



HSBC Bank Middle East Limited

Equity Securities Online Trading Schedule



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Issued by HSBC Bank Middle East Limited U.A.E Branch, PO Box 66, Dubai, U.A.E, regulated by the Central Bank of the U.A.E and lead regulated by the Dubai Financial Services Authority. CRN: FRM042720.

HSBC Bank Middle East Limited

Equity Securities Online Trading Schedule

1. In this Schedule to the General Terms and Conditions for Investment and Insurance Products, unless the context otherwise requires:

"Affiliate" means any subsidiaries, related companies, holding companies and associated companies of HSBC Holdings plc, and each of their respective branches, head offices and representative offices, and includes their respective successors and assigns;

"Agreement" means the agreement between you (as customer) and us (as bank) as contained in the General Terms and Conditions for Investment and Insurance Products (including this Schedule), the Trading Profile Application Form and the Related Documentation;

"Equity Linked Securities" means (i) depository receipts which are traded on an exchange (such as American Deposit Receipts and Global Depositary Receipts) and which are issued by eligible depository banks representing an economic interest in a corporation or other entity incorporated outside of the location of that exchange, and (ii) securities awarded to you resulting from a corporate action triggered by the underlying issuer;

"Equity Securities" means, collectively and individually, Shares, Exchange Traded Funds and Equity Linked Securities, which are traded on an exchange;

"Equity Securities Online Trading Services" means the services provided by us to you through the Platform as described in this Schedule;

"Equity Securities Trading Profile" means a personal trading profile set up and maintained by us on the Platform for you to enable your use of, and access to, the Equity Securities Online Trading Services;

"Exchange Rate" means the rate for converting one currency into another currency which we determine to be prevailing in the relevant foreign exchange market at the relevant time, such determination to be conclusive and binding on you;

"Exchange Traded Funds" or "ETFs" means investment funds and/or collective investment entities listed and traded on an exchange (which may be a sub-fund, cell or contractual division within a broader fund structure);

"HBME" means HSBC Bank Middle East Limited, UAE branch as your agent and on your behalf to receive the execution services specified in clause 4 from HSBC Bank plc and to receive the custody services specified in clause 8 from Pershing (Channel Islands) Limited;

"HSBC Group" means HSBC Holdings plc, its affiliates, subsidiaries, associated entities and any of their branches and offices (together or individually), and **"any member of the HSBC Group"** has the same meaning;

"Investment Account" means the investment account (comprising a securities account and a linked cash account) in your name, which will contain all your investments held through us with Pershing (Channel Islands) Limited;

"Limit Order" means an order to buy or sell an Equity Security at a specified price or better and for a specified quantity;

"Market Data" means the U.S. Market Data and any other market data provided by our market data information providers, which may be available on the Platform;

"Market Order" means an order to buy or sell an Equity Security at the prevailing market price and for a specified quantity;

"Market Requirements" means the constitutions, by-laws, rules, regulations, customs, procedures, usages, rulings and interpretations of the relevant exchange or other market where the transactions in the relevant Equity Securities are executed, promoted, sold or arranged, and/or the clearing house, custodians or depositories thereof, as may be applicable, and all other applicable laws, rules and regulations, notices, guidelines, practice notes, information papers, circulars and directives of governmental or quasi-governmental agencies or regulators, exchanges or clearing houses of any relevant jurisdictions;

"Nominated Cash Account" means the underlying current or savings account you hold with us (including a replacement account), which you tell us to use for making payments in connection with the Equity Securities Online Trading Services and each Transaction effected under the terms and conditions of this Schedule. Such current or savings account is and will be subject to the Personal Banking General Terms and Conditions;

"Platform" means our Online Retail Trading Platform offered by us to you:

- (i) through the Wealth Dashboard within our Personal Internet Banking Service or Mobile Banking Service; or
- (ii) if you are an eligible customer, also through your HBME relationship manager;



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"Shares" means units of ownership interest in a corporation or other incorporated entity, which are issued by the corporation or entity as part of its share capital;

"Trading Profile Application Form" means the trading profile application form and any other equivalent electronic communications, which you will need to complete and sign in order for us to assess your eligibility and determine whether to set up the Equity Securities Trading Profile for you or not;

"Trading Profile Fees" means the fees which are payable by you to us for receiving the Equity Securities Online Trading Services, as determined in accordance with clause 3.8;

"Transaction" means each and every transaction effected pursuant to or as a result of an instruction from you or in accordance with any provision of this Schedule;

"U.S. Market Data" means certain market data and other data disseminated that has been collected, validated, processed and recorded by any system the U.S. Market Data Provider has developed or other sources made available for transmission to and receipt from the U.S. Market Data Provider relating to: a) eligible securities or other financial instruments, markets, products, vehicles, indicators or devices; b) activities of a U.S. Market Data Provider; c) other information and data from a U.S. Market Data Provider. U.S. Market Data also includes any element of information or data as used or processed in such a way that the U.S. Market Data can be identified, recalculated or re-engineered from the processed information or data or that the processed information or data can be used as a substitute for U.S. Market Data;

"U.S. Market Data Provider" means Nasdaq Inc. and its subsidiaries and affiliates which may make available the U.S. Market Data from time to time;

"U.S. Person": The meaning of US Person will depend on the context in which this term is used under these Terms and it may vary depending on the type of Equity Securities, the product provider or the Equity Securities Online Trading Services. In general, US Person means any person who is a national or resident of the United States of America or who holds a green card or other type of permanent residence status. Please refer to the relevant documentation in respect of a particular product to find more details on the meaning of US Person; and

"Wealth Dashboard" means the online system available within Personal Internet Banking or Mobile Banking Service (and if you are an eligible customer, also available through your HBME relationship manager) on which you can view your Equity Securities held in your Investment Account and, among other things, see valuations of them.

- 1.1 Capitalised terms which are not defined in this Schedule shall have the meanings ascribed to them in the General Terms and Conditions for Investment and Insurance Products or, where the context requires, in the Online Banking Terms and Conditions.

2. Agreement

- 2.1 This Schedule sets out supplemental and additional terms and conditions which will apply to the Equity Securities Online Trading Services. The General Terms and Conditions for Investment and Insurance Products and the Related Documentation are incorporated and shall apply to this Schedule. For the avoidance of doubt, this Schedule shall be read together as one document with the General Terms and Conditions for Investment and Insurance Products and we shall be entitled to exercise any rights or entitlements arising under the General Terms and Conditions for Investment and Insurance Products and, where applicable, the Related Documentation.
- 2.2 Our Online Banking Terms and Conditions (as amended from time to time and the latest version is available at www.hsbc.ae) will also apply to the Equity Securities Online Trading Services, in particular regarding your use of, and access to, such services through our Personal Internet Banking Service. For this purpose, the Equity Securities Online Trading Services will form part of the **"Service"** (as defined in the Online Banking Terms and Conditions) and our Online Banking Terms and Conditions will form part of the Related Documentation.
- 2.3 In the event of any conflict or inconsistency between the provisions of the General Terms and Conditions for Investment and Insurance Products or any Related Documentation and this Schedule, the provisions of this Schedule shall prevail to the extent of the conflict or inconsistency.
- 2.4 In the event of any conflict or inconsistency between the provisions of the Online Banking Terms and Conditions and this Schedule, the provisions of this Schedule shall prevail to the extent of the conflict or inconsistency.

3. Provision of Equity Securities Online Trading Services

- 3.1 Subject to these terms, the services provided by HBME under this Schedule are limited to providing you with access to the Platform to submit orders and instructions in respect of Equity Securities, and, in respect of each order, as operator of the Platform, receiving and transmitting your orders for Transactions to HSBC Bank plc to execute, as broker, as set out at clause 4. Pershing (Channel Islands) Limited will act as your custodian pursuant to clause 8.
- 3.2 You must satisfy all customer eligibility criteria as may be determined by us and notified to you from time to time in order to apply for the Equity Securities Trading Profile and receive all or part of the Equity Securities Online Trading Services. You will need to complete and sign (including, where permitted, by electronic methods) the Trading Profile Application Form. When determining the relevant customer eligibility criteria, we will ensure that all Applicable Regulations in force from time to time are complied with.
- 3.3 We are authorised, at our discretion, to take such action or steps as we may consider expedient to enable us to provide the Equity Securities Online Trading Services subject to applicable law, although we reserve the right to refuse to do so at any time, and to exercise our rights under the Agreement, including the right:
- (a) to take or omit to take any action we consider necessary to ensure compliance with any Applicable Regulations;
 - (b) to take any such action or steps in order to comply with any Market Requirements (whether or not having the force of law) requiring us to take or refrain from action and nothing here shall remove, exclude or restrict any of your rights under such Market Requirements;
 - (c) to determine the scope of any Equity Securities Online Trading Services at our sole discretion, including, without limitation, to restrict the Equity Securities Online Trading Services to cover certain jurisdictions or certain Equity Securities only;
 - (d) to act on the opinion or advice of our legal advisers, accountants, or other professional advisers but without liability for any acts or omissions on their part;
 - (e) to act on the reasonable requests or instructions from HSBC Bank plc (as your broker) or Pershing (Channel Islands) Limited (as your custodian);
 - (f) to suspend or terminate the use by you of all or any part of the Equity Securities Online Trading Services or to close your Equity Securities Trading Profile, with or without prior notice to you, where we consider it necessary or advisable to do so; our right under this clause shall be in addition to, and without prejudice to, clauses 2.7 and 10 of the Online Banking Terms and Conditions; and
 - (g) generally to do all acts and things which are necessary for or incidental to the provision of any of the Equity Securities Online Trading Services and/or exercise of our rights or powers under the Agreement.
- If we exercise any of our rights set out above, where permitted under any Applicable Regulations, we will notify you to contact your relationship manager and discuss options available to you. We will not be responsible for any loss or detriment you may suffer as a result of our exercising any rights under this clause unless the losses are due to the gross negligence, wilful default or fraud of us or our officers or employees.
- 3.4 This clause shall be in addition to, and without prejudice to, clause 7 of the Personal Banking Terms and Conditions. You agree that we and any of our officers shall be authorised to disclose any information we have concerning you, your accounts with us and the Equity Securities Online Trading Services:
- (a) to any other person appointed by us in connection with any of the Equity Securities Online Trading Services (whether affiliated party or third party and whether local or overseas);
 - (b) to HSBC Bank plc in respect of the provision of the execution services (as detailed at clause 4);
 - (c) to Pershing (Channel Islands) Limited in respect of the provision of the custody services (as detailed at clause 8);
 - (d) where disclosure is requisite or desirable in the performance of any of the Equity Securities Online Trading Services;
 - (e) where disclosure is in our legitimate business interests;

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- (f) where disclosure is made for purposes of clause 3.3, in accordance with clause 15 and/or otherwise required or requested by any applicable Market Requirements or audit requirements, any court order, any regulatory, governmental or other authority or body which has jurisdiction over us or you, any relevant exchange, clearing house, tax authority, share registrar or U.S. Market Data Provider or any internal policies of the HSBC Group relating to the prevention of criminal activities or the provision of services to any persons that may be subject to sanctions;
 - (g) to any of our officers and any member of the HSBC Group, including, but not limited to, any member of the HSBC Group in connection with or arising from any of our products or services, Compliance Obligations and/or Financial Crimes Risk Management Activities; or
 - (h) where disclosure is made in connection with any HSBC business transfer, disposal, merger or acquisition.
- 3.5 We shall have no duty to ascertain your nationality or whether any Equity Securities transacted are approved for foreign ownership or whether any foreign exchange control restrictions or requirements apply.
- 3.6 The Equity Securities Online Trading Services shall be subject to applicable Market Requirements. For the avoidance of doubt:
- (a) in the event of any conflict or inconsistency between the Agreement and any Market Requirements, the Market Requirements shall prevail to the extent of the conflict or inconsistency;
 - (b) all of the Market Requirements and any such action or step so taken by us to prevent or remedy a breach of the Market Requirements shall be binding upon you as if expressly set out herein or authorised hereby; and
 - (c) nothing in this Agreement shall exclude or restrict any obligation or liability we may incur in relation to you under the Market Requirements applicable to us to the extent that we are precluded thereunder or pursuant thereto from restricting or excluding such obligation or liability.
- 3.7 Where you have access to any Market Data, the terms of Appendix 3 shall apply. In the event of any conflict or inconsistency between the terms of this Schedule and those of Appendix 3, the latter shall prevail.
- 3.8 You will pay us the Trading Profile Fees, on a monthly basis from the date falling two months after your Equity Securities Trading Profile is set up until the date on which your Equity Securities Trading Profile is closed. We will set the amount of Trading Profile Fees payable monthly in accordance with the Schedule of Tariffs. You authorise us to debit the Trading Profile Fees on the payment due date each month from your Nominated Cash Account.
- 3.9 We will endeavour to inform you without undue delay through our public website (at www.hsbc.ae) or Personal Internet Banking if the Platform or any part of the Equity Securities Online Trading Services is temporarily unavailable, interrupted or malfunctioned. During that unavailable, interruption or malfunctioning period, you will not be able to submit any new instructions to buy or sell Equity Securities and we will not be able to receive and transmit such instructions. We will not be responsible for any delays or losses in our ability to transmit instructions to HSBC Bank plc due to such unavailability, interruption or malfunctioning of the Platform or any part of the Equity Securities Online Trading Services.
- 3.10 You may request us to close your Equity Securities Trading Profile by completing and signing a closure request form (including, where permitted, by electronic methods). At the time of your closure request, you must not be holding any Equity Securities transacted through the Platform in the Investment Account and there are no instructions given by you through the Platform (other than fully cancelled instructions). You will be liable to pay all Trading Profile Fees which are due and unpaid at the time of closing of your Equity Securities Trading Profile. We will notify you when your Equity Securities Trading Profile is closed.
- 3.11 This clause 3 shall continue in effect notwithstanding the termination of the Agreement.

4. Your authorisation and execution of Transactions

- 4.1 The terms in this section set out the basis on which you will be provided with services for the reception of requests or instructions to deal in Equity Securities through the Platform by us and transmission of such requests or instructions through the Platform to HSBC Bank plc for execution, which form part of the Equity Securities Online Trading Services.
- 4.2 You hereby authorise us, acting as your agent, to receive your requests or instructions to deal in such Equity Securities as may be available on the Platform and to transmit such requests or instructions through the Platform to HSBC Bank plc for execution.

- 4.3 The execution services provided by HSBC Bank plc to you, as your broker, will be provided in the United Kingdom according to the terms set out in the Appendix 1 to this Schedule which are governed by English law and reflect substantially the terms on which HSBC Bank plc has agreed with us that it will provide the following execution services to you through our agency in accordance with applicable law and regulations in the United Kingdom:
- 4.3.1 buying or selling or otherwise dealing with HBME or arranging transactions for you, as applicable, in relation to Equity Securities; and
 - 4.3.2 related executed services as may be agreed between HBME and HSBC Bank plc from time to time, upon your instruction to us.
- 4.4 You agree that you will be bound by all terms set out in Appendix 1 to this Schedule (as may be varied or amended in accordance with those terms) in respect of the services to be provided by HSBC Bank plc, acting through HBME as your agent.
- 4.5 The execution services specified at clause 4.3 required by you in connection with your access to and use of the Platform and the Equity Securities Online Trading Services shall be provided to HBME by HSBC Bank plc pursuant to terms substantially similar to those set out in the Appendix 1 to this Schedule. No execution services shall be provided to you by us as principal or as your agent. We will not own any Equity Security on your behalf at any time.
- 4.6 If you have any questions about the terms set out in the Appendix 1 to this Schedule or this Schedule you should contact us to discuss this as soon as possible, and before you accept this Schedule or agree to receive any Equity Securities Online Trading Services in relation to the Platform. As with any agreement or contract, you should also take any independent legal, financial or other advice which you think you need before accepting these terms.
- 4.7 For the avoidance of doubt, pursuant to the terms set out in the Appendix 1 to this Schedule:
- 4.7.1 We act as your agent, we will not notify or disclose your identity to HSBC Bank plc.
 - 4.7.2 HSBC Bank plc will not receive any instructions or orders directly from you.
 - 4.7.3 An order placed on the Platform will be legally binding on you and HSBC Bank plc shall have no responsibility for any error or inaccuracy in such order.
 - 4.7.4 You will have no right to enforce any of the terms set out in the Appendix 1 to this Schedule other than through us acting as your agent.
- 4.8 Risk warnings:
- 4.8.1 You must read all risks notices provided to you through the Platform in respect of any Equity Securities or other investment products.
 - 4.8.2 This information will be made available at <http://www.gbm.hsbc.com/financial-regulation/market-structure/mifid/policies-disclosures> or such other website as notified to you.
 - 4.8.3 You should read these important notices carefully prior to submitting orders for investments.

5. Buy and sale instructions

- 5.1 You authorise us, subject to the terms set out in clause 4, to accept instructions or requests given through the Platform purporting to come from you without requiring us to verify the authority or identity of the person giving or purporting to give such instructions or the authenticity of such instructions.
- 5.2 You understand and accept that there are risks associated with instructions given through the Platform. You acknowledge that with instructions given through the Platform, we are not in a position to and are not obliged to verify if such instructions are given in accordance with your account mandate. Where we act in good faith on instructions given through the Platform which emanate or purport to emanate from you in any circumstances whatsoever, you shall be responsible for whatever consequences may arise. We may at our discretion, but are not obliged, to take reasonable steps to verify the identity of the person giving any instructions purportedly on your behalf. Where the Nominated Cash Account, the Investment Account and the Equity Securities Trading Profile are in the names of more than one person, we are authorised to accept instructions from any one of the account holders through the Platform. Such instruction shall be binding on all account holders. The liabilities of each of the account holders shall be joint and several.

