

Strictly Private & Confidential



Société Générale

**Global Terms of Business for Treasury,
Equities, Derivatives and Fixed Income
Products**

Paris Head office

London Branch

May 2015

IMPORTANT NOTICE

Terms of Business [Date]

In accordance with clause 15.1 ("Changes and Notices") of the Terms of Business currently in place between us, we hereby notify you that those Terms shall be amended and replaced by the enclosed standard Terms of Business with effect from the above date.

These Terms of Business (including the Schedules thereto) (the **Terms of Business**) and any Associated Documents set out the terms on which Société Générale ("SG" or "we") will provide services to you (the "Client" or "you"). The term "**Associated Document**" for these purposes includes any master agreements which Société Générale may have entered into or may enter into with the Client which govern the terms of particular transactions (each a "**Master Agreement**" and collectively "**Master Agreements**") and any other agreement entered into in relation to a specific transaction. In the event of any conflict between these Terms of Business and any such Associated Documents, the terms of the relevant Associated Document will prevail. The services covered by these Terms of Business are those described in clause 4.

Société Générale is a French credit institution (bank) authorised by the Autorité de Contrôle Prudentiel et de Résolution, the French Prudential Control and Resolution Authority whose registered office is 61 rue Taitbout 75 436 Paris Cedex 09, France (the "**ACPR**"), controlled by this authority and the Autorité des Marchés Financiers, the French Financial Markets Authority whose registered office is 17, place de la Bourse - 75082 Paris Cedex 02, France (the "**AMF**"), and regulated for the conduct of its activity in and from the United Kingdom, the Prudential Regulation Authority whose registered office is 8 Lothbury, London EC2R 7HH, United Kingdom (the "**PRA**") and subject to limited regulation by the Financial Conduct Authority whose registered office is 25 The North Colonnade, Canary Wharf, London, E14 5HS, United Kingdom (the "**FCA**") and the PRA. Details about the extent of our authorisation and regulation by the ACPR, AMF and PRA, and regulation by the FCA are available from us on request.

Société Générale's financial situation is supervised by European Central Bank.

Société Générale's registered office is 29 boulevard Haussmann, 75009 Paris and its principal place of business is Immeuble Basalte, Cours Valmy, 92 987 Paris La Défense. Société Générale's, London Branch's principal place of business is SG House, 41 Tower Hill, London EC3N 4SG.

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1. Capacity and Authority

1.1. The Client warrants and represents to Société Générale on the date of these Terms of Business and as of the date of each Transaction that:

- (a) the Client has full capacity to enter into these Terms of Business;
- (b) the Client has all necessary authority, powers, consents, licences and authorisations and has taken all necessary action to enable the Client lawfully to enter into and perform these Terms of Business and each Transaction and to grant the security interests and powers referred to in these Terms of Business;
- (c) the persons entering into these Terms of Business and each Transaction on the Client's behalf have been duly authorised to do so;
- (d) these Terms of Business, each Transaction and the obligations created under them both are binding upon the Client and enforceable against the Client in accordance with their terms (subject (if relevant), to applicable principles of equity) and do not and will not violate the terms of any regulation, order, charge or agreement by which the Client is bound;
- (e) no Event of Default or any event which may become (with the passage of time, the giving of notice, the making of any determination or any combination of the above) an Event of Default (a "**Potential Event of Default**") has occurred and is continuing with respect to the Client or any Credit Support Provider;
- (f) any information which the Client provides or has provided to Société Générale in respect of the Client's financial position, domicile or other matters is accurate and not misleading in any material respect;
- (g) the Client is willing and financially able to sustain a total loss of funds resulting from Transactions and trading in such Transactions is a suitable investment vehicle for the Client;
- (h) except as otherwise agreed by Société Générale, the Client is the sole beneficial owner of all margin the Client transfers under these Terms of Business, free and clear of any security interest whatsoever other than a lien routinely imposed on all securities in a clearing system in which such securities may be held.

1.2. The Client covenants to Société Générale that:

- (a) the Client will at all times obtain and comply, and do all that is necessary to maintain in full force and effect, all authority, powers, consents, licences and authorisations referred to in this clause;
- (b) the Client will promptly notify Société Générale of the occurrence of any Event of Default or Potential Event of Default with respect to itself or any Credit Support Provider;
- (c) the Client will use all reasonable steps to comply with all Applicable Regulations in relation to these Terms of Business and any Transaction, so far as they are applicable to the Client or Société Générale;
- (d) the Client will not send orders or otherwise take any action that could create a false impression of the demand or value for a security, or send orders which the Client has reason to believe are in breach of Applicable Regulations. The Client shall observe the standard of behaviour reasonably expected of persons in the Client's position and not take any step which would cause Société Générale to fail to observe the standard of behaviour reasonably expected of persons in Société Générale's position; and
- (e) upon demand, the Client will provide Société Générale with such information as we may reasonably require to evidence the matters referred to in this clause or to comply with any Applicable Regulations.

1.3. Société Générale acts as principal and sole beneficial owner and not as agent on the Client's behalf. The Client undertakes, represents and warrants to Société Générale that, unless and until the Client notifies Société Générale to the contrary in writing, the Client will be acting as principal and will not be acting as agent or trustee for any other person or entity when entering

into these Terms of Business and each Transaction. When the Client acts as agent the terms of Schedule 2 will apply.

2. Instructions and Basis of Dealing

- 2.1. Clauses 2.6 - 2.10 are only applicable to professional clients.
- 2.2. Instructions may be given to authorised Société Générale personnel by letter, facsimile transmission, electronic mail, telephone, other oral communication or any other form of communication acceptable to Société Générale, unless Société Générale tells the Client that instructions can only be given in a particular way. If the Client gives instructions by telephone, the Client's conversation will be recorded. Instructions for the simultaneous sale and purchase of a security on behalf of the same beneficial owner may not be given under these Terms of Business. In these Terms of Business, "instructions" and "orders" have the same meaning.
- 2.3. Société Générale may in good faith rely upon, and the Client shall be bound by, any instructions which originate or purport to originate from a person actually or apparently authorised on behalf of the Client to give such instructions, without further enquiry as to the genuineness, authority or identity of the person giving or purporting to give such instructions.
- 2.4. Société Générale can only cancel the Client's instructions if Société Générale has not acted upon those instructions. Instructions may only be withdrawn or amended by the Client with Société Générale's consent.
- 2.5. Société Générale may at any time, and without any liability on its part, refuse to act upon, execute or otherwise implement any instruction or request or may refuse to enter into any Transaction without giving any reason, provided that, subject to the Applicable Regulations, such refusal is notified to the Client promptly. Société Générale will have no responsibility in relation to any instruction or request that is not actually received by it.
- 2.6. Société Générale has the right (but no obligation) to set limits and/or parameters to control the Client's ability to place orders at Société Générale's absolute discretion. Such limits and/or parameters may be amended, increased, decreased, removed or added to by Société Générale at Société Générale's absolute discretion and may include (without limitation): (i) controls over maximum order amounts and maximum order sizes; (ii) controls over Société Générale's total exposure to the Client; (iii) controls over prices at which orders may be submitted (to include (without limitation) controls over orders which are at a price which differs greatly from the market price at the time the order is submitted to the order book); (iv) controls over the Electronic Services (to include (without limitation) any verification procedures to ensure that any particular order or orders has come from the Client); or (v) any other limits, parameters or controls which Société Générale may be required to implement in accordance with Applicable Regulations.
- 2.7. Société Générale shall use its reasonable endeavours to execute any order promptly, but in accepting the Client's orders Société Générale does not represent or warrant that it will be possible to execute such order or that execution will be possible according to the Client's instructions. Société Générale shall carry out an order on the Client's behalf only when the relevant Market is open for dealings, and Société Générale shall deal with any instructions received outside Market hours as soon as possible when that relevant Market is next open for business (in accordance with the rules of that Market). The Client agrees that Société Générale may execute an order on the Client's behalf outside a Market. When the Client gives Société Générale a specific instruction, the Société Générale order execution policy will not apply. The Client confirms that the Client has read the information we provided to the Client about, and agrees to, Société Générale's order execution policy. Société Générale will notify the Client of any material changes to its order execution policy, but it is the Client's responsibility to check for any other changes to the Société Générale order execution policy as published from time to time. Société Générale will consider the continued placement of orders by the Client to constitute the Client's continued consent to Société Générale's order execution policy as in effect from time to time.
- 2.8. Société Générale may arrange for a Transaction to be executed, either in whole or in part, by selling an investment to the Client from another client, or a client of an Associate of ours, or

vice-versa. Société Générale shall not give the Client prior notice if we arrange for a Transaction to be executed in this manner.

- 2.9. Where Société Générale accepts an order to effect a Programme Trade, Société Générale will execute the Programme Trade as principal (including as riskless principal) subject to Applicable Regulations. Upon request, Société Générale will provide the Client with information comparing the execution of the Client's Programme Trade with industry standard benchmarks and/or with any benchmark determined by the Client. Société Générale may execute an own account transaction in any investment included in a Programme Trade. Where the Client asks Société Générale to bid as principal on a Programme Trade that is based on market prices at a designated strike time or on an agreed benchmark, unless otherwise agreed in relation to such Programme Trade, Société Générale may at any time following the Client's request for the bid, undertake Transactions, including Transactions using information provided by the Client, in the relevant securities or related securities which could have an impact on the strike prices achieved for the Client in the relevant securities. "**Programme Trade**" means a Transaction or series of Transactions executed in order to acquire or dispose of all or part of a basket of securities or a portfolio.
- 2.10. Société Générale may combine the Client's order with Société Générale's own orders, orders of Connected Companies and/or orders of other clients. When combining orders in this way, Société Générale must reasonably believe that this is in the overall best interests of Société Générale's clients. However, aggregation may work on some occasions to the Client's disadvantage and may result in the Client obtaining a less favourable price in relation to a particular order.
- 2.11. Unless otherwise specifically agreed in respect of any particular Transaction, the Client agrees that Société Générale may carry out any order placed by the Client in whole or in part only.
- 2.12. If Société Générale accepts an order from the Client, this will not prevent Société Générale or one or more Connected Companies from executing a Transaction for itself in the investment concerned or any related investments. However, Société Générale will deal with these orders fairly and in due turn.
- 2.13. The Client will promptly deliver any instructions, money, documents or property deliverable by the Client under a Transaction in accordance with that Transaction as modified by any instructions given by Société Générale for the purpose of enabling Société Générale to perform its obligations under the relevant matching Transaction on a Market or with an intermediate broker.
- 2.14. Société Générale may at any time, and without liability on its part, limit the number of open positions which the Client may have with it at any one time and Société Générale may, in its sole discretion, close out any one or more Transactions in order to ensure such position limits are maintained.
- 2.15. Société Générale may instruct intermediate broker agents (which may be Connected Companies) to effect any Transaction on its behalf or on behalf of the Client. Neither Société Générale nor its respective directors, officers, employees or agents will be liable to the Client for any act or omission of an intermediate broker or agent. No responsibility will be accepted for intermediate brokers or agents selected by the Client.
- 2.16. Under Applicable Regulations, Société Générale may be obliged to make information about certain Transactions public. The Client agrees and acknowledges that any and all proprietary rights in such Transaction information are owned by Société Générale and the Client waives any duty of confidentiality attaching to the information which Société Générale reasonably disclose.

3. Right to Cancel

- 3.1. The Client should note that it is not entitled to cancel these Terms of Business (but the Client can terminate them as set out in clause 19 (Termination)).

4. Services the Firm will Provide

- 4.1. These Terms of Business set out the basis on which Société Générale will provide services to the Client and govern each Transaction entered into or outstanding between Société Générale on or after the date on which these Terms of Business become effective.
- 4.2. These Terms of Business supersede any previous agreement between the Client and Société Générale on the same subject matter, and take effect when the Client signifies acceptance of these Terms of Business. These Terms of Business will be deemed to be accepted by the client entering into Transactions and/or doing business with Société Générale.
- 4.3. These Terms of Business relate to the advisory and dealing services together with related research provided by Société Générale in relation to equities and exchange traded and over-the-counter derivatives (including futures, options and contracts for differences in respect of the aforementioned products), treasury products (including money market instruments and foreign exchange) and debt securities and other related products. Other services, or services in respect of other investments, may be provided by Société Générale as agreed with the Client and, if so agreed, will be covered by these Terms of Business.
- 4.4. Subject to Applicable Regulations and these Terms of Business, there are no restrictions on the types of designated investment or the markets in which Société Générale may deal, or advise the Client on.
- 4.5. Transactions will be effected by Société Générale with or for clients in accordance with the rules of the recognised or designated investment exchanges where Société Générale is a member of that investment exchange. Transactions may from time to time be effected by Société Générale (or its agents) with or for the Client otherwise than on or in accordance with the rules of a recognised or designated investment exchange including any over the counter markets, and/or in respect of investments for which application has been made for listing or admission, including on an overseas investment exchange.
- 4.6. Société Générale may advise the Client on investments relating to, or undertake Transactions with or for the Client in, units in unregulated collective investment schemes.
- 4.7. Société Générale may enter into Transactions for the Client which commit the Client to underwriting, sub-underwriting or similar obligations in connection with a new issue, offer for sale, rights issue, takeover or similar Transactions.
- 4.8. These Terms of Business and all Transactions are subject to Applicable Regulations so that: (i) if there is any conflict between these Terms of Business and any Applicable Regulations, the latter will prevail; (ii) nothing in these Terms of Business shall exclude or restrict any obligation which Société Générale has to the Client under Applicable Regulations; (iii) Société Générale may take or omit to take any action Société Générale considers necessary to ensure compliance with any Applicable Regulations; (iv) all Applicable Regulations and whatever Société Générale does or fails to do in order to comply with them will be binding on the Client; and (v) such actions that Société Générale takes or fails to take for the purpose of compliance with any Applicable Regulations shall not render Société Générale or any of its directors, officers, employees or agents liable.

- 4.9. If a Market (or intermediate broker or agent, acting at the direction of, or as a result of action taken by, a Market) or regulatory body takes any action which affects a Transaction, then Société Générale may take any action which we, in our reasonable discretion, consider desirable to correspond with such action or to mitigate any loss incurred as a result of such action. Any such action shall be binding on the Client. If a Market or regulatory body makes an enquiry in respect of any of the Client's Transactions, the Client agrees to co-operate with Société Générale and to promptly supply information requested in connection with the enquiry.
- 4.10. A description of the main characteristics of the service Société Générale will provide is enclosed.
- 4.11. These Terms of Business are supplied to the Client in English and Société Générale will continue to communicate with the Client and send documents and other information to the Client in English for the duration of these Terms of Business. For Clients incorporated or established in France when they enter into these Terms of Business, Société Générale may, from time to time, communicate with them in French, and send documents and other information in French. When dealing with Société Générale in France, a Client incorporated or established in France when they enter into the Terms of Business may communicate in French.

5. Suitability

- 5.1. Société Générale is obliged under Applicable Regulations to obtain information about the Client's personal and financial circumstances so that Société Générale can make a recommendation or take a decision which is suitable for the Client. Société Générale shall assume that information about the Client's personal and financial circumstances, as set out in any documentation provided from the Client to Société Générale, is accurate and Société Générale will have no responsibility to the Client if such information changes or becomes inaccurate unless the Client has informed us of such changes. Unless we obtain the necessary information from the Client, Société Générale will not be able to advise the Client.
- 5.2. Société Générale is obliged under the Applicable Regulations to provide its professional clients with appropriate guidance on and warnings of the risks associated with Transactions that it may recommend to the Client or execute on its behalf. The Client who is a professional client acknowledges that it has received from Société Générale and that it understands the risk warnings set out in Schedule 1.

