initiate the mediation either Party may promptly submit to the other Party a notice of intent to mediate. A copy of the notice should be sent to CEDR.
- 28.1.2. This notice shall be in writing and shall specify the issues in dispute.
- 28.1.3. The general notice provisions of the Agreement apply equally to the documents referred to in this Clause.
- 28.2. **Selection of Mediator.** The mediator can be chosen by joint agreement of the Parties, or if unable to agree within fourteen (14) calendar days of the date of delivery of the notice of intent to mediate, or if the Parties agree, by the CEDR.
- 28.3. **Schedule.** The Parties shall jointly select a date for the mediation that is no later than ninety (90) calendar days from the date of the notice of intent to mediate.
- 28.4. **Location.** The mediation shall be held in Dublin, Ireland, or such other location as the Parties agree.
- 28.5. **Exchange of Information.** The Parties agree to an exchange of all information upon which they intend to rely in any oral or written presentation during the mediation. This exchange shall be complete no later than fourteen (14) calendar days prior to the date set for the mediation.
- 28.6. **Costs.** The Parties agree that they will each be responsible for their own costs of mediation, including travel. Fees and expenses of the mediator and all administrative costs of the mediation, if any, shall be shared equally by the Parties.
- 28.7. **Confidentiality.** Any discussions between the Parties during the mediation shall be regarded as "without prejudice" for the purpose of settlement negotiations and shall be treated as confidential by the Parties and their representatives, unless otherwise required by law. However, evidence that is independently admissible or discoverable shall not be rendered inadmissible or non-discoverable by virtue of its use during the mediation.
- 28.8. **Caucusing.** The mediator is free to caucus with the Parties individually, as the mediator sees fit to improve the chances of a mediated settlement. Any confidential information revealed to the mediator by one Party during such caucusing may only be disclosed to the other Party with the former Party's express permission.
- 28.9. **Prohibition against Future Assistance.** It is agreed that the mediator will neither represent nor testify on behalf of any of the Parties in any subsequent legal or administrative proceeding between the Parties or where they are opposed in interest. It is further agreed that the personal notes and written opinions of the mediator made in relation to this mediation are confidential and may not be used in any subsequent proceeding between the Parties.
- 28.10. **Termination.** The mediation may be terminated by any means described in the CEDR Model Mediation Procedure.
- 28.11. **Mediator's Report.** In the event that no agreement is reached, or is reached on some issues only, the mediator shall promptly provide a report to the Parties stating that no agreement was reached on some or all of the outstanding issues.
- 28.12. **Other Proceedings.** No Party may commence any court proceedings in relation to any Dispute arising out of the Agreement until it has attempted to settle the Dispute by mediation and either the mediation has terminated or the other Party has failed to participate in the mediation, provided that the right to issue proceedings is not prejudiced by a delay.
- 29. GENERAL TERMS AND CONDITIONS**
- 29.1. **Anti-money laundering.** In line with its anti-money laundering obligations, AFEX is required to implement certain due diligence procedures in relation to the identity of each Client, the nature of each client's business and other details relating to the Investment Services. Client agrees to provide AFEX with all the information AFEX requires as part of its customer due diligence procedures. Client agrees that AFEX may withhold any monies due to Client until AFEX has received all requested documentation. AFEX reserves the right to reject or limit payments for reasons related to compliance with anti-money laundering regulations or policies where we have objectively justified reasons to do so. When rejecting a payment, AFEX will disclose the reason for the rejection to the extent not prohibited under law.
- 29.2. **Third Parties.** The Agreement is not intended to, and shall not, confer upon anyone other than the Parties and their lawful successors or assigns, any legal or equitable rights, benefits, claims or remedies of any nature.
- 29.3. **No Waiver.** AFEX's failure to exercise any of its rights under the Agreement shall not be deemed a waiver of such rights or remedies at a later time.
- 29.4. **Language.** This Agreement is supplied in English, which is the language that both parties will use to communicate with one another.
- 29.5. **Agreement.** A copy of this Agreement is available upon request to AFEX Markets in writing.
- 29.6. **Severability.** If any provision of this Agreement shall be held to be unenforceable by a court

of competent jurisdiction, the remainder of the provisions shall remain in effect and shall be binding upon the Parties.