5.3 If you are an eligible customer who can have access to the Platform through your HBME relationship manager, you must provide your instructions to buy or sell any Equity Securities in an order form to your HBME relationship manager. You need to specify the required details of your instructions in the order form, including without limitation, security name, security identifier, quantity, type of order (Market Order or Limited Order) and, if a Limited Order, specified price for the Equity Security you wish to buy or sell. We will ask you to sign (by electronic methods, where applicable) the completed order form and provide the signed form to your HBME relationship manager who will then input your instructions through the Platform. For the avoidance of doubt and notwithstanding anything stated in the General Terms and Conditions for Investment and Insurance Products, all your instructions provided under this clause 5.3 will be received and transmitted by us to HSBC Bank plc, as your broker to execute as set out at clause 4.

5.4 We shall not be under any obligation to transmit any instruction (including instructions given through the Platform) to buy any Equity Securities unless:

- (a) at the time of receiving such instructions to buy Equity Securities, there are sufficient monies held in cleared funds to the credit of your Nominated Cash Account to meet any purchase price together with any estimated expenses and fees to be incurred in connection with such buy transaction. We have the right to convert any funds in the Nominated Cash Account into the same currency as the relevant Equity Securities at the Exchange Rate as we deem appropriate; or
- (b) at the time of receiving such instructions to buy Equity Securities, there are sufficient credit facilities to meet such purchase price and expenses and fees and all terms and conditions relating to such facilities have or will have been satisfied in our sole opinion.

You acknowledge, undertake and agree to be always primarily liable for all transactions effected pursuant to this Schedule.

5.5 On receipt of any instruction to buy Equity Securities we, acting in good faith, will calculate the sums required to meet such buy instruction plus an estimate of (i) an additional sum of the indicative purchase price to take into account market price movement (if your instruction is a Market Order) and (ii) the sums required by any Market Requirements or the relevant exchange or market to meet any tax, duty or other expenses and fees in connection with such buy instruction. Without prejudice to clause 5.4 following such calculation, the following provisions shall apply:

- (a) we shall be entitled (but not obliged) and without prior notice to set-off an amount equivalent to such sum available in the Nominated Cash Account (including but not limited to funds arising from the sale of Equity Securities on your behalf) or any other account maintained by you or any of you with us (in the form of credit balance and/or credit facility) against all actual or contingent liabilities incurred by us as a consequence of the said instruction including any liability to pay the purchase price and other fees and expenses to any third party; and
- (b) until completion of the buy transaction you shall not be entitled to withdraw all, or any part of, the amount and the amount shall not constitute a debt owed by us to you.

5.6 We shall not be under any obligation to transmit any instruction (including instructions given through the Platform) to sell any Equity Securities unless: (a) sufficient quantity of such Equity Securities is held in your Investment Account which is not subject to any charge, lien or other security interest in favour of any person including us and (b) at the time of receiving such instructions to sell any Equity Securities, there are sufficient monies held in cleared funds to the credit of your Nominated Cash Account to cover the payment of any fee, taxes or duties payable in respect of the Transaction. You acknowledge that you shall not be entitled to withdraw or in any way deal with all or any part of such relevant Equity Securities until completion of the sale.

5.7 If your instruction is a Market Order, it must be received within the trading hours of the relevant exchange or market. Where for whatever reason such instruction has not been executed (or there is any unexecuted quantity of any such instruction in the case of a partially executed instruction), any unexecuted quantity of such Market Order shall be cancelled after the trading hours on the same trade date. You will not be able to place a Market Order outside of the trading hours of the relevant exchange or market.

5.8 If your instruction is a Limit Order, it can be submitted within or outside of the trading hours of the relevant exchange or market. You can place a Limit Order which can last from one day to up to 14 days (excluding any non-trading day). We call the last day of your specified order period as “**expiry date**”. Upon receiving a Limit Order, we will pass on any such Limit Order to HSBC Bank plc, in accordance with these terms, with instructions to attempt to effect any unexecuted quantity of your Limit Order on each day ending on the expiry date of the Limit Order. Any unexecuted quantity will expire at the end of the expiry date if the limit you have specified for that order has not been achieved. After your Limit Order has expired, your order shall be cancelled.

- 5.9 When giving instructions through the Platform, you shall adhere to any security control procedures that we may prescribe from time to time, and you acknowledge and agree that:
- (a) you are deemed to have authorised such instructions; and
 - (b) you accept full responsibility for the implementation of all such instructions (including Transactions and other matters arising therefrom) and agree that we shall have no liability for the implementation of all such instructions.
- 5.10 You cannot sell an Equity Security that you bought on the same day. The Platform does not support intraday trading. You can submit a sell order for the same Equity Security that you bought on the next day after your buy order is executed.

6. Cancellation of instructions

- 6.1 You may only cancel or amend your instructions submitted through the Platform with our consent. We shall not be obliged to act on any instruction for cancellation, variation or amendment of any instruction already given through the Platform nor be responsible or liable to you for any loss or expense suffered or incurred by you if the original instruction has already been completed or, in our opinion, we have insufficient time or are unable to act on such instruction to cancel, vary or amend the original instruction.
- 6.2 We may, at our discretion, cancel any instruction given through the Platform where such instruction has not yet been completed if, in our opinion, there are grounds for such cancellation.

7. Information on Transactions and Equity Securities

- 7.1 We shall provide you with the Wealth Dashboard service in relation to Equity Securities you may hold.
- 7.2 We shall provide you with information about the status of your instructions to buy or sell any Equity Securities given through the Platform and such information will be made available to you on the Platform under the designated area.
- 7.3 Following execution of a Transaction, we will provide you with the key details of the Transaction and any information we (acting as your agent) may receive from HSBC Bank plc.
- 7.4 After a Transaction is effected, we may notify you of the same via SMS to a mobile phone number as provided by you to us. You acknowledge and agree that we are under no duty to ensure the delivery, accuracy, security or confidentiality of the contents of the SMS. We shall not be liable for any losses of any kind arising from such notification via SMS, including but not limited to:
- (a) a non-delivery, delayed delivery, wrong delivery or partial delivery of the contents of the SMS;
 - (b) inaccurate contents of the SMS;
 - (c) access to the contents of the SMS by any unauthorised person; or
 - (d) use or reliance by you on the contents of the SMS for any purposes including investment purposes.

In the event of any inconsistency between the contents of the SMS and the corresponding trade, execution or transaction details available on the Platform, the latter shall prevail. You agree and acknowledge that we will not and do not accept instructions provided via SMS.

- 7.5 You undertake to notify us immediately in the event of any change to any information provided to us in connection with the Nominated Cash Account, the Investment Account, the Equity Securities Trading Profile or the Equity Securities Online Trading Services.
- 7.6 You further undertake to notify us immediately in the event of any change of the country or territory of your domicile or residence or any change of your nationality or your obtaining any new nationality and provide us with any such information as required or requested by us in connection with the analysis of the relevant tax implications, including, without limitation, the reasons for such change, and you agree that in that case we have the right to cancel all your pending orders before the opening of the relevant exchange or market.

8. Your authorisation, settlement of Transactions and custody services

- 8.1 Notwithstanding any other terms of the General Terms and Conditions for Investment and Insurance Products (including any Schedules thereto), the terms in this section set out the basis on which you will be provided with the custody services (including settlement services) which form part of the Equity Securities Online Trading Services.
- 8.2 You hereby authorise us, acting as your agent, to enter into and create a Custody Agreement (as defined in Appendix 2) with Pershing (Channel Islands) Limited ("**PCI**"), on the terms set out in Appendix 2 as agreed by us with PCI, which will be governed by Jersey law, will contain all terms on which PCI will settle Transactions and will hold cash and securities for you in connection with your use of the Platform and will come into effect between you and PCI when PCI first opens an account in its books for you. You agree that you will be bound by all terms of the Custody Agreement as custody client of PCI.
- 8.3 The custody services required by you in connection with your access to, and use of, the Platform shall be provided to you by PCI pursuant to the Custody Agreement. No custody services shall be provided to you by us and we will not be responsible for holding and safekeeping your Equity Securities ordered through the Platform.
- 8.4 If you have any questions about the Custody Agreement or this Schedule (including Appendix 2) you should contact us to discuss this as soon as possible, and before you accept this Schedule or agree to receive any Equity Securities Online Trading Services in relation to the Platform. As with any agreement or contract, you should also take any independent legal, financial or other advice which you think you need before accepting these terms.
- 8.5 Appendix 2 to this Schedule contains certain information relating to PCI and sets out the terms of the Custody Agreement, and imposes certain specific obligations on you which form part of your obligations to us, but do not affect your contractual relationship with PCI which shall at all times be governed by the Custody Agreement. You should read Appendix 2 carefully prior to submitting orders for investments which will necessitate the provision of custody and settlement services to you by PCI under the Custody Agreement.
- 8.6 For the purposes of the creation and operation of the custody services provided by PCI to you, all relevant information in respect of your Transactions and other instructions in respect of Equity Securities, your information provided to us and relevant information on your accounts with us, will be shared by us with PCI.

9. Limitations on liability and indemnity

- 9.1 Notwithstanding that you may have informed us of any of your investment objectives, you shall be solely responsible for making your own independent investment decision and you give all instructions in reliance on your own judgment for your needs. In addition we shall not owe you a duty (save only to the extent required by Applicable Regulations) to exercise judgment on your behalf as to the merits or suitability of the Transaction concerned.
- 9.2 We are under no duty to examine or verify the validity of the ownership of or title to any Equity Securities and shall not be liable in respect of any defect in ownership or title.
- 9.3 Where applicable, you shall be solely liable for any taxes or duties payable or to be withheld on or in respect of any Transaction or any Equity Securities you hold or in connection with any Equity Securities Online Trading Services in accordance with applicable tax rules and requirements from time to time.
- 9.4 It is your sole responsibility to seek independent professional advice on and handle any tax issues which may affect you under all applicable laws and regulations in connection with any investment or Transaction contemplated under the Agreement and, we assume no responsibility for advising on or handling such tax issues or providing any assistance in this regard.
- 9.5 We shall not be liable for losses of any kind which may be incurred by you as a result of the provision of the Equity Securities Online Trading Services by us in accordance with instructions or in any other case unless the losses are due to the gross negligence, wilful default or fraud of us or our officers or employees.
- 9.6 You shall indemnify and hold harmless us, any person appointed by us and any of our officers, directors and employees from and against all claims, liabilities, damages, losses, costs and expenses of any kind which may be incurred by any of them and all actions or proceedings which may be brought by or against any of them in connection with:
- 9.6.1 the provision of the Equity Securities Online Trading Services, the Equities Securities Trading Profile, the Platform and the Wealth Dashboard to you;

- 9.6.2 any default by you in the performance of your obligations under the Agreement (including without limitation, any failure or default in the performance of your obligations in relation to Transactions settled by us on your behalf, any costs incurred or actions or proceedings brought as a result of your failing to maintain sufficient Equity Securities or sufficient cash in a particular currency);
- 9.6.3 any failure by you to perform the obligations to HSBC Bank plc and Pershing (Channel Islands) Limited as specified to be performed by you in clauses 4 and 8 and detailed in Appendices 1 and 2, in particular in respect of your failure to pay any fees, commissions or other costs and charges due to HSBC Bank plc and/or Pershing (Channel Islands) Limited in respect of their execution and custody services respectively;
- 9.6.4 the enforcement of the Agreement;
- 9.6.5 any of your negligence, fraud or willful default;
- 9.6.6 any representation or warranty or confirmation given by you being untrue or misleading in any respect; and/or
- 9.6.7 any claim against or liability resulting from any defect in title or any fraud or forgery in relation to any of your assets (or instrument of transfer) delivered to us,
- unless due to the gross negligence, wilful default or fraud of us or our officers, directors or employees.
- 9.7 Notwithstanding any other provisions in these terms, we will not be liable for any loss of profit, savings, revenue or goodwill or any consequential, indirect, incidental, special or punitive loss of any kind.
- 9.8 Any losses or liabilities of any kind incurred by you in the course of any trading based on any Equity Securities or monies which are legally due to be but not yet credited into your Investment Account or designated bank account respectively shall solely be borne by you, and we shall have no liability in relation thereto. At no time will we be liable for indirect or consequential losses or liabilities of any kind even if you may have advised us of the possibility of such losses or liabilities.
- 9.9 We shall not be liable for losses of any kind as a result of the failure of an executed Transaction to be settled by the settlement date as specified in the trade confirmation or contract note to which such Transaction relates (except where such failure is caused by the gross negligence or wilful default of us or any other person appointed by us or their respective officers or employees), although in such circumstances, notwithstanding the provisions of clause 9.1, we are authorised to take any such action or steps to settle such Transaction as we consider appropriate in our discretion.
- 9.10 Where you are or become a U.S. Person, or if we determine at any time at our discretion, we shall have the right to suspend or terminate the provision of any or all Equity Securities Online Trading Services to you with respect to any Equity Securities and/or the Equity Securities Trading Profile and we shall have no liability for losses or fees, costs or expenses of any kind in connection with such suspension or termination.
- 9.11 This clause 9 shall continue in effect notwithstanding the termination of the Agreement.

10. Your representations, warranties, confirmations and undertakings

- 10.1 You represent, warrant, confirm and undertake as follows for the benefit of us and, where applicable, for HSBC Bank plc and Pershing (Channel Islands) Limited:
- (a) that you are not domiciled or resident in a country or territory where there is any restriction on your buying or holding any Equity Securities. If you become resident or domiciled in any such country or territory you will inform us immediately and will, if so required by us, sell or redeem any such restricted Equity Securities;
- (b) that you act as principal and you when buying or dealing in any Equity Securities will ensure that you are not subject to any prohibition against buying or dealing in any such Equity Securities;
- (c) that any decision to buy or sell any Equity Securities shall be based on your own judgment and that you have relied upon information obtained by yourself and not on any advice, view or information provided by us. You acknowledge and agree that you are aware that we do not hold out ourselves or any of our employees, agents or Affiliates as having any authority to provide any representations, trading suggestions, recommendations or information (whether written or oral) or research to you (unless otherwise expressly communicated to you) and you do not rely on any such representations, trading suggestions, recommendations, information or research;
- (d) that you will comply with any relevant Market Requirements in any of the jurisdictions in which Equity Securities are traded, including but not limited to, any disclosure of interest requirements; and

HSBC Bank Middle East Limited - Equity Securities Online Trading Schedule

- (e) that you have full power and authority to enter into the Agreement with us and to perform obligations on your part under the Agreement, and such obligations are enforceable in accordance with their terms, and that your entry into and acting in accordance with the Agreement will not contravene any applicable laws, rules and regulations.

10.2 You represent, warrant, confirm and undertake as follows:

- (a) that you are not a U.S. Person (or acting for the account of such U.S. Person), and that in the event that you become a U.S. Person, you will notify us immediately;
- (b) that you are not a director or officer, or shareholder who holds 10% or more of the interests in the shares of, a company listed on any stock exchange in the United States;
- (c) that any Equity Securities delivered or pledged by you or your transfer agent to us will be free from any lien, charge, claim or other encumbrance (other than a lien imposed on all securities by the applicable clearing house or depository) and free from any other restrictions, including, but not limited to:
 - (i) the volume limitations and manner of sale limitations set forth under Rule 144 of the Securities Act of 1933, as amended,
 - (ii) any requirement that any sale, assignments or other transfer of such securities be consented to by any person or entity,
 - (iii) any limitations on the type or status of any purchaser, pledgee, assignee or transferee of such securities,
 - (iv) any requirement of the delivery of any opinion of counsel, notice or other documentation to the issuer, registrar or any other person prior to the sale, pledge, assignment or other transfer, and
 - (v) any registration or qualification requirement or prospectus delivery requirement for such securities pursuant to applicable securities laws; and
- (d) that you are not:
 - (i) a subcontractor or independent contractor of a firm or organization;
 - (ii) registered or qualified with the US Securities and Exchange Commission (the “SEC”), the US Commodities Futures Trading Commission, any state, federal or international securities agency or self-regulatory body, any securities exchange or association, or any commodities or futures contract market or association;
 - (iii) engaged as an “**investment advisor**” as that term is defined in Section 202 (11) (a) of the U.S. Investment Advisor’s Act of 1940 (whether or not registered or qualified under that Act); or
 - (iv) employed by an organization that is exempt from U.S. federal and/or state securities laws that would otherwise require registration,

and in the event that you become so registered, qualified, engaged or employed you will notify us immediately. In the event that you are or become deemed by any U.S. Market Data Provider to be so registered, qualified, engaged or employed you agree that we shall have the right to pass on to you any additional market data subscription fees and any other fees and costs incurred as a result of or in connection with the foregoing.

10.3 You confirm and agree that you are acting as principal in relation to all Equity Securities Online Trading Services and that no Equity Securities and no parts thereof will constitute Equity Securities held by you on behalf of any third party.

10.4 You confirm and agree that you are not subject to any law, regulations or directions from any competent authority having jurisdiction over you which prohibits or restricts your performance of your obligations in this clause 10.

11. Trading restrictions and risk disclosures

- 11.1 You shall at all times comply with all trading restrictions applicable to any of your trading activities, including but not limited to trading or position limits imposed by us, HSBC Bank plc or any relevant exchange or market or clearing house or Market Requirement from time to time. If any such trading restriction or trading or position limit is exceeded, we, HSBC Bank plc or PCI may disclose your identity and positions and/or liquidate any of your positions, if it is requested to do so by any regulatory authority, exchange, market or clearing house and/or pursuant to any Market Requirement.

