



## TERMS OF BUSINESS FOR THE PROVISION OF INVESTMENT SERVICES

### General recall

1. It is recalled that these terms of business (the “**Agreement**”) are issued by Aurel BGC, a company limited by shares with a capital of €22,130,403.50, the head office of which is at 15-17, rue Vivienne – 75002 Paris, under the Paris Corporate and Trade Register No. 652 051 178 (the “**Service Provider**”) and is entered into in accordance with the legislative and regulatory requirements in force, in particular those set out by the French Financial Markets Authority (“**AMF**”).
2. When the Service Provider receives, transmits and/or executes an Order, it acts in accordance with the rules and regulations of the Execution Venues where the Order is executed, the rules and regulations of the clearing houses through which the transactions executed are cleared, as well as the rules of good conduct towards you (the “**Client**”) pursuant to the terms of Articles L.533-11 and following of the Monetary and Financial Code (the “**CMF**”), and for transactions on debt instruments negotiated outside a Market, it acts in accordance with the rules established by the International Capital Market Association (“**ICMA**”).
3. The Orders executed on behalf of the Client are recognised, where needed, in the books opened with the clearers and third-party account custodians. In this regard, the Client hereby assigns and authorises the Service Provider to open any technical account with clearers and third-party account custodians that shall be needed to settle the Transactions. The Client may obtain a copy of account keeping agreements upon request to the Service Provider.
4. The Service Provider shall provide the Client investment services and/or ancillary services for all financial instruments and where needed brokerage services on interbank deposit.
5. The Client acknowledges to have taken full and prior knowledge of the Agreement before having requested to the Service Provider the execution of one of the investment services under it and for which it is registered, such as listed to in article 2.1 below. This agreement, which is also available on the Service Provider's Website, shall take effect and be deemed accepted by the Client for an indefinite period from the date the Client has returned it duly signed or the date the Service Provider, on Client's request, first executes one of the investment services such as listed to in article 2.1 below.
6. This Agreement supersedes any previous agreements and correspondences between the parties, on the same subject matter except where specifically provided otherwise, agreement to the contrary or the express will of the parties.

## **ARTICLE 1 : DEFINITIONS**

Under the Agreement, the terms used shall have the following meanings:

**Agreement:** All the provisions set out in the present terms of business.

**Benefits:** Has the meaning referred to in clause 2.2

**Confirmation:** Document or message issued by the Service Provider setting out the execution terms and conditions for one or several Transactions following an Order.

**Default:** Partial or complete failure to execute a Settlement between the Service Provider and a custodian acting on behalf of the Client at the due date set by the rules applicable to the Transactions covered by the said Settlement, regardless of the reason for the failure.

**Eligible Counterparty:** Eligible counterparties shall be the entities mentioned in Article D 533-13 of the CMF.

**Execution of Orders for Third Parties:** Pursuant to Article D 321-1, 2° of the CMF, execution of orders for third parties involves concluding purchase or sale agreements covering one or several Financial Instruments on behalf of a third party.

**Execution Policy:** Policy for the execution of orders by the Service Provider pursuant to Article 314-72 of the AMF General Regulations, applicable to the Professional Clients and readily available at any time on the Service Provider's Website.

**Execution Venues:** Any "place" where the Client's Order(s) is/are executed pursuant to the Service Provider's Execution Policy.

**Financial Instruments:** Instruments mentioned in Article L. 211-1 of the CMF covered by the Agreement.

**Investment Advice:** Within the meaning of Article D 321-1-5 of the CMF, the fact of providing personalised recommendations (the notion of which is specified in Article 314-43 of the AMF General Regulations), to a third party, either at its request or on the initiative of the firm providing the advice, concerning one or several Transactions on Financial Instruments.

**Investment Research and Financial Analysis:** Within the meaning of Articles L. 544-1 and L.321-2 of the CMF, this involves investment research or financial analysis of research studies or other information that implicitly or explicitly recommend or propose an investment strategy on one or several Financial Instruments or Financial Instruments issuers, including opinions on current or future prices or values of these instruments designed for distribution channels or the general public, and for which the following requirements must have been met:

- 1) The research or information are designated or described by the expression "investment research or financial analysis", or are otherwise presented as an objective or independent explanation of the content of the recommendation;
- 2) They cannot be considered as the provision of investment advice;
- 3) They are carried out in accordance with the AMF General Regulations.

**Liquidation:** Closing out a Position or a number of Positions by executing a Transaction or set of contrary Transactions and involving the same quantity of Financial Instruments as the Transaction(s) that opened the Position.

**Markets:** All markets, be they regulated or not, or multilateral trading systems (MTFs) mentioned in the Service Provider's Execution Policy, on which Financial Instruments are traded.