- 29.7. **Governing Law; Jurisdiction.** The Agreement shall be construed and interpreted in accordance with the laws of Ireland. Each of the Parties shall attorn to the jurisdiction of the Courts within Ireland having jurisdiction over the subject matter of the Agreement. The Parties agree that Dublin, Ireland is a convenient forum to bring any action.
- 29.8. **Assignment.** Client shall not assign the Agreement nor any rights or obligations hereunder without AFEX's written consent. If AFEX provides its written consent to any assignment of the Agreement, the Agreement shall be binding upon the successors, heirs, and assigns of Client.
- 29.9. **Entire Agreement.** This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, representations, understandings, negotiations and discussions between the parties, whether oral or written. The terms of this Agreement may not be changed, modified or supplemented except by an instrument in writing agreed upon by both Parties.
- 29.10. **Changes to Agreement.**
- 29.10.1. AFEX reserves the right, in its sole discretion, to change, amend, or otherwise modify this Agreement at any time upon written notice to Client. Any changes, amendments, or modifications so conveyed to Client shall be effective from the date such change, amendment or modification goes into effect, unless otherwise stated.
- 29.10.2. Any changes to this Agreement will be communicated to the Client at least two months before such changes are due to take effect unless such a change is to the Client's advantage, as reasonably determined by AFEX, or represents a change to an external reference exchange rate to which the Client's exchange rate is linked. In these circumstances AFEX may make the change immediately and inform the Client forthwith. If the Client disagrees with a change, the Client has the right to terminate this Agreement without penalty by giving AFEX notice before the changes are due to take effect. The Client shall be deemed to have accepted any changes to this Agreement if the Client fails to notify AFEX of any disagreement before this time.
- 29.11. **Miscellaneous.** In the event that the Client requires any further information in relation to the Regulations or has any questions regarding the impact of the Regulations on this Agreement, such questions should be directed to AFEX's Compliance Team (compliance.eu@afex.com).

## SCHEDULE I - RISK POLICY NOTICE

### I. GENERAL

- I.1. This notice provides AFEX Markets' clients with a general description of the nature and risks of financial instruments and investment contracts. This notice is designed to explain in general terms the nature of the risks particular to the Instruments offered by AFEX Markets and trading in these Instruments. The description, as set out below, explains the nature of the specific type of Instrument concerned. This notice cannot disclose all of the risks and other significant aspects of derivatives products such as options and contracts for difference.
- I.2. Client should not deal in derivatives unless Client understands the nature of the contract Client is entering into and the extent of Client's exposure to risk. Client should also be satisfied that the contract is suitable for Client in the light of Client's knowledge and experience, financial situation, investment objectives and risk tolerance.
- I.3. In addition to the disclosures contained in this Agreement, Client should be aware that margined trading in currency Instruments is one of the riskiest forms of investment. Given the possibility of losing

an entire investment, speculation in the foreign exchange market should only be conducted with funds that if lost will not significantly affect Client's financial wellbeing.

## 2. Instruments offered by AFEX Markets

- 2.1. **Forward Contract:** an agreement to purchase or deliver a specified amount of a foreign currency in exchange for another on an agreed future date at a pre-determined exchange rate. Offered only in relation to expiry or exercise of existing option positions on an Execution Only basis.
- 2.2. **Non-Deliverable Forward (NDF) Contract:** similar to an ordinary Forward Contract, except at maturity the difference between the contract strike rate and spot are settled by cash payment and not physical delivery. Offered on an Execution Only basis.
- 2.3. **Synthetic Forward Contract:** involves buying a call and selling put option with the same strike and expiry to replicate a standard long forward position. These are offered on an Execution Only basis.
- 2.4. **Swaps:** A swap arrangement obligates two counterparties to exchange cash flows at one or more future dates. The most common type is an interest rate swap, in which one party agrees to pay a fixed interest rate in return for receiving an adjustable rate from another party. These are offered on an Execution Only basis.
- 2.5. **Options:** An option contract gives the holder the right, but not the obligation, to buy or sell a currency pair at an agreed price and future date. European-style options are exercisable only at expiry, while American-style may be exercised any time up until expiry. All AFEX Markets options are traded Over-the-Counter (OTC). Client should note that the risk in buying options means Client could lose the entire option investment should the option expire worthless.
- 2.6. **Structured Products:** Structured products are combinations of two or more financial instruments. At least one of them must be a derivative. Together, they form a new investment product. Structured products are specially created to meet specific needs that cannot be met from the standardised financial instruments available in the markets.