- 11.2 The General Terms and Conditions for Investment and Insurance Products also provides the types of risks which you will be exposed to investing through the Platform. You should carefully consider such risks ahead of submitting any buy or sell instructions through the Platform.
- 11.3 You confirm and acknowledge that you have read, fully understood and accepted the risk disclosure statements in relation to the Equity Securities Online Trading Services, which are set out in the Agreement or which are otherwise notified to you.

12. Power to debit, credit and Exchange Rate

- 12.1 In addition to any other rights we may have, all your payment obligations under these terms including, without limitation, the Trading Profile Fees and the sums payable in respect of any Transaction, including the payment of any fee, taxes or duties payable, may be debited from your Nominated Cash Account. In the event that such debiting causes the Nominated Cash Account to be overdrawn then interest shall be payable at such rate as we shall determine and shall in the absence of agreement to the contrary be repayable on demand. Any sale proceeds, dividends, incomes and interests received in respect of the Equity Securities you hold in the Investment Account (after deduction of any taxes, if applicable) shall be credited to your designated account as notified to PCI (which may include your bank account held with us).
- 12.2 We shall be entitled to collect and/or effect any sums payable under these terms including, without limitation, all sums payable in respect of any Transactions or your Equity Securities held in the Investment Account as referred to in clause 12.1 in any currency as we may determine. Where a conversion of one currency into another currency is required for such purpose or otherwise to enable us to exercise any of its powers and rights under the Agreement, such conversion shall be calculated at the Exchange Rate.

13. Other interests or conflict

- 13.1 You acknowledge that when we arrange a Transaction for you, we or a member of the HSBC Group or some other person connected with us may have an interest, relationship or arrangement which is material in respect of the Equity Securities, Transaction, arrangement or service concerned.
- 13.2 You acknowledge and accept that we and any member of the HSBC Group may have interests which conflict with your interests and may owe duties to other clients which would otherwise conflict with the duties owed by us to you, and consents to the same. We have established procedures which are designed to identify and manage such conflicts. These include organizational and administrative arrangements to safeguard the interests of our clients, and we shall take all reasonable steps to ensure you receive fair treatment in the event that we have any such interest or in the event of an actual or potential conflict arising.

14. Prices and other Market Data

- 14.1 Prices of Equity Securities and other Market Data may be provided by various market data information providers. We do not and will not guarantee the accuracy or completeness of, or reliability on, any such prices quoted or other Market Data. We shall not be liable for any loss or damages arising from any inaccuracies or omissions or reliance on such prices quoted or Market Data.
- 14.2 Any price of Equity Securities quoted on the Platform in response to any enquiry by you is for reference only and shall not be binding on us or any of our market data information providers. HSBC Bank plc shall be entitled to act on any Market Order for the buy or sale of any Equity Securities even if the price of such Equity Securities has altered to your disadvantage between the time of receipt of such instruction and the time at which any such buy or sale is executed.

15. Disclosure of information to regulators

- 15.1 Without limiting the generality of any other provisions of the Agreement and notwithstanding any other provisions of the Agreement to the contrary, in relation to any Transaction where we have received an enquiry from any regulator, tax authority, governmental or quasi-governmental agency, exchange or clearing house having jurisdiction over us or you (collectively the **"regulators"**) or a request from a stockbroker/registered person/intermediary in response to such enquiry from any of the regulators, the terms of this clause 15 shall apply.

- 15.2 You undertake to, upon our request (which request shall include any request from the relevant regulator), within two Business Days of the relevant jurisdiction inform the relevant regulator of your identity, address, occupation and contact details. You shall also inform the relevant regulator of the identity, address, occupation contact details of any third party (if different from yourself) who originated the Transaction in question. You also authorise us and each of our officers to disclose all such information concerning you, your Investment Account, Equity Securities Trading Profile and any Transaction that any regulator requests or is required to be disclosed pursuant to applicable Market Requirements. This clause 15.2 shall continue in effect notwithstanding the termination of the Agreement.
- 15.3 You confirm that you are not subject to any law which prohibits or restricts your performance of the obligations in clause 15.2 or, where you are subject to such law, that you have waived the benefit of such law or consented in writing to your performance of clause 15.2.

16. Short selling

- 16.1 We will not be under any obligation to transmit any order placed by you to sell Equity Securities unless sufficient quantity of such Equity Securities is then being held in your Investment Account which is not subject to any charge, lien or other security interest in favour of any third party, including us.
- 16.2 Every sale instruction from you will be a “**long**” sale, meaning that you will never give us a sale instruction unless, at the time of the instruction, you own the Equity Securities that are the subject of the instruction.

17. No advisory services

- 17.1 We do not provide investment advice or recommendation as part of the Equity Securities Online Trading Services and we do not act as your fiduciary in relation to the Transactions. We are not responsible or liable for any losses which you may incur or suffer as a result of, in connection with, or arising from any information on Equity Securities or markets (such as research reports, market trends, investment analysis, insight or commentary) provided to you in connection with such Transactions.
- 17.2 Without prejudice to the generality of clause 17.1, if we or any of our employees, agents or Affiliates provide any information or representations on Equity Securities or markets such as research, reports, market trends, investment analysis, insight or commentary upon the performance of selected companies or industry sectors, such provision should not be construed as:
- (a) any endorsement of the Equity Security;
 - (b) a representation that we, our employees, agents or Affiliates have performed any due diligence on the Equity Security;
 - (c) a recommendation, the provision of advice or confirmation that any investment is suitable for you, unless otherwise expressly communicated by us;
 - (d) we, our employees, agents or Affiliates acting as your adviser or fiduciary;
 - (e) information, trading suggestions or recommendations which you can or may rely on in connection with your investment decision or as the primary basis for making your trading decisions, unless otherwise expressly communicated by us; or
 - (f) a representation, warranty or guarantee as to the accuracy of any such information or recommendation, and you should seek your own advice as to the suitability of any Equity Security mentioned. The use or reliance on any such information, representation or recommendation is at your own risk and any losses which may be suffered as a result of you entering into any Transaction are for your own account. We shall have no responsibility or liability for any losses arising out of any information, representation, recommendation or advice made or given by us, our employees, agents or Affiliates, whether or not given at your request. We are not liable for the accuracy and completeness of any such information, representation, recommendation or advice even if such information, representation, recommendation or advice was provided at your request.

18. Third party rights

Nothing in the Agreement shall operate to prevent or limit our right to assign, novate or otherwise confer any benefit or interest in favour of any other party. All defences and limitations in the Agreement shall be enforceable by us and any member of the HSBC Group, their successors and assigns and entities into which they may merge or consolidate or form as a result of acquisition by or of them. Consent of these parties is not required for any variation, rescission or termination of the Agreement.

APPENDIX 1

HSBC Bank plc - HSBC Bank Middle East Limited Bespoke Terms of Business

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HSBC BANK PLC

HSBC BANK PLC – HSBC BANK MIDDLE EAST LIMITED BESPOKE TERMS OF BUSINESS FOR GLOBAL MARKETS SERVICES

PART 1 - INTRODUCTION AND PURPOSE

1. Introduction

- 1.1 HSBC Bank plc and HSBC Bank Middle East Limited (the “**Parties**”) acknowledge that HSBC Bank Middle East Limited provides its customers with access to its Retail Trading Platform (the “**Platform**”) which facilitates direct investment by customers of HSBC Bank Middle East Limited in securities traded on global financial markets. HSBC Bank Middle East Limited will receive orders from HBME Customers through the Platform and will arrange transactions for such customers with HSBC Bank plc pursuant to these Terms (as defined below). The Parties agree and acknowledge that, pursuant to the Financial Conduct Authority (“**FCA**”) Conduct of Business Sourcebook (“**COBS**”) 2.4.3R, HSBC Bank plc will treat HBME as its client under these Terms and in respect to transactions entered into under these Terms. For the avoidance of doubt HSBC Bank plc will not treat any customer of HSBC Bank Middle East Limited as its client for regulatory purposes.
- 1.2 These Terms of Business for Global Markets Services, together with any schedules, supplemental terms, accompanying documents and each confirmation recording the details of any transaction under it (together, as amended from time to time, the “**Terms**”), set out the terms and conditions of the relationship between the Global Markets business of HSBC Bank plc and HSBC Bank Middle East Limited acting on behalf of any HBME Customer in relation to the Services (as further described in Clause 2).
- 1.3 We may provide our services in relation to products which are not regulated by the FCA and/or the Prudential Regulation Authority (the “**PRA**”).
- 1.4 For the purposes of these Terms:
 - 1.4.1 “**we**”, “**us**” or “**HSBC**” means HSBC Bank plc, acting through its Global Markets business;
 - 1.4.2 “**you**” or “**HBME**” means HSBC Bank Middle East Limited, acting on behalf of any HBME Customer (as defined below), and who is entering into these Terms in its capacity as client of HSBC pursuant to COBS 2.4.3R;
 - 1.4.3 “**HBME Customer**” means any retail customer of HBME on whose behalf HBME is entering into these Terms; and
 - 1.4.4 “**Party**” means a party to these Terms.

2. The Services that we will provide to you under these Terms

2.1 Our Services for you:

2.1.1 Subject to these Terms and the limitations set out under Clause 2.2, HSBC may provide the following services to you in accordance with Applicable Law:

- (i) buying or selling or otherwise dealing with you or arranging for you, as applicable, in relation to Products;
- (ii) such other services as may be agreed between you and HSBC from time to time, (together, the “**Services**”).

2.1.2 We assess what products and services should be made available to our different client and target market types. We will provide you services where our identified target market for such services includes Retail Clients. This means that there may also be products and services which will not be available to you pursuant to these Terms.

2.2 Limitations on the scope of our Services:

2.2.1 Our Services do not include investment advice or personal recommendations.

2.2.2 We do not provide any representations as to the suitability of any of our Services.

2.2.3 You are responsible for obtaining any legal, accounting, financial or tax advice you may need in determining whether any Product or Service is suitable for your needs or the needs of your business.

2.2.4 Any information provided to you in relation to these Terms (including, but not limited to, any market information or research forecasts shared with you in relation to any proposed Order or otherwise) will be for your information only and is not in any way to be relied upon as financial advice as to the suitability of placing an Order or entering into any Product or Service. We will not provide any information in relation to these Terms to any HBME Customer.

2.2.5 Insofar as is permissible under the FCA rules, HSBC does not owe you any Fiduciary Duty or any similar obligation under these Terms.

2.3 Risk warnings:

2.3.1 We will provide you with a notice of risks related to the Products.

2.3.2 This information will be made available at <http://www.gbm.hsbc.com/financial-regulation/market-structure/mifid/policies-disclosures> or such other website as notified to you by us. You should read the notice carefully.

2.3.3 You must ensure that the relevant website link containing any information provided to you under this Clause 2.3 is provided to the HBME Customers at the time of their application for access to the Platform. You must inform the HBME Customers of the importance of reading such information carefully. For the avoidance of doubt we will not provide any information under this Clause 2.3 to any HBME Customer.

3. These Terms

3.1 The Parties agree that each transaction entered into under relevant product terms is subject to these Terms, including, but not limited to, our Best Execution Policy, each as amended or supplemented from time to time.

3.2 We shall not be bound by any terms of business or other contractual documentation sent by you or on your behalf or by or on behalf of any HBME Customer from time to time unless we expressly agree in writing to be so bound.

3.3 You agree that you will promptly supply us with any information and/or documentation that we may request from time to time, including information or documentation relating to any HBME Customer, to enable us to comply with: (i) any legal and regulatory requirements which may apply to us, including, but not limited to, the requirements under the Money Laundering Regulations 2007 (as amended or supplemented from time to time); or (ii) in the case of industry/market voluntary codes, any such codes with which we choose to comply.

4. Interpretation, effective date and interaction with other agreements

4.1 Words and phrases used within these Terms which hold particular meanings are defined within these Terms and are also listed in Schedule 1.

4.2 These Terms shall take effect from the date on which these Terms are signed by the Parties.

5. Information about us

- 5.1 HSBC Bank plc is a member of the HSBC Group, the ultimate holding company of which is HSBC Holdings plc, and will be trading through Global Markets and any renamed or successor business unit or division within HSBC.
- 5.2 The registered address of HSBC Bank plc is 8 Canada Square, London E14 5HQ, United Kingdom. HSBC Bank plc is registered in England, with company registration number 14259. HSBC Bank plc's email address for communications in relation to these Terms is regulatory.business.support.europe@HSBC.com.
- 5.3 HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. HSBC Bank plc appears on the United Kingdom's financial services register with firm reference number 114216.
- 5.4 HSBC Bank plc's VAT identification number is GB 365684514.
- 5.5 The address of the Prudential Regulation Authority is Prudential Regulation Authority, 20 Moorgate, London EC2R 6DA, United Kingdom. The address of the Financial Conduct Authority is Financial Conduct Authority, 25 The North Colonnade, London E14 5HS, United Kingdom.

6. The capacities in which we will act towards one another

- 6.1 HSBC acts as principal and will not act as agent for HBME or any HBME Customer (that is, it will not act on behalf of HBME or any HBME Customer).
- 6.2 HBME acts as an agent for undisclosed HBME Customers, HBME will not notify or disclose the identity of HBME Customers to HSBC. As a result, we, in our dealings with HBME, will assume that the transactions that we enter into for HBME under these Terms are for an HBME Customer. Notwithstanding this, the Parties agree that HSBC will treat HBME as its client pursuant to COBS 2.4.3R.
- 6.3 Sanctions and anti-bribery
 - 6.3.1 You will not, and you will ensure that the HBME Customers do not, directly or indirectly use the proceeds of any transaction concluded with or through us, or lend, contribute or otherwise make available such proceeds to any Person, (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the target of country- or territory-wide Sanctions or (ii) in any other manner that would result in a violation of Sanctions by any Person.
 - 6.3.2 You will not, and you will ensure that the HBME Customers do not, in connection with any transaction concluded with or through us, violate any applicable anti-bribery laws and regulations, including, but not limited to, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act (each as may be amended from time to time) and other analogous legislation in other applicable jurisdictions.
 - 6.3.3 We shall have the right to suspend or terminate these Terms and any transaction subject to these Terms on immediate written notice should we become aware of a breach of your obligations under this Clause 6.3.

7. Authority

- 7.1 You represent and warrant that you have all necessary authorities and consents, including the authority to act as agent for each HBME Customer, to enable you to enter into both these Terms and any transactions pursuant to these Terms.
- 7.2 HSBC acknowledges and agrees that HBME intends to execute agreements referencing these terms with HBME Customers under which HBME will facilitate access to the Platform and may receive and transmit orders as HBME Customer's agent to HSBC for the provision of the Services ("**Platform Access Terms**") and HSBC shall be bound by any such Platform Access Terms in so far they cover obligations set out in these Terms (but not beyond) as principal. HSBC hereby specifically approves HBME's use of Platform Access Terms.
- 7.3 HSBC may rely on any order, direction or instruction from you or any person who is, or is believed by us in good faith to be, a person designated or authorised by you to give instructions in relation to these Terms (an "**Order**"). HSBC may accept and act without further enquiry upon such instructions and/or Orders. You will be responsible for, and the relevant HBME Customer on whose behalf you act will be bound by, any Order and any resulting transaction resulting from those instructions and/or Orders.
- 7.4 We will not receive any instructions from any HBME Customer.

8. Your classification as a Professional Client

- 8.1 Under the rules of the FCA, we are obliged to categorise each of our clients as either a Retail Client, a Professional Client or an Eligible Counterparty and to notify you of your categorisation.
- 8.2 The categorisations afford different levels of protection under the FCA rules, with the retail classification affording the greatest level of protection as compared to the professional client and eligible counterparty categorisations.
- 8.3 You have been classified as a Professional Client under these Terms and in accordance with COBS 3.5.2R.

9. Your right to request a different categorisation

- 9.1 You may request in writing to be classified as an elective Eligible Counterparty or a Retail Client and HSBC may accept this at its discretion. Where it does so, you will be provided with additional or alternative documentation supplementing or superseding these Terms (as applicable). In considering your request, HSBC will assess your relevant expertise and experience and whether you meet the requirements prescribed by any Applicable Law.
- 9.2 You are responsible for keeping HSBC informed about any changes that could affect your categorisation.

PART 2 – TRANSACTING WITH US

10. Placing Orders with us

- 10.1 You may place Orders with us by any approved means notified to you by us from time to time for these purposes.
- 10.2 Where you place an Order with us, HSBC will act on instructions before receipt of any written confirmations and its records of communications shall be conclusive evidence of such instructions.
- 10.3 An Order will be legally binding on the HBME Customer on whose behalf it has been submitted and we shall have no responsibility for any error or inaccuracy in such Order.
- 10.4 Subject to these Terms, you may request that an Order be amended or cancelled and we may, in our absolute discretion, amend or cancel such Order if it has not yet been executed. We do not guarantee that the original Order will not have been executed prior to such request, and any such request to amend or cancel an Order will have no effect on any Order which has already been executed.
- 10.5 Once you have placed an Order with us, that Order will become immediately binding on the HBME Customer on whose behalf it has been submitted. However, you should not assume that we have executed the Order until we have informed you that we have done so.
- 10.6 We shall be under no obligation to execute your Order. For instance, we may not execute your Order in, without limitation, the following instances:
 - 10.6.1 there is a lack of liquidity in the market;
 - 10.6.2 there is market disruption;
 - 10.6.3 Applicable Law, market practice or a rule or regulation would, in our reasonable opinion, prevent us from doing so;
 - 10.6.4 where you or the HBME Customer on whose behalf you have placed the Order have insufficient credit; or
 - 10.6.5 where we are in doubt as to the authenticity of instructions.