6. Research and Advice

- 6.1. Please note that Société Générale will not advise the Client about the merits of a particular Transaction if Société Générale reasonably believes that, at the time of the Client's order, the Client is not expecting such advice and is dealing on an execution-only basis. If Société Générale advises the Client that its proposed course of action is not suitable for the Client but the Client nevertheless wishes to proceed with the Transaction, Société Générale will only accept the Client's order on an execution-only basis. In such circumstances, Société Générale will inform the Client at the time that Société Générale will execute the Client's order on that basis. Société Générale may proceed with the Transaction even when the Client is acting contrary to Société Générale's advice.
- 6.2. From time to time, Société Générale may, at its discretion, provide information, advice and recommendations on its own initiative. However, Société Générale shall not be under any obligation to provide on-going advice in relation to the management of the Client's investments.
- 6.3. Where Société Générale does provide market information, advice or recommendations, Société Générale gives no representation, warranty or guarantee as to their accuracy or completeness or the tax consequences of any Transactions. Unless Société Générale specifically agrees otherwise in writing with the Client, the Client hereby acknowledges (i) that the provision of advice is incidental to the Client's dealing relationship with Société Générale and provided solely to enable the Client to make its own investment decision; (ii) that the information provided to other clients may be different from advice given to the Client due to individual analysis of fundamental and technical factors by different personnel and (iii) that such information may not

be consistent with Société Générale's proprietary investments or those of Connected Companies, directors, employees or agents.

- 6.4. Société Générale may from time to time send published research reports and recommendations and other publications to the Client. If the document contains a restriction on the person or category of persons for whom that document is intended or to whom it is distributed, the Client agrees that the Client will not pass it on to any such person or category of persons. Société Générale makes no representations as to the time of receipt by the Client of research reports or recommendations and cannot guarantee that the Client will receive such research reports or recommendations at the same time as other clients. Any such published research reports or recommendations may appear in one or more screen information service. In accordance with the Applicable Regulations and Société Générale's Conflicts of Interest policy, we have in place administrative and organisational arrangements to manage conflicts of interest that may arise between Société Générale and its clients and between its different clients when producing and disseminating research reports and recommendations.
- 6.5. Société Générale will not provide any tax, legal or accounting advice and shall not at any time be deemed to be under any duty to provide tax, legal or accounting advice.
- 6.6. Any projections, forecasts or expressions of opinion made in any research report are based on assumptions deemed appropriate at the time of publication and no representation is given that these assumptions will continue to be appropriate. The dissemination of any research report does not constitute an offer or a solicitation to buy or sell the investments mentioned therein.
- 6.7. Neither Société Générale nor any Connected Company may be held liable for any loss to the Client arising as a result of any investment decision based upon any investment research report, recommendation or other publication Société Générale sends to the Client or advice issued by Société Générale or any Connected Company. The Client should read and consider carefully any disclosures or disclaimers made in such research or other publication and should consider whether it requires independent advice before making any decision in connection therewith.

7. Relationships between Connected Companies and Transactions with Connected Companies

- 7.1. Société Générale or a Connected Company may have an interest, relationship or arrangement that is material in relation to advice given or a Transaction effected with or for the Client (or the investment which forms the subject of the advice or Transaction) (a "**Material Interest**").
- 7.2. It is Société Générale's policy to ensure fair treatment of its clients where it has a Material Interest by:
 - (a) establishing arrangements that require information held by a person in the course of carrying on one part of its business (or that of a Connected Company) to be withheld from, or not used for, persons with or for whom it or a Connected Company acts in the course of carrying on another part of its business; and
 - (b) relying on a policy of independence under which employees are required to disregard any material interests or conflict of interest when advising a customer or dealing on behalf of a customer in the exercise of discretion
- 7.3. Subject to the Applicable Regulations, a Material Interest will not necessarily be disclosed to the Client at or prior to the time at which the advice is given or the Transaction effected. In accordance with general fiduciary law and the Applicable Regulations, we disclose the following non-exhaustive list of the type of Material Interests that Société Générale or a Connected Company may have:
 - (a) dealing in investments as principal with the Client;
 - (b) acting as agent for the Client in relation to a dealing in investments in which Société Générale or a Connected Company is also acting as agent for the account or other clients of Société Générale or Connected Companies;

- (c) giving the Client a recommendation to buy or sell an investment at a time when another of Société Générale's clients, or a Connected Company's client, may have given instructions for the sale or purchase of such investment or when Société Générale or a Connected Company has a long or short position on such investment;
 - (d) being the financial adviser or lending banker to the company whose securities the Client is buying or selling, or acting for such company in a takeover bid by or for it;
 - (e) sponsoring or underwriting a new issue involving the investment that the Client is buying or selling;
 - (f) having a holding or a dealing position in the investment concerned;
 - (g) being an associate of the issuer of the investments;
 - (h) matching the Client's transaction with that of another client by acting on its behalf as well as that of the Client.
 - (i) executing an own account transaction in any investment included in a Programme Trade (as defined in sub-clause 2.9).
- 7.4. Subject to the Applicable Regulations and sub-clause 10.7, neither Société Générale nor any Connected Company shall be liable to account to the Client for, or disclose to the Client, any profit, charges, commission or other remuneration arising in respect of transactions with Connected Companies or in which it has a Material Interest.
- 7.5. When these Terms of Business are governed by English law the relationship between the Client and Société Générale will not give rise to any fiduciary or equitable duties on the part of Société Générale which would prevent or hinder Société Générale or any Connected Company in providing any service referred to in these Terms of Business or in doing any other business with or for the Client or any associated company of the Client.
- 7.6. Where, in the course of providing or conducting corporate finance services or activities, Société Générale issues or approves documentation which the Client receives directly or indirectly, the Client will not be regarded as a client of Société Générale as regards the advice or transaction which is the subject of the documentation unless the Client requests specific advice from Société Générale. Société Générale will not be responsible to the Client for providing the protections offered to clients of Société Générale in relation to that advice or transaction or for providing advice in relation thereto.

8. Confirmations

- 8.1. Société Générale shall send the Client confirmations at the end of the trading day for any Transactions that Société Générale have executed on the Client's behalf on that trading day, by electronic mechanisms to the contact address on record for the Client. It is the Client's responsibility to inform Société Générale of any change to the Client's electronic contact address, the non-receipt of a confirmation, or whether any confirmations are incorrect before settlement. Confirmations shall, in the absence of manifest error, be conclusive and binding on the Client, unless Société Générale receives from the Client objection in writing within two Business Days of despatch to the Client or Société Générale notifies the Client of an error in the confirmation within the same period.

9. Electronic Trading Terms

- 9.1. This clause applies to the Client's use of any Electronic Service.
- 9.2. **Security Procedure:** Once the Client has gone through the security procedures associated with an Electronic Service provided by Société Générale, the Client will get access to such service, unless agreed otherwise or stated on Société Générale's website. Société Générale may change the security procedures of an Electronic Service at any time and will inform the Client of any such change as soon as reasonably possible.
- 9.3. **Nature of Electronic Service:**

- (a) Each Electronic Service is provided on an execution only basis in respect of Transactions entered into by the Client through the Electronic Service. Société Générale does not provide any advice or recommendation in respect of Transactions entered into through any Electronic Service. The Client is solely responsible for any investment or trading decisions made in relation to any Transaction entered into through any Electronic Service and Société Générale is not responsible for determining whether any such Transaction is suitable, appropriate or advisable, either for the Client or for any person or entity on whose behalf the Client uses any Electronic Service.
 - (b) The Electronic Services may not be provided on a continuous basis and each Electronic Service is provided on an "as is" basis at the Client's sole risk. Société Générale does not guarantee and makes no express or implied representation or warranty concerning the provisions of any Electronic Service and expressly disclaims any implied warranties of merchantability or fitness, including (but not limited to) any warranty for use or the results of the use of any Electronic Service (including its Content) with respect to its quality, accuracy, security, completeness, reliability, performance, timeliness, and continued availability.
- 9.4 **Access Restrictions:** Access to products and services provided pursuant to any Electronic Service may be subject to restrictions with respect to certain persons and/or certain jurisdictions. The Client represents to Société Générale at all times until the termination of these Terms of Business and any Associated Document that it is legally authorised to connect to such Electronic Service in each country where a connection to the Electronic Service's platform is being made. Where there are such restrictions and the relevant Electronic Service is not intended for distribution to, or use by, any person or entity in any such jurisdiction or by any such persons, the relevant personnel and employees of the Client accessing such Electronic Service must ensure that they are aware of and observe any such restrictions.
- 9.5 **Limits, Restrictions, Withdrawal, Cancellation, Suspension and Termination:** Société Générale may, acting on the Client's instructions or at its sole discretion, cancel any Client order not yet executed or close out one or more Transactions in order to ensure that any applicable position limit, parameter or restriction imposed by it on the Client is maintained and implemented.
- Furthermore, notwithstanding any other provision of these Terms of Business, Société Générale has the right to suspend or terminate (at any time, with or without cause or prior written notice) all or any part of the Electronic Service or the Client's access to the Electronic Service, or to change the nature, composition or availability of the Electronic Service. Where practicable, Société Générale will provide advanced notice of any such suspension or termination. The termination or suspension of any Electronic Service shall not affect the parties' outstanding rights and obligations nor any outstanding Transaction entered into through such Electronic Service.
- 9.6 **Third Party Systems:** The Client acknowledges that orders that it enters through any Electronic Service may be routed through and to third party systems, Markets or exchanges (each a "**Third Party System**").
- 9.7 **Order/Transaction Cancellation:** Without prejudice to clause 2 (Instructions and Basis of Dealing) upon receipt of an instruction from the Client to cancel any order or Transaction using an Electronic Service, Société Générale shall use its reasonable endeavours to cancel such order or Transaction provided that such order or Transaction has not already been executed (in whole or in part) and provided always that Société Générale shall bear no responsibility nor liability for the cancellation of such order or Transaction. The Client acknowledges that it shall be liable for any Transaction entered into using the Electronic Service which arises in circumstances where it is not reasonably practicable or possible to cancel an order or Transaction made by the Client. In the event that the Client instructs Société Générale to cancel an order for a Transaction entered into through any Electronic Service which Société Générale has partially executed by the time such cancellation instruction is received, the Client shall be bound in respect of any such partially executed Transaction.
- 9.8 **System Installation:** The Client will be solely responsible for installing and maintaining the System to enable it to access and use an Electronic Service (including, without limitation, hiring and/or acquiring any hardware and licensing any third party software required to access and use the Electronic Service, where applicable). The Client will be solely responsible for the installation and proper use of any virus detection/scanning program Société Générale may require from time to time in connection with access to and use of an Electronic Service.

9.9 **Unintended Receipt of Information:** In the event that the Client receives any data, information or software via an Electronic Service other than that which the Client is entitled to receive pursuant to these Terms of Business and any Associated Document, the Client will immediately notify Société Générale and will not use, in any way whatsoever, such data, information or software.

9.10 **Obligations:** When using an Electronic Service the Client must, where applicable:

- (a) provide a System to access and use the Electronic Service (including, without limitation, the provision of a computer equipped with an operating system compatible with the Electronic Service, access to an electronic communication network for the transfer of information, a subscription to an internet access provider and the installing of the necessary communication and navigation software, in each case in accordance with standard practice);
- (b) ensure that its System is maintained in good order and is suitable for use with the relevant Electronic Service;
- (c) run such tests and provide such information to Société Générale as Société Générale shall reasonably consider necessary to establish that its System satisfies the requirements notified by Société Générale to it from time to time;
- (d) carry out virus and malware checks on a regular basis;
- (e) inform Société Générale immediately of any unauthorised access to any Electronic Service or unauthorised Transaction or instruction which the Client knows of or suspects and, if within the Client's control, cause such unauthorised use to cease immediately;
- (f) not access any Electronic Service from:
 - (i) any computer connected to a local area network or any public internet access device or access point without first ensuring that no one will be able to observe or copy any Authorised User's user name and/or secret password or to obtain access to the Electronic Service pretending to be an Authorised User;
 - (ii) any computer without first ensuring that such computer is not infected by any malware including (without limitation) keylogger or screenlogger software;
- (g) in the event the Client becomes aware of a material defect, malfunction, virus or malware in its System which may impact the functions of the Electronic Service, or becomes aware of a material defect, malfunction, virus or malware in the Electronic Service itself, immediately notify Société Générale of such defect, malfunction, virus or malware and cease all use of such System and/or Electronic Service until the Client has received permission from Société Générale to resume use;
- (h) comply with all Applicable Regulations and the rules of any Market and any policies or procedures applicable to the Electronic Service which Société Générale may at any time provide to it;
- (h) not behave in a way which is contrary to acceptable market practice;
- (i) take all reasonable steps to ensure that each of its Authorised Users has read and familiarised itself with the rules of any Market in relation to which such Authorised User(s) is/are authorised by the Client to send instructions and orders;
- (j) ensure that each of its Authorised Users have been appropriately trained and are fit and proper for the purposes of using any Electronic Service; and
- (k) monitor the activities of each of its Authorised Users of any Electronic Service on a regular and on-going basis.

- 9.11 **Intellectual Property:** The Client expressly agrees that, where applicable in respect of an Electronic Service, any and all economic analysis, forecasts, historical data, product descriptions, texts, information, data (including, without limitation, prices), software (including, without limitation, standard software, specific software, developed software programmes), trading strategies (including, without limitation, any algorithms, computer programmes or processes), charts, images (still or moving), sounds which form part of any Electronic Service and any and all related documentation (together the "**Content**") are protected by intellectual property rights and are and shall remain the exclusive property of Société Générale or (as the case may be) of one or more third party providers from whom Société Générale has acquired the rights needed to operate and manage any Electronic Service. The Client further agrees to protect those proprietary rights in any Electronic Service and comply with Société Générale's reasonable requests to protect it and its third party service providers' contractual, statutory and common law rights in any Electronic Service. If the Client becomes aware of any violation of Société Générale's or its third party service providers' proprietary rights in any Electronic Service, the Client will immediately notify Société Générale in writing. Except as expressly provided otherwise in these Terms of Business, the Client expressly agrees that no intellectual property right of any kind is granted to the Client in any of the Content and more generally in any part or all of any Electronic Service. All rights in patents, copyrights, design rights, trademarks and any other intellectual property rights (whether registered or unregistered) relating to any Electronic Service remain vested in Société Générale and/or any third party licensor.
- 9.12 **Use of Content:** Where applicable, the Client agrees to use the Content exclusively for its own internal business purposes and within the limits specified by these Terms of Business, Associated Document and Applicable Regulations. The Client shall not (except as may be required by Applicable Regulations) copy, display, adapt, translate, modify, sell and/or disclose in any manner whatsoever the Content to any person other than the Authorised User(s). In addition, the Client shall not reverse engineer, disassemble or decompile any of the Content except to the extent permitted by applicable laws.
- 9.13 **Infringement/Material Breach:** Failure by the Client to comply with sub-clauses 9.11 and/or 9.12 above shall constitute an intellectual property infringement and shall also constitute an Event of Default pursuant to sub-clause 16.1(a) of these Terms of Business.
- 9.14 **Limited Licence:** The Client is granted a limited, non-exclusive, non-transferable licence to access and use the Electronic Service solely in accordance with this clause 9 and it will have no other rights with respect to such Electronic Service.
- 9.15 **Transaction Records:** The Client shall comply with all instructions given to it by Société Générale in relation to any Electronic Service. The Client agrees that, for any Transaction entered into through an Electronic Service, the computer records issued by the information system of such Electronic Service shall constitute evidence of the Transaction.
- 9.16 **Authorised Users:** Prior to its first use of an Electronic Service, the Client shall submit in writing the names of its Authorised Users to Société Générale. Where applicable, at its sole discretion, Société Générale may generate a unique username and secret password for each Authorised User. Where applicable, the Client shall:
- maintain at all times a log of all Authorised Users and inform Société Générale immediately of any changes to the Authorised Users in order to allow Société Générale to take appropriate security measures;
 - take all reasonable steps to ensure that that no Authorised User leaves at any time the terminal from which it has accessed any Electronic Service or lets anyone else use such terminal until it has logged off the Electronic Service and, if connected to an open network, that each Authorised User closes down its web browser before leaving its terminal unattended;
 - provide Société Générale with such details of the relevant Authorised User(s) as Société Générale may require under Applicable Regulations.
- The Client is responsible for controlling access to the Electronic Service and accepts to be bound by all actions taken through the Electronic Service, including all Transactions effected through the Electronic Service.
- 9.17 **Access Rights:** Société Générale reserves the right to suspend, restrict, withdraw or terminate access to any Electronic Service to any Authorised User at any time without notice and without justification. Any such termination shall be without prejudice to the accrued rights of each of Société Générale and the Client as at the date of such termination.