## 3. RISK WARNING

- 3.1. Transactions in OTC Contracts can carry a high degree of risk. The amount of Margin that may be paid may be small relative to the value of the OTC Contracts so that transactions are "leveraged" or "geared". A small market movement will have a proportionally larger impact on your position and this may work against you as well as for you.
- 3.2. Certain strategies, such as a spread position or a "straddle", may be as risky as a simple "long" or "short" position. Whilst derivative instruments can be utilised for the management of risk, some investments are unsuitable for many investors. Different Instruments involve different levels of exposure to risk.
- 3.3. Dealing in Instruments with AFEX Markets is conducted OTC. In dealing OTC, Client will deal directly with AFEX Markets and AFEX Markets is the counterparty to these trades and pricing will be determined by AFEX Markets. Client will take the counterparty risk of AFEX Markets.
- 3.4. The value of any investment in Instruments may fluctuate downwards or upwards and any investment may, at any given time become of no value.
- 3.5. In view of the risks, you should trade in OTC Contracts only if you understand the contracts (and contractual relationships) into which you are entering. You should consider whether trading is appropriate for you in light of your experience, objectives, financial resources, risk tolerance and other relevant circumstances. Most importantly, do not invest money that you are not in a position to lose.

## 4. SPECIFIC RISKS

### Margin Risks

- 4.1. A contingent liability transaction that is margined, requires Client to make series of payments against

the purchase price, instead of paying the whole purchase price immediately. Client may sustain a total loss of the Margin Client provided to AFEX Markets to establish or maintain a position. If the market moves against Client, Client may be called upon to pay substantial additional Variation Margin at short notice to maintain the position. If Client fails to do so within the time required, Client's position may be liquidated at a loss and Client will be liable for any resulting deficit. Even if the transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when Client entered into the contract. OTC contingent liability transactions may expose Client to substantially greater risks.

- 4.2. Client must be prepared to sustain the total loss of all amounts held by AFEX Markets as well as any losses, charges (such as interest) and any other amounts (such as costs) AFEX Markets incur in recovering payment from Client.

## 5. MARKET RISKS

- 5.1. It is important that Client understands that trading financial instruments on different markets has its own inherent risk. Some of such risks include currency, volatility, liquidity, pricing and timing.
- 5.2. Currency risk arises from the change in price of one currency in relation to another. Where Instruments are traded in a currency other than the currency of the Client's country of residence, any changes in the exchange rates may have a negative effect on the Instruments' value, price and performance.
- 5.3. Volatility refers to the amount of uncertainty or risk involved with the size of changes in a currency exchange rate. High volatility means that the price of the currency can change dramatically over a short time period in either direction.
- 5.4. Liquidity risk is the risk originating from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Liquidity can impact the price, spreads and quantities that your order is executed. 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 for the underlying rises or falls in one trading session to such an extent that trading in the underlying is restricted or suspended.
- 5.5. Prices quoted may not necessarily reflect the broader market. AFEX Markets will select closing prices to be used in determining Margin requirements and in periodically marking to market the positions in customer accounts. Although AFEX Markets expect that these prices will be reasonably related to those available on what is known as the interbank market, prices AFEX Markets use may vary from those available to banks and other participants in the interbank market. Consequently, AFEX Markets may exercise considerable discretion in setting margin requirements and collecting margin funds.
- 5.6. Weekend risk refers to the fact that various situations, developments or events may arise over a weekend when currency and other markets generally close for trading, that may cause the markets to open at a significantly different price from where they closed on Friday afternoon. AFEX Markets customers will not be able to place or change orders over the weekend and at other times when the markets are generally closed. There is a substantial risk that stop-loss orders left to protect open positions held over a weekend will be executed at levels significantly worse than their specified price.

## SCHEDULE 2 - EMIR REPORTING SCHEDULE

### BACKGROUND

- A. Pursuant to Article 9 of EMIR, certain parties who enter into, modify or terminate certain derivatives transactions are required to report specified data to a Trade Repository.
- B. Client has requested that AFEX Markets (the "Reporting Delegate") help Client to meet the

reporting obligations by reporting, on the Client's behalf, relevant data to a Trade Repository.

- C. The terms defined in paragraph 8 (Definitions and Construction) and elsewhere in this schedule will have the meanings therein specified for the purpose of this Schedule. All other terms will have the meaning given in the Agreement.