Consequently, we shall not be liable to you or, for the avoidance of doubt, to any HBME Customer, where we have declined an Order or have been unable to execute an Order.

- 10.7 Where permitted by Applicable Law, we will not be obliged to provide a quote for a transaction with you (including in relation to the termination of a transaction) and we may decline to provide a quote at any time in our absolute discretion. In particular, we may refuse to quote or enter into transactions on the basis of your credit status, the credit status of the HBME Customer on whose behalf you have placed the Order and other commercial considerations.

11. Appropriateness

- 11.1 The Parties agree that insofar as the Products comprise shares in companies admitted to trading on a regulated market, an equivalent third country market or a multilateral trading facility, in accordance with COBS 10A.4.1R, HSBC is not required to assess the appropriateness of the Services or Products.
- 11.2 When providing Services or Products under these Terms, HSBC may be under a regulatory obligation to consider whether those services and/or products are appropriate to you. In determining whether a service and/or product is appropriate to you, we will consider, amongst other things, your knowledge and experience in the investment field relevant to the particular service and/or product. In accordance with COBS 10A.2.3 EU HSBC is entitled to assume that a Professional Client has the necessary experience and knowledge in order to understand the risks involved in relation to those particular investment services or transactions, or types of transaction or product, for which such Professional Client is so classified.
- 11.3 We will ask you for information in order to assess the appropriateness of a Service or Product for you (where required to do so under the FCA rules). If you fail to provide us on request all information regarding your knowledge and experience in the investment field relevant to the product(s) or service(s) offered, we may be unable to determine appropriateness and so may decline to provide you the Service or transact the Product with you. This information may include, where relevant, information on the types of services, transactions and investments with which you are familiar, the nature, volume and frequency of your transactions and the period over which they have been carried out, and the level of your education, profession or former profession. For the purposes of this Clause 11, “**you**” and “**your**” mean the person or persons acting as the decision-maker to enter into transactions (on behalf of HBME).
- 11.4 We may ask you for confirmation that in accordance with the Applicable Law in the UAE you have assessed the knowledge and experience of each HBME Customer in the investment field relevant to the specific type of product and/or service offered and that you consider that the specific type of product and/or service is appropriate for that HBME Customer. If you fail to provide us with this confirmation we may decline to provide you the Service or transact the Product with you.
- 11.5 You undertake to notify HSBC immediately if any of the information provided under Clauses 11.3 or 11.4 changes in any respect.
- 11.6 Where the FCA rules permit, we will not consider the appropriateness of a Product or Service to you in relation to Non-complex Investments.

12. Settlement

- 12.1 The Parties agree that settlement will be performed by a third party firm (the “**Third Party Custodian**”) pursuant to a separate agreement.
- 12.2 Accounts shall be due for settlement and/or delivery on the date shown on the confirmation. It is your responsibility to ensure that money due to HSBC is paid and/or that documents are delivered to HSBC in good order by the due date for settlement.
- 12.3 If you make any payment under these Terms which is subject to any deduction or withholding whatsoever, you shall pay to HSBC such additional amount as is necessary to ensure that the amount actually received by HSBC will equal the full amount HSBC would have received had no such deduction or withholding been made. Any payment made by HSBC under these Terms which is subject to any deduction or withholding whatsoever will be made by HSBC less such deduction or withholding.
- 12.4 In placing an Order and entering into a transaction, you will be deemed to have authorised us to credit or debit any amounts owed to you or owed by you (as applicable) on the agreed payment date (the “**Settlement Date**”) to or from the bank account(s) provided by you in accordance with your standard settlement instructions or direct debit authority (as applicable and each as amended or supplemented from time to time), even if this results in such account being overdrawn or any credit limit applicable to you being exceeded.
- 12.5 We shall be entitled to charge interest in respect of such amounts due and owing by you from the Settlement Date until the date such funds are made available by you (at such rate of interest as we may notify you of from time to time acting in good faith and in a commercially reasonable manner).
- 12.6 In the event of any settlement delay (that is, you do not pay amounts owing to us under Clauses 12 and/or 17), HSBC retains the right, if it considers it reasonable to do so, to close out the whole or part of the outstanding position.

13. Confirmations

- 13.1 Following execution of each transaction carried out pursuant to these Terms, we will provide you with the key details of the transaction. Unless provided to you by a third party, we may also subsequently provide you with more detailed information regarding such transactions. The way in which we provide you with information will depend on the type of transaction and the way in which it was transacted and we may agree or otherwise notify you in advance of how such information will be provided. On your request, we will supply information about the status of your transaction.
- 13.2 You must ensure that any information provided to you under Clause 13.1 is promptly provided to the relevant HBME Customer. For the avoidance of doubt we will not provide any information under Clause 13.1 to any HBME Customer.
- 13.3 Any question, matter or dispute in relation to the terms of a transaction must be raised by you orally or in writing forthwith upon receipt by you of the information provided in respect of that transaction, failing which, in the absence of manifest error, such information shall be conclusive and binding on you. For the avoidance of doubt we will not receive any question, matter or dispute from any HBME Customer.

PART 3 – OUR POLICIES, GOVERNANCE AND COMMITMENTS

14. Execution

- 14.1 In relation to the execution of Orders in Products for you, HSBC may be under a regulatory duty to take all sufficient steps to obtain the best possible result for you, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other relevant considerations. This is known as “**Best Execution**”. In account of the fact that HBME Customers may have been classified by HBME as retail clients, where operationally possible, Best Execution may be determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution, including relevant expenses incurred by HBME directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.
- 14.2 Where we are under a regulatory duty to do so, we will provide you with a statement providing summary information on our Best Execution Policy (the “**Statement**”). Such Statement, which includes asset class annexes, sets out when the Best Execution requirements will apply.
- 14.3 We may in addition provide you with a summary disclosure statement (the “**Summary**”).
- 14.4 We may update the Statement and the Summary from time to time.
- 14.5 Where they are provided, the Statement and, where applicable, the Summary will be made available at <http://www.gbm.hsbc.com/financial-regulation/mifid/policies-disclosures>, or such other website as notified to you by us. You should read the Statement and Summary carefully.
- 14.6 You must ensure that the relevant website link containing the Statement and, where applicable, the Summary provided to you under Clauses 14.2 and 14.3 are provided to the HBME Customers at the time of their application for access to the Platform. You must inform the HBME Customers of the importance of reading this information carefully. For the avoidance of doubt, we will not provide any information under Clauses 14.2 or 14.3 to any HBME Customer.
- 14.7 HSBC owes no duties to you in respect of Best Execution, other than as set out in the FCA rules, and any other duties are expressly excluded.
- 14.8 **By signing these Terms, you hereby expressly consent to any Services offered to you under these Terms being subject to our Best Execution Policy.**
- 14.9 We may aggregate your Orders with the Orders of other clients, HSBC or any HSBC Group company. When doing so in relation to Orders for Products, HSBC must reasonably believe that it is unlikely that this will work to the overall disadvantage of the relevant clients. However, the effect of the aggregation may operate on some occasions to your disadvantage.

- 14.10 HSBC may execute your Orders on a Trading Venue; however, HSBC may also execute your Order outside of a Trading Venue (for example, when we are acting as principal and execute your order from our own inventory or where we execute your Order directly with another market participant).
- 14.11 **By signing these Terms, you hereby expressly consent to HSBC executing your Orders outside of a Trading Venue.**
- 14.12 If you trade shares with us, you may give us an instruction to buy or sell at a specified price or better during a specified period of time (a **"Limit Order"**). Where you place a Limit Order in respect of a share admitted to trading on a regulated market (for example, The London Stock Exchange) or traded on a Trading Venue and we are not immediately able to execute at the relevant price, we are ordinarily under a regulatory obligation to publicly display the order, for example by submitting the order for execution to a Trading Venue to increase the chances of earliest possible execution.
- 14.13 **By signing these Terms you expressly instruct us not to make your limit order public.**

15. Conflicts of interest

- 15.1 Situations can arise where our interests, or those of our staff, conflict with your interests or where your interests compete with those of our other clients.
- 15.2 We will make available to you a description of our Conflicts of Interest Policy through our website <http://www.gbm.hsbc.com/financial-regulation/market-structure/mifid/policies-disclosures> or such other website as notified to you by us. You must ensure that the relevant website link containing the description of our Conflicts of Interest Policy provided to you under this Clause 15.2 is provided to the HBME Customers at the time of their application for access to the Platform. For the avoidance of doubt we will not provide any information under this Clause 15.2 to any HBME Customer.
- 15.3 Our Conflicts of Interest Policy is a policy we maintain, setting out the circumstances which may constitute or may give rise to a conflict of interest, the procedures we will follow and the measures we will adopt to prevent or manage such conflicts (our **"Conflicts of Interest Policy"**). Where you request, we will provide you with further information on our Conflicts of Interest Policy. For the avoidance of doubt, we will not receive any requests from, or provide any information to, any HBME Customer.
- 15.4 Whilst we take all appropriate steps to identify and to prevent or manage conflicts of interest, where we are not reasonably confident that our arrangements are sufficient to ensure that risk of damage to your interests will be prevented, we will disclose to you the nature of the conflict and the steps that we have taken to mitigate the risk before undertaking business with you.

16. Recording and monitoring of communications

- 16.1 In certain circumstances, communications in relation to these Terms (including emails, voicemail, online chat conversations, telephone calls and website usage records) as well as paper correspondence such as envelopes or packages may be monitored, recorded or inspected (as appropriate) using monitoring devices or other technical or physical means. The monitoring of communications may take place where deemed necessary for purposes permitted by law from time to time, including, without limitation, to record evidence of business transactions and so as to ensure compliance with HSBC's regulatory obligations and its policies and procedures.
- 16.2 As required by Applicable Law, HSBC will record telephone conversations and electronic communications that result in transactions or that may result in transactions in the Products.
- 16.3 Where HSBC is required to record communications under the FCA rules, a copy of the recording of the communications referred to in Clause 16.2 will be made available to you on request for a period of five years from the date of the communication. The FCA may request that we retain certain or specific records for longer than five years and, if it does, the records retained as a result of such an FCA request will be available to you for a period of up to seven years.
- 16.4 Any telephone conversations and electronic communications that are recorded in accordance with this Clause 16 may be recorded without use of a warning tone or other notification.
- 16.5 All recordings and other records shall be and remain our sole property. We may use such recordings and other records as evidence in court or other proceedings.

17. Costs and charges

- 17.1 Information on our costs and charges in relation to Products and our Services (including, where relevant, broker commissions, taxes, settlement and other fees) ("**Costs and Charges**") are available on our website <http://www.gbm.hsbc.com/financial-regulation/market-structure/mifid/policies-disclosures> or such other website as notified to you by us, and these are prepared in accordance with Applicable Law. You must ensure that the relevant website link containing the information provided to you under this Clause 17.1 is provided to the HBME Customers at the time of their application for access to the Platform. For the avoidance of doubt, we will not provide any information under this Clause 17.1 to any HBME Customer.
- 17.2 Where required by Applicable Law, the information under Clause 17.1 will provide for separate evidence of Costs and Charges where a Service is packaged with another service or product, or is provided as a condition for the same agreement or package.
- 17.3 You agree to pay HSBC, on demand, such Costs and Charges that could be reasonably anticipated and that we have properly incurred in the provision of Services under these Terms. For the avoidance of doubt, the Third Party Custodian (not HBSC) will collect any UK stamp duty applicable to any Product payable by you.
- 17.4 You shall be responsible for payment of all taxes due and for the making of all claims in relation thereto.

18. Fees, commissions or non-monetary benefits that we may receive or pay

- 18.1 HSBC may pay or receive fees, commissions or non-monetary benefits to and from a company in the HSBC Group or other third party where permitted by the FCA rules. HSBC will provide you with separate disclosure of the essential arrangements relating to such fees, commissions or non-monetary benefits where it is required to do so under Applicable Law. You consent to us retaining such commissions, rebates or other benefits.
- 18.2 Information on our general approach relating to these arrangements can be accessed through our website <http://www.gbm.hsbc.com/financial-regulation/market-structure/mifid/policies-disclosures>, or such other website as notified to you by us. You should read the notice carefully. We will also provide you with further details about such arrangements as they relate to particular services separately. You must ensure that the relevant website link containing the information provided to you under this Clause 18.2 is provided to the HBME Customers at the time of their application for access to the Platform. You must inform the HBME Customers of the importance of reading such information carefully. For the avoidance of doubt, we will not provide any information under this Clause 18.2 to any HBME Customer.

19. Confidentiality and data protection

- 19.1 This Clause 19 shall apply unless otherwise agreed.
- 19.2 Each of the Parties to these Terms will at all times keep confidential any Confidential Information it may acquire in connection with these Terms except as otherwise permitted by these Terms. "**Confidential Information**" means all information of a confidential nature (which is either marked "**confidential**" or is clearly by its nature confidential) disclosed by one Party to the other in connection with these Terms together with Personal Data or Special Category Data (as those terms are defined under EC Directive 95/46/EC or the General Data Protection Regulation (EU) 2016/679, as applicable), relating to individuals such as your employees, representatives and agents and those of your affiliates, subsidiaries and third parties, including clients (if any).
- 19.3 The obligations in this Clause 19 shall not apply to any Confidential Information (other than Personal Data or Special Category Data) lawfully in a Party's possession otherwise than under or as a result of these Terms or coming into the public domain otherwise than by breach by any Party of its obligations contained in these Terms.
- 19.4 Notwithstanding the provisions of Clause 19.2, HSBC and any Connected Company may collect, use, transfer, disclose or otherwise process Confidential Information for the following purposes (the "**Purposes**"):
- 19.4.1 in connection with the provision of goods or services to you (for example: administration and operation of your account(s) both online and offline, account/product underwriting, research, statistical analysis, testing and benchmarking against HSBC and/or any Connected Company's peer group);
- 19.4.2 in the operations of HSBC or any Connected Company (including, without limitation, credit and risk management, hedging against risk and managing customer demand, whether expected or unexpected, system or product development and planning, insurance, audit and administrative purposes);

- 19.4.3 to meet Compliance Obligations;
 - 19.4.4 to conduct Compliance Activity;
 - 19.4.5 to maintain HSBC's overall relationship with you;
 - 19.4.6 as part of the disposal or reorganisation or the granting of security interests or encumbrances over the whole or any part of the business or assets of HSBC or any Connected Company, or the transfer or securitisation of any rights or obligations; and
 - 19.4.7 in accordance with Clause 19.8.
- 19.5 Confidential Information may be disclosed for the Purposes to any Connected Company (including their employees, directors and officers) as well as to the following recipients:
- 19.5.1 any legal or regulatory Authorities in response to a request from them;
 - 19.5.2 persons acting on your behalf, Infrastructure Providers, payment recipients, beneficiaries, account nominees, intermediaries, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, and companies in which you have an interest in securities (where such securities are held by HSBC for you);
 - 19.5.3 any party to a transaction acquiring interest in or assuming risk in or in connection with the Services; and
 - 19.5.4 other financial institutions, credit reference agencies or credit bureaus, for the purposes of obtaining or providing credit references,
- wherever located, including in jurisdictions which do not have data protection laws that provide the same level of protection as the jurisdiction in which the Services are supplied. Such recipients may process, transfer and/or disclose Confidential Information for the Purposes.
- Wherever it is processed, Confidential Information will be protected by codes of secrecy and security with which HSBC, Connected Companies, third parties and their respective employees are required to comply.
- 19.6 HSBC, any Connected Company or any relevant third party may disclose Confidential Information if required or requested to do so by any tax authority or any other Authorities conducting tax investigations in any territory.
- 19.7 You undertake, represent and warrant that you have taken and will continue to take any steps needed (including, without limitation, notifying any relevant individuals and/or obtaining all relevant consents), to facilitate processing of Confidential Information for the Purposes. These Terms do not in any way restrict other rights HSBC or any Connected Companies may have now or in the future to otherwise process Confidential Information relating to you or relevant individuals under Applicable Law and under the terms of any other agreement with you.
- 19.8 Where permitted to do so, HSBC may from time to time use contact details that you have given us to provide you or your employees or those of any of your affiliates and subsidiaries with information about new products, services and promotions available from HSBC and Connected Companies and approved third parties by various means (including telephone, email, mobile messaging or other electronic communication) in accordance with your marketing preferences as notified to HSBC by you or your employees or those of any of your affiliates or subsidiaries.
- 19.9 Under data protection law, individuals may have the right to request access to or erasure of Personal Data relating to them, to restrict or object to its processing, and to require Personal Data to be corrected if inaccurate. Any individuals wishing to exercise such rights should contact their usual HSBC representative.

20. Pre-trade and post-trade publications

Without prejudice to Clause 19, you agree and acknowledge that HSBC has regulatory obligations in respect of any pre-trade or post-trade information relating to the execution of any transactions and HSBC may use this information for its own commercial purposes.

21. Feedback and complaints

21.1 Feedback:

We welcome any feedback on the quality of the services provided to you under these Terms. If you do have any feedback, please discuss this with your usual HSBC representative.

21.2 Complaints:

21.2.1 In the event that you have a complaint about the quality of HSBC's service to you under these Terms, you may speak to your usual HSBC representative or, alternatively, you can write to the HSBC Global Markets Compliance Department at our registered address set out in Clause 5.2. Further details of the complaints-handling process, including information about our complaints management policy and the contact details of our complaints management function, are available on request.