**Market Rules:** For both regulated and unregulated markets, these are the rules governing the Market on which the Transaction was carried out. For unregulated markets, these are the practices observed on the Market where the Transaction is executed as well as on all the other Markets or multilateral trading facilities that may be retained by the Service Provider to conclude the Transactions, with the rules set out pursuant to Article L.424-2 of the CMF.

**Minor Non-Monetary Benefits:** Has the meaning referred to in clause 2.3

**Multilateral Trading Facilities (MTF) :** In accordance with the terms of Article L 424-1 of the CMF, an MTF is a facility which, without having the quality of a regulated market, brings together, within itself and according to non-discretionary rules, multiple buyer and seller interests in Financial Instruments expressed by third parties, in order to conclude transactions on these instruments.

**Order:** Instruction given by the Client to the Service Provider with a view to buy or sell Financial Instruments on the Markets on the Client's behalf.

**Organised Trading Facility (OTF):** An OTF is a multilateral system which is not a regulated market or an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract in accordance with Title II of the MiFID II Directive.

**Position:** Commitment created by a Transaction.

**Professional Client:** Pursuant to Article L. 533-16 of the CMF, a Professional Client is a client who possesses the experience, knowledge and expertise to make its own investments decisions and to properly assess the risks that it incurs.

**Receipt and Transmission of Orders for Third Parties:** Within the meaning of Article D 321-1,1° of the CMF, this involves receiving and transmitting to an investment service provider or an entity belonging to a State that is not a member State of the European Community and not a signatory to the European Economic Area agreement, and with an equivalent status, on behalf of a third party, orders related to Financial Instruments.

**Settlement:** Any operation of cash settlement and/or delivery of any securities following one or more Transactions.

**Transaction:** Any operation on Financial Instruments concluded following an Order.

**Website:** Means the Service Provider's website available at the following address: <http://www.aurel-bgc.com>

## **ARTICLE 2 : PURPOSE OF THE AGREEMENT**

**2.1** The purpose of the Agreement is to define the terms and conditions under which the Service Provider shall provide the Client, investment services and/or ancillary services for which he is approved (the “Services”), namely :

- Reception and transmission of orders on behalf of third parties,
- Execution of orders on behalf of third parties,
- Dealing on own account,
- Investment advice,
- Underwriting,
- Placement with guarantee,
- Placement without guarantee,
- Operation of an OTF.

The Services list for which the Service Provider is registered is readily available on the financial officer register’s website – ACPR/Banque de France ([www.regafi.fr](http://www.regafi.fr))

Where the Market Rules so warrant and insofar as it does not harm the Client's interests, the Service Provider may execute the Order through a technique implying for the Service Provider to execute on its own account.

The Service Provider may equally provide, in addition to the aforementioned Services, or separately, Investment Advice services, as well as Investment Research and Financial Analysis, or any other type of general recommendations concerning transactions on Financial Instruments.

**2.2** Minor benefits, non-minor benefits or monetary benefits: The Service Provider may provide or receive minor benefits, non-minor benefits or monetary benefits (“Benefits”) in relation to the Services it provides to the Client. Any such Benefits will be disclosed to the Client prior to the providing Services to the Client. In the event the Client does not wish to receive any Benefits referred to in such ex-ante disclosure, it must inform the Service Provider prior to their provision. Alternatively, if the Client would like to receive such Benefits for a fee, it shall contact the Service Provider. The Service Provider will provide the Client with an annual ex-poste disclosure of any Benefits it has received in regard to the Services provided to him.

**2.3** Minor Non-Monetary Benefits: Any market commentary or information (“Minor Non-Monetary Benefits”) given by the Service Provider to the Client is provided solely for information purposes and to enable the Client to make its own investment decisions and is not otherwise to be relied upon by the Client.

Unless stated expressly to the contrary in writing, such Minor Non-Monetary Benefit is incidental to the dealing relationship between the Client and the Service Provider and does not amount to advice. It will not take account of the Client’s personal circumstances and may not be suitable for the Client. The Service Provider’s Minor Non-Monetary Benefits should not be construed as a solicitation or an offer to buy or sell any Financial Products in any jurisdiction and they do not amount to advice or a personal recommendation. The Service Provider gives no representation, warranty or guarantee, express or implied, as to the accuracy, completeness or reliability of such Minor Non-Monetary Benefits or as to the legal, regulatory or tax consequences of any Transaction effected on the basis of the Service Provider’s Minor Non-Monetary Benefits. The Service Provider is under no obligation to update or keep current the information contained in such document.

Any opinions expressed in the Service Provider's Minor Non-Monetary Benefits are subject to change without notice and may differ or be contrary to opinions expressed by the Service Provider's other business areas or those of the Service Provider's affiliates.