- 9.18 **No Liability:** Without prejudice to any other terms of these Terms of Business relating to the limitation of liability and provision of indemnities, Société Générale (and its Associates, directors, officers or employees) shall not be liable (whether in contract or in tort) for any direct or indirect losses, damages, costs or expenses (of any kind whatsoever), incurred or suffered by the Client or any Authorised User as a result of or arising out of:
- (a) any transmission error, technical fault, malfunction, illegal intervention in network equipment, network overload, malicious blocking of access by third parties, internet malfunction, interruption or any other deficiency on the part of any internet service provider in connection with any Electronic Service;
 - (b) any delay, inaccuracy, error or omission, interruption, failure, omission or deletion in the transmission, provision or reporting of any Content provided to the Client in connection with any Electronic Service (including, without limitation, data regarding any order or any Transaction to which such order relates);
 - (c) any virus, worm, software bomb or similar items being introduced into the Client's System via an Electronic Service or any software provided by Société Générale to the Client in order to enable the Client to use any Electronic Service, provided that Société Générale has taken reasonable steps to prevent any such introduction;
 - (d) any unauthorised use of any Electronic Service by the Client;
 - (e) the Content displayed on any Electronic Service or the use of such Content by the Client, provided that the information within such Content is not intentionally false or misleading;
 - (f) any error made by any Third Party System (as defined in sub-clause 9.6) in reading, processing or executing such orders, or if any Third Party System otherwise fails to properly execute such orders; and
 - (g) the suspension, restriction or termination of trading on or by any Market or clearing house to which any Electronic Service is related.
- 9.19 **Indemnity:** The Client shall on demand indemnify, protect and hold Société Générale (and its Associates, directors, officers or employees) harmless from and against any and all losses, liabilities, judgments, suits, actions, proceedings, claims, damages and costs (including but not limited to legal fees, interest, penalties, value added, sales or similar taxes) suffered by Société Générale (or any of its Associates, directors, officers or employees) and directly or indirectly resulting from or arising out of (i) any act or omission by any person using any Electronic Service by using the Client's designated passwords or otherwise, whether or not the Client authorised such use; (ii) the introduction by the Client of any computer viruses, worms, software bombs or similar items into Société Générale's computer system or network; or (iii) any breach by the Client or any Authorised User of the Client's of its duties or obligations regarding any Electronic Service.
- 9.20 **Cost and Fees:** The Client agrees that it will pay such costs and fees associated with the provision and use of any Electronic Services as Société Générale and the Client may agree from time to time.
- 9.21 **Investigation:** Notwithstanding any confidentiality provisions of these Terms of Business, Société Générale may, at its sole discretion and without prior notice to the Client, give the police or any regulatory or investigatory authority any information Société Générale reasonably believes to be relevant about the loss, theft or misuse of any Electronic Service or the unauthorised use of such Electronic Service. The Client hereby authorises Société Générale to take all such steps as Société Générale may, in its sole discretion, consider necessary or appropriate for it to take in order to comply with Applicable Regulations.
- 9.22 **Sub-Contractors:** Société Générale may sub-contract the performance of all or part of its obligations pursuant to any Electronic Service to any third party and Société Générale may assign, transfer or otherwise deal with all or any of its rights and obligations pursuant to any Electronic Service, without the prior consent of the Client.
- 9.23 **Return/Destruction of Information:** In the event of a termination of the use of any Electronic Service for any reason, upon request by Société Générale, the Client shall, at Société Générale's option, return to Société Générale or destroy all hardware, software and documentation Société Générale may have provided the Client in connection with such Electronic Service and any copies thereof.

- 9.24 **Confidentiality:** Société Générale shall maintain all non-public information related to the Client or the Client's Transactions via any Electronic Service (including personal data as defined by the applicable data protection laws) on a confidential basis. The Client agrees that Société Générale may use and disclose personal data in accordance with the terms of this Agreement.
- 9.25 There may be restrictions on the number of Transactions that the Client can enter into on any one day and also in terms of the total value of those Transactions when using an Electronic Service.
- 9.26 In respect of any Market to which Société Générale allows the Client to submit orders or receive information or data using the Electronic Services, Société Générale may at any time or times, on reasonable notice (which, in certain circumstances, may be immediate) enter (or to instruct our or the Market's subcontractors to enter) the Client's premises and inspect its System to ensure that it complies with the requirements notified by Société Générale to the Client from time to time and that the Client is using the Electronic Services in accordance with these Terms of Business and any requirements of any relevant Market or Applicable Regulations.
- 9.27 The use of an Electronic Service may be terminated automatically, upon the termination (for whatever reason) of (i) any licence granted to Société Générale which relates to the Electronic Service; or (ii) these Terms of Business. The use of an Electronic Service may be terminated immediately if an Electronic Service is withdrawn by any Market or Société Générale is required to withdraw the facility to comply with Applicable Regulations.

10. Charges and Interest

- 10.1. In consideration of the services that Société Générale performs under these Terms of Business, Société Générale may charge the Client a mark-up or mark-down on Transactions effected with the Client as principal, or a commission on Transactions effected for the Client as agent or riskless principal. These and any other charges will be as determined by Société Générale and advised to the Client at the time of dealing.
- 10.2. The Client will be responsible for any payment of any brokerage fees, transfer fees, registration fees and all other liabilities, charges, costs and expenses payable or incurred by Société Générale in connection with Transactions effected with or for the Client.
- 10.3. Société Générale may, at its discretion, charge the Client interest at 3 per cent above the prevailing three (3) month LIBOR, as determined by Société Générale, on any amounts not settled by the Client on the due date for payment. Unless specifically agreed in advance, the Client will not be entitled to receive interest from Société Générale or any Connected Company in respect of any amounts held by or due from Société Générale or such Connected Company from time to time.
- 10.4. The Client should be aware of the possibility that other taxes or costs may exist that are not paid through or imposed by Société Générale.
- 10.5. All payments to Société Générale under these Terms of Business shall be made in same day funds in such currency as Société Générale may from time to time specify to the bank account designated by Société Générale for such purposes. All such payments shall be made by the Client without any deduction or withholding.
- 10.6. Any amounts due to Société Générale (or agents used by Société Générale), including any applicable value added tax or other additions, may be deducted from any money held by Société Générale on the Client's behalf or, at Société Générale's discretion, shall be paid by the Client as stated in the relevant contract note or advice note or at settlement.
- 10.7. Société Générale may receive remuneration and fees from, or share fees and charges with, a third party (including any Connected Company) in connection with Transactions carried out on the Client's behalf on any basis that Société Générale agrees with such a person. Where permitted by the Applicable Regulations, Société Générale may also pay or provide to, or receive from, a third party fees, commissions and non-monetary benefits in relation to the

business carried on for the Client. Details of any such arrangements or of any amount received and shared with such a person will be advised to the Client.

- 10.8. Société Générale will not normally claim or pay any amount due in compensation for late delivery/payment howsoever caused unless it is in excess of £250, or its equivalent in another currency.

11. Client Money and Custody

- 11.1. The Client should note that the business conducted by Société Générale for the Client is carried out on a delivery versus payment basis and that it is therefore unlikely that Société Générale will, in the normal course of business, hold monies belonging to the Client. If Société Générale does hold monies belonging to the Client, Société Générale does so in accordance with the rules of the AMF (and not the FCA) and acts as banker rather than as trustee in respect of any monies Société Générale holds on the Client's behalf in an account with itself. As a result, Société Générale will not hold the Client's money in accordance with the Client Money Rules. In particular, Société Générale shall not segregate the Client's money from Société Générale's own money and shall not be liable to account to the Client for any profits made by its use as banker of such funds.
- 11.2. Unless agreed otherwise and subject to a separate agreement, Société Générale will not provide safe custody services.
- 11.3. In this clause, "Client Money Rules" means the provisions of the FCA's Client Assets Sourcebook relating to client money.

12. Settlement

- 12.1. Unless otherwise specifically agreed with the Client, settlement of each Transaction effected with or for the Client must be made in accordance with the usual terms for settlement of the appropriate exchange, market or clearing house relevant to each such Transaction where applicable. The settlement date for a Transaction will be notified on the relevant contract note, advice note or confirmation.
- 12.2. Settlement is conditional upon the receipt by Société Générale or its agent of all necessary documents, securities or funds, as appropriate. Société Générale's obligations to deliver investments to the Client or to its order or to account to it for the proceeds of the disposal of investments are conditional on prior receipt by Société Générale of appropriate documents or money, as appropriate, from the other party to the Transaction.
- 12.3. Settlement may be effected by a Connected Company or a third party in which case Société Générale will not be responsible for such parties meeting their obligations.
- 12.4. Société Générale may buy or borrow on behalf of the Client investments to cover any liabilities of the Client to deliver investments to Société Générale or a third party. Société Générale may debit the Client's account or invoice the Client with any loss Société Générale may suffer.
- 12.5. The Client will indemnify Société Générale against all liabilities, costs, losses, claims and expenses incurred by Société Générale as a result of the Client's failure to deliver investments or funds to Société Générale when due to settle any Transaction.

13. Margin

- 13.1. The Client agrees to pay Société Générale on demand such sums by way of margin as are required from time to time under the Rules of any relevant Market (if applicable) or as Société Générale may in its discretion reasonably require for the purpose of protecting itself against loss or risk of loss on present, future or contemplated Transactions under these Terms of Business.

- 13.2. Unless otherwise agreed, margin must be paid in cash. The currency of the cash margin the Client pays to Société Générale shall be the currency of the relevant underlying Transaction (if applicable) or as Société Générale may in its discretion reasonably decide from time to time. Cash margin is paid to Société Générale as an outright transfer of title and the Client will not retain any interest in it. Cash margin received by Société Générale will be recorded by Société Générale as a cash repayment obligation owed by Société Générale to the Client.
- 13.3. Where Société Générale agrees to accept non-cash collateral, it must be in a form acceptable to it. The value of the non-cash collateral and the proportion of that value to be taken into account for margin purposes shall be determined by Société Générale in its absolute discretion.
- 13.4. If there is an Event of Default or these Terms of Business terminate, Société Générale shall set-off the balance of cash margin owed by it to the Client against the Client's obligations (as reasonably valued by Société Générale) to Société Générale. The net amount, if any, payable between Société Générale following such set-off, shall take into account the Liquidation Amount payable under clause 17 (Netting) of these Terms of Business.
- 13.5. As a continuing security for the performance of the Secured Obligations under or pursuant to these Terms of Business, the Client grants to Société Générale, with full title guarantee, a first fixed security interest in all non-cash margin now or in the future provided by the Client to Société Générale or to its order or under its direction or control or that of a Market or otherwise standing to the credit of the Client's account under these Terms of Business or otherwise held by Société Générale or its Associates or nominees on the Client's behalf.
- 13.6. The Client agrees to execute such further documents and to take such further steps as Société Générale may reasonably require to perfect its security interest over, be registered as owner of or obtain legal title to the margin, secure further the Secured Obligations, enable Société Générale to exercise its rights or to satisfy any market requirement.
- 13.7. The Client may not withdraw or substitute any property subject to Société Générale's security interest without Société Générale's consent.
- 13.8. The Client undertakes neither to create nor to have outstanding any security interest whatsoever over, nor to agree to assign or transfer, any of the cash or non-cash margin transferred to Société Générale, except a lien routinely imposed on all securities in a clearing system in which such securities may be held.
- 13.9. The Client agrees that Société Générale may, to the extent that any of the margin constitutes "financial collateral" and these Terms of Business and the Client's obligations hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements (as amended or superseded) (the **Financial Collateral Directive**), free of any adverse interest of the Client or any other person, grant a security interest over margin provided by the Client to cover any of Société Générale's obligations to an intermediate broker or Market, including obligations owed by virtue of the positions held by Société Générale or other of its clients.
- 13.10. If an Event of Default occurs, Société Générale may exercise the power to sell all or any part of the margin. Where applicable, the restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to these Terms of Business or to any exercise by Société Générale of its rights to consolidate mortgages or its power of sale. Société Générale shall be entitled to apply the proceeds of sale or other disposal in paying the costs of such sale or other disposal and in or towards satisfaction of the Secured Obligations.
- 13.11. To the extent that any of the margin constitutes "financial collateral" and these Terms of Business and the Client's obligations hereunder constitute a "security financial collateral arrangement" under the Financial Collateral Directive, Société Générale shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations. For this purpose, the Client agrees that the value of such financial collateral so appropriated shall be the amount of the margin, together with any accrued but unposted interest, at the time the right of appropriation is exercised. The parties further agree that the

method of valuation provided for in these Terms of Business shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

- 13.12. In addition and without prejudice to any rights to which Société Générale may be entitled under these Terms of Business or any Applicable Regulations, Société Générale shall have a general lien on all property held by it or its Associates or nominees on the Client's behalf until the satisfaction of the Secured Obligations.
- 13.13. "**Secured Obligations**" means the net obligation owed by the Client to Société Générale after the application of any rights of set-off under this Agreement or by operation of law.

14. Rights over Client Investments and Set-off

- 14.1. Without prejudice to its other rights, Société Générale reserves the right at the Client's cost and expense (including legal fees) to sell, charge, pledge, realise or otherwise dispose of any investment which it holds or is entitled to receive for the Client, to convert the proceeds into any other currency, to purchase investments, to make delivery on behalf of the Client or to cancel, close-out or hedge any outstanding transactions or positions without prior notice and at whatever price and in whatever manner Société Générale thinks fit in its absolute discretion if:
 - (a) the Client fails to take such steps as may be necessary to secure the due and prompt execution and settlement of any transaction entered into under the terms of these Terms the Client has failed to observe or perform any obligations or undertakings under these Terms of Business or entered into pursuant to them; or
 - (b) there is any material adverse change in market or economic conditions or in the Client's financial position; or
 - (c) any position limit referred to in sub-clause 2.14 above would otherwise be exceeded; or
 - (d) Société Générale considers, in its absolute discretion, that such action is necessary to protect its interests or those of any Connected Company.

Any proceeds arising from such actions or disposals will be applied to reduce or discharge liabilities of Société Générale, any Connected Company or the Client in respect of any contracts, positions or commitments. The Client will indemnify Société Générale against all liabilities, costs, losses, claims and expenses incurred by Société Générale in respect of any action taken pursuant to this sub-clause 14.1.

- 14.2. Without prejudice to, and in addition to, its rights under sub-clause 14.1 and to any security, right of set-off or other similar rights which Société Générale may be entitled to exercise, whether by law or otherwise, over any of the Client's investments or other property, the Client's investments and other property held by Société Générale at any time shall be subject to a general lien in favour of Société Générale insofar as there remain any outstanding amounts due from the Client to Société Générale. If the Client defaults in paying any amount by its due date, Société Générale shall be entitled to debit to any account of the Client with it or any Connected Company the amount in question in the appropriate currency or, at its option, the equivalent thereof (at current market rates as determined by Société Générale at its sole discretion) in any other currency or currencies in which any balance on such account may then be denominated.
- 14.3. All amounts of whatever nature and wherever arising, irrespective of currency or transaction type, which are due from the Client and to the Client in respect of business carried on through or with Société Générale or a Connected Company, including any amounts provided by way of margin, may be set off and netted against each other by Société Générale or that Connected Company. The Client will not be entitled to exercise any right of set-off or counterclaim against amounts due to Société Générale or any Connected Company.

15. Changes and Notices

- 15.1. The Client is not entitled to assign charge or otherwise transfer its rights or obligations hereunder without the prior consent, in writing, of Société Générale, and any purported assignment, charge or transfer in violation of this sub-clause shall be void. These Terms of Business will apply to any successor of the Client or its permitted assignees. Société Générale

may vary, amend or supplement these Terms of Business at any time by giving the Client a written notice setting out the relevant changes. Such changes will become effective on the date specified in such notice which shall not be less than ten (10) Business Days from the date of the notice. The Client may only amend or vary these Terms of Business with the prior written agreement of Société Générale.