21.2.2 We will try to resolve your complaint as quickly as possible and to your complete satisfaction. If you cannot settle your complaint, you may be entitled to refer it to the Financial Ombudsman Service.

21.2.3 The Financial Ombudsman Service is a free and independent statutory dispute resolution scheme for financial services. Details of who are eligible complainants can be obtained from the Financial Ombudsman Service. The Financial Ombudsman Service's website is at <http://www.financial-ombudsman.org.uk> or such other website notified to you by us and it can be contacted at:

The Financial Ombudsman Service

Exchange Tower

London E14 9SR

Email: complaint.info@financial-ombudsman.org.uk

Telephone: 0800 023 4567 or 0300 123 9123

22. Compensation

Depending on the type of service that we provide to you, our activities in relation to them may be covered by a deposit or investment protection scheme, established by law, to provide compensation if a financial firm is unable to meet its liabilities to clients. This protection is only available to certain types of clients (for example, it is not available for financial institutions) and is subject to certain limits, which will be reviewed from time to time. For the most up-to-date amounts, or for further details of the relevant schemes, please contact us or the relevant scheme.

22.1 Depositor compensation scheme:

22.1.1 HSBC is a participant in the Financial Services Compensation Scheme (the "**FSCS**") in the United Kingdom. The FSCS depositor compensation scheme is available to eligible claimants. You can obtain further up-to-date information regarding the compensation provided by the FSCS (including the amounts covered and eligibility to claim) on request from HSBC or from the FSCS (www.fscs.org.uk).

22.2 Investor compensation scheme:

22.2.1 The FSCS also operates the United Kingdom investor compensation scheme, which can pay compensation in respect of protected "**investment business**" (the scope of "investment business" is similar to our dealing and arranging services in relation to the Products under these Terms) where there is an eligible claim.

22.2.2 If you have eligible claims under the FSCS's investor compensation scheme, such claims are subject to maximum limits on compensation, as published from time to time on the FSCS's website. The compensation limit for investment business as at August 2017 is set at 100% of £50,000 per client per authorised firm.

22.2.3 You can obtain further up-to-date information on request from HSBC or from the FSCS (www.fscs.org.uk) about the compensation provided by the FSCS (including the amounts covered and eligibility to claim).

23. Know your client ("KYC") requirements

23.1 In relation to the HBME Customers, HBME must comply with all HSBC Group global group-wide policies relating to KYC requirements and money laundering.

PART 4 – GENERAL PROVISIONS

24. Termination

- 24.1 Subject to Clause 24.4, these Terms can be terminated by you immediately upon receipt by us of your written notice of termination.
- 24.2 Subject to Clause 24.4, unless required otherwise by the rules of the FCA or the PRA, these Terms can be terminated by us with written notice to you, effective 30 calendar days from the delivery of the notice (as determined in accordance with Clause 30).
- 24.3 We may also terminate these Terms by written notice to you immediately if:
- 24.3.1 we reasonably believe that you have breached any terms of these Terms, such as, by way of example, but not limited to: failing to comply with the terms of any transaction entered into; putting us in a position where we might break a law, regulation, code or other duty which applies to us if we maintain these Terms with you; and/or you have become bankrupt, insolvent or you are unable to pay debts as they fall due; or
- 24.3.2 we reasonably believe that maintaining our relationship with you might expose HSBC or another member of the HSBC Group to action or censure from any government, regulator or law enforcement agency.
- 24.4 Termination by either Party is subject to all outstanding transactions being settled and all amounts in Clauses 24.5 and 24.6 being paid in full.
- 24.5 Upon delivery of a notice to terminate these Terms, all amounts payable by you to HSBC to and including the date of termination shall become immediately due and payable. These shall include (without limitation):
- 24.5.1 all outstanding fees, charges and commissions;
- 24.5.2 any losses and expenses realised in closing out any transactions or settling or concluding outstanding obligations incurred by HSBC with you and/or on your behalf; and
- 24.5.3 any other amounts which are due and payable by you but which are unpaid.
- 24.6 Upon delivery of a notice to terminate these Terms, all amounts, if any, payable to you by HSBC shall become due and payable on the termination date.
- 24.7 Any warranties or indemnities made by you under these Terms will continue after termination and Clauses 16, 19, 25, 35 and 37 shall continue after termination.

25. HSBC's recovery of liabilities, losses and costs

- 25.1 Any indebtedness or liability incurred by you to HSBC shall, in the absence of express written consent by HSBC to the contrary, be due and payable on demand.
- 25.2 All payments due to us under these Terms shall be made free from, and without, set-off, withholding, counterclaim or deduction.
- 25.3 Subject to Applicable Law, we may set off any amounts due from you under any Product or otherwise related to these Terms against any amounts owed by us to you, whether or not such obligations are arising under these Terms, present or contingent and irrespective of the currency of such obligation. If the obligations are in different currencies, we may convert either obligation at its then prevailing selling spot rate of exchange.
- 25.4 Subject to Clause 26.1, you agree to indemnify us against all losses, costs and demands arising directly or indirectly from the provision of Services hereunder, except to the extent that such losses, costs and demands are due directly to our or any of our directors', officers', employees' or agents' negligence, fraud or wilful default.
- 25.5 Nothing in this Clause 25 restricts our ability to take legal or other action to recover the debts caused by the non-payment of amounts due to us by you, whether under these Terms or otherwise.

26. HSBC's limitation of liability

- 26.1 Nothing in these Terms will exclude or limit any duty or liability that we may have to you under the FCA or the PRA rules or other regulatory requirement; or that Applicable Law does not allow to be excluded or limited.
- 26.2 Neither HSBC nor any of our directors, officers, employees or agents accepts any liability for any loss, cost, tax or expense suffered or incurred by you as a result of, or in connection with, the provision of Services hereunder by us unless, and then only to the extent that, such loss, cost, tax or expense are incurred directly by you and are caused by proven negligence, fraud or wilful default on the part of HSBC or its directors, officers, employees or agents in the provision of such Services.
- 26.3 Where HSBC fails to take any action which in our opinion would breach a regulatory requirement or market practice, HSBC will not be liable to you.
- 26.4 In respect of any losses arising from any cause beyond our reasonable control and the effect of which is beyond our control to avoid or, any losses that we could not reasonably foresee when provided with an instruction which we act upon, HSBC will not be liable to you.

27. Representations and warranties

- 27.1 You represent, warrant and undertake to us on the date that you enter into these Terms and on each date that you place an Order or enter into a Product that:
- 27.1.1 you have taken into account and understand and accept the various risks associated with the Services, Products offered under these Terms;
- 27.1.2 you understand that, unless we agree otherwise, we are offering execution only services pursuant to these Terms and you have made your own independent decision to enter into these Terms, place an Order or enter into a transaction, including, but not limited to, whether a Product is suitable for you, and you are not relying on any communication from us (oral or written) as investment advice or as a recommendation to place an Order or enter into any transaction under these Terms;
- 27.1.3 all information provided by you or on behalf of you to us is true, accurate and not misleading and you will notify us as soon as possible in the event that there is a change to such information;
- 27.1.4 you have, and will comply with, all the necessary consents, licences and authorisations and powers to enter into and perform your obligations under these Terms and in respect of each Order, Product, and you have taken all necessary actions to authorise such execution and performance;
- 27.1.5 you will, on demand by HSBC, deliver to HSBC copies of (or evidence of) any relevant consents and compliance with Applicable Laws as HSBC may reasonably require from time to time; and
- 27.1.6 you are duly constituted or organised and validly existing and in good standing under the laws of the jurisdiction of your incorporation.
- 27.2 The Parties acknowledge and agree that in complying with these Terms HSBC discharges its regulatory duties to HBME as its client.

28. Variation

HSBC may, after prior consultation with HBME, at any time vary or qualify any one or more of these Terms by written notice to you in good time before such variation or qualification where it is practicable to do so. Such revised terms will become effective on the date specified in the notice.

29. Transfer and assignment

- 29.1 General:
- 29.1.1 You may not transfer or assign any of your rights or obligations under these Terms without the prior written consent of HSBC.
- 29.1.2 Subject to Clause 29.2, HSBC may not transfer or assign any of its rights or obligations under these Terms without your prior written consent.

29.2 Transfer within the HSBC Group:

29.2.1 HSBC may, at any time, transfer all or any part of its rights and/or obligations under these Terms to a third party in the same group as HSBC (each, a **"Transferee"**) if it has given you reasonable notice of the transfer (unless it is impracticable to give you such notice).

29.2.2 Upon the effective date of the transfer as set out in the notice (or otherwise where it was impracticable to give you such notice):

- (i) the rights and/or obligations of you and HSBC shall be transferred to the Transferee and you and HSBC will be released from further obligations to each other; and
- (ii) you and the Transferee will simultaneously acquire the same rights and assume the same obligations between yourselves as would have been acquired and assumed had the Transferee been an original party hereto instead of HSBC.

30. Contacting us

30.1 Communications in relation to these Terms and the Services under it shall be in English.

30.2 Subject to Clause 30.3, you may generally communicate with us as through your usual HSBC representative as follows:

30.2.1 by post, personal delivery or in person at our registered office set out in Clause 5.2;

30.2.2 by telephone; and

30.2.3 where we agree, by email.

30.3 Where you are obliged to communicate in writing under these Terms, you shall do so:

30.3.1 by post or personal delivery to our registered office set out in Clause 5.2; or

30.3.2 where we agree, by sending an email to an email address that we will provide you with for the purpose from time to time.

30.4 Proving delivery:

In either Party proving service or delivery of the relevant communication, it shall be sufficient to prove that it was correctly addressed and was posted or, where it was delivered otherwise than by post, that it was delivered to the correct address or, where it was sent by electronic means, that it was transmitted to the correct number or email address as last notified by the relevant Party.

31. Provision of information

31.1 We are required to provide you with certain information disclosures in relation to the Services that we provide to you and to provide you with choice as to how that information is provided to you. We will agree with HBME (as agent of HBME Customers) the appropriate method of communications.

31.2 These Terms are drafted on the basis that you are not a **"consumer"** as defined in the **E-Commerce Directive 2000/31/EC** as may be amended from time to time (the **"E-Commerce Directive"**), (i.e. you are not an individual or, if you are, you are dealing in the course of your trade, business or profession). As a non-consumer, you hereby agree to the fullest extent permissible under the E-Commerce Directive that we shall not be required to make any disclosures or comply with any requirements which would otherwise be required by the E-Commerce Directive.

32. Circumstances outside of HSBC's control

32.1 HSBC shall not be in breach of these Terms if there is, and shall not be liable or have responsibility of any kind for any loss or damage incurred by you as a result of, any total or partial failure, interruption or delay in performance of its duties and obligations occasioned by circumstances outside of HSBC's control.

32.2 Such circumstances may include, but are not limited to, any act of God, fire, act of government, state, governmental or supranational body or authority or any investment exchange and/or clearing house, war, civil commotion, terrorism, failure of any computer dealing system, interruptions of power supplies, labour disputes of whatever nature or any other reason (whether or not similar in kind to any of the above) beyond HSBC's control.

32.3 Should an event described in Clauses 32.1 and 32.2 occur, HSBC shall have the right to terminate and close out any transaction affected by such event and entered into under these Terms.

33. Illegality

If any provision or term of these Terms or any part thereof shall become or be declared illegal, invalid or unenforceable for any reason whatsoever, such term, provision or part shall be divisible from these Terms and shall be deemed to be deleted from these Terms.

34. No waiver

Our failure or delay in exercising any right, power or privilege in respect of these Terms will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise of that right, power or privilege or exercise of any other right, power or privilege.

35. Rights of third parties

35.1 Any company within the HSBC Group may enforce the terms of Clause 25 and the right of HSBC to vary any of these Terms in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

35.2 Except as provided in Clause 35.1, a person who is not a Party to these Terms has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any one of these Terms, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

35.3 No HBME Customer has any right to enforce any of these Terms other than through HBME.

35.4 The rights of the Parties to these Terms to rescind or vary these Terms are not subject to the consent of any other person.

36. Rights and remedies

The rights and remedies herein are cumulative and not exclusive of any rights or remedies provided by law.

37. Governing law and jurisdiction

37.1 These Terms, and any non-contractual obligations arising out of or in connection with them shall be governed by and construed in accordance with English law.

37.2 Each of the parties to these Terms irrevocably agrees that the courts of England shall have exclusive jurisdiction to settle any suit, action or other proceedings relating to these Terms, and irrevocably submits to the jurisdiction of such courts.

SCHEDULE 1

Definitions

In these Terms, the following words and expressions shall, unless the context otherwise requires, bear the following meanings given to them:

"Applicable Law" means:

- (i) all applicable laws;
- (ii) all applicable regulations and requirements imposed by any competent regulatory, prosecuting, tax or Governmental Authority in any jurisdiction, domestic or foreign (including, without limitation, the FCA rules), or imposed by or arising under the constitution, rules, regulations, bylaws, customs, usages and interpretations of any exchange, trading system, trading venue or organised market on which purchasers and sellers of securities or other investment instruments are brought together, and any clearing house, settlement exchange or other service provided to facilitate clearing and settlement; and
- (iii) any agreement entered into with, or between, any competent regulatory, prosecuting, tax or Governmental Authority in any jurisdiction, domestic or foreign;

"Authorities" means any competent regulatory, prosecuting, tax or Governmental Authority in any jurisdiction, domestic or foreign;

"Best Execution" means, in relation to the execution of Orders in Products, HSBC is under a regulatory obligation to take all sufficient steps to obtain the best possible result for you, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other relevant considerations;

"Best Execution Policy" means our policy and related arrangements on Best Execution in respect of our Global Markets activities, which explains how we will execute orders for you;

"Compliance Activity" means any activity performed by a Connected Company considered to be appropriate, acting reasonably, to meet Compliance Obligations relating to or in connection with the detection, investigation and prevention of Financial Crime, international and national guidance, relevant HSBC procedures and/or the direction of any public, regulatory or industry body relevant to any member of the HSBC Group;

"Compliance Obligation" means obligations of a Connected Company to comply with: (a) any applicable local or foreign statute, law, regulation, ordinance, rule, judgment, decree, voluntary code, directive, sanctions regime, court order or international guidance and HSBC's mandatory policies or procedures, (b) any demand from Authorities or reporting, regulatory trade reporting, disclosure or other obligations under law or (c) any Applicable Laws or internal policies requiring HSBC to verify the identity of its customers;

"Conflicts of Interest Policy" means a policy we maintain setting out the circumstances which may constitute or may give rise to a conflict of interest, the procedures we will follow and the measures we will adopt to prevent or manage such conflicts;

"Connected Company" means HSBC Holdings plc and, from time to time, any subsidiary thereof (as defined in section 1159 of the Companies Act 2006) or affiliated company thereof (as defined in the FCA rules) and (a) agents of any such person, and (b) direct or indirect third party service providers of any of the foregoing persons;

"Costs and Charges" means costs and charges in relation to Products and our Services (including, where relevant, broker commissions, taxes, settlement and other fees);

"Eligible Counterparty" has the meaning given to it in the FCA rules;

"FCA" means the United Kingdom Financial Conduct Authority, or any successor regulator, which may regulate the provision of HSBC's services under these Terms;

"FCA rules" or "rules of the FCA" means the rules, regulations and procedures of the FCA in force from time to time;

"Fiduciary Duty" means any duty where a financial institution holds, manages, oversees or has responsibilities for assets for a third party that involves a legal and/or regulatory duty to act with the highest standard of care and with utmost good faith. A fiduciary must make decisions and act in the best interests of the third parties and must place the wants and needs of the third party first, above the needs of the fiduciary;

HSBC Bank Middle East Limited - Equity Securities Online Trading Schedule

"Financial Crime" means money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and/or violations, or attempts to circumvent or violate any laws or regulations relating to these matters;

"FSCS" means the Financial Services Compensation Scheme;

"Governmental Authority" means the government of any jurisdiction, or any political subdivision thereof, whether provincial, state or local, and any department, ministry, agency, instrumentality, authority, body, court, central bank or other entity lawfully exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government;

"HBME" means HSBC Bank Middle East Limited acting on behalf of any HBME Customer and who is entering into these Terms in its capacity as client of HSBC pursuant to COBS 2.4.3R;

"HBME Customer" means any customer of HBME on whose behalf HBME is entering into these Terms;

"HSBC" means HSBC Bank plc, acting through its Global Markets business;

"HSBC Group" means the group of companies, the ultimate holding company of which is HSBC Holdings plc;

"Infrastructure Provider" means any third party providing shared market infrastructure necessary for a party to perform its obligations under these Terms including any communications, clearing, settlement or payment system, or intermediary or correspondent bank;

"Limit Order" means an instruction to buy or sell at a specified price or better during a specified period of time;

"Non-complex Investments" means non-complex investments that are described under the FCA rules and, very broadly, includes (subject to certain exceptions and not limited to): shares admitted to trading on certain venues; bonds or other forms of securitised debt admitted to trading on certain venues; money market instruments; shares or units in undertakings for collective investment in transferable securities (UCITS); and structured deposits;

"OFAC" means the Office of Foreign Assets Control of the US Department of the Treasury;

"Order" means any order, request for quote, direction or instruction from you or any person who is, or is believed in good faith to be, a person designated or authorised by you to give instructions in relation to these Terms. Best Execution will not necessarily apply to the Order (as set out further under Clause 14);

"Party" means a party to these Terms;

"Person" means an individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership;

"PRA" means the United Kingdom Prudential Regulation Authority or any successor regulator which may regulate the provision of HSBC's services under these Terms;

"Products" means shares, exchange traded funds (ETFs), depositary receipts and securities awarded to HBME Customers resulting from a corporate action triggered by the underlying issuer, which are traded on an exchange;

"Professional Client" has the meaning given to it under the FCA rules;

"Relevant Requirements" means, in respect of HSBC, HSBC's legal and regulatory obligations, any request of a public or regulatory authority or pursuant to internal policies applicable to HSBC in relation to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to sanctioned persons;

"Retail Client" has the meaning given to it under the FCA rules, but in broad terms means an individual or undertaking (for example, a company, partnership, trust or other legal entity) that falls below certain balance sheet, net turnover, own funds and/or asset thresholds (as applicable), a local public authority, a municipality and, in certain cases, a public sector body and includes a client which is not a Professional Client or an Eligible Counterparty;

"Sanctions" means the sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by any of the Sanctions Authorities;

"Sanctions Authorities" means:

- (i) the United States of America;
- (ii) the United Nations;
- (iii) the European Union;
- (iv) the United Kingdom;
- (v) Hong Kong;
- (vi) the jurisdiction of your incorporation or establishment; or
- (vii) the respective Governmental Authorities of any of the foregoing, including, without limitation, OFAC, the US Department of State and Her Majesty's Treasury;

"Services" means the following services provided by HSBC to you in accordance with Applicable Law:

- (i) buying or selling or otherwise dealing with you or arranging for you, as applicable, in relation to Products; and
- (ii) such other services as may be agreed between you and HSBC from time to time;

"Settlement Date" means the agreed payment date;

"Statement" means a client disclosure statement;

"Summary" means a summary disclosure statement;

"Terms" means these Terms of Business for Global Markets Services, together with any supplemental terms, accompanying documents and each confirmation recording the details of any transaction under it, as amended from time to time;

"Third Party Custodian" has the meaning given to it in Clause 12.1;

"Trading Venue" has the meaning given to it under the FCA rules, but broadly includes regulated markets (for example, The London Stock Exchange) and alternative venues where multiple third-party buying and selling trading interests interact (known under the FCA rules as multilateral trading facilities and organised trading facilities);

"Transferee" means any entity within the same group as HSBC, to whom HSBC transfers all or any part of its rights and/or obligations under these Terms;

"we", "us" or "HSBC" means HSBC Bank plc, acting through its Global Markets business; and

"you" means HSBC Bank Middle East Limited, acting on behalf of any HBME Customer, and who is entering into these Terms in its capacity as client of HSBC pursuant to COBS 2.4.