## I. DEFINITIONS

- I.1. For the purposes of this Schedule:

- I.1.1. "Common Data" means, with respect to a Relevant Transaction, the information corresponding to the fields listed in Table 2 (Common Data) of the Reporting Annexes, as determined by the Reporting Delegate in its sole and absolute discretion.
- I.1.2. "Counterparty Data" means, with respect to a Relevant Transaction and a party, the information required to complete the fields set out in Table 1 (Counterparty Data) of the Reporting Annexes.
- I.1.3. "Derivative" has the meaning given to it in Article 2(5) of EMIR.
- I.1.4. "European Union" means the economic and political union established in 1993 by the Maastricht Treaty, with the aim of achieving closer economic and political union between member states that are primarily located in Europe
- I.1.5. "Relevant" Data means, in respect of each Relevant Transaction and unless otherwise agreed between the parties in writing, the Counterparty Data, including the Static Data set out in Schedule I and the Common Data
- I.1.6. "Relevant Trade Repository" means DTCC Derivatives Repository Ltd or such other Trade Repository as the Reporting Delegate may determine, or if, in accordance with Article 9(3) of EMIR, no Trade Repository is available to record the Relevant Data, the European Securities and Markets Authority.
- I.1.7. "Relevant Transaction" means, unless otherwise agreed between the parties in writing, each transaction (a) to which the Client is party; (b) that is subject to the Reporting Obligation as determined by the Reporting Delegate in its sole and absolute discretion; (c) which the Reporting Delegate is the Client's counterparty; (d) entered into or modified after the date of this Agreement.
- I.1.8. "Reporting Annexes" means (a) the Annex to the Commission Delegated Regulation (EU) No 148/2013 of 19 December 2012 and published 23 February 2013 in the Official Journal of the European Union; and (b) the Annex to the Commission Implementing Regulation (EU) No 1247/2012 of 19 December 2012 and published 21 December 2012 in the Official Journal of the European Union.
- I.1.9. "Reporting Deadline" means the deadline for reporting the Relevant Transaction as specified in Article 9 of EMIR and as determined by the Reporting Delegate in its sole and absolute discretion.
- I.1.10. "Static Data" means Counterparty Data for the fields set out in Schedule I (Static Data), as may be amended by the parties from time to time by written agreement.
- I.1.11. "Third Party Service Provider" means a third party including, without limitation, a central clearing counterparty (CCP), appointed by the Reporting Delegate to submit Relevant Data by the Reporting Deadline to a Relevant Trade Repository.
- I.1.12. "Trade Repository" means any entity registered as a Trade Repository in accordance with Article 55 of EMIR or recognised as a Trade Repository in accordance with Article 77 of EMIR.

## 2. DELEGATION OF REPORTING

- 2.1. In respect of each Relevant Transaction which is subject to the Reporting Obligation:
  - 2.1.1. the Client requests, appoints and authorises