15.2. Unless stipulated otherwise, any written notification or communication referred to in this Agreement shall be delivered by post, email or any other means previously agreed between the Client and Société Générale. All notices and other communications should be sent:

- (a) by a Client incorporated or established in France at the time it enters into these Terms of Business, to the Paris head office at the following address: (Compliance Department), Société Générale, Immeuble Basalte, Cours Valmy 92 987 Paris La Défense Cedex; and
- (b) by a Client incorporated or established outside France at the time it enters into these Terms of Business, to the London branch at the following address: Compliance Department, Société Générale, SG House, 41 Tower Hill, London, EC3N 4SG.

15.3. Société Générale will send such notices and communications to the Client's last known address for correspondence. Any notice sent by post shall be deemed to have been served at the time it is received and will be deemed to be received five (5) Business Days after posting and in proving the service of the same, it will be sufficient to show, in the case of a letter, that such letter was properly stamped, addressed and placed in the post and, in the case of a fax, that such fax was duly despatched to a current fax number of the addressee, notwithstanding that the original of any letters sent by fax shall separately have been sent by post. The Client will notify Société Générale of any change of the Client's address in accordance with this clause.

16. Events of Default

16.1. The following shall constitute an Event of Default:

- (a) the Client fails to make any payment when due under these Terms of Business or any Transaction or to make or take delivery of any property when due under, or to observe or perform any other provision of these Terms of Business or any Transaction and such failure continues for two (2) Business Days after Société Générale gives the Client notice of non-performance;
- (b) the Client commences a voluntary case or other procedure seeking or proposing liquidation, reorganisation, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to the Client or the Client's debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any corporate or other law with potential application to the Client, if insolvent), or seeking the appointment of a trustee, receiver, liquidator, conservator, administrator, custodian or other similar official (each a "**Custodian**") of the Client or any substantial part of the Client's assets, or if the Client takes any corporate action to authorise any of the foregoing, and in the case of a reorganisation, arrangement or composition, Société Générale does not consent to the proposals;
- (c) an involuntary case or other procedure is commenced against the Client seeking or proposing liquidation, reorganisation, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to the Client or the Client's debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any corporate or other law with potential application to the Client, if insolvent) or seeking the appointment of a Custodian of the Client or any substantial part of the Client's assets and such involuntary case or other procedure either (a) has not been dismissed within five days of its institution or presentation or (b) has been dismissed within such period but solely on the grounds of an insufficiency of assets to cover the costs of such case or other procedure;

- (d) the Client is unable to pay its debts as they fall due or is bankrupt or insolvent, as defined under any bankruptcy or insolvency law applicable to the Client; or any indebtedness of the Client is not paid on the due date therefore, or becomes capable at any time of being declared, due and payable under agreements or instruments evidencing such indebtedness before it would otherwise have been due and payable, or any suit, action or other proceedings relating to these Terms of Business are commenced for any execution, any attachment or garnishment, or distress against, or an encumbrance takes possession of, the whole or any part of the Client's property, undertaking or assets (tangible and intangible);
- (e) the Client or any Credit Support Provider (or any Custodian acting on behalf of either of the Client or a Credit Support Provider) disaffirms, disclaims or repudiates any obligation under these Terms of Business or any guarantee, hypothecation agreement, margin or security agreement or document, or any other document containing an obligation of a Credit Support Provider, or of the Client, in favour of Société Générale supporting any of the Client's obligations under these Terms of Business (each a "**Credit Support Document**");
- (f) any representation or warranty made or given or deemed made or given by the Client under these Terms of Business or any Credit Support Document proves to have been false or misleading in any material respect as at the time it was made or given or deemed made or given;
- (g) any Credit Support Provider fails, or the Client itself fails to comply with or perform any agreement or obligation to be complied with or performed by the Client or it in accordance with the applicable Credit Support Document; (ii) any Credit Support Document expires or ceases to be in full force and effect prior to the satisfaction of all the Client's obligations under these Terms of Business, unless Société Générale have agreed in writing that this shall not be an Event of Default; (iii) any representation or warranty made or given or deemed made or given by any Credit Support Provider pursuant to any Credit Support Document proves to have been false or misleading in any material respect as at the time it was made or given or deemed made or given; or (iv) any event referred to in paragraphs (b) to (d) or (h) of this sub-clause occurs in respect of any Credit Support Provider;
- (h) the Client is dissolved, or, if the Client's capacity or existence is dependent upon a record in a formal register, the registration is removed or ends, or any procedure is commenced seeking or proposing the Client's dissolution, removal from such a register, or the ending of such a registration;
- (i) where the Client or the Client's Credit Support Provider is a partnership, any of the events referred to in paragraphs (b) to (d) or (h) of sub-clause 16.1 occurs in respect of one or more of the Client's or its partners;
- (j) Société Générale considers it necessary or desirable to prevent what Société Générale considers is or might be a violation of any Applicable Regulation or good standard of market practice;
- (k) Société Générale considers it necessary or desirable for its own protection or any action is taken or event occurs which Société Générale considers might have a material adverse effect upon the Client's ability to perform any of the Client's obligations under these Terms of Business;
- (l) any event of default (however described) occurs in relation to the Client under any other agreement between Société Générale which the Client is a party to.

17. Netting

- 17.1. On the occurrence of an Event of Default, Société Générale may exercise its rights under this clause, except that in the case of the occurrence of any Event of Default specified in paragraphs (b) or (c) of the definition of Events of Default (each a "**Bankruptcy Default**"), the automatic termination provision of this clause shall apply.
- 17.2. Subject to the following sub-clause, at any time following the occurrence of an Event of Default, Société Générale may, by notice to the Client, specify a date (the "**Liquidation Date**") for the termination and liquidation of Transactions in accordance with this clause.

- 17.3. Unless specified otherwise, the date of the occurrence of any Bankruptcy Default shall automatically constitute a Liquidation Date, without the need for any notice by Société Générale and the provisions of the following sub-clause shall then apply.
- 17.4. Upon the occurrence of a Liquidation Date:
 - (a) neither of Société Générale or the Client shall be obliged to make any further payments or deliveries under any Netting Transactions which would, but for this clause, have fallen due for performance on or after the Liquidation Date and such obligations shall be satisfied by settlement (whether by payment, set-off or otherwise) of the Liquidation Amount;
 - (b) Société Générale shall (on, or as soon as reasonably practicable after, the Liquidation Date) determine (discounting if appropriate), in respect of each Netting Transaction referred to in paragraph (a) its total cost, loss or, as the case may be, gain, in each case expressed in the Base Currency specified by Société Générale as such in writing (and, if appropriate, including any loss of bargain, cost of funding or, without duplication, cost, loss or, as the case may be, gain as a result of the termination, liquidation, obtaining, performing or re-establishing of any hedge or related trading position) as a result of the termination, pursuant to these Terms of Business, of each payment or delivery which would otherwise have been required to be made under such Netting Transaction (assuming satisfaction of each applicable condition precedent and having due regard, if appropriate, to such market quotations published on, or official settlement prices set by the relevant Market as may be available on, or immediately preceding, the date of calculation); and
 - (c) Société Générale shall treat each cost or loss to it, determined as above, as a positive amount and each gain by Société Générale, 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 (the "**Liquidation Amount**").
- 17.5. If the Liquidation Amount determined pursuant to this clause is a positive amount, the Client shall pay it to Société Générale and if it is a negative amount, Société Générale shall pay it to the Client. Société Générale shall notify the Client of the Liquidation Amount, and by whom it is payable, immediately after the calculation of such amount.
- 17.6. Where termination and liquidation occurs in accordance with this clause, Société Générale shall also be entitled, at Société Générale's discretion, to terminate and liquidate, in accordance with the provisions of this clause, any other Transactions entered into between Société Générale which is then outstanding.
- 17.7. Unless a Liquidation Date has occurred or has been effectively set, Société Générale shall not be obliged to make any payment or delivery scheduled to be made by Société Générale under a Netting Transaction for as long as an Event of Default or any event which may become (with the passage of time, the giving of notice, the making of any determination hereunder, or any combination thereof) an Event of Default with respect to the Client has occurred and is continuing.
- 17.8. For the purposes of any calculation hereunder, Société Générale may convert amounts denominated in any other currency into the Base Currency at such rate prevailing at the time of the calculation as Société Générale shall reasonably select.
- 17.9. Unless a Liquidation Date has occurred or has been effectively set, Société Générale shall not be obliged to make any payment or delivery scheduled to be made by Société Générale under a Transaction for as long as an Event of Default or any event which may become (with the passage of time, the giving of notice, the making of any determination hereunder, or any combination thereof) an Event of Default with respect to the Client has occurred and is continuing.
- 17.10. Société Générale's rights under this clause shall be in addition to, and not in limitation or exclusion of, any other rights which Société Générale may have (whether by agreement, operation of law or otherwise).

- 17.11. Subject to the Schedules, this clause applies to each Netting Transaction entered into or outstanding between Société Générale on or after the date these Terms of Business take effect.
- 17.12. These Terms of Business, the particular terms applicable to each Netting Transaction, and all amendments to any of them shall together constitute a single agreement between Société Générale and the Client. Société Générale and the Client both acknowledge that all Netting Transactions entered into on or after the date these Terms of Business takes effect are entered into in reliance upon the fact that the Terms of Business and all such terms constitute a single agreement between Société Générale and the Client.
- 17.13. Subject to sub-clause 17.6, the provisions of this clause shall not apply to any Transaction which is subject to liquidation and termination under another agreement. However, any sum resulting from a liquidation and termination under another agreement, may be set-off against the Liquidation Amount.

18. Rights on Default

- 18.1. On an Event of Default or at any time after Société Générale has determined, in its absolute discretion, that the Client has not performed (or Société Générale reasonably believes that the Client will not be able or willing in the future to perform) any of the Client's obligations to Société Générale, in addition to any rights under the clause 17 (Netting) Société Générale shall be entitled without prior notice to the Client:
 - (a) instead of returning to the Client investments equivalent to those credited to the Client's account, to pay to the Client the fair market value of such investments at the time Société Générale exercises such right; and/or
 - (b) to sell such of the Client's investments as are in Société Générale's possession or in the possession of any nominee or third party appointed under or pursuant these Terms of Business, in each case as Société Générale may in its absolute discretion select or and upon such terms as Société Générale may in its absolute discretion think fit (without being responsible for any loss or diminution in price) in order to realise funds sufficient to cover any amount due by the Client hereunder; and/or
 - (c) to close out, replace or reverse any Transaction, buy, sell, borrow or lend or enter into any other Transaction or take, or refrain from taking, such other action at such time or times and in such manner as, at Société Générale's sole discretion, Société Générale considers necessary or appropriate to cover, reduce or eliminate its loss or liability under or in respect of any of the Client's contracts, positions or commitments.

19. Termination

- 19.1. The arrangements set out in these Terms of Business may be terminated by either the Client or Société Générale serving written notice on the other. Such termination will have effect immediately any such notice is received, or deemed to be received in accordance with sub-clause 15.3 above.
- 19.2. Where any Master Agreement is terminated, the Terms of Business shall automatically be terminated (subject to sub-clause (5) below) in relation to the business covered by the relevant Master Agreement.

- 19.3. Upon termination, all amounts payable by the Client to Société Générale will become immediately due and payable including, without limitation:
 - (a) outstanding fees, charges and commissions;
 - (b) any expenses incurred by Société Générale in terminating these arrangements; and
 - (c) any losses and expenses realised in closing out any Transactions or settling or concluding outstanding obligations incurred by Société Générale on the Client's behalf.
- 19.4. Termination of these Terms of Business will not affect any Transactions in progress. Any Transactions in progress will be completed by Société Générale as soon as practicable.
- 19.5. Termination will be without prejudice to any legal rights or obligations which may already have arisen. The provisions of clauses 10, 11, 13, 14, 20, 21 and 22 will continue to apply notwithstanding any termination of these Terms of Business.

20. Force Majeure

- 20.1. Neither Société Générale nor any Connected Company nor any of their respective officers, directors, employees or agents shall be liable to the Client in respect of any action or omission by any of them which arises as a result of an event or state of affairs which was beyond the reasonable control of Société Générale or any Connected Company or any of their respective officers, directors, employees or agents to prevent (including, without limitation, any breakdown, delay, malfunction or failure of transmission, communication or computer facilities, postal or other strikes or similar industrial action, act of terrorism, act of God, acts and regulations of any government or supra national bodies or authorities or the failure of any relevant exchange, clearing house, broker or agent, agent or principal of Société Générale's custodian, sub-custodian, dealer, Market, clearing house or regulatory or self-regulatory organisation, for any reason to perform its obligations).

21. Liability

- 21.1. Neither Société Générale nor any Connected Company nor any of their respective officers, directors, employees or agents shall be liable for any loss, damage, liability or expense suffered or incurred by the Client arising directly or indirectly out of or in connection with the services to which these Terms of Business relate (including any Transactions) unless such loss, liability or expense arises from its or their respective negligence, wilful default or fraud. In no event will Société Générale or any Connected Company or any of their respective officers, directors, employees or agents be liable for any consequential, indirect or special damage, loss of profits, loss of goodwill or loss of opportunity suffered by the Client or any third party arising in connection with these Terms of Business and/or any Transactions.
- 21.2. If any action or proceeding is brought by or against Société Générale or a Connected Company or any of their respective officers, directors, employees or agents against or by a third party in relation to any Transaction for the Client's account or otherwise carried out on the Client's instructions under these Terms of Business, the Client agrees to co-operate with Société Générale to the fullest extent possible in the defence or prosecution of such action or proceeding.
- 21.3. Without limitation, Société Générale does not accept liability for any adverse tax, accounting or other implications of any Transaction whatsoever.
- 21.4. Without limitation, Société Générale does not accept any liability by reason of any delay or change in market conditions before any particular Transaction is effected.
- 21.5. The Client will be responsible for all orders entered on the Client's behalf via the Electronic Services and the Client will be fully liable to Société Générale for the settlement of any Transaction arising from it.

- 21.6. The Client acknowledges that the Client has not relied on or been induced to enter into these Terms of Business by a representation other than those expressly set out in these Terms of Business. Société Générale will not be liable to the Client (in equity, contract or tort under Applicable Regulations) for a representation that is not set out in these Terms of Business and that is not fraudulent.
- 21.7. Nothing in these Terms of Business shall be taken to exclude or restrict any duty or liability to the Client which Société Générale has under Applicable Regulations or under the regulatory system (as defined in the Rules) which may not be excluded or restricted there under.

22. Indemnity

- 22.1. The Client shall pay to Société Générale such sums as Société Générale may from time to time require in or towards satisfaction of any debit balance on any of the Client's accounts with Société Générale. The Client undertakes to indemnify on a full indemnity basis Société Générale and any Connected Company and their respective officers, directors, employees and agents against any liabilities, costs, losses, claims and expenses (including legal fees), taxes, imposts and levies which any of them may suffer or incur directly or indirectly in the course of or as a result of anything done or omitted to be done for the purpose of carrying out any Transaction for the Client's account or otherwise acting on the Client's instructions under these Terms of Business, and which are not primarily attributable to the negligence, wilful default or fraud on the part of Société Générale or a Connected Company or any of their respective officers, directors, employees or agents.

23. Money Laundering

- 23.1. Client acknowledges that, in order to comply with the Applicable Regulations, Société Générale may require evidence of the identity of the Client and, where the Client is acting as agent for another person, of that other person. If the Client does not provide Société Générale with satisfactory evidence of identity, Société Générale may not be able to continue to deal with the Client.
- 23.2. If the Client is a regulated credit or financial institution in the UK or EU, the Client confirms that it is covered by Council Directive 91/308/EEC on Money Laundering (as amended or superseded) (the "**Money Laundering Directive**").
- 23.3. If the Client is a regulated financial services institution based or incorporated in a non-EU country which is a member of the Financial Action Task Force, and the Client is or will be dealing in its own name as agent for its own client(s), the Client confirms that, in accordance with the laws of the jurisdiction in which it is organised, designed to combat money laundering, evidence of the identification of any underlying clients for whom the Client acts as agent will have been obtained and recorded and will be retained until further notice.