APPENDIX 2

1. RELATIONSHIP BETWEEN YOU, US AND PERSHING

- 1.1 To help us provide our services to you we have entered into an agreement with Pershing (Channel Islands) Limited ("**PCI**") under which PCI agrees to provide custody and associated services to you as its client, in order to facilitate the investment transactions we arrange for our clients and instruct PCI to settle and to hold the related investments and cash. Such services will be provided by PCI to you pursuant to an agreement between you and PCI, the entire terms of which are set out in this Appendix 2 (the "**Custody Agreement**"). In accordance with Clause 8 of the Equity Securities Online Trading Schedule to the General Terms and Conditions for Investment and Insurance Products, we will as your agent enter into the Custody Agreement with PCI, and such Custody Agreement will come into effect between you and PCI when PCI first opens an account in its books for you.
- 1.2 The entire provisions of the Custody Agreement applicable to you are set out in this Appendix 2. PCI is not party to this Appendix 2, therefore any reference in this Appendix 2 to obligations of PCI to you, or your obligations to PCI, is a reference to the corresponding obligation imposed by the Custody Agreement. You and PCI will only be subject to and bound by the terms of the Custody Agreement as set out in this Appendix 2.
- 1.3 Please note that any terms set out in bold in this Appendix 2 are described further in the Glossary which is set out in Annex 1 to this Appendix 2.
- 1.4 PCI is a company registered in Jersey; company number 107773. Its registered office is at 5 St. Andrew's Place, Charing Cross, St Helier JE4 9RB. PCI is regulated by the Jersey Financial Services Commission (the "**JFSC**") for the conduct of investment business.
- 1.5 By accepting the Equity Securities Online Trading Schedule, you authorise us to enter into the Custody Agreement as your agent pursuant to Clause 8 of the Equity Securities Online Trading Schedule, and you agree that:
 - 1.5.1 we are authorised by you to give instructions to PCI as your agent in accordance with the Equity Securities Online Trading Schedule and the Custody Agreement, and may provide information about you to PCI;
 - 1.5.2 PCI is entitled to rely on any instructions or information which it receives in accordance with the terms of the Custody Agreement from us as your agent without making any further checks or enquiries; and
 - 1.5.3 PCI is authorised to hold cash and securities on your behalf, and to transfer such cash or securities from any account it maintains in its books for you to meet your settlement or other obligations under the Custody Agreement.
- 1.6 PCI shall not have any responsibility for the following matters:
 - 1.6.1 our own operations;
 - 1.6.2 the consequences of properly acting on the instructions provided by us to PCI in respect of the opening of an account for you;
 - 1.6.3 the supervision of your activity and the consequences of properly acting on the instructions sent by us for the operation of your accounts;
 - 1.6.4 our ongoing relationship with you;
 - 1.6.5 making all necessary anti-money-laundering compliance checks relating to your business with us and the initiation of your relationship with us;
 - 1.6.6 explaining to you the types of investments covered by the Platform services and any risks relating to investments, investment transactions or any investment strategy to be pursued on your behalf;
 - 1.6.7 receiving, transmitting, accepting or executing any orders for you;
 - 1.6.8 assessment of the suitability or appropriateness of transactions and investments for you or warning you of any possible inappropriateness of an investment;
 - 1.6.9 providing any investment advice to you or taking investment management decisions on your behalf;

1.6.10 reviewing your accounts for market abuse, insider trading and compliance with any applicable legal and regulatory requirements to which we or you may be subject, other than to the extent required by Jersey law or regulatory requirements, the JFSC Rules, or any other legal or regulatory requirements applicable to PCI; or

1.6.11 giving instructions to any broker or third party.

2. THE ROLES AND OBLIGATIONS OF PEOPLE ACTING TOGETHER OR FOR ONE ANOTHER

2.1 If you hold an account jointly or otherwise hold assets jointly, with any other person, then you and any such other person(s) shall have joint and several liability to PCI. Examples of situations where such joint and several liability may arise are as follows:

2.1.1 Joint account holders: As well as joint account holders being jointly and severally liable in the way described above, any payment or accounting made by PCI to any one or more of those account holders will be treated as made to all of them.

2.1.2 Trustees: As well as the trustees of any trust being jointly and severally liable to PCI in the way described above, PCI will treat the trustees as its client and not any beneficiary of the trust. Any payment or accounting made by PCI to any one or more of the trustees will be treated as made to all of them.

2.1.3 Partners: If a partnership is PCI's client then each partner will be personally, jointly and severally liable to PCI in the manner described above. Any payment or accounting made by PCI to any one or more of the partners will be treated as made to all of them.

3. YOUR ACCOUNTS WITH PCI

3.1 PCI will open and maintain accounts on its books in your name in order to provide its services to you. When PCI receives any cash and securities from you, or on your behalf, then it will record them in such accounts.

3.2 PCI will have the right at its absolute discretion to stop providing services and close any accounts it holds and maintains in your name. The circumstances in which this may happen may include:

3.2.1 if PCI is obliged to stop providing such services as a result of any applicable law or regulation (such as anti-money laundering provisions);

3.2.2 if PCI is not able to provide such services effectively, PCI ceases to provide services to us or providing such services would materially adversely affect PCI's operation;

3.2.3 where you are in material breach of the terms of the Custody Agreement;

3.2.4 if providing such services to you or to us in relation to your account will have a materially adverse effect on PCI's reputation or will be in breach of any relevant law or regulation applying to you or to us (such as tax legislation); or

3.2.5 if your liabilities in relation to your account, and amounts owing by you to PCI, exceed or are likely to exceed the value of the cash and securities PCI holds for you.

We will notify you if PCI chooses to exercise this discretion and the reasons for its decision, unless we are or PCI is prevented from doing so by some legal or regulatory constraint.

3.3 You may at any time when there are no outstanding obligations owed by you to PCI, give notice in writing to us to stop receiving services from PCI, close your accounts with PCI and terminate the Custody Agreement to which you are party.

3.4 If either you or PCI decide to close your accounts with PCI, you will need to give instructions on the future custody of your securities so that PCI can transfer your money and securities (after deducting amounts owed to it) to your new custodian.

4. COMMUNICATION AND INSTRUCTIONS

- 4.1 PCI will only accept instructions for your accounts from us and not directly from you.
- 4.2 PCI may rely on and act on any instructions which PCI in good faith believes were given by us (or our representatives) as your agent. Such instructions can only be cancelled or changed if we give written notice to PCI sufficiently in advance to enable PCI to prevent the processing of the instructions. If PCI seeks instructions from us and we do not respond within a reasonable time, then PCI may take such action as it considers appropriate on the relevant matter. PCI will not be responsible or liable to you for any delays or inaccuracies in the transmission of instructions or other information (or any resulting action or failure to act) where that delay or inaccuracy is as a result of factors outside the reasonable control of PCI. This means that if the delay or inaccuracy is not PCI's fault, then you cannot obtain redress from PCI.
- 4.3 There may be circumstances where PCI refuses to accept any instruction for your account. For example, PCI may do so for any of the reasons set out in paragraphs 3.2.1 to 3.2.5 above or where:
- 4.3.1 the transactions fall outside the criteria that we have arranged with PCI for the settlement of client transactions (in respect of which appropriate limits may be incorporated into the operational procedures for the Equity Securities Online Trading Schedule Platform and/or applied in respect of your transactions from time to time);
 - 4.3.2 PCI cannot carry out the instruction because it cannot receive or deliver the relevant securities; or
 - 4.3.3 PCI does not have the necessary regulatory permission to hold a particular security.

We will inform you if PCI refuses to accept an instruction and the reasons for its decision, unless we are prevented from doing so because of any legal or regulatory constraint.

- 4.4 If you have any questions or concerns relating to your account with PCI, you should tell us and we will deal with PCI on your behalf. You should not contact PCI directly without consulting first with us, except where communicating with us is not possible for any reason.
- 4.5 All communications whether written, spoken, electronic or in any other form between you, us and PCI shall be in English.

5. SETTLEMENT OF TRANSACTIONS

- 5.1 When transactions are undertaken on your behalf through the Platform, they will be due for settlement in accordance with market requirements and the relevant contract note or advice. The settlement terms will vary dependent upon the market and securities dealt in. The contract note will specify the settlement date.

It is your responsibility to ensure that PCI receives the necessary securities, documents or cash (as the case may be) in order for PCI to settle the transaction on your behalf. PCI must receive any cash in cleared funds in sufficient time prior to the settlement date in order that it can make the necessary payment.

- 5.2 You undertake that any cash or securities held for you by PCI, or transferred to PCI for your account by you, will be free from any right of a third party to make claims against that money or those securities. In particular, it is your obligation to make sure that no other person will be entitled to:

- 5.2.1 security rights over your cash or securities, such as a **security interest**, a **mortgage** or a **charge**;
 - 5.2.2 any right to withhold or retain your cash or securities, such as a **lien**;
 - 5.2.3 any other rights to have any of your cash or securities paid or transferred to them, or to prevent any transfer of your cash or securities from going ahead; or
 - 5.2.4 any right to be paid all or any of the proceeds of a transaction received by PCI on your behalf;
- so that PCI is able to act on settlement instructions from us in respect of your transactions.

- 5.3 In order to settle transactions on your behalf, PCI will, as appropriate, need to receive securities or cash from, or deliver cash or securities to, the other party to the transaction (the "**counterparty**") or the relevant custodian or agent acting on behalf of the counterparty. If a transaction has to be settled by PCI through a **CCP** or **CSD**, certain additional provisions of the Custody Agreement, as summarised in Annexes 2 and 3, shall apply. In such cases, transactions may be subject to **netting** as described in Annex 2.

- 5.4 You agree that you will not have any rights to cash or investments which are due to be received by you following a transaction until you have performed your own obligations in relation to that transaction and PCI has been able to settle that transaction on your behalf. Similarly, PCI has no obligation to account to you for any such cash or investments until you have performed your obligations and the transaction has been settled. Until that has happened, PCI is entitled, without giving you any further notice, to sell or otherwise dispose of any such investments and apply the proceeds or any cash it receives in relation to the transaction in order to discharge or reduce any of your obligations in relation to the transaction.
- 5.5 PCI is not obliged to credit to your account any cash or securities it receives for your account until it has received such cash or securities in irrevocable and unconditional settlement of the relevant transaction, so that the party delivering such cash or securities is not able to reverse the delivery or require redelivery. If for any reason PCI does credit cash or securities to your account earlier than this and PCI reasonably considers that irrevocable and unconditional settlement is unlikely to take place, then PCI will be entitled to reverse the entry and require you to give back or redeliver the cash or securities or their equivalent.
- 5.6 Transactions executed on your behalf may settle through a **CCP** or **CSD** or other depositary transfer agent or other similar body or custodian combined with transactions for the account of other clients of ours. If this happens then PCI will allocate between our clients the cash or investments received by it or on its behalf as a result of the settlements in accordance with the client trades we have notified to it. If PCI receives cash or investments for trades that were intended to settle at the same time (but which, for whatever reason, do not do so), then PCI will allocate that cash or investments received by it on the following basis:
- 5.6.1 in accordance with any priority for settlements determined by PCI prior to the transactions taking place;
- 5.6.2 if transactions have the same priority, then the allocation will be in order of time, by reference to the intended settlement date of the transaction which we specified to PCI, so that the earliest in time will settle first in each case;
- 5.6.3 where transactions have the same priority and intended settlement date, then the allocation will be by value so that the larger or largest trade by value (not by number of units or size) will be settled first in each case;
- 5.6.4 where these allocations are necessary, they will also be subject to the operation of the relevant **CCP**, **CSD**, custodian or other entity. Such operations may include a **netting** rule or practice, automatic splitting of unsettled transactions or other automatic aggregation, splitting or allocation.
- 5.7 If PCI holds cash or securities for you outside the UK, certain additional provisions of the Custody Agreement shall apply, as summarised in Annex 3.
- 5.8 Time shall be of the essence with respect to any payment, delivery or other obligation of yours to PCI.

6. CLIENT MONEY

- 6.1 Money held by PCI for your account will be held by PCI in compliance with the Financial Services (Investment Business (Client Assets)) (Jersey) Order 2001 when these apply to the money. This means, amongst other things, that PCI will hold your money in a special designated client bank account which is an account kept separate from PCI's own funds.
- 6.2 When considering where that client bank account should be, PCI will exercise due skill, care and diligence and will periodically review the adequacy and appropriateness of any bank or credit institution where your money is deposited and of the arrangements for holding your money (such as which banks or credit institutions are used, the amount of client money deposited with the bank or credit institutions and any use of fixed term deposits for client money). These requirements will not apply where your money is held with a central bank of a country. It is important to note that PCI is not responsible for any acts, omissions or default of a credit institution or bank chosen by it but only for taking care in its choice and monitoring.
- 6.3 When PCI holds your money in a client account, it may be pooled with money belonging to other clients of PCI. Where funds are pooled in this way, you will not have a claim for the specific sum in a specific account. Your claim would be against the client money pool in general and if there is a deficiency in the pool you would share pro rata in that loss. Such a deficiency is likely to arise if a relevant bank or credit institution with which client money is deposited by PCI becomes insolvent or otherwise defaults on its obligations to pay out money when due.

- 6.4 If PCI holds money for you which is not immediately required to settle an investment transaction, such money will be deposited with a bank or credit institution, together with other clients' money. Money may earn interest at a rate determined by the relevant bank or credit institution.
- 6.5 However, you agree the amount of any interest on money that would be credited to your account and made available to you (subject to clauses 10 (Charges)) will be determined by us, and will be as notified by us to you from time to time. Any interest will be calculated on a daily basis and credited to your account every six months. We may decide that PCI need not credit interest to your account if the amount of the interest falls below a threshold amount notified to you by us. You will be entitled to interest at the central bank base rate for Sterling, US Dollars, and the Euro, and the applicable local agent credit rate for other currencies, less a money management fee charged by PCI for managing the balance of client money on your account. If the money management fee is higher than the relevant interest rate referred to above then an appropriate charge in the form of debit interest may be charged for that balance as notified to you by us.
- 6.6 If we, or PCI, are unable to contact you (for example if you move and fail to update your address with us), so that we are unable to deliver money held for your account to you, or you fail to respond to our communications requesting any instructions from you concerning such money, with the result that any of your money held by PCI is unclaimed, PCI may transfer such money to a pooled client unclaimed money account subject always to PCI undertaking to make good any valid claim by you. The money held in the client unclaimed money account will be held by PCI in compliance with the JFSC Rules.
- 6.7 Sometimes PCI will settle a transaction for you which requires your money or securities to be passed to a **Relevant Party** in order to meet the obligations under that transaction or as **Margin or Collateral**. When a **Relevant Party** is involved then any money or securities passed to the **Relevant Party** may be at risk in the event of its insolvency. By accepting these terms, you acknowledge that this is the case.
- 6.8 Please refer to the provisions of Annex 3 which set out the terms of the Custody Agreement which will apply if your money is held by PCI with a credit institution or bank outside Jersey, the UK or EEA.
- 6.9 PCI may use a bank which is affiliated to PCI to hold client money on your behalf subject always to any specific JFSC Rules concerning the use of such affiliate bank.
- 6.10 Money held by PCI in pooled client money accounts as set out in this clause 6, may (in part) be deposited (where permitted under JFSC Rules) into a fixed term deposit. Money held in fixed term deposits cannot be withdrawn by PCI until the fixed term expires. This means that the part of the client money pool (as described in clause 6.3 above) which is held in fixed term deposits would not be available for immediate (or next day) withdrawal by you and the return of such client money would be delayed until the fixed term expires. In addition, PCI would not be able to move client money held in a fixed term deposit until the expiry of such fixed term and therefore would not be able to mitigate the risk of any default or insolvency of the relevant bank or credit institution and the possible creation of a deficiency in the client money pool (resulting in a loss as described in clause 6.3) which may arise during such fixed term. By accepting these Terms of Business, you acknowledge you are aware of and accept the risks set out in this clause 6.10.