Analysis contained in the Service Provider's Minor Non-Monetary Benefits (if any) is based on numerous assumptions and different assumptions could result in materially different results.

The Service Provider shall not be obliged to ensure that any Minor Non-Monetary Benefits it provides to the Client, or any information on which it is based, will be given to the Client before or at the same time as such is made available to any other person, including, without limitation, any affiliate or other clients. The Service Provider shall not be under any obligation when it deals in Financial Instruments for or with the Client to take account of any such Minor Non-Monetary Benefits.

No Minor Non-Monetary Benefit issued by the Service Provider may be reproduced by the Client for any purpose except with the Service Provider's written permission.

When the Service Provider's Minor Non-Monetary Benefits contain a restriction on the person or category of person for whom that document is intended or to whom it may be distributed, the Client agrees that it will not pass it on to any such person or category of persons. In addition, the receipt of Minor Non-Monetary Benefits may be restricted by law and the Client is only able to receive them if it is "qualified" in the country in which it is incorporated or conduct business to receive them due to its experience, profession, activity, classification or other relevant qualification or exemption. If this is not the case then the Client is not permitted to use or act in relation to the Minor Non-Monetary Benefits.

**2.4** Unless otherwise provided for between the Parties, it is hereby agreed that the terms of this agreement shall apply regardless of the category of the Financial Instrument executed on behalf of the Client. However, the Client is informed that the Service provider shall not provide all the Services in all Execution Venues. For each Execution Venue, the nature of the Services actually delivered by the Service Provider shall be specified in the latter's Execution Policy.

### **ARTICLE 3: GENERALITIES**

The Client already authorises the Service Provider and, where needed, the latter's agents, to disclose its identity whenever this is required by the laws or regulations in force, including the operating rules of the Market concerned.

### **ARTICLE 4: EXECUTION VENUES**

The Execution Venues where the Service Provider and/or its representatives shall be authorised to operate on behalf of the Client shall be those mentioned in the Execution Policy sent separately to the Client when concluding the contract with the latter, an updated version of which is available on the Service Provider's Website. In accordance with the regulations, the Execution Policy may be freely amended by the Service Provider, updated and made available on its Website.

The Client hereby declares it has full knowledge of the characteristics of the Financial Instruments and the Execution Venues listed in the Service Provider's Execution Policy and has the professional skills needed to assess and control the risks related to using the Financial Instruments and the Execution Venues.

## **ARTICLE 5: CLIENT CATEGORISATION**

The Client is informed that in its capacity as a qualified investor within the meaning of Articles D. 411-1 and following of the CMF, it is considered to have the competences and resources needed to assess the different characteristics of the Financial Instrument transactions it may request to be executed as well as the specific risks involved in the said transactions.

Furthermore, the Client is informed that the Service Provider has classified the Client based on the criteria set out by the regulations in force pursuant to the MIF directive, which categorisation had been made known to the Client along with the Execution Policy.

Unless the Client requests another categorisation, the Service Provider shall deal with the Client based on the categorisation thus retained. The safeguards provided by the law based on the Client's categorisation as well as the procedure to change its categorisation are set out in the Service Provider's Execution Policy. In this regard, the Service Provider underscores that it shall not offer its services to clients not classified as Professional Clients or Eligible Counterparties.

In this regard, the Client is informed that in its capacity as a Professional Client or an Eligible Counterparty, it is expected to have the experience, knowledge and skills needed to make its own investment decisions and properly assess the risks involved. The Client is informed that unless it makes an express information request, it shall not receive any prior information for any Financial Instrument transactions it may request to be executed. The Client is also informed that the Service Provider does not warrant the suitability or appropriateness of the Financial Instruments traded or Services provided under this agreement.

Pursuant to Article 314-4 of the AMF General Regulations, the Client hereby undertakes to inform the Service Provider in case of any change in status equally changing its ability to assess the characteristics of the Transactions it requests to be executed as well as the specific risks involved in the said transaction

The Client is equally informed that unless it makes an express request, any changes depending on the person(s) authorised to represent it in relations with the Service Provider shall not require a new assessment of its competence.

## **ARTICLE 6 : OPENING OF ACCOUNT(S)**

The Service Provider shall open one or several technical accounts on behalf of the Client in the books of a duly authorised account custodian.

The Client shall indicate to the Service Provider the establishment charged with keeping its accounts for the settlement of transactions (payment /delivery).

The Service Provider shall not deliver to the Client any conservation, administration or Financial Instrument management services for the Financial Instruments it has requested to negotiate.