- that the Reporting Delegate submit; and
- 2.1.2. subject to the other provisions of this Schedule, the Reporting Delegate agrees to submit, the Relevant Data to a Relevant Trade Repository by the Reporting Deadline.
- 2.2. In respect of each Relevant Transaction the Client:
- 2.2.1. agrees that the Static Data set out in Appendix I is, at the time of entering into this Schedule and until further notice is provided by the Client to the Reporting Delegate, true, accurate and complete in every material respect; and
- 2.2.2. acknowledges that the Reporting Delegate may rely on the Static Data without investigation.
- 2.3. Without prejudice to paragraph 5.1.1, in respect of each Relevant Transaction, the Reporting Delegate will determine in its sole and absolute discretion whether the Reporting Obligation has arisen, the characterisation of the Relevant Transaction and, where the Relevant Data is to include Common Data, the Common Data. If unique reference(s) need to be generated for inclusion in the Relevant Data, the Client agrees that the Reporting Delegate may generate such unique reference(s).
- 2.4. If the Reporting Delegate does not or will not report the Relevant Data by the Reporting Deadline in accordance with paragraph 2.1, the Reporting Delegate will notify the Client as soon as reasonably practicable and the Client will be entitled to report such Relevant Data to a Trade Repository or to appoint a third party to make such report on such Client's behalf. Other than in this instance or as otherwise agreed between the parties in writing, the Client will not report or arrange the reporting of the Relevant Data to a Trade Repository and will notify the Reporting Delegate immediately if it has reported or arranged the reporting of the Relevant Data to a Trade Repository other than in accordance with this provision.
- 2.5. If Client wishes to amend the Static Data, Client agrees that it will send written notification of the new data to the Reporting Delegate which shall replace the current Static Data. Client agrees that the Reporting Delegate is not obliged to use the Static Data until five (5) Business Days following receipt of such Static Data from Client.
- 3. CORRECTIONS AND ERRORS**
- 3.1. Notwithstanding paragraph 3.2, Client acknowledges and agrees that the Reporting Delegate is not obliged to discover errors in or check the accuracy, authenticity or completeness, of any Relevant Data, whether that information derives from Client or any other person (including without limitation any trading venue, central counterparty or similar financial market infrastructure but excluding the Reporting Delegate).
- 3.2. Subject to paragraph 3.1, if either party becomes aware of a material error in any Relevant Data reported to a Trade Repository in accordance with this Schedule, it will notify the other party and both parties will use reasonable efforts, acting in good faith and a commercially reasonable manner, to resolve such error.
- 4. USE OF THIRD PARTIES**
- 4.1. The parties agree that the Reporting Delegate may utilise the services of a Third Party Service Provider to facilitate the submission of Relevant Data or other performance by the Reporting Delegate of its obligations under this Schedule (including but not limited to any platform, system, interface or other technology developed by any such Third Party Service Provider for such purpose). If the Reporting Delegate appoints a Third Party Service Provider, it will notify the Client of such appointment as soon as reasonably practicable. Where the Reporting Delegate has discretion in selecting a Third Party Service Provider, it will use reasonable care in the selection of the Third Party Service Provider.
- 4.2. Where the Third Party Service Provider is an affiliate of the Reporting Delegate, the provisions of paragraphs 6 (Liability), 7 (Indemnity) and 8 (Confidentiality Waiver) apply in respect of such Third Party Service Provider as if such Third Party Service Provider was the Reporting Delegate.
- 5. CLIENT ACKNOWLEDGEMENT**
- 5.1. The Client acknowledges and agrees that:
- 5.1.1. the Client remains solely responsible and liable for compliance with the Client's Reporting Obligation generally;
- 5.1.2. any submission by the Reporting Delegate of Relevant Data under this Schedule is made with a view to facilitating the Client's reporting of data pursuant to the Reporting Obligation and is independent of any Reporting Obligation that the Reporting Delegate may or may not be subject to;
- 5.1.3. where the Reporting Delegate is not itself subject to the Reporting Obligation, any submission by the Reporting Delegate of Relevant Data is solely for the purpose of fulfilling its obligations under this Schedule;
- 5.1.4. the Reporting Delegate will not be required to provide any services or otherwise perform under this Schedule to the extent any failure by it to provide services or otherwise perform is due to a breach of this Schedule by, or other act or omission of, the Client, any Relevant Trade Repository or any Third Party Service Provider;
- 5.1.5. without prejudice to any other agreement the Client may have with any Relevant Trade Repository or any Third Party Service Provider, the Client will not have recourse under or in relation to this Schedule against any Relevant Trade Repository or any Third Party Service Provider in respect of any Relevant Data submitted under this Schedule or any other activities contemplated by this Schedule; and