7. CUSTODY AND ADMINISTRATION OF YOUR SECURITIES

- 7.1 Subject to clause 7.2, where PCI holds securities for your account it will register those securities in the name of a **nominee company** controlled by PCI or by a member of PCI's group.
- 7.2 In some situations, for example where the rules of a particular market or **CSD** require, PCI will register your securities in the name of an **Eligible Custodian**. PCI will not usually register securities in your name but if it is required to do so, you shall remain responsible for the consequences of any such registration.
- 7.3 If your securities are held overseas the provisions of the Custody Agreement set out in Annex 3 shall also apply.
- 7.4 When your securities (including any money held for your account) are held by PCI with a depository or an **Eligible Custodian**, such depository or **Eligible Custodian** may have rights against your securities, arising out of the operation of local law, local regulatory rules, or market practice which may include:
- 7.4.1 security rights over them including but not limited to a **security interest**, a **mortgage** or **charge**;
- 7.4.2 rights to withhold or retain them, such as by way of a **lien**;

7.4.3 other rights to have the asset paid or transferred to them or to prevent a transaction involving such asset from going ahead; and/or

7.4.4 rights to be paid any or all of the proceeds of a transaction involving the asset.

PCI has agreed with the **Eligible Custodians** that such rights as set out in this clause 7.4 are limited to those in respect of debts arising (i) out of properly incurred charges and liabilities arising from the safekeeping, administration and provision of services (including the settlement of transactions as set out in clause 5) with respect to the securities held by the **Eligible Custodian**; or (ii) under the rules of a **CSD, CCP** or local settlement system.

7.5 PCI shall keep a record of your entitlement to your securities in situations where PCI or an **Eligible Custodian** (or a **nominee company**) have registered or recorded your investment in a combined account or pooled in some other way with securities belonging to other clients of ours, of PCI or of the **Eligible Custodian**. In such a situation you should note the following effects, and by accepting these Terms of Business you expressly acknowledge and accept these risks:

7.5.1 your individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic entries on the register;

7.5.2 In the course of settlement of transactions from the omnibus account (due to the nature of such holding and the operation of settlements into and from an omnibus account) circumstances could arise whereby your assets as held in the pool are used to satisfy the transaction of another client whose assets are also held in the omnibus account. You should note that PCI has in place systems and controls to reduce the occurrence of such events and to mitigate the risk to you from such circumstances as required under JFSC Rules;

7.5.3 if there is an irreconcilable shortfall following any loss by or default of, PCI or the **Eligible Custodian** (or a **nominee company**) then you may not receive your full entitlement and may share in any shortfall on a pro rated basis with any other clients of PCI;

7.5.4 sometimes PCI will receive securities or money on behalf of more than one client in connection with pooled holdings (for instance in a bonus or rights issue or takeover). In such circumstances PCI may, in accordance with JFSC Rules, allocate such securities between clients on whatever basis it considers fair and reasonable in accordance with its allocation policy in force at the time;

7.5.5 if a share issue or other corporate event favoured the 'small investor' (as defined by the issuer making the issue or creating the corporate event) your actual allocation may be less than it would be if your securities were registered in your own name; and

7.5.6 sometimes amounts or securities may arise which would not have arisen if the securities had been registered in your own name. You may not be entitled to any such additional amounts.

7.6 Any instructions you wish to give about the administration of securities held by PCI should be given to us in writing for us to send to PCI. We will not accept instructions from anyone but you and will not send instructions to other people on your behalf unless in either case you have previously provided us with a copy of a valid power of attorney authorising us, or the relevant person, to send such instructions.

7.7 PCI will inform us of any rights issues, takeover offers, capital reorganisations, conversion or subscription rights (collectively "**corporate actions**") that affect or relate to securities held on your behalf by PCI or an **Eligible Custodian**. PCI will do so as soon as reasonably practicable after receiving notice of those events. We will, in turn, inform you.

7.8 You should contact us and not PCI if you have any questions in connection with any corporate actions. PCI is not responsible for taking decisions in relation to any corporate actions and will require instructions from us, acting on your behalf, on matters such as:

7.8.1 exercising conversion and subscription rights;

7.8.2 dealing with takeovers or other offers or capital reorganisations;

7.8.3 exercising voting rights (where PCI exercises such rights on your behalf).

- 7.9 If any notification is given to you by us pursuant to clause 7.7, you must ensure that you provide instructions to us, for onward transmission to PCI in sufficient time to ensure that PCI is able to act upon such instructions. The instructions given, their consequences, and the consequences of failing to give us instructions, will be entirely your responsibility. Neither we nor PCI is obliged to do more than give one notification on the relevant matter.
- 7.10 PCI will be responsible for claiming and receiving dividends, interest payments and other entitlements automatically arising in respect of the securities held by PCI for your account.
- 7.11 Sometimes PCI or an **Eligible Custodian** who is holding your securities may receive dividends, interest and other rights or payments after local withholding or similar taxes or other deductions are made from those sums. You accept that PCI or any **Eligible Custodian** may, if it is required to do so to comply with legal or regulatory requirements, withhold or deduct tax or other amounts from any such payments. Any costs PCI or an **Eligible Custodian** incurs when complying with these obligations may be deducted by PCI from your account. If you are eligible to reclaim any such withholdings or deductions then this will be your responsibility and not that of PCI or an **Eligible Custodian**, to do so.
- 7.12 PCI will arrange for you to receive (in accordance with JFSC Rules) a safe custody statement of the securities and cash balances it holds for you, reported on a trade date basis (or on such other basis as stated in the statement itself). The frequency of such statements is determined by JFSC Rules. PCI may provide such statement to you via appropriate on-line or electronic means (subject to JFSC Rules), and provided we or PCI have notified you of the availability of such statement, it shall be your responsibility to access and review such statement..
- 7.13 In some circumstances PCI may refuse to hold any investment or securities for you. This may occur in any of the circumstances outlined in clause 3.2 of these terms or if the investment concerned is of a kind for which PCI does not have facilities, or arrangements with appropriate **Eligible Custodians**, to hold, or if holding the investment would expose PCI to liabilities. We will notify you if PCI notifies us that it has chosen to exercise this discretion unless legal or regulatory constraints prevent such disclosure.
- 7.14 PCI will not loan your securities or use them to raise finance unless you have entered into a separate specific written agreement with PCI allowing such use of your securities.

8. CONSEQUENCES OF YOUR DEFAULT

- 8.1 If you fail to pay cash or deliver securities (as relevant) when due to meet any settlement obligations or if you otherwise fail to meet any of your other obligations to PCI relating to such payment or delivery then you should be aware that there will be certain consequences as a result of such failure, as further described in the remainder of this clause 8.
- 8.2 You will not have a right to title or interest in any cash or securities received for your account while you are in default and up to the amount or value of such default. PCI will have no obligation to deliver or account to you for any such cash or securities and PCI will be entitled to retain any cash or securities received for your account until such time that you have met your obligations.
- 8.3 PCI may, without providing any advance notice, use any cash, or sell any securities, held or received for your account and use the proceeds (after deducting any costs in doing so) to eliminate or reduce any unpaid obligations owed to PCI. Any surplus remaining after discharging the obligations owed to PCI will be paid to you. If the cash and proceeds of disposals do not cover all the obligations owed to PCI, you will still owe PCI the balance.
- 8.4 PCI may, among other things, and without giving you further notice:
- 8.4.1 enter into any other transaction (including those with the effect of closing-out a position, or reversing or cancelling a transaction previously entered into);
 - 8.4.2 take or refrain from taking further action which it considers would, or could, reduce or eliminate any liability under any transaction undertaken for you. PCI may take similar action where it reasonably considers that you have not, or are unlikely to perform your obligations under these terms.
- 8.5 Where PCI exercises its rights to use your cash or dispose of your securities under clause 8.3 above, subject to any surplus due to you, it will have no further obligation to you (and neither you nor we will have any right to require PCI) to account to you, or to anyone else, for any securities or cash received following such use or sale.

- 8.6 You agree that PCI may **set off** transfer or apply (without further notice to you) any obligations or monies owed by PCI to you in order to satisfy in whole or in part any debt or obligation or sum that is due from you to PCI. This applies even if the obligations are in different currencies and includes the payment of any fees or charges due to PCI and any amounts due under your indemnity obligations to ensure PCI does not lose money as a result of your default under or the services it provides to you under the Custody Agreement.
- 8.7 In exercising its rights under the Custody Agreement, as set out in these terms, PCI may convert currencies and carry out foreign exchange transactions with you or on your behalf at such rates and in a manner that PCI may in its discretion determine. In such circumstances, PCI shall be acting on its own behalf and not executing your orders. It shall therefore not be liable to you for the result obtained, nor for its choice of which investments are to be sold.
- 8.8 The provisions of the Custody Agreement described in this clause 8 will continue to apply even if we or PCI stop providing services to you, so long as any obligations for your account remain outstanding. They apply in addition to any other right PCI has, and they will not be affected by any failure by PCI or anyone else to fully enforce their contractual rights, whether as to payment, time, performance or otherwise.

9. LIMITS ON PCI'S LIABILITY TO YOU AND INDEMNITIES YOU GIVE TO PCI

- 9.1 The liability of PCI (and where relevant its directors, employees or agents) to you for any loss or damage which you suffer in connection with the Custody Agreement is limited to circumstances where any such loss or damage has arisen directly as a result of negligence, fraud or wilful default or a breach of the JFSC Rules by PCI (or where relevant, its directors, employees or agents). In any event, PCI will not be liable to you for any indirect or consequential losses (howsoever arising). PCI will also not be liable for any loss that is a loss of profit or for any losses that arise from any damage to your business or reputation.
- 9.2 This means that PCI will only be liable under the Custody Agreement for losses that arise as a result of its negligence, fraud or wilful default or a breach of the JFSC Rules by PCI (or where relevant, its directors, employees or agents) and then only, for any losses which:
- 9.2.1 arise naturally from a breach by PCI (or where relevant, its directors, employees or agents) of PCI's obligations; and
 - 9.2.2 which were reasonably foreseeable to PCI at the time the Custody Agreement was entered into.
- 9.3 It is important that you understand that you are responsible for making sure that PCI does not suffer by reason of acting for you. You agree in these terms, and under the terms of the Custody Agreement, to make good and reimburse (indemnify) PCI and each of its directors and employees and agents ("**Indemnified Persons**"), after the deduction of any applicable taxes, for and against any liabilities, reasonable costs and expenses (including legal costs) and all duties and taxes (other than PCI's corporation tax) which are caused by:
- 9.3.1 PCI providing its services to you in accordance with the Custody Agreement as set out in these terms;
 - 9.3.2 material breach by you of any of the terms of the Custody Agreement as notified to you in these terms;
 - 9.3.3 default or failure by you to make a delivery of securities or payment when due in accordance with the Custody Agreement as set out under these terms; or
 - 9.3.4 any challenge to the validity of, or requirement for proof or ownership, or in respect of any fraud or forgery in relation to any securities delivered to PCI by you or on your behalf, or in relation to any document of transfer regarding such securities. This will include any electronic instruction or information, which appears to transfer such securities.
- 9.4 You will not be liable to indemnify PCI under this clause 9 or the terms of the Custody Agreement, and PCI will have no right or claim against you or us under the terms of the Custody Agreement, if any consequences to PCI are caused by the negligence, wilful default, fraud, or any breach of the JFSC Rules, of PCI (or where relevant, its directors, employees or agents).
- 9.5 PCI has no liability to you or us under the Custody Agreement for failure to provide any of the services under the Custody Agreement if that failure is caused wholly or partly by events beyond PCI's reasonable control. This includes (but is not limited to) any failure of communication, settlement, computer or accounting system or equipment, any failure or interruption in the supply of data, any political crisis or terrorist action, suspension or limitation of trading by any exchange or clearing house or any fire, pandemics, flood or other natural disaster. In any of these (or other similar) circumstances any or all of PCI's obligations under the Custody Agreement will be suspended until the state of affairs giving rise to the failure of PCI is remedied.

- 9.6 The provisions in this clause 9 and the Custody Agreement will continue to apply even if we or PCI stop providing services to you. They apply in addition to any other right of indemnity or claim of any Indemnified Person, whether or not under these terms, and they will not be affected by any failure by PCI or anyone else to fully enforce their contractual rights, whether as to payment, time, performance or otherwise.

10. CHARGES

- 10.1 All fees and charges payable by you in relation to the services provided by PCI (in particular, where applicable, the money management fee), and any taxes payable through PCI, will be set out in our Schedule of Tariffs as notified by us to you from time to time. PCI is permitted to either pay out of the assets and money it holds for you for your account or by way of set off as described at clause 8 above or require you to pay them directly to PCI or to PCI through us. You may also be liable for other taxes or charges which are not payable through PCI.

11. PCI'S CONFLICTS OF INTEREST

- 11.1 PCI, its associated group companies (associates) or nominees may provide services as set out in these terms in circumstances in which PCI or its associates have a material interest. This interest could be direct or indirect and PCI or its associates could also have a relationship with someone else, which may involve a conflict of interest or potential conflict of interest with you. Examples where such actual or potential conflicts may happen include situations where PCI or any of its associates:
- 11.1.1 is, or is acting on behalf of, the counterparty to a transaction that is executed by associates of PCI (whether or not involving a fee or commission or increased or reduced price offered or received by PCI or such associates);
 - 11.1.2 has a long or short position in the relevant investment; or
 - 11.1.3 is otherwise connected to the issuer of the investment to which any instructions relate.
- 11.2 PCI may receive payments from fund managers if PCI provides services to those fund managers through the PCI Nexus Funds Trading Platform. Any payments of this kind are calculated by reference to the value of the assets that PCI holds in custody for its clients.
- 11.3 PCI may place money held for your account with a bank or other financial institution (in accordance with the JFSC Rules) and earn interest and retain some or all of that interest from that bank or financial institution.
- 11.4 A summary of PCI's conflicts policy (including further disclosure concerning the payments PCI may receive from fund managers) is published on PCI's website at www.pershing.je under the heading of "**compliance disclosures**" (a hard copy is available on request from us).
- 11.5 You acknowledge that neither PCI nor any of its associates is required to disclose or account to you for any profit made as a result of acting in any manner described above.

12. DATA PROTECTION AND CONFIDENTIALITY OF INFORMATION

- 12.1 PCI may store, use or otherwise process personal information about you which is provided by you or us on your behalf. The purposes for which it can store, use or process such personal information are providing custody services under the Custody Agreement, administering your account and other purposes closely related to those activities. This includes (but is not limited to) using information for the purposes for credit and anti-money laundering enquiries or assessments. In Jersey, PCI operates and has made all the appropriate notifications in accordance with applicable data protection legislation.
- 12.2 Any information that we and PCI hold about you is confidential to you and will only be used in connection with the provision of services under these Terms of Business by us and under the Custody Agreement (as set out in these terms) by PCI (as may be set out in more detail in PCI's published privacy policy as referred to in clause 15). Information of a confidential nature will be treated as such provided that such information is not already in the public domain. PCI will only disclose your information to third parties in the following circumstances:
- 12.2.1 if required by law or if requested by any regulatory authority (including any tax authority) or exchange having control or jurisdiction over you, us or PCI (or any associate of ours or PCI);
 - 12.2.2 to investigate or to prevent fraud, market abuse, tax evasion or other illegal activity;

- 12.2.3 in connection with the provision of services to you by us or PCI;
- 12.2.4 for purposes closely related to the provision of the services or the administration of your account including without limitation for the purposes of credit enquiries or assessments;
- 12.2.5 if it is in the public interest to disclose such information; or
- 12.2.6 at your request or with your consent.
- 12.3 The restrictions on the use of confidential information described above are subject at all times to a general proviso that PCI may disclose your information to certain permitted third parties including members of its own group (associates) and its professional advisors (including accountants and lawyers) who are subject to confidentiality codes.
- 12.4 Neither we nor PCI will sell, rent or trade your personal information to any third party for marketing purposes unless you give your express consent.
- 12.5 You should note that by accepting these terms you agree that PCI is allowed under the Custody Agreement to send your information internationally including to countries outside the EEA such as the United States of America. Some countries where your information is sent will offer different levels of protection in relation to personal information, not all of which will be as high as Jersey and the UK. PCI will, however, always take steps to ensure that your information is used by third parties only in accordance with PCI's policy.
- 12.6 You are entitled to a copy of any information PCI holds about you. In the first instance, you should direct any such requests to us and we will pass your request on to PCI. You should let us know if you think any information PCI holds about you is inaccurate and we will ask PCI to correct it.