24. Recording of Telephone Conversations

- 24.1. Telephone conversations between Société Générale and the Client may be recorded without use of a warning tone to ensure that the material terms of the Transaction, and any other material information relating to the Transaction is promptly and accurately recorded. Such recordings may be used as evidence in the event of a dispute. Such recordings will be the property of Société Générale.

25. Confidentiality

- 25.1. Neither Société Générale nor any Connected Company shall have any duty to disclose to the Client or take any action in respect of the Client's business or affairs as a result of any fact, matter or thing discovered or learned in the course of carrying on any other business (whether or not regulated business) or as a result of or in connection with services which are provided to other clients.

- 25.2. Société Générale will treat all information it holds about the Client as private and confidential, even when the Client is no longer a client. The Client agrees, however, that Société Générale and other companies in Société Générale's group may:
- (a) use the Client's information to administer and operate the Client's account and monitor and analyse its conduct, provide services to the Client, assess any credit limit or other credit decision (and the interest rate, fees and other charges to be applied to the Client's account) and enable Société Générale to carry out statistical and other analysis;
 - (b) disclose the Client's information to other companies in Société Générale's group; those who provide services to Société Générale or act as Société Générale's agents; anyone to whom Société Générale transfers or proposes to transfer any of its rights or duties under these Terms of Business; credit reference agencies or other organisations that help Société Générale and others make credit decisions and reduce the incidence of fraud or in the course of carrying out identity, fraud prevention or credit control checks; those with which Société Générale negotiates, enters into or executes credit transactions in financial instruments, guarantees or insurance contracts intended to cover credit risk, equity holdings or takeovers, sales of real or intangible assets, sales of transfers of receivables or contracts, whenever such information is required for the aforementioned transactions; where Société Générale is required to do so by Applicable Regulations, there is a public duty to disclose or Société Générale's interests require disclosure; at the Client's request; or with the Client's consent;
 - (c) use the Client's information, unless the Client has told Société Générale that the Client does not wish Société Générale to do so, to inform the Client (by post, telephone, email or other medium, using the contact details the Client have given Société Générale) about products and services offered by Société Générale, other companies in its group or selected third parties which Société Générale believe may be of interest to the Client; and
 - (d) transfer the Client's information to any country, including countries outside the EEA which may not have strong data protection laws, for any of the purposes described in this clause.

- 25.3. The Client may have rights of access to some or all of the information Société Générale holds about the Client, to have inaccurate information corrected and to tell Société Générale that the Client does not wish to receive marketing information, under data protection law. If the Client wishes to exercise any of these rights, they should contact Société Générale in writing.

26. Tax

- 26.1. The Client will be responsible for any payment of tax payable or incurred by Société Générale in connection with Transactions effected with or cleared for the Client, or any account opened for the Client, and any other value added or other applicable taxes, including any withholding tax.

27. General

- 27.1. The rights and remedies provided under these Terms of Business are cumulative and not exclusive of those provided by law. Société Générale shall be under no obligation to exercise any right or remedy either at all or in a manner or at a time beneficial to the Client. No failure by Société Générale to exercise or delay by Société Générale in exercising any of Société Générale's rights under these Terms of Business (including any Transaction) or otherwise shall operate as a waiver of those or any other rights or remedies. No single or partial exercise of a right or remedy shall prevent further exercise of that right or remedy or the exercise of another right or remedy.

- 27.2. If at any time any provision of these Terms of Business is void, invalid or unenforceable under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of these Terms of Business nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired.

- 27.3. Where applicable, a person who is not a party to these Terms of Business shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these Terms of

Business. Notwithstanding the foregoing, clauses 6.7, 7, 14.2, 14.3, 20, 21, 22 and 25 are enforceable by any Connected Company in its own right. Société Générale and the Client may, without the consent of any Connected Company amend or terminate the Terms of Business in accordance with these Terms of Business even if this has the effect of extinguishing or altering the rights of a Connected Company. However, Société Générale and the Client may not do so once a Connected Company has notified the Client that it intends to bring legal proceedings against the Client in respect of those rights.

- 27.4. Subject to Applicable Regulations, any communication between Société Générale and the Client using electronic signatures shall be binding as if it were in writing. Orders or instructions given via e-mail or other electronic means will constitute evidence of the orders or instructions given.
- 27.5. Société Générale's records, unless shown to be wrong, will be evidence of the Client's dealings with Société Générale in connection with Société Générale's services. The Client will not object to the admission of Société Générale's records as evidence in any legal proceedings because such records are not originals, are not in writing or are documents produced by a computer. The Client will not rely on Société Générale to comply with the Client's record keeping obligations, although records may be made available to the Client on request at Société Générale's absolute discretion.
- 27.6. The Client agrees to keep adequate records in accordance with Applicable Regulations to demonstrate the nature of orders submitted and the time at which such orders are submitted.
- 27.7. Time shall be of the essence in respect of all obligations of the Client under these Terms of Business (including any Transaction).
- 27.8. Société Générale is member of the *French Fonds de Garantie des Dépôts et de Résolution ("Deposit Guarantee Fund")*, which protects clients' investments and related cash under the following conditions. In the event of default of Société Générale, an underlying customer may benefit from two protections provided by the Deposit Guarantee Fund: (i) a guarantee corresponding to the value of the securities deposited with Société Générale that become unavailable (up to €70,000 per underlying customer) and (ii) protection for the cash deposits held in the accounts (up to €100,000 with all deposits per underlying customer). The Deposit Guarantee Fund's intervention is subject to certain conditions, available, along with other rules:
 - (a) by Internet: www.garantiedesdepots.fr; or
 - (b) by contacting the Deposit Guarantee Fund at: 4 rue Halévy, 75009 Paris, France (tel:+33 1 58 18 38 08; fax: + 33 1 58 18 38 00; e-mail: contact@garantiedesdepots.fr).

28. Complaints

- 28.1. This clause is only applicable to professional clients. Société Générale is obliged to put in place internal procedures for handling complaints fairly and promptly. The Client may submit a complaint to Société Générale, for example by letter, telephone, e-mail, or in person. Société Générale will send the Client a written acknowledgement of the Client's complaint promptly following receipt, enclosing details of Société Générale's complaints procedures. Please contact Société Générale if you would like further details regarding Société Générale's complaints procedures. Any complaints about the services provided by Société Générale and referred to in these Terms of Business should be made in the first instance to the Compliance Officer, at sge-execution-services@sgcib.com or when by post to SG House, 41 Tower Hill, London EC3N 4SG or Compliance officer – Equity Derivatives, Immeuble Basalte, Cours Valmy 92 987 Paris la Défense.

29. Governing Law

- 29.1. Where the Client is incorporated or established in France at the time it enters into these Terms of Business:
 - (a) these Terms of Business, any non-contractual obligations connected with them and any disputes arising under or in connections with these Terms of Business or their subject matter,

- existence, negotiation, validity, termination and enforceability are governed by and shall be governed by and determined only in accordance with French law; and
- (b) the parties irrevocably agree that the Paris commercial court (Tribunal de commerce de Paris) will have exclusive jurisdiction, and that no other court is to have jurisdiction to determine any claim, dispute or difference arising under or in connection with these Terms of Business or in connection with the negotiation, existence, legal validity, enforceability or termination of these Terms of Business, whether the alleged liability shall arise under the law of France or under the law of some other country and regardless of whether a particular cause of action may successfully be brought in this court ("Proceedings") and to grant interim remedies, or other provisional or protective relief.
- 29.2. Where the Client is incorporated or established anywhere other than France at the time it enters into these Terms of Business:
- (a) these Terms of Business, any non-contractual obligations connected with them and any disputes arising under or in connection with these Terms of Business or their subject matter, existence, negotiation, validity, termination and enforceability are governed by and shall be governed by and determined only in accordance with the law of England and Wales; and
- (b) the parties irrevocably agree that the courts of England and Wales will have exclusive jurisdiction, and that no other court is to have jurisdiction to determine any claim, dispute or difference arising under or in connection with these Terms of Business or in connection with the negotiation, existence, legal validity, enforceability or termination of these Terms of Business, whether the alleged liability shall arise under English law or under the law of some other country and regardless of whether a particular cause of action may successfully be brought in these courts ("Proceedings") and to grant interim remedies, or other provisional or protective relief; and
- (c) if the Client is situated outside England and Wales, process by which any Proceedings in England and Wales are begun may be served on the Client by being delivered to the address in England and Wales nominated by the Client for this purpose. This does not affect Société Générale's right to serve process in another manner permitted by law.
- 29.3. The parties submit to the exclusive jurisdiction of the courts as set out in clauses 29.1 and 29.2 and accordingly any Proceedings may be brought against the parties or any of them or any of their respective assets in such courts.
- 29.4. The Client irrevocably waives to the fullest extent permitted by applicable law, with respect to itself and its revenue and assets (irrespective of their use or intended use) all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any courts, (iii) relief by way of injunction, order for specific performance or for recovery of property, (iv) attachment of assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which the Client or the Client's revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agree that the Client will not claim any immunity in any Proceedings. The Client consent generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.
- 29.5. If the Client is located in an Arbitration Jurisdiction, clause 29.1 and 29.2 shall not apply and in such circumstances any dispute arising between Société Générale and the Client from or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or the consequences of its nullity or any non-contractual obligation arising out or in connection with this Agreement) shall instead be referred to and finally resolved by arbitration under the Arbitration Rules of the London Court of International Arbitration ("LCIA"). The arbitration shall be conducted according to the IBA Rules on the Taking of Evidence in International Commercial Arbitration as current on the date of the commencement of the arbitration. The arbitral tribunal shall consist of three arbitrators. The seat of arbitration shall be London, England and the language of arbitration shall be English. For the purposes of arbitration each of the parties waives any right of application to determine a preliminary point of law or appeal on a point of law under Sections 45 and 69 of the Arbitration Act 1996.

In this clause, "Arbitration Jurisdiction" means Egypt, Kuwait, the People's Republic of China, the Republic of Kazakhstan, Thailand, the Russian Federation, the Republic of Korea, and the United Arab Emirates.

30. Interpretation

30.1. In these Terms of Business:

"Applicable Regulations" means all applicable laws, statutory provisions and other rules, regulations and instruments, and any official interpretations thereof as in force from time to time, including, but not limited to, those of (i) any Market or other organisation on or through which the relevant Transaction is matched, executed or cleared, or the services are performed by Société Générale, and (ii) any relevant government authority, regulatory or self-regulatory organisation.

"Associate" means an undertaking in the same group as Société Générale, a representative whom Société Générale or an undertaking in the same group as Société Générale appoints, or any other person with whom Société Générale has a relationship that might reasonably be expected to give rise to a community of interest between Société Générale and them, including a Connected Company;

"Associated Document" has the meaning given in the Important Notice section of these Terms of Business;

"Authorised User" means any individual who is specifically authorised to act on the Client's behalf to carry out Transactions through an Electronic Service.

"Base Currency" means Pounds Sterling;

"Business Day" means a day which is not a Saturday or a Sunday and upon which banks are open for business in London;

"Connected Company" means a company in the group of companies controlled by Société Générale;

"Credit Support Provider" means any person who has entered into any guarantee, hypothecation, agreement, margin or security agreement or any other document or arrangement in Société Générale's favour in respect of the Client's obligations under these Terms of Business and/or any Transaction;

"Electronic Services" means a service provided by Société Générale, for example an internet trading service offering clients access to information and trading facilities, via an internet service, a WAP service and/or an electronic order routing system.

EEA means the European Economic Area;

"Event of Default" means any of the events of default as listed in paragraphs (a) to (l) of sub-clause 16.1;

"Market" means any regulated market or multilateral trading facility (as such terms are defined in the Applicable Regulations);

Master Agreement has the meaning given in the Important Notice section of these Terms of Business;

"Netting Transaction" means a Transaction which is intended to be subject to the clause 17 (Netting) and for such purposes is identified as a "Netting Transaction" in the Schedules or by its own terms.

"Rules" means articles, rules, regulations, procedures and customs, as in force from time to time;

"System" means all computer hardware and software, equipment, network facilities and other resources and facilities needed to enable the Client to use an Electronic Service.

"Terms of Business" means the terms of business comprising this terms of business document (as from time to time amended pursuant to clause 15) including any schedules, appendices and attachments and any covering letter hereto (as from time to time amended);

"Transaction" means any transaction subject to these Terms of Business, and includes:

- (i) a contract made on a Market or pursuant to the Rules of a Market;
 - (ii) contract which is subject to the Rules of a Market;
 - (iii) a contract which would (but for its term to maturity only) be a contract made on, or subject to the Rules of a Market and which, at the appropriate time, is to be submitted for clearing as a contract made on, or subject to the Rules of a Market;
- in any of cases (i), (ii) and (iii) being a future, option, contract for differences, spot or forward contract of any kind in relation to any commodity, metal, financial instrument (including any security), currency, interest rate, index or any combination thereof;
- (iv) a transaction which is matched with any transaction within paragraph (i), (ii) or (iii) of this definition; or
 - (v) any other transaction which the Client and Société Générale both agree, in any specific Schedule or otherwise, shall be a Transaction.
- 30.2. A reference in these Terms of Business to a "clause" or "sub-clause" or "Schedule" shall be construed as a reference to, respectively, a clause, sub-clause or Schedule of these Terms of Business, unless the context requires otherwise. References in these Terms of Business to any statute or statutory instrument or Applicable Regulations include any modification, amendment, extension or re-enactment thereof, as in force from time to time. A reference in these Terms of Business to "document" shall be construed to include any electronic document. The masculine includes the feminine and the neuter and the singular includes the plural and vice versa as the context admits or requires.
- 30.3. The clauses contained in the attached Schedules (as amended from time to time) shall apply. Société Générale may from time to time send to the Client further Schedules in respect of Markets or Transactions. In the event of any conflict between the clauses of any Schedule and these Terms of Business, the clauses of the Schedule shall prevail. The fact that a clause is specifically included in a Schedule in respect of one Market or Transaction shall not preclude a similar clause being expressed or implied in relation to any other Market or Transaction. So far as applicable, paragraph 1 of Part 1 of the LIFFE Schedule shall be construed as also applying to and having effect in relation to all other Markets.
- 30.4. Headings are for ease of reference only and do not form part of these Terms of Business.

SCHEDULE 1: RISK WARNING NOTICES

1. Introduction

- 1.1. This Risk Warning Notice is provided to the Client in its capacity as a professional client, in compliance with Applicable Regulations. This document forms part of the Terms of Business in respect of any Transactions which Société Générale undertakes on the Client's behalf and may be amended from time to time. Terms and expressions defined in the Rules shall bear the same meaning in this Schedule unless the context requires otherwise.

2. Risk Warning

- 2.1. Different instruments involve different levels of exposure to risk and may therefore be inappropriate to the Client's circumstances or risk appetite. The Client should not deal in any of the instruments described below unless the Client is satisfied that he understands their nature and the extent of potential risk.
- 2.2. As a professional client, the Client should have the relevant expertise; experience and knowledge to enable the Client make his own investment decisions and understand the risks involved. The Client should be satisfied that the instrument is appropriate in the context of the Client's financial circumstances and desired exposure to risk. This Risk Warning Notice may not disclose all of the risks and other significant aspects of the financial instruments in which Société Générale may deal on the Client's behalf. Neither does this Risk Warning Notice constitute any advice which Société Générale may provide to the Client.
- 2.3. In relation to warrants and derivatives, this Risk Warning Notice cannot disclose all the risks and other significant aspects of warrants and/or derivative products such as futures, options, and contracts for differences. The Client should not deal in these products unless it understands their nature and the extent of its exposure to risk. The Client should also be satisfied that the product is suitable for it in the light of its circumstances and financial position. Certain strategies, such as a 'spread' position or a 'straddle', may be as risky as a simple 'long' or 'short' position. Although warrants and/or derivative instruments can be utilised for the management of investment risk, some of these products are unsuitable for many investors. Different instruments involve different levels of exposure to risk and in deciding whether to trade in such instruments the Client should be aware of the points outlined below.