- 5.1.6. the Reporting Obligation and, accordingly, the service the Reporting Delegate provides under this Schedule, remain at all times subject to change as a result of further regulatory developments and guidance.
- 6. LIABILITY**
- 6.1. The Reporting Delegate shall, at all times, perform its obligations and exercise discretion under this Schedule with reasonable care, provided that the Reporting Delegate shall not be required to do or cause to be done anything which (i) is not permitted or is otherwise contrary to or inconsistent with the operating procedures of any Third Party Service Provider or any Relevant Trade Repository (including any decision by a Third Party Service Provider or any Relevant Trade Repository not to permit the Reporting Delegate to submit Relevant Data in accordance with the terms of this Schedule); or (ii) is contrary to any law, rule or regulation or the Reporting Delegate is otherwise prevented from doing by any law, rule or regulation.
- 6.2. Subject to the remaining provisions of this paragraph 6 (Liability), the Reporting Delegate and the directors, officers, employees, contractors and agents of the Reporting Delegate shall not have any liability to the Client (or any person claiming under or through it) whether in contract, tort (including negligence), breach of statutory or regulatory duty or otherwise, for:
- 6.2.1. any Losses arising directly from, or in connection with:
- the Reporting Delegate's provision of, or the Client's use of, the services agreed to be provided by the Reporting Delegate under this schedule;
  - any acts, omissions or failures of any third party, including but not limited to any Third Party Service Provider or a Relevant Trade Repository (including any decision by a Third Party Service Provider or a Relevant Trade Repository not to permit the Reporting Delegate to submit Relevant Data via the Third Party Service Provider or to a Relevant Trade Repository on behalf of the Client);
  - the Reporting Delegate's performance of its obligations or exercise of its rights under this Schedule (including, without limitation, the rights of the Reporting Delegate under paragraph 2.3 and/or the use by the Reporting Delegate of a platform, system, interface or other technology provided by any Third Party Service Provider);
  - the failure of any platform, system, interface or other technology, including any internal platform, system, interface or other technology, which the Reporting Delegate uses or intends to use in the performance of its obligations or exercise of its rights under this Schedule; or
  - a third party accessing or intercepting any information or data of the Client,
  - except to the extent that such Losses are due to the gross negligence, wilful default or fraud of the Reporting Delegate or the directors, officers, employees, contractors or agents of the Reporting Delegate; or
- 6.2.7. any indirect or consequential loss or damage or for any direct or indirect loss of business, profits, anticipated savings or goodwill.
- 6.3. The parties agree that this paragraph 6 (Liability) represents a fair and equitable position. Nothing in this Schedule will exclude or limit any duty or liability which may not be excluded or limited under applicable law or regulation.
- 7. INDEMNITY**
- 7.1. The Client agrees to indemnify and hold harmless the Reporting Delegate and its directors, officers, employees, contractors and agents from and against any and all Losses incurred by or awarded against them arising from or in connection with:
- 7.1.1. any claim or action brought by any third party to the extent that such claim or action arises out of or in connection with or is caused, directly or indirectly, by the activities of the parties contemplated by this Schedule;
- 7.1.2. any information provided to the Reporting Delegate including but not limited to all information included in any Relevant Data made known to the Reporting Delegate by the Client; or
- 7.1.3. any regulatory or investigative inquiries or information subpoenas which arise out of or in connection with the activities of the parties contemplated by this Schedule.
- except to the extent that such Losses are the direct result of the gross negligence, wilful default or fraud of the Reporting Delegate or its directors, officers, employees, contractors or agents.
- 8. CONFIDENTIALITY WAIVER**
- 8.1. Notwithstanding anything to the contrary in this Schedule or in any non-disclosure, confidentiality or other agreement between the parties, each party hereby consents to the disclosure of information:
- 8.1.1. to the extent required or permitted under, or made in accordance with, the provisions of EMIR and any applicable supporting law, rule or regulation (EMIR and Supporting Regulation) which mandate reporting and/or retention of transaction and similar information or to the extent required or permitted under, or made in accordance with, any order or directive in relation to (and including) EMIR and Supporting Regulation regarding reporting and/or retention of transaction and similar information issued by any authority or body or agency in accordance with which the other party is required or accustomed to act and also to the extent required in accordance with the terms of this Schedule as determined by the Reporting Delegate in its sole and absolute discretion (Reporting Requirements); or
- 8.1.2. to and between the other party's head office, branches or affiliates, or any persons or entities who provide services to such other party or its head office, branches or affiliates, in each case, in connection with such