13. COMPLAINTS

- 13.1 If you have a complaint you should notify our compliance officer in the first instance. If, however, your complaint concerns an aspect of the service provided to you by PCI and you wish to copy your complaint to PCI directly, copies should be sent to:

Pershing (Channel Islands) Limited
5 St Andrew's Place, Charing Cross, St Helier
Jersey JE4 9RB
Attention: the Compliance Officer

- 13.2 Where you make a complaint, both we and PCI will endeavour to resolve your complaint as quickly as possible but in any event we will acknowledge receipt of your letter within 5 business days. The acknowledgement sent will include a full copy of our or PCI's internal complaints handling procedure. Upon resolution of your complaint we or PCI will send you a final response letter, which sets out the nature of our response of any proposed resolution, and any appropriate remedy. If for any reason you are not satisfied with our or PCI's final response, or we or PCI have failed to resolve your complaint within 8 weeks of receipt, you may be entitled to refer your complaint to the Channel Islands Financial Ombudsman. A leaflet detailing the procedure will be provided in our or PCI's final response.

14. AMENDMENT

- 14.1 PCI reserves the right to alter the terms of the Custody Agreement at any time, and we reserve the right to alter these terms at any time to reflect amendments made by PCI to the Custody Agreement. PCI will only alter the terms of the Custody Agreement after giving prior written notice to us in reasonable time to enable us to notify you so that you can consider the impact of the proposed changes, unless it is impractical in the circumstances for PCI to give us such notice or for us to give you such notice.

15. PROVISION OF INFORMATION VIA A WEBSITE

- 15.1 PCI may provide the following information to you via the website www.pershing.je (under the "**disclosures**" section). Such information may be amended from time to time by PCI:
- 15.1.1 General disclosures of information about PCI, its services and disclosures relating to such services in general;
- 15.1.2 Information concerning the safekeeping of securities and money held by PCI or any of its appointed **Eligible Custodians**;

15.1.3 Information on PCI's costs and charges which PCI is required to publish by law or under JFSC Rules;

15.1.4 PCI's privacy policy covering the processing of any personal data under the relevant data protection legislation; and

15.1.5 Disclosures and policies containing general information in relation to the services provided by PCI to you which PCI is required to publish or which is addressed to the generality of its clients (excluding amendments to the provisions of the Custody Agreement in accordance with these terms);

PROVIDED ALWAYS that such information provided via the website does not include any confidential information or personal data relating to you

16. GENERAL

16.1 PCI's obligations to you are limited to those set out in the Custody Agreement as set out in these terms. PCI shall in particular not owe any wider duties of a fiduciary nature to you.

16.2 No third party shall be entitled to enforce these terms or the terms of the Custody Agreement in any circumstances.

16.3 Any failure by PCI (whether on an ongoing basis or not) to insist upon strict compliance with any of the terms of the Custody Agreement as set out herein is not deemed to amount to PCI giving up or waiving any of any of its rights or remedies under such terms of the Custody Agreement. The rights and remedies conferred on PCI by the Custody Agreement will be cumulative and the exercise or waiver of any part of them will not stop or inhibit the exercising by PCI of any other additional rights and remedies.

16.4 The Custody Agreement, the terms of which are set out in these terms, is governed by Jersey law and you irrevocably agree to submit, for the benefit of PCI, to the exclusive jurisdiction of the Courts of Jersey in respect of all disputes arising under the Custody Agreement.

ANNEX 1

Glossary

Business Days	means any day on which the London Stock Exchange is open for trading and which is not a public holiday in Jersey
CCP	This stands for central counterparty, which is typically an institution that acts as an intermediary between two market participants. The seller of a security sells to the central counterparty. The central counterparty simultaneously sells to the buyer. This means that if one party defaults then the central counterparty will absorb the loss. This reduces the amount of counterparty risk that market participants are exposed to.
Charge	A charge does not involve a transfer of ownership but gives a degree of control to a third party over any dealing or disposal of the asset.
Clearing and Settlement Services	The process by which, once a security has been bought or sold on your behalf, the money is transferred from the buyer to the seller and the securities or the title to the securities is transferred from the seller to the buyer.
CSD	This stands for central securities depository which is a financial institution that custodies securities and provides securities settlement services to one or more markets.
	When settling a transaction on your behalf PCI may have to settle such transaction through a central securities depository or other securities settlement system and the transactions will be subject to the rules of the CSD.
Custody Services	The safekeeping and administration of any securities held by PCI or its nominee company on your behalf.
Eligible Custodian	This refers to a third party custodian (or its nominee company) who PCI selects under the JFSC Rules to register your securities with.
FCA Rules	The rules of the UK Financial Conduct Authority as amended, supplemented or replaced from time to time.
JFSC Rules	The Financial Services (Jersey) Law 1998, the Codes of Practice for Investment Business issued by the JFSC, the Financial Services (Investment Business (Client Assets)) (Jersey) Order 2001, the Policy Statement and Guidance Notes on Outsourcing issued by the JFSC and any other applicable Jersey laws and regulations.
Joint and Several Liability	If joint and several liability applies, the effect is that both you and the other person(s) separately promise to meet all obligations under these terms and the Custody Agreement in respect of the account either (1) jointly with the other person(s); and (2) individually.
Lien	A Lien allows the person holding the asset to withhold or retain such asset pending the satisfaction of your obligations to them.
Margin or Collateral	This is where your money or securities are passed to a Relevant Party in order to provide security against the performance of obligations.
Mortgage	A mortgage transfers the ownership of an asset to a third party on the condition that it will be re-transferred on the discharge of the obligations owed to that third party.
Netting	Netting is the process under which PCI and/or the counterparty, CCP, CSD or other body concerned with settling a transaction are entitled to reduce their obligations to each other by setting off their obligations to deliver cash or securities to one another. This will give a single amount owing to one party from the other rather than a two-way payment. This single amount will then be paid or delivered to the relevant party.
Nominee Company	A nominee company is one which is used solely for holding securities separately and which does not carry on any other business.
Relevant Party	This includes (but is not limited to) an exchange, clearing house, intermediate broker, settlement agent or a counterparty dealt with directly (over the counter) outside of any exchange. The Relevant Party may be located in the UK or elsewhere.
Security Interest	A “security interest” as defined in the Security Interests (Jersey) Law 2012
Set-Off	This may arise where both you and PCI owe sums to each other. In such circumstances PCI may deduct any sums owed to it by you from any sums that are owed by PCI to you so as to either eliminate or reduce PCI’s liability to you.
Time shall be of the Essence	The use of this term in relation to any payment, delivery or other obligation you have to PCI means that PCI shall be entitled to terminate the Custody Agreement and, if appropriate, claim damages from you if you fail to perform your obligation in accordance with the time specified. It is intended to ensure that the relevant deadlines are strictly complied with.

ANNEX 2

CCP and CSD Transactions

1. SETTLEMENT OF CCP AND CSD TRANSACTIONS

- 1.1 In order to settle transactions on your behalf, PCI will need to deal with the other party to the transaction (the “**counterparty**”) and sometimes transactions will be settled through a central counterparty (“**CCP**”) or a central securities depository or other securities settlement system (“**CSD**”) or other depository transfer agent or similar body. When PCI deals with these parties, it does so as your agent, in good faith and on the basis that:
 - 1.1.1 PCI is not responsible for any default or failure of the **CCP**, **CSD** or other counterparty or of any depository or agent of those entities; and
 - 1.1.2 the delivery of any securities or payment to you as a result of the transaction is entirely your risk and not that of PCI.
- 1.2 In some cases, transactions will be subject to **netting**. You agree, in respect of any transaction which is subject to **netting**, to discharging the settlement obligations on a net basis in accordance with the rules of the relevant **CCP** or **CSD**. You acknowledge that if net settlement takes place then PCI will only be obliged to account to you for any securities or cash in connection with the transaction on a net basis.
- 1.3 We and you acknowledge and agree that:
 - 1.3.1 PCI does not owe any duty to us, you or any other person to verify the appropriateness, adequacy or effectiveness of the rules, requirements and procedures of any market or **CCP**; or in relation to any exercise or non-exercise by the market or the **CCP** of its rights or powers under such rules, requirements and procedures; and
 - 1.3.2 PCI shall have no liability for any loss or damage suffered or incurred by us or you by reason of PCI taking or failing to take any action, where such action or failure to take action is authorised, permitted or required by a market or a **CCP** or is otherwise deemed necessary by PCI under the rules, requirements and procedures of the market or the **CCP**.

2. LIMITS ON PCI'S LIABILITY TO YOU AND INDEMNITIES YOU GIVE TO PCI

If any net settlement takes place then PCI's only obligation to account to you will be to account for the net securities and/or cash received by it from any relevant **CCP**, **CSD**, or their respective agents, corresponding to the transactions relevant to the net settlement entered into on your behalf. In addition, you agree that PCI shall have no liability to you in connection with the exercise by any **CCP**, **CSD**, or their respective agents of their powers under any Power of Attorney or equivalent right or power in respect of any settlement account operated by or on behalf of PCI in connection with the settlement of any transaction.

ANNEX 3

Overseas Securities

1. SETTLEMENT OF TRANSACTIONS

If a transaction is undertaken on your behalf on non-UK markets and settled by PCI, it will be subject to the rules of the relevant overseas exchange, clearing system and/or depositary and to any terms of any foreign agent or custodian employed by PCI. These rules and terms may include, but are not limited to, such persons having the right to reverse a transaction (including reversing the delivery or re-delivery of any investment and any payment) even after it has been settled. In view of the number of markets and counterparties which may be used it is not possible to outline all of the potential rules and obligations that may apply in such cases.

2. CLIENT MONEY

If your money is held by a credit institution or bank outside Jersey, the UK or EEA or your money or securities are passed to a third party, then it is important you understand that the legal and regulatory regime applying to that credit institution, bank or other third party will be different from that of Jersey, the United Kingdom or the EEA. This means, amongst other things, that the rights and protections you have under the JFSC Rules will not be available in respect of those banks or credit institutions or third parties. Other rules and regulations may apply to them under local law but your rights and obligations are likely to differ, particularly if such party is in default

3. CUSTODY AND ADMINISTRATION OF YOUR SECURITIES

- 3.1 Whether or not they are registered or recorded in the name of PCI, or an **Eligible Custodian**, securities belonging to you which are held abroad may be subject to different settlement, legal and regulatory requirements from those applying in Jersey, the UK or the EEA. Your rights may therefore also differ. In particular, such securities, by their nature may require, in order to effect settlement of your transaction, that the investment is held in a country that may not impose specific regulation covering the safekeeping of securities. Subject to PCI, satisfying itself that the arrangements for the holding of your investment in such market by the **Eligible Custodian** it appointed are adequate (based on the due diligence referred to in clause 3.2 of this Annex 3), PCI will deposit such investment with such **Eligible Custodian** notwithstanding the risks outlined in this Annex 3.
- 3.2 PCI will exercise due skill, care and diligence in the selection, appointment and periodic review of any **Eligible Custodian** it appoints (including the regulatory rules applicable to such **Eligible Custodian**) and the arrangements for the holding and safekeeping of your securities. It is important that you understand PCI is not responsible for anything done or not done, or any default of an **Eligible Custodian** unless that default is caused by the negligence, fraud or wilful default on the part of PCI or any of its nominee companies. Although PCI will seek to make sure that adequate arrangements are made to look after your ownership rights in any securities (especially in the event of its own insolvency) you should understand that your securities may be at risk if an **Eligible Custodian** becomes insolvent.
- 3.3 Overseas securities may be registered or recorded in the name of PCI or in the name of an **Eligible Custodian**. Your acceptance of these terms, which form part of the Custody Agreement indicates your consent to the possibility of registration in such manner. However, any such registration in one of these ways will only be done after PCI has taken reasonable steps to determine that it is in your best interests to do so or that it is not feasible to do otherwise because of the nature of the applicable law and market practice in the jurisdiction where the transaction occurs. Registration in this way means that your securities may not be kept separate from other securities belonging to PCI or the relevant **Eligible Custodian**. Your protection may therefore be less, as if the person in whose name your investment is recorded defaults on its obligations, your investment may not be separately identifiable as yours. Accordingly, it may be subject to other third party claims including claims by the general creditors of the defaulting person.

APPENDIX 3

The terms and conditions of this Appendix shall apply where you have access to any Market Data through the Platform.

We agree to make Market Data available to you pursuant to the terms and conditions set forth in this Appendix, and you agree to comply with those terms and conditions. Part 1 sets forth terms and conditions of general applicability. Part 2 applies insofar as you receive and use Market Data made available pursuant to this Appendix as a Nonprofessional Subscriber.

PART 1: TERMS AND CONDITIONS OF GENERAL APPLICABILITY

1. Proprietary Nature of Market Data – You understand and acknowledge that the U.S. Market Data Provider has proprietary interest and right in the U.S. Market Data; and that each of the other market data information providers has proprietary interest and rights in their Market Data.

2. Permitted Use – You shall not furnish or distribute any Market Data to any other person or entity and, subject to Paragraph 8, shall use Market Data only for your individual use.

3. Disclaimer of Warranties from the market data information provider(s) – Each market data information provider (including the U.S. Market Data Provider) will make commercially reasonable efforts to offer their Market Data as promptly and as accurately as is reasonably practicable. Notwithstanding the foregoing, you acknowledge and agree that the Market Data and any and all material related to the Market Data, including, but not limited to, the specifications, are being provided “as is” with no warranties other than those warranties expressly set forth in the relevant distributor agreement between the market data information provider and us (as distributor). In the event that the Market Data is not available as a result of a failure by the market data information provider to perform its obligations under the distributor agreement, the market data information provider will endeavour, giving due regard for the cost, time, and effect on other users, to correct any such failure. In the event that the Market Data is not available, is interrupted, is incomplete or is not accurate or is otherwise materially affected for a continuous period of four (4) hours or more during the time that the market data information provider regularly transmits the Market Data, or for more than a total duration of twelve (12) hours in a single calendar month during the time that the market data information provider regularly transmits the Market Data during a single calendar month, due to the fault of the market data information provider (except for a reason permitted in the distributor agreement), your exclusive remedy against the market data information provider shall be, at our option, either a prorated credit or a prorated refund of any monies due to the market data information provider from us (less monies refunded or credited to you) for the Market Data at issue for the period at issue. Such credit or refund shall be requested by written notice to the market data information provider with all pertinent details included. In those cases where we receive said credit or refund on your behalf, we shall promptly provide the same credit or refund to you. Beyond the market data information providers’ warranties stated in this section, there are no other warranties of any kind, express, implied or statutory (including, without limitation, timeliness, truthfulness, sequence, completeness, accuracy, freedom from interruption, any implied warranties arising from trade use, course of dealing, or course of performance, or the implied warranties of merchantability or fitness for a particular use or purpose).

4. Indemnity – You shall, be liable to, indemnify and hold harmless the U.S. Market Data Provider, any other market data information provider and all of its officers, directors, employees, agents and its third party information providers (collectively, the “Indemnified Parties”) from and against any direct liabilities, obligations, losses, damages, penalties, claims, actions, suits, judgements and reasonable costs and expenses of whatever nature, whether incurred by, imposed on or issued or asserted against any Indemnified Party (“Claims or Losses”) to the extent that such Claims or Losses result from or relate to: (i) any failure by you to comply with the terms and conditions set forth in this Appendix if we have not notified the U.S. Market Data Provider of your non-compliance within ten (10) days after we know of such non-compliance, or (ii) any defense or participation by the Indemnified Parties in any action, suit, arbitration, or judicial or administrative proceeding involving any Claims or Losses described in this section.

5. Duration; Survival – This Appendix remains in effect for so long as you have the ability to have access to any Market Data as contemplated by this Appendix. In addition, we may terminate this Appendix at any time, whether at the direction of the relevant market data information provider(s) or otherwise. Paragraphs 2, 3, 4, 6 and 8 survive any termination of this Appendix.

6. Dissemination Discontinuance Or Modification – You understand and acknowledge that, at any time, the market data information provider(s) may discontinue disseminating any category of Market Data, may change or eliminate any transmission method and may change transmission speeds or other signal characteristics. The market data information provider(s) shall not be liable for any resulting liability, loss or damages that may arise therefrom.

PART 2: NONPROFESSIONAL SUBSCRIBER

7. Nonprofessional Subscriber Definition – “**Nonprofessional Subscriber**” means any natural person who qualifies as a “Nonprofessional Subscriber” (as determined by the U.S. Market Data Provider) and who is not:

- (a) a subcontractor or independent contractor of a firm or organization;
- (b) registered or qualified with the US Securities and Exchange Commission (the “**SEC**”), the US Commodities Futures Trading Commission, any state, federal or international securities agency or self-regulatory body, any securities exchange or association, or any commodities or futures contract market or association;
- (c) engaged as an “**investment advisor**” as that term is defined in Section 202 (11) (a) of the U.S. Investment Advisor’s Act of 1940 (whether or not registered or qualified under that Act); or
- (d) employed by an organization that is exempt from U.S. federal and/or state securities laws that would otherwise require registration.

The definition and criteria set out above may be subject to change by the U.S. Market Data Provider from time to time.

8. Permitted Use – If you are a Nonprofessional Subscriber, you shall receive U.S. Market Data solely for your personal use and you are not permitted to receive and use such Market Data for business, professional or other commercial purpose.

9. Personal and Employment Data – As a prerequisite to qualifying as a “**Nonprofessional Subscriber**”, you shall provide the following information to us:

- (a) your name and address;
- (b) your occupations (list all occupations – including homemaker, student, retiree, etc.);
- (c) Name(s) and address(es) of your employer(s);
- (d) Your title(s) and/or position(s); and
- (e) Your employment functions (description).

You shall notify us promptly in writing of any change in your circumstances that may cause you to cease to qualify as a Nonprofessional Subscriber.