3. Financial Instruments

3.1. Warrants

- (a) A warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities and is exercisable against the original issuer of the underlying securities. A relatively small movement in the price of the underlying security results in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be volatile.
- (b) It is essential for anyone who is considering purchasing warrants to understand that the right to subscribe which a warrant confers is invariably limited in time with the consequence that if the investor fails to exercise this right within the predetermined timescale then the investment becomes worthless.
- (c) The Client should not buy a warrant unless it is prepared to sustain a total loss of the money it has invested plus any commission or other transaction charges. Some other instruments are also called warrants but are actually options (for example, a right to acquire securities which is exercisable against someone other than the original issuer of the securities, often called a 'covered warrant').
- (d) Transactions in off-exchange warrants may involve greater risk than dealing in exchange traded warrants because there is no exchange market through which to liquidate the Client's position,

or to assess the value of the warrant or the exposure to risk. Bid and offer prices need not be quoted, and even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what a fair price is. Société Générale must inform the Client if the Client is entering into an off-exchange transaction and advise the Client of any risks involved.

3.2. **Futures**

- (a) Futures contracts are standardised contracts to buy or sell, usually on a Market, an underlying instrument at a certain date in the future (the delivery date) at a specified price (the futures price). Once in place, the contract obliges the parties to buy/sell in accordance with the terms of the contact.
- (b) Whilst the Client can make considerable financial gains on futures contracts, they carry a high degree of risk:
- (a) non-fulfilment of the contract by the holder of the futures position before the delivery date will require offsetting their position which may incur considerable financial outlay;
 - (b) it is possible that the Client may make considerable losses should the settlement price (the price of the underlying asset on the delivery date) of the underlying instrument have risen over the pre-set futures price through potentially unforeseen circumstances. The Client may place contingent orders, such as "stop-loss" or "stop-limit" orders which will not necessarily limit the Client's losses to the intended amounts, since market conditions on the exchange where the order is placed may make it impossible to execute such orders; and
 - (c) futures contracts have a contingent liability and carry margin risks, which have been explained further in sub-clause 4.5. The high degree of leverage that is often obtainable in futures trading because of small margin requirements can work against the Client as well as for the Client. In particular, the Client may be required to pay a series of payments against the purchase price instead of paying the whole purchase price immediately.

3.3. **Options**

- (a) There are many different types of options with different characteristics subject to the following conditions:
- (a) **Buying Options:** Buying options involves less risk than selling options because, if the price of the underlying asset moves against the Client, the Client can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if the Client buys a call option on a futures contract and the Client later exercises the option, the Client will acquire the future. This will expose the Client to the risks described under 'futures' and 'contingent liability investment transactions'.
 - (b) **Writing Options:** If the Client writes an option, the risk involved is considerably greater than buying options. The Client may be liable for margin to maintain its position and a loss may be sustained well in excess of the premium received. By writing an option, the Client accepts a legal obligation to purchase or sell the underlying asset if the option is exercised against the Client, however far the market price has moved away from the exercise price. If the Client already owns the underlying asset which it has contracted to sell (when the options will be known as 'covered call options') the risk is reduced. If the Client does not own the underlying asset ('uncovered call options') the risk can be unlimited. Only experienced persons should contemplate writing uncovered options, and then only after securing full details of the applicable conditions and potential risk exposure.
 - (c) **Traditional Options:** Certain London Stock Exchange member firms under special exchange rules write a particular type of option called a 'traditional option'. These may involve greater risk than other options. Two-way prices are not usually quoted and there is no exchange market on which to close out an open position or to effect an equal and opposite transaction to reverse an open position. It may be difficult to assess its value or for the seller of such an option to manage his exposure to risk.

- (b) Certain options markets operate on a margined basis (please see sub-clause 4.5) under which buyers do not pay the full premium on their option at the time they purchase it. In this situation the Client may subsequently be called upon to pay margin on the option up to the level of its premium. If the Client fails to do so as required, its position may be closed or liquidated in the same way as a futures position.

3.4. Contracts for Differences

- (a) A contract for difference ("CFD") is an agreement between two parties to exchange the difference between the opening price and the closing price of the contract at the close of the contract, multiplied by the number of underlying units specified in the contract. Such a contract is a derivative that will allow the Client to speculate on price movements, without the need for ownership of the underlying assets. The fluctuation can be in the value or price of an asset, or by reference to an index. Differences in settlement are made through cash payments, rather than the delivery of physical goods or securities. Futures and options contracts can also be referred to as contracts for differences.
- (b) CFDs carry a high level of risk to the Client's capital, and capital and income are not guaranteed. As the financial outcome is determined by the price movement of the total trade value, profits and losses can quickly exceed the initial deposit. In particular, the Client may lose more than the sum of money which was originally invested, as the Client will be liable for all of the money which it speculates with. The Client will be required to maintain a certain amount of margin, and may need to make further margin payments at short notice if trading positions move against the Client (please see sub-clause 4.5). If the Client fails to do so within the time required, the Client's position may be liquidated at a loss and the Client will be responsible for the resulting deficit.
- (c) Investing in a contract for differences carries the same risks as investing in a future or an option and the Client should be aware of these as set out in sub-clauses 3.2 to 3.3 respectively. Transactions in contracts for differences may also have a contingent liability and the Client should be aware of the implications of this as set out in sub-clause 4.5.

3.5. Shares

- (a) A share is a right which a member of a company has to a certain proportion of the capital. The price of a share can go up or down, and the Client may therefore lose its capital. However, most companies are limited by shares so that the Client can limit its liability to the amount paid for (or owing on) the shares should the company become insolvent. The performance of a share may be influenced by a number of risk factors which are outside the control of the company in question. Such factors may include the financial performance and prospects of the company, the performance and prospects for the industry in which the company operates, and financial and stock market conditions - particularly where the company is listed.

- (b) There is an extra risk of losing money when shares are bought in some smaller companies including penny shares. There is a big difference between the buying price and the selling price of these shares. If they have to be sold immediately, the Client may get back much less than it paid for them. The price may change quickly and it may go down as well as up.

4. Other Trading Risks

4.1. Not readily Realisable Investments

Where the investments include any investments which are (i) government or public securities (ii) securities other than those which are or will be admitted to official listing in an EEA state or securities which are or will be regularly traded on or under the rules of an exchange in an EEA state or recognised investment exchange or designated investment exchange, the Client accepts and recognises that there is no certainty that market makers will be prepared to deal or that adequate information for determining current value of the relevant investment may be unavailable.

4.2. Different Markets

Markets will involve different risks from one Market to another. In some cases the risks will be greater. On request, Société Générale must provide an explanation of the relevant risks and protections (if any) which will operate in any foreign Markets, including the extent to which it will accept liability for any default of a foreign firm through whom it deals. The potential for profit or loss from transactions on foreign Markets or in foreign denominated contracts may be affected by fluctuations in foreign exchange rates outlined in sub-clause 4.3 below.

4.3. Currency Risk

The Client accepts and recognises that, if a liability in one currency is to be matched by an asset in a different currency, a movement in exchange rates may have an effect, favourable or unfavourable, on the gain or loss attributable to an investment, separate from and additional to a gain or loss in the currency in which the investment is denominated.

4.4. Off-exchange Transactions in Derivatives

It may not always be apparent whether or not a particular derivative is arranged on exchange or in an off-exchange derivative transaction. Société Générale must inform the Client if the Client is entering into an off-exchange derivative transaction. While some off-exchange markets are highly liquid, transactions in off-exchange or 'non transferable' derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid prices and offer prices need not be quoted, and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what a fair price is.

4.5. Margin Trading

Contingent liability investment transactions, which are margined, require the Client to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. If the Client trades in futures, contracts for differences or sells options, the Client may sustain a total loss of the margin it deposits with Société Générale to establish or maintain a position. If the market moves against the Client, the Client may be called upon to pay substantial additional margin at short notice to maintain the position. If the Client fails to do so within the time required, its position may be liquidated at a loss and it will be responsible for the resulting deficit. Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when the Client entered into the contract.

4.6. **Limited Liability Transactions**

Before entering into a limited liability transaction, the Client should obtain from Société Générale or the person or entity with which the Client is dealing a formal written statement confirming that the extent of the Client's loss liability on each transaction will be limited to an amount agreed by the Client before the Client enters into the transaction. The amount the Client can lose in limited liability transactions will be less than in other margined transactions, which have no predetermined loss limit. Nevertheless, even though the extent of loss will be subject to the agreed limit, the Client may sustain the loss in a relatively short time. The Client's loss may be limited, but the risk of sustaining a total loss to the amount agreed is substantial.

4.7. **Collateral**

If the Client deposits collateral as security with Société Générale, the way in which it will be treated will vary according to the type of transaction and where it is traded. There could be significant differences in the treatment of the Client's collateral, depending on whether the Client is trading on a recognised or designated investment exchange, with the rules of that exchange (and the associated clearing house) applying, or trading off-exchange. Deposited collateral may lose its identity as the Client's property once dealings on its behalf are undertaken. Even if the Client's dealings should ultimately prove profitable, the Client may not get back the same assets which it deposited, and may have to accept payment in cash. The Client should ascertain from Société Générale how the Client's collateral will be dealt with.

4.8. **Commissions**

Before the Client begins to trade, it should obtain details of all commissions and other charges for which it will be liable. If any charges are not expressed in money terms (but, for example, as a percentage of contract value), the Client should obtain a clear and written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms. In the case of futures, when commission is charged as a percentage, it will normally be as a percentage of the total contract value, and not simply as a percentage of the Client's initial payment.

4.9. **Suspensions of Trading**

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

4.10. **Clearing House Protections**

On many exchanges, the performance of a transaction by Société Générale (or third party with whom it is dealing on the Client's behalf) is 'guaranteed' by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover the Client, and may not protect the Client if Société Générale or another party defaults on its obligations to the Client. On request, Société Générale must explain any protection provided to the Client under the clearing guarantee applicable to any on-exchange derivatives in which the Client is dealing.

4.11. **Insolvency**

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

5. Dealing in Securities which may be subject to Stabilisation

5.1. Société Générale or its representatives may, from time to time, recommend transactions in securities to the Client, or carry out such transactions on the Client's behalf, where the price may have been influenced by measures taken to stabilise it. This clause is designed to help the Client judge whether it wishes its funds to be invested at all in such securities and, if it does, whether it wishes:

- (a) to be consulted before Société Générale carries out any such transaction on the Client's behalf; or
- (b) to authorise Société Générale to carry out any such transaction on the Client's behalf without first having to consult the Client.

What is Stabilisation?

5.2. Stabilisation enables the market price of a security to be supported during the limited period when a new issue of securities is sold to the public. Stabilisation may affect not only the price of the new issue but also the price of other securities relating to it. Applicable Regulations allow stabilisation in order to help counter the fact that, when a new issue comes onto the market for the first time, the price may be unstable until the market has absorbed the issue and secondary trading is normalised.

5.3. Stabilisation will be carried out by a 'stabilisation manager' (normally the firm chiefly responsible for bringing a new issue to market). As long as the stabilising manager follows a strict set of rules, it is entitled to buy back securities that were previously sold to investors or allotted to institutions which have decided not to keep them. The effect of this may be to keep the price at a higher level than it would otherwise be during the period of stabilisation.

5.4. The FCA's rules on stabilisation, in summary:

- (a) limit the period when a stabilising manager may stabilise a new issue;
- (b) fix the price at which he may stabilise (in the case of shares and warrants but not bonds); and
- (c) require him to disclose that he may be stabilising but not that he is actually doing so.
- (d) require him to disclose when stabilisation is complete, and what activity took place during the stabilisation period.

5.5. The AMF's rules on stabilisation in summary:

- a) require the stabilisation agent to provide the AMF with a written notice in French detailing the stabilisation transactions undertaken within 7 business days of such stabilisation transactions;
- b) require the stabilisation to be disclosed to the public within a week of completion of the stabilisation, such notice to be posted on the websites of (a) the AMF and (b) the issuer and include:
 - i. whether or not stabilisation was undertaken;
 - ii. the date at which stabilisation started;
 - iii. the date at which stabilisation last occurred; and
 - iv. the price range within which stabilisation was carried out for the relevant dates.

5.6. The fact that a new issue or a related security is being stabilised should not be taken as any indication of the level of interest from investors, or of the price at which they are prepared to buy the securities.

- 5.7. Clients should satisfy themselves by reference to the actual Applicable Regulations that they fully understand the implications of stabilisation.

SCHEDULE 2: AGENCY TRANSACTIONS

1. Application and Scope

- 1.1. **Scope of these Agency Terms:** These terms set out the basis on which Société Générale will provide the services referred to in the Terms of Business to the Client where the Client is acting as agent for each Counterparty. Where the Client is acting for its own account, the supplemental terms set out in this Schedule shall not apply.
- 1.2. **Notification:** The Client will notify Société Générale before placing any order on behalf of a Counterparty that the Client is acting as agent for that Counterparty and inform Société Générale of the identity, address and any other details which Société Générale requires in respect of each Counterparty, to enable Société Générale to form a credit and counterparty risk assessment in respect of any Transaction.
- 1.3. **Instructions:** The Client may give Société Générale oral and written instructions and orders. Société Générale shall not accept nor act upon any instructions received by anyone other than persons duly authorised by the Client ("Authorised Persons"). Authorised Persons shall be those identified by the Client to Société Générale in writing from time to time. If Société Générale refuses to act on any instruction or order, Société Générale shall notify the Client as soon as practicable of its refusal.
- 1.4. **Capacity:** Each Transaction will be entered into by the Client as agent for and on behalf of the Counterparty specified by the Client (whether by code name or otherwise) in accordance with term 1.5 below. Unless Société Générale agrees otherwise in writing, Société Générale shall treat the Client alone as Société Générale's client and Société Générale shall not treat any Counterparty as its client for the purposes of Applicable Regulations.
- 1.5. **Nature of Counterparties:** The Client represents, warrants and undertakes on its own behalf and as agent for the Counterparties, that no Counterparty will be a state or a separate entity within the meaning of the State Immunity Act 1978 and that a Counterparty shall, at the time an instruction is given in respect of it, have the characteristics and conform to any criteria agreed between Société Générale and the Client from time to time.
- 1.6. **Counterparty Accounts:** Société Générale shall, in respect of each Counterparty, establish and maintain one or more separate sub-accounts (each a "Counterparty Account"). The Client undertakes, as agent for the relevant Counterparty and on its own behalf, in respect of each instruction given, to specify within two hours of giving an instruction (or such other time as Société Générale may reasonably specify) the Counterparty Account to which the relevant instruction relates. Until the Client specifies a specific Counterparty Account the Client shall be personally liable, as principal, in respect of the relevant Transaction. The Client further undertakes, as agent for each Counterparty and its own behalf, to notify Société Générale immediately if any two or more Counterparty Accounts relate to the same Counterparty.
- 1.7. **Separate Administration:** Société Générale shall, subject to these terms, administer Counterparty Accounts which Société Générale reasonably believes relate to different Counterparties separately, including for the purposes of calculating any margin requirement. Société Générale shall not exercise any power to consolidate accounts or set off amounts owing between Counterparty Accounts relating to different Counterparties.
- 1.8. **Documentation:** The Client agrees to forward to a Counterparty any documentation in relation to such Counterparty that Société Générale is required to provide under the Applicable Regulations and which Société Générale makes available to the Client for that purpose.

2. Advice

- 2.1. **Limitations:** The Client, as agent for the Counterparties and on its own behalf, retains full responsibility for making all investment decisions with respect to any Counterparty. Société

Générale will not be responsible for judging the merits or suitability of any Transaction to be entered into on behalf of a Counterparty. Unless otherwise required under Applicable Regulations, Société Générale shall have no responsibility for the Client's or any Counterparty's compliance with any laws or rules governing or affecting the Client's conduct or that of any Counterparty, or for the Client's or any Counterparty's compliance with any laws or rules governing or affecting Transactions.