## Reporting Requirements.

- 8.2. Each party acknowledges that pursuant to EMIR and Supporting Regulation, regulators require reporting of trade data to increase market transparency and enable regulators to monitor systemic risk to ensure safeguards are implemented globally.
- 8.3. Each party further acknowledges that disclosures made pursuant hereto may include, without limitation, the disclosure of trade information including a party's identity to any Trade Repository or one or more systems or services operated by any such Trade Repository and any relevant regulators under EMIR and Supporting Regulation and that such disclosures could result in certain anonymous transaction and pricing data becoming available to the public.
- 8.4. Each party further acknowledges that, for purposes

of complying with regulatory reporting obligations, a party may use a third party service provider to transfer trade information into a Trade Repository and that a Trade Repository may engage the services of a global trade repository regulated by one or more governmental regulators. Each party also acknowledges that disclosures made pursuant hereto may be made to recipients in a jurisdiction other than that of the disclosing party or a jurisdiction that may not necessarily provide an equivalent or adequate level of protection for data as the counterparty's home jurisdiction. For the avoidance of doubt, (1) to the extent that applicable non-disclosure, confidentiality, bank secrecy, data privacy or other law imposes non-disclosure requirements on transaction and similar information required or permitted to be disclosed as contemplated herein but permits a party to

waive such requirements by consent, the consent and acknowledgements provided herein shall be a consent by each party for purposes of such law; (2) any agreement between the parties to maintain confidentiality of information contained in this Schedule or in any non-disclosure, confidentiality or other agreement shall continue to apply to the extent that such agreement is not inconsistent with the disclosure of information in connection with the Reporting Requirements as set out herein; and (3) nothing herein is intended to limit the scope of any other consent to disclosure separately given by each party to the other party. The consenting party represents and warrants that any third party to whom it owes a duty of confidence in respect of the information disclosed has consented to the disclosure of that information.

## ANNEX (STATIC DATA)

## Counterparty Data

FIELD	DETAILS TO BE REPORTED
Parties to the contract	
1 Counterparty ID	Legal Entity Identifier (LEI) (20 alphanumerical digits) interim entity identifier (20 alphanumerical)
2 ID of the other Counterparty	Legal Entity Identifier (LEI) (20 alphanumerical digits), interim entity identifier (20 alphanumerical)
3 Name of the counterparty	100 alphanumerical digits or blank in case of coverage by Legal Entity Identifier (LEI).
4 Domicile of the counterparty	500 alphanumerical digits or blank in case of coverage by Legal Entity Identifier (LEI).
5 Corporate sector of the counterparty	Taxonomy: A=Assurance undertaking authorised in accordance with Directive 2002/83/EC; C=Credit institution authorised in accordance with Directive 2006/48/EC; F=Investment firm in accordance with Directive 2004/39/EC; I=Insurance undertaking authorised in accordance with Directive 73/239/EEC; L=Alternative investment fund managed by AIFMs authorised or registered in accordance with Directive 2011/61/EU; O=Institution for occupational retirement provision within the meaning of Article 6(a) of Directive 2003/41/EC; R=Reinsurance undertaking authorised in accordance with Directive 2005/68/EC; U=UCITS and its management company, authorised in accordance with Directive 2009/65/EC; or blank in case of coverage by Legal Entity Identifier (LEI) or in case of non-financial counterparties.
6 Financial or non-financial nature of the counterparty	F=Financial Counterparty, N=Non-Financial Counterparty
7 Broker ID	Legal Entity Identifier (LEI) (20 alphanumerical digits), interim entity identifier (20 alphanumerical digits), BIC (11 alphanumerical digits) or a client code (50 alphanumerical digits).
8 Reporting entity ID	Legal Entity Identifier (LEI) (20 alphanumerical digits), interim entity identifier (20 alphanumerical)
9 Clearing member ID	Legal Entity Identifier (LEI) (20 alphanumerical digits), interim entity identifier (20 alphanumerical)
10 Beneficiary ID	Legal Entity Identifier (LEI) (20 alphanumerical digits), interim entity identifier (20 alphanumerical)
11 Trading capacity	P=Principal, A=Agent.
12 Trade with non-EEA counterparty	Y=Yes, N=No.
13 Directly linked to commercial activity or treasury financing	Y=Yes, N=No.
14 Clearing threshold	Y=Above, N=Below.

## PART VII – DECLARATION

I certify I have the authority to provide the information in this document and attest to its truth and accuracy. I certify that all statements contained in this Agreement, and any other information contained in documentation submitted in support of this Agreement are true and correct. I have read, understood and agree to the terms and conditions. I have the authority to enter into this Agreement on behalf of the Client and to bind the Client to the terms of this Agreement.

Full Legal Name of Client

EMERAUDE INTERNATIONAL SAS

## Signatory

Full Legal Name of Signatory

FREDERIC AMBLARD

Position

CFO

Signature

Date

## APPENDIX I - EMIR REPORTING

**X** The Legal Entity Identifier (LEI) is a 20-digit, alphanumeric code that enables clear and unique identification of legal entities participating in financial transactions. A LEI is needed by AFEX Markets Europe Limited to fulfil its reporting obligations under financial regulations and directives. LEIs are also key for matching and aggregating market data, both for transparency and regulatory purposes.