3. Representations, Warranties and Covenants

- 3.1. **The Agreement:** The representations and undertakings clause shall not apply to the Client.
- 3.2. **Representations and Warranties:** As agent for each Counterparty and on its own behalf, the Client represents and warrants to Société Générale as of the date these terms come into effect and as of the date of each Transaction that:
 - (a) the Client and the Counterparty each have all necessary authority, powers, consents, licences and authorisations and have taken all necessary action to enable the Client lawfully to enter into and perform these terms, the Terms of Business and each Transaction and to grant the security interests and powers referred to in the Margin clause and elsewhere in these terms and the Terms of Business;
 - (b) the person(s) entering into these terms, the Terms of Business and each Transaction have been duly authorised to do so;
 - (c) these terms, the Terms of Business, each Transaction and the obligations created under each of them are binding upon, and are enforceable against, the Client and/or the Counterparty (as applicable) in accordance with their terms (where relevant, subject to applicable principles of equity) and do not and will not violate the terms of any regulation, order, charge or agreement by which the Client or the Counterparty is bound;
 - (d) no Event of Default or Potential Event of Default has occurred and is continuing with respect to the Client or the Counterparty;
 - (e) each of the Client and the Counterparty is permitted under its constitution and any applicable law or regulation and is financially able to sustain any loss which may result from Transactions, and that entering into Transactions is a suitable investment vehicle for the Counterparty;
 - (f) the relevant Counterparty owns, with full title guarantee, all investments, margin (or collateral) deposited with, transferred to Société Générale or charged in Société Générale's favour, by the Client acting as agent for the Counterparty and such investments, margin (or collateral) are free from any prior mortgage, charge, lien or other encumbrance, whatsoever and neither the Client acting as agent for the relevant Counterparty, nor the Counterparty itself, will further pledge or charge such investments, margin (or collateral) or grant any lien over them while it is pledged or charged to Société Générale except with Société Générale's prior written consent; and
 - (g) any information which the Client provides or has provided to Société Générale in respect of the Client's or the Counterparty's financial position, domicile, or other matters is accurate and not misleading in any material respect.
- 3.3. **Covenants:** The Client, as agent for each Counterparty and on the Client's own behalf, covenants to Société Générale that the Client will:
 - (a) ensure at all times that the Client and the Counterparty obtain and comply with the terms of and do all that is necessary to maintain in full force and effect all authority powers, consents, licences and authorisations referred to above;
 - (b) promptly notify Société Générale of the occurrence of any Event of Default or Potential Event of Default with respect to yourself or the Counterparty;
 - (c) provide to Société Générale on request such information regarding the Client's and the Counterparty's financial or business affairs as Société Générale may reasonably require to evidence the authority, powers, consents, licenses and authorisations referred to above or to comply with any Applicable Regulations;

- (d) provide to Société Générale on request copies of the relevant sections of the Counterparty's constitutive documents relating to its capacity to enter into Transactions and appoint an agent to act on its behalf and that any such extract will, to the best of the Client's knowledge, be true and accurate in all material respects and the Client will not omit or withhold any information which would render the information so supplied to be false or inaccurate in any material respect; and
- (e) either: (i) execute as agent for the Counterparty where the Client is duly authorised to do so, or, in each other case: (ii) procure that the Counterparty executes, as applicable, on Société Générale's request all such transfers, powers of attorney and other documents as Société Générale may require, to vest any assets or otherwise grant any security interest or other interest referred to in the Margin clause of the Terms of Business in Société Générale, Société Générale's nominee, a purchaser or transferee.

4. Anti-money Laundering

- 4.1. **Anti-money Laundering:** The Client represents, warrants and undertakes that the Client is now and will be at all material times in the future in compliance with all Applicable Regulations concerning money-laundering. Société Générale is required to follow the Applicable Regulations concerning money-laundering relating to the identification of the Counterparty unless clause 4.2 applies, and if satisfactory evidence of identity has not been obtained by Société Générale within a reasonable time period, Société Générale reserves the right to cease to deal with the Client.
- 4.2. If the Client is a EU regulated credit or financial institution, or a regulated financial sector firm from a FATF country (i.e. a member of the Financial Action Task Force), Société Générale shall deal with the Client on the understanding that the Client is complying with EU regulations (or the local equivalent) concerning money-laundering and that evidence of the identification of any Counterparty will have been obtained and recorded under procedures maintained by the Client.

5. Margining Arrangements and Discharge

- 5.1. **Margin:** References to "the Client" in the Margin clause of the Terms of Business shall all be deemed to be references to the Client acting as agent on behalf of each Counterparty in respect of which the Client provides margin to Société Générale from time to time.
- 5.2. **Discharge:** Where under any term any payment or other performance (including the delivery of securities or any other property) is due from Société Générale, it shall be a discharge of Société Générale's obligation to make such payment or performance to the Client notwithstanding that any Counterparty shall be interested (whether beneficially or otherwise) in such payment or performance.

6. Netting

- 6.1. **Events of Default:** References to "the Client" in clause 17 (Netting) of the Terms of Business shall be deemed to be references to the Client acting on the Client's own behalf and to each Counterparty. If any Event of Default occurs in respect of the Client or a Counterparty Société Générale shall be entitled to exercise Société Générale's rights under clause 17 (Netting) of the Terms of Business in accordance with the following sentences of this term and the expression "the Client" shall be construed accordingly. In respect of an Event of Default which occurs in respect of the Client (as opposed to any Counterparty), Société Générale's rights under clause 17 (Netting) of the Terms of Business shall apply separately in respect of each Counterparty Account. If an Event of Default occurs in respect of a Counterparty, Société Générale's rights under clause 17 (Netting) of the Terms of Business shall be limited to the relevant Counterparty Account(s).

7. Indemnity

- 7.1. **Indemnification:** Notwithstanding that the Client may act as agent the Client undertakes as principal to indemnify Société Générale in respect of any liabilities, costs, damages and losses incurred in relation to any Transaction effected by the Client as agent on behalf of any Counterparty.

8. Interpretation

- 8.1. **Interpretation of these Terms:** In this Schedule:

"**Counterparty**" means any counterparty agreed to in writing by Société Générale from time to time on behalf of which the Client is to enter as agent into Transactions with Société Générale; and where a counterparty does not constitute a single legal person, means the trustees, individuals or other persons who are the primary representatives of the organisation, trust or fund on whose behalf they are dealing.

SCHEDULE 3: EQUITIES

1. Scope

- 1.1. **Transactions:** The clauses in this Schedule apply to Transactions in Equity Securities. For these purposes, "Transaction" means a transaction relating to an Equity Security under which delivery of an Equity Security is contemplated upon its formation falling within paragraphs (i) to (iv) of the definition of "Transaction" in the Interpretation clause.
- 1.2. **Netting:** Any Transaction to which this Schedule applies shall be deemed included in the definition of "Netting Transaction" for the purposes of these Terms of Business and subject to termination and liquidation under clause 17 (Netting) of the Terms of Business following an Event of Default.

2. Execution and Capacity

- 2.1. **Dealing as Principal:** Every order which Société Générale may take is accepted and executed on the basis that Société Générale acts on Société Générale's own account as principal and not as agent for the Client. When executing orders on a regulated market or a multilateral trading facility, Société Générale will act in the capacity of a riskless principal.

3. Trading Procedures

- 3.1. **Société Générale's Quotes:** The Client acknowledges that any prices displayed by Société Générale are, or may be, indicative only. Therefore in certain market conditions the market price may have moved between the sending and the actual execution of a Transaction. Such movement may be in the Client's favour or against the Client.
- 3.2. **Cut-off Times:** Société Générale may establish cut-off times for instructions which may be earlier than the times established by the particular Market and/or any clearing house involved in any Transaction, and the Client shall have no claims against Société Générale arising out of the fact that an order was not placed by the Client ahead of Société Générale's cut-off time.
- 3.3. **Corporate Actions:** Where an order is given to Société Générale in respect of any Equity Security for which a Corporate Action is imminent Société Générale may decline to accept the Client's instructions. Société Générale will not accept instructions to deal in any rights arising from Corporate Actions such as options, warrants, rights arising from holdings, or other matters.
- 3.4. **Société Générale's duty in respect of Corporate Actions:** Where, in respect of any Equity Securities held by Société Générale for the Client's account or deliverable to Société Générale for the Client's account, any Corporate Actions occurs, Société Générale shall not be obliged to undertake any action, even if the Client specifically instructs Société Générale, unless Société Générale expressly consents in writing.

4. Off-Market and Grey Market Investments

- 4.1. **Off-Market Transactions:** If Société Générale sells the Client any Equity Securities which are not quoted on a Market recognised or designated by the Applicable Regulations, then the Client may find it difficult to sell such Equity Securities due to their nature and possible illiquidity.

- 4.2. Suspended and grey market investments: Société Générale may enter into Transactions for or with the Client in:
 - (a) an Equity Security whose listing on a Market is suspended, or the listing of or trading in which has been discontinued, or which is subject to a Market announcement suspending or prohibiting trading; or
 - (b) a grey market investment, which is an Equity Security for which application has been made for listing or admission to trading on a Market where the Equity Security's listing or admission has not yet taken place (otherwise than because the application has been rejected) and the Equity Security is not already listed or admitted to trading on another Market.
- 4.3. **Transparency:** It is possible that there may be insufficient published information on which to base a decision to buy or sell such Equity Securities as referred to in the two preceding clauses.

5. Short-Selling

- 5.1. **Sales presumed not to be Short Sales:** Unless the Client's instructions specify to the contrary, all sale instructions are accepted by Société Générale on the understanding that the Client owns the Equity Securities sold. Société Générale shall not accept any instruction for a Short Sale Transaction if no satisfactory arrangements for making available the relevant Equity Securities for delivery have been agreed with Société Générale.
- 5.2. **Short Sale Instructions:** Upon Société Générale's acceptance of a Short Sale instruction, Société Générale shall record the position as if the Client had sold the Equity Securities to Société Générale as principal. Société Générale shall in respect of any Short Sale Transaction effect delivery of the Equity Securities on or before the settlement date. To do so Société Générale may borrow Equity Securities from a third party or lend them to the Client itself. Unless the Client advises Société Générale that the Client has arranged to borrow the Equity Securities from a particular lender (in which case Société Générale shall, subject to whatever conditions have been previously agreed between Société Générale and the Client, seek to confirm such arrangements), Société Générale shall have absolute discretion in the selection of lenders.
- 5.3. **Rolled Transactions:** Where Equity Securities have been borrowed by the Client or on the Client's behalf to cover settlement obligations, each Short Sale will be closed out upon notice, by the Client or Société Générale, of not less than the standard settlement period for the relevant Market or clearing organisation. When a Short Sale is closed out, the Client shall deliver or procure delivery of the relevant Equity Securities in accordance with Société Générale's directions. Notice shall be deemed to have been given by the Client under this sub-clause, specifying delivery after expiry of such standard settlement period, if an Event of Default occurs or these Terms of Business is terminated.
- 5.4. **Income:** If Société Générale is required to pay income in respect of any Equity Securities subject to a Short Sale to any person from which such Equity Securities have been borrowed on the Client's behalf, Société Générale shall debit a sum of money from the Client's account equivalent to the amount necessary to enable Société Générale to make an equivalent payment to such person in relation to the applicable loan of the Equity Securities together with such expenses or fees as may apply.

6. Limit Orders

- 6.1. **Sufficient Funds:** If the Client instructs Société Générale in respect of a Limit Order for the purchase of any Equity Securities, the Client will ensure that there are sufficient funds in the Client's account to meet that Limit Order.
- 6.2. **Société Générale's role as Principal:** Any Limit Order in respect of an Equity Security in which Société Générale acts as market-maker or otherwise as principal will be given by the Client on the understanding that:

- (a) the order will not be executed unless and until Société Générale bid for the Equity Security at the same or a higher price than that specified in the order (in the case of a sell order) or offer it at the same or a lower price than that specified in the order (in the case of a buy order) with a view to purchasing or selling (as the case may be) the Equity Security concerned in the amount of the order; and
 - (b) until execution, the Client may buy the Equity Security (where the order the Client gave was to buy) at a price equal to or lower than stated in the order, or sell it (where the order was to sell) at a price equal to or higher than that stated in the order. Any such purchase or sale may be from or to any third party and for Société Générale's own account or for that of any Affiliated Company.
- 6.3. **Cancellation:** If the Client wishes to cancel a Limit Order before its execution or expiry, subject to Applicable Regulations the order remains valid until the Client receives a confirmation of cancellation of that order from Société Générale.
- 6.4. **Partial Fills:** No partial fill of a Limit Order will be executed. Société Générale accepts no responsibility if the order is not filled.
- 6.5. **Publication:** Unless the Client notifies Société Générale to the contrary, Société Générale shall not immediately make public any Limit Order in respect of shares admitted to trading on an EEA regulated Market which is not immediately executed under prevailing market conditions.

7. Settlement and Ownership

- 7.1. **Purchases:** The Client shall pay for any Equity Securities purchased for the Client on or before the settlement date. If, by the time due for settlement of a Transaction (as determined by Société Générale), there is insufficient cash in the Client's account to enable Société Générale to meet the settlement obligations, Société Générale shall not be obliged to settle the Transaction. Where there is insufficient cash in the Client's account and Société Générale does proceed to settlement, Société Générale may accept delivery of the Equity Securities, charge the Client's account for the payment to satisfy the Client's obligation, sell the Equity Securities at a price Société Générale believes to be reasonable, and credit the Client's account with the net proceeds thereof (after deduction of commission and other costs).
- 7.2. **Sales:** The Client shall make Equity Securities sold by the Client available for settlement on or before the settlement date. If, by the time due for settlement of a Transaction (as determined by Société Générale), there are insufficient Equity Securities held for the Client's account, Société Générale shall not be obliged to settle the Transaction. Where there are insufficient Equity Securities in the Client's account and Société Générale does proceed to settlement, Société Générale may buy the Equity Securities required for delivery at a price Société Générale believes to be reasonable, charge the Client's account for the cost thereof, deliver the Equity Securities to satisfy the delivery obligation, and credit the Client's account with the net proceeds thereof (after deduction of commission and other costs).
- 7.3. **Title:** If in any Transaction Société Générale delivers Equity Securities or pays money on the Client's behalf, but the Client's obligations in respect of that Transaction are not performed simultaneously with or prior to Société Générale's own delivery or payment, then Société Générale shall not be obliged to credit the Client's account with any Equity Securities or money received by Société Générale from any third party until the Client's own obligations to Société Générale are fully performed; and any such Equity Securities or money received by Société Générale shall be Société Générale's property not the Client's.
- 7.4. **Finality:** Société Générale shall owe no payment or delivery obligation and shall not be deemed to hold any property belonging to the Client as a result of settlement of a Transaction until Société Générale has received, with finality, the cash or Equity Securities to which the Client is entitled.
- 7.5. **Contractual Settlement:** Société Générale may, in Société Générale's discretion, provisionally credit and debit the Client's account on the due date of settlement as if the Transaction had settled on that date even where, under Applicable Regulations, the Transaction has not settled in the Client's favour or Société Générale's favour with finality. Société Générale may, however,

in Société Générale's absolute discretion reverse any such provisional debits and credits at any time until Société Générale receives payment (on sale) or delivery (on purchase) on the Client's behalf with finality. Société Générale shall not be liable to the Client in respect of income or any other rights relating to the Equity Securities which would have accrued on the monies or investments if settlement had taken place on the contractual settlement date.