2. There are two main categories of counterparty for the purposes of EMIR: Financial Counterparty or Non-Financial Counterparty.

- A. "Financial Counterparty" falls into one of the following categories:
- an investment firm authorised in accordance with Directive 2004/39/EEC ("MiFID");
  - a credit institution authorised in accordance with Directive 2006/48/EEC;
  - an insurance undertaking authorised in accordance with Directive 73/239/EEC;
  - an assurance undertaking authorised in accordance with Directive 2002/83/EEC;
  - a reinsurance undertaking authorised in accordance with Directive 2005/68/EEC;
  - a UCITS and, where relevant, its management company, authorised in accordance with Directive 2009/65/EEC;
  - an institution for occupational retirement provision within the meaning of Article 6(a) of Directive 2003/41/EEC; or
  - an alternative investment fund managed by AIFMs authorised or registered in accordance with Directive 2011/61/EU.

If you do not fall within the above, then you will be a Non-Financial Counterparty.

3. Clearing threshold for non-financial counterparty – is exceeded where either:

- derivatives contracts with an aggregate notional value of €3 Billion; or
- the €3 Billion threshold is exceeded over 30-day average period.

To determine if the clearing threshold has been passed, all the positions within the group of entities will have to be included, irrespective of whether the entity is located in EU or not. If the group entity is a non-financial counterparty, and if it were established in within the EU, its positions will have to be included in the calculation of the clearing threshold.

4. Transaction Reporting and its delegation - Under EMIR each counterparty to an OTC transaction is required to report certain aspects of that trade to a Trade Repository. The Client delegates to AFEX Markets Europe Limited this obligation to report transaction(s).

## APPENDIX II - CLIENT CLASSIFICATION AND PRODUCT RISK ASSESSMENT

AFEX Markets Europe Limited categorises its clients as either Professional or Retail, but Clients may request to change categories, subject to satisfying prescribed qualitative, quantitative and procedural requirements.

Retail Client - is neither a Professional Client nor an Eligible Counterparty. Can be either a Natural Person or Legal Entity and receives the greatest possible protection for investors.

Professional Client – has the experience, knowledge and expertise to make its own investment decisions and properly assess risks incurred.

Clients that do not meet any of the following criteria shall be automatically classified as Retail:

- Entities authorised or regulated to operate in the financial markets, including:
  - Credit institutions
  - Investment firms
  - Other authorised or regulated financial institutions
  - Insurance companies
  - Collective investment schemes and management companies of such schemes
  - Pension funds and management companies of such funds
  - Commodity and commodity derivatives dealers
  - Locals
  - Other institutional investors

2. Large undertakings that meet two of the following size requirements on a proportional basis:

- A. Balance sheet total - €20m
- B. Net turnover - €40m
- C. Own Funds - €2m

3. National and regional governments, public bodies that manage public debt, Central Banks, international and supranational institutions such as the World Bank, the International Monetary Fund (IMF), the European Central bank (ECB), the European Investment Bank (EIB) and other similar international organisations.

4. Other institutional investors whose main activity is to invest in financial instruments, including entities dedicated to the securitisation.

Retail Clients may request re-categorisation to Elective Professional, thus waiving the protections afforded by the conduct of business rules.

These clients will not, however, be presumed to possess knowledge and experience comparable to that of per se professional clients.

Accordingly, the following three requirements must be satisfied

Qualitative Requirements – expertise, experience and knowledge ensuring capability to make own investment decisions and understands the risks involved.

Quantitative Requirements - satisfies at least two of the following criteria:

- A. executed trades, in significant size, on the relevant market at an average frequency of 10 per quarter, over the previous four quarters;
- B. financial instrument portfolio exceeds €50h0,000;
- C. has worked in the financial sector for at least one year\* in a professional position, which requires knowledge of the transactions or services envisaged.

Procedural Requirements:

- A. Retail Client must state in writing the wish to be treated as a Professional Client;
- B. AFEX must give client a clear written warning of the protections and investor compensation rights lost; and
- C. client must acknowledge in a separate document from the contract, the warning above she is aware of the consequences of losing such protection.

Professional Clients are also responsible for keeping the Company informed about any changes that could affect their current classification.

All Client Categorisations and product risk ratings will be reviewed and updated at least annually, or on request.