- 7.6. **CREST:** Where the Client instructs Société Générale to effect settlement by accepting the transfer of Equity Securities to Société Générale's nominated CREST account the Client accepts that payment obligations upon settlement will be dealt with through a settlement bank and that the creation of a settlement bank payment obligation will to the extent of such obligation discharge payment due from Société Générale.
- 7.7. **Non-DvP Markets:** In some securities markets, delivery of Equity Securities and payment may not be made simultaneously. In such markets Société Générale may make payment or delivery of Equity Securities at such time and in such manner as is in accordance with relevant local law and practice or with the customs prevailing in the relevant market. The Client shall bear the risk that the counterparty to the Transaction may not pay or perform on time or at all.
- 7.8. **Fails:** Société Générale will notify the Client if settlement of a Transaction fails to take place on the contractual settlement date, whether because of a default by a counterparty to that Transaction or otherwise.
- 7.9. **Aggregation for Settlement:** Settlements in respect of executed Transactions may, in Société Générale's discretion, be netted to the lowest number of movements for each type of Equity Security reasonably possible, subject to Applicable Regulations.
- 7.10. **Relevant Markets and Clearing Organisations:** Where more than one trading Market is potentially relevant in respect of a Transaction or an Equity Security, it shall be within Société Générale's discretion to determine the settlement period or other matters relevant to the operation of this Schedule.

8. Stabilisation

- 8.1. **Stabilisation Activity:** Société Générale may effect Transactions in Equity Securities that may be the subject of stabilisation, a price supporting process that may take place in the context of new issues. The effect of stabilisation can be to make the market price of the new issue temporarily higher than it would otherwise be. Société Générale shall owe the Client no duties in respect of legitimate stabilisation activities which Société Générale undertakes.

9. Systematic Internalisation

- 9.1. **Systematic Internalisation:** Société Générale may act, and execute the Client's instructions, as a systematic internaliser. Société Générale may limit the number of Transactions that Société Générale undertakes to enter with the Client at the published quote and the total number of Transactions that Société Générale undertakes to enter for different clients at the same time at the published quote.

10. Transparency

- 10.1. **Trade Reporting:** Under Applicable Regulations, Société Générale may be obliged to make information about certain Transactions public. The Client agrees and acknowledges that any and all proprietary rights in such Transaction information are owned by Société Générale and the Client waives any duty of confidentiality attaching the information which Société Générale are obliged to disclose.

11. Definitions

Definitions: In this Schedule, the following terms have the following meanings:

"Corporate Action" means any step taken by an issuer of Equity Securities with reference to holders of its Equity Securities, and includes: capital reorganisation; capitalisation; change in listing; consolidation; conversion; delisting; de-merger; alteration in ranking; redemption; rights issue; scheme of arrangement; takeover; or any equivalent or analogous step under the law of any relevant jurisdiction.

"Equity Security" means any security which is a share in a company, or a security equivalent to a share in a company, a partnership or other entity, provided that it is negotiable on the capital Market, and includes a depository receipt in respect of a share.

"Limit Order" means an order to buy or sell an Equity Security at its specified price limit or better and for a specified size.

"Short Sale" means a Transaction for the sale of equities not owned by the Client at the time scheduled for settlement of the Sale Transaction.

SCHEDULE 4: FIXED INCOME SECURITIES

1. Scope

- 1.1. **Transactions:** The clauses in this Schedule apply to Transactions in Fixed Income Securities. For these purposes, "Transaction" means a transaction relating to a Fixed Income Security under which delivery of a Fixed Income Security is contemplated upon its formation.
- 1.2. **Netting:** Any Transaction to which this Schedule applies shall be deemed included in the definition of "Netting Transaction" for the purposes of these Terms of Business and subject to termination and liquidation under clause 17 (Netting) of the Terms of Business following an Event of Default.

2. Execution and Capacity

- 2.1. **Dealing as Principal:** Every order which Société Générale may take is accepted and executed on the basis that Société Générale acts on Société Générale's own account as principal and not as agent for the Client. When executing orders on a regulated market or a multilateral trading facility, Société Générale will act in the capacity of a riskless principal.

3. Trading Arrangements

- 3.1. **Bond Market Liquidity:** The Client acknowledges that fixed income instruments may be illiquid and that the market price of any particular instrument may be difficult to ascertain. In agreeing to Société Générale's best execution policy in respect of the Client's instructions and/or Société Générale's best interests policy in respect of reception and transmission of the Client's instructions the Client accepts that price will not typically be the primary factor in determining whether best execution has been achieved.
- 3.2. **ICMA Rules and Recommendations:** All Transactions in "international securities" as that term is defined in the Rules and Recommendations of the International Capital Market Association and unless agreed otherwise at the time of trade in non-US debt or convertible instruments shall be subject to such Rules and Recommendations, which are included within the meaning of "Applicable Regulations" for the purposes of this Schedule.

4. Settlement and Ownership

- 4.1. **Purchases:** The Client shall pay for any Fixed Income Securities purchased for the Client on or before the settlement date. If, by the time due for settlement of a Transaction (as determined by Société Générale), there is insufficient cash in the Client's account to enable Société Générale to meet the settlement obligations, Société Générale shall not be obliged to settle the Transaction. Where there is insufficient cash in the Client's account and Société Générale does proceed to settlement, Société Générale may accept delivery of the Fixed Income Securities, charge the Client's account for the payment to satisfy the Client's obligation, sell the Fixed Income Securities at a price Société Générale believe to be reasonable, and credit the Client's account with the net proceeds thereof (after deduction of commission and other costs).

- 4.2. **Sales:** The Client shall make Fixed Income Securities sold by the Client available for settlement on or before the settlement date. If, by the time due for settlement of a Transaction (as determined by Société Générale), there are insufficient Fixed Income Securities held for the Client's account, Société Générale shall not be obliged to settle the Transaction. Where there are insufficient Fixed Income Securities in the Client's account and Société Générale does proceed to settlement, Société Générale may buy the Fixed Income Securities required for delivery at a price Société Générale believe to be reasonable, charge the Client's account for the cost thereof, deliver the Fixed Income Securities to satisfy the delivery obligation, and credit the Client's account with the net proceeds thereof (after deduction of commission and other costs).
- 4.3. **Title:** If in any Transaction Société Générale delivers Fixed Income Securities or pays money on the Client's behalf, but the Client's obligations in respect of that Transaction are not performed simultaneously with or prior to Société Générale's own delivery or payment, then Société Générale shall not be obliged to credit the Client's account with any Fixed Income Securities or money received by Société Générale from any third party until the Client's own obligations to Société Générale are fully performed; and any such Fixed Income Securities or money received by Société Générale shall be Société Générale's property not the Client's.
- 4.4. **Finality:** Société Générale shall owe no payment or delivery obligation and shall not be deemed to hold any property belonging to the Client as a result of settlement of a Transaction until Société Générale have received, with finality, the cash or Fixed Income Securities to which the Client are entitled.
- 4.5. **Non-DvP Markets:** In some securities markets, delivery of Fixed Income Securities and payment may not be made simultaneously. In such markets Société Générale may make payment or delivery of Fixed Income Securities at such time and in such manner as is in accordance with relevant local law and practice or with the customs prevailing in the relevant market. The Client shall bear the risk that the counterparty to the Transaction may not pay or perform on time or at all.
- 4.6. **Fails:** Société Générale will notify the Client if settlement of a Transaction fails to take place on the contractual settlement date, whether because of a default by a counterparty to that Transaction or otherwise.

5. Definitions

Definitions: In this Schedule, the following terms have the following meanings:

"Fixed Income Securities" means any security which is a bond or other debt instrument, including government and public issues, but excluding any lending arrangement.

SCHEDULE 5: FUTURES AND OPTIONS

1. Scope

- 1.1. **Transactions:** The clauses in this Schedule apply to transactions in futures and options. In this Schedule, "Transaction" means a transaction listed in sub-clauses (i)-(iv) of the definition of Transaction in the Interpretation clause, which constitutes a "Future" or an "Option" (as defined in Applicable Regulations) and traded on a Market.
- 1.2. **Netting:** Any Transaction to which this Schedule applies shall, subject as follows, be deemed included in the definition of "Netting Transaction" for the purposes of these Terms of Business and subject to termination and liquidation under clause 17 (Netting) of the Terms of Business(the "**Netting Clause**") following an Event of Default. The Netting Clause shall not apply to any Transaction to the extent that action which conflicts with or overrides the provisions of the Netting Clause has been started in relation to that Transaction by a Market or clearing organisation under Applicable Regulations and is continuing.

2. Trading Arrangements

- 2.1. **Matching Trades:** In respect of every Transaction made between Société Générale subject to the Rules of a Market, Société Générale shall, unless otherwise agreed in writing in relation to a particular Market, act as principal in any Transaction with the Client. Société Générale shall make (or arrange to make through an intermediate broker who may be an associate) on a principal-to-principal basis a matching Transaction on the relevant Market or accept the allocation to Société Générale of such a Transaction.
- 2.2. **Give-up:** In respect of every Transaction made between Société Générale and given up to be cleared by another broker or dealer as specified by the Client:
 - (a) if such broker or dealer accepts the give-up, Société Générale shall (without prejudice to any claim Société Générale may have for commission or other payment) upon such acceptance cease to be a party to the Transaction and shall have no obligation to the Client for its performance;
 - (b) if such other broker or dealer declines to accept the give-up, Société Générale shall be entitled at Société Générale's option either to confirm the Transaction with the Client or to liquidate it by such sale, purchase, disposal or other Transaction or cancellation as Société Générale may in Société Générale's discretion determine, whether on the relevant Market or by private contract or any other feasible method (including taking it over ourselves or transferring it to an associate); and any balance resulting from such liquidation shall be promptly settled between Société Générale and the Client but without prejudicing Société Générale's rights under these Terms of Business or otherwise.
- 2.3. **International Uniform Give-up Agreement:** The Client authorises Société Générale to enter into and execute any International Uniform Give-up Agreement on the Client's behalf. Where the Client and Société Générale are party to an International Uniform Give-up Agreement, in the event of any inconsistency the provisions of such agreement shall prevail over these Terms of Business.
- 2.4. **Allocation on Delivery or Exercise:** Where the relevant Market or intermediate broker does not specify a particular Transaction when making a delivery or exercising an option, Société Générale may allocate randomly or in a way which seems to Société Générale to be most equitable.

- 2.5. **Exercise of Options:** The Client understands that Markets have established exercise cut-off times for the tender of instructions in relation to exercise of options and that options will become worthless in the event that the Client does not deliver instructions by such expiration time. The Client also acknowledges that Société Générale may establish exercise cut-off times which may be earlier than the exercise cut-off times established by the relevant Market, and the Client shall have no claims against Société Générale arising out of the fact that an option was not exercised.
- 2.6. **Deemed Exercise of Options:** Where by virtue of the Rules of the Market an option is exercised automatically under a back-to-back Transaction which has been entered into by Société Générale on the Client's instructions, the corresponding Transaction to which the Client and Société Générale are both party will be deemed to have been automatically exercised at the same time.
- 2.7. **Correction of Order:** The Client understands that Markets may from time to time sanction the making of contracts by Société Générale off-exchange in order to satisfy the Client's order, where there has been an error in the execution of the Client's order on-exchange. Where a better price (an improvement) can be obtained, Société Générale may seek to secure and offer that improvement to the Client. Where, in response to the Client's order, Société Générale has bought or sold in accordance with the instruction in the Client's order to buy or, as the case may be, to sell but have traded the wrong delivery/expiry month or wrong exercise price of the relevant contract, then Société Générale may in accordance with the Rules of any relevant Market offset any loss arising from that trade against any improvement achieved for the Client in the course of correctly satisfying the Client's order, thus offering the Client only the net improvement, if any.
- 2.8. **Close-out:** Unless otherwise agreed in writing between the Client and Société Générale or where the Rules of a Market provide otherwise or in relation to Transactions subject to the Rules of any Market specified for these purposes in the Individually Agreed Terms Schedule, whenever any Transaction is entered into to close out any existing Transaction, then the obligations of each of Société Générale and the Client under both sets of Transactions shall automatically and immediately be terminated upon entering into the second Transaction, except for any settlement payment due in respect of such closed out Transactions.

3. Clearing Services

- 3.1. **Transaction given up to Société Générale for Clearing:** Subject to the Rules of any relevant Market, this clause applies where there is a give-up agreement between the Client, Société Générale and a third party executing broker, and the reference number or mnemonic applicable to the Client is quoted by such executing broker when a Transaction is submitted to Société Générale for clearing. In acting as the Client's clearing broker Société Générale shall accept a Transaction given up to Société Générale for clearing only if Société Générale has agreed with the Client to clear Transactions of such a description and the acceptance thereof would not breach any position or other limits applicable to the Client's account with Société Générale. Notwithstanding any provision contained in the relevant give-up agreement, if Société Générale accepts such Transaction for clearing, such Transaction shall be binding and conclusive on the Client immediately on its acceptance for clearing by Société Générale whether or not the details of such Transaction have previously been confirmed to Société Générale by the Client. Société Générale shall not be liable to the Client for any losses, costs, expenses or damages arising from any discrepancy between details in the Client's instructions to such executing broker and details of Transactions submitted to Société Générale for clearing. Any dispute relating to a Transaction given up or attempted to be given up to Société Générale for clearing shall be determined under applicable arbitration rules of the relevant Market.

- 3.2. **Fees Paid to Executing Broker:** Subject to the Rules of any relevant Market, if a give-up agreement between the Client, Société Générale and a third party executing broker provides that the executing broker will invoice Société Générale directly for its commissions in relation to the execution of an order, then Société Générale shall be entitled to rely on the details specified in any invoice presented to Société Générale by such executing broker and, notwithstanding that the amounts specified in the invoice may be incorrect, the Client shall fully reimburse Société Générale for any sum paid to the executing broker in respect of that invoice. Société Générale shall have no liability to the Client for any losses, costs, expenses or damages incurred or suffered by the Client as a result of an incorrect amount being specified in an invoice.

4. Financial Futures Requiring Non-Cash Settlement

- 4.1. **Sales:** The Client shall make securities deliverable by it available for settlement on or before the settlement date. Where there are insufficient securities in the Client's account and Société Générale does proceed to settlement, Société Générale may buy the securities required for delivery at a price Société Générale believes to be reasonable, charge the Client's account for the cost thereof, deliver the securities to satisfy the delivery obligation, and credit the Client's account with the net proceeds thereof (after deduction of commission and other costs).
- 4.2. **Settlement Agent:** The Client will notify Société Générale of all relevant details required by Société Générale of the Client's settlement agent in respect of Transactions which may be subject to securities delivery obligations. The Client will procure that the Client's settlement agent enters into such other documentation as may be necessary to ensure that the clearing and settlement of such Transactions takes effect without liability to Société Générale.

5. EFP Transactions

- 5.1. **EFPs:** Subject to the terms of any particular EFP Transaction, in relation to each EFP Transaction, upon Société Générale becoming bound to Futures Contracts entered into in replication of the Physical Contract, the Physical Contract shall be automatically discharged.
- 5.2. **Reverse EFPs:** Subject to the terms of any particular Reverse EFP Transaction, in relation to each Reverse EFP Transaction, the Physical Contract with the Client shall arise automatically upon the closing out (including by creation of opposite positions, on the relevant Market) of the Futures Contracts which the Physical Contract is intended to replace.
- 5.3. **Existence of Transactions:** The existence of an EFP Transaction or Reverse EFP Transaction is conditional on registration of the Futures Contracts (or, as the case may be, contracts effecting close-out) occurring on the date specified in the confirmation relating to the Transaction.¹⁷
- 5.4. **Payment:** Société Générale will notify the Client of the amount of any payment due between Société Générale and the Client as a result of entering into an EFP Transaction or Reverse EFP Transaction, to whom it is payable and when.

- 5.5. **Definitions:** In this clause:

"**EFP Transaction**" means a transaction between Société Générale and the Client which comprises a Physical Contract which is intended to be replaced by Futures Contracts.

"**Futures Contract**" means a contract on terms prescribed by a Market.

"**Physical Contract**" means a Transaction the terms of which are comparable with the terms of Futures Contract, which is not entered into on or back-to-back with a transaction entered into by Société Générale on a Market.

"**Reverse EFP Transaction**" means a transaction between Société Générale and the Client which comprises a Physical Contract which is intended to replace Futures Contracts.