## **ARTICLE 7 : MANAGEMENT OF ORDERS**

### **7.1 Conditions for placing Orders**

**7.1.1** The Client sends its Orders to the Service Provider by telephone, Bloomberg electronic messaging, FIX connectivity, exceptionally by email or fax with mandatory confirmation of the Order by telephone and/or any other means expressly agreed between the parties, with the understanding that the Service Provider shall have the right at any time to require the Orders to be placed in writing.

Assuming an Order is placed via electronic format, the Client is informed that the Service Provider shall keep track of the electronic message and the subsequent reply thereof, should the information be sent by email, over a period of five (5) years.

In case of transmission by any means other than the telephone, the Client must ensure that the Order has been properly received by the Service Provider by obtaining a "read receipt" or any other form of justification that the Service Provider has actually read the Order within a reasonable time to enable the latter to transmit or execute the Order under the conditions requested.

Where an Order is passed via FIX connectivity, it shall be deemed received and accepted by the Service Provider only once the latter has validated the Order in the system.

The Client hereby releases the Service Provider from any consequences that may arise from using the means of communication (telephone, Bloomberg, FIX connectivity, etc.), particularly those due to a technical fault, error, insufficient or inaccurate instructions, or the wrongful or fraudulent use of the said facilities. The Service Provider shall, in no manner whatsoever, be held liable for any delay or defect in transmitting or executing an Order which it would have read belatedly.

**7.1.2.** The Client is informed that should it opt to place an Order by telephone, its conversations or those of its representatives shall be recorded by the Service Provider, who shall keep the recordings for over a period of five (5) years for the conversations recorded from 1<sup>st</sup> July 2015. The Client expressly authorises these recordings.

**7.1.3.** The records kept in accordance with articles 7.1.1 and 7.1.2 above, shall be provided to the Client upon request. In the event the Client requests records from the Service Provider, the latter reserves the right to charge the Client for any records it may provide in response to such request.

**7.1.4.** The Client is solely responsible for persons acting on its behalf in order to pass an order. The Client hereby releases the Service Provider of any liability in case of placement of an Order by an unauthorized third party.

**7.1.5** Orders shall be sent to the Service Provider under the Client's sole responsibility. The Client's attention is specifically drawn to the possibility of delays, the length of which are unpredictable, from the time the Order is placed to the time the Service Provider actually receives the same Order. Whatever the case, the Service Provider shall not be held liable as long as it has not accepted the Order pursuant to the terms of paragraph 7.2.3.

## **7.2. Placing Orders**

**7.2.1.** The Client hereby undertakes to provide the Service Provider with the information needed to properly execute the Orders, particularly the designation or characteristics of the Financial Instrument concerned, whether it is a sale or purchase order, the quantity of the Financial Instruments concerned, the validity period of the Order, where it is different from the one specified in 7.2.2, and where needed, the likely Execution Venue of the Order.

Where the rules applicable shall so warrant and subject to prior approval from the Service Provider, the Client may request a response to the Order at a weighted average price.

**7.2.2.** The Client is expressly informed that the Service Provider shall in no case whatsoever be liable for a possible change in the priority ranking of its Order made on the initiative of the Market concerned.

Unless otherwise agreed in writing by such parties, Orders placed without specifying the validity period shall expire at the end of the day they were placed with the Service Provider

**7.2.3.** The Service Provider shall register the Order in chronological order upon receipt. The registration shall confirm the acceptance of the Order by the Service Provider.

**7.2.4.** The Service Provider reserves the right to reject a request to change an Order where the request is not received within deadlines compatible with the execution terms of the Order or where the Order has been partly or fully executed.

**7.2.5.** The Service Provider shall reserve the right, for any legitimate reason, to reject an Order placed to it by a Client, subject to notifying the latter as soon as possible.

#### **ARTICLE 8: TRANSMITTING AN ORDER**

**8.1** As soon as possible, the Service Provider shall transmit the Order for execution, in the best interests of the Client and pursuant to its Execution Policy, to a service provider of its choice.

In the event that the Service Provider uses a third party service provider, the Service Provider shall remain responsible towards the Client for the transmission and execution of the Order.

**8.2.** The Client is expressly informed that the transmission of the Order for execution does not prejudice the said execution.

**8.3** Where the Order could not be transmitted, the Service Provider shall inform the Client of this situation as soon as possible. The Order which could not be transmitted shall be deemed expired. In this event, it is up to the Client to issue a new Order.

#### **ARTICLE 9 : EXECUTING AN ORDER**

With regard to the instructions received, when the Service Provider executes the Order, it shall do so in the Client's best interests and in accordance with its Execution Policy. The Execution Policy is described, kept up to date and available on the Service Provider's Website.

The Order shall only be executed where the market conditions allow it and where it meets all the legal, regulatory and contractual terms and conditions applicable.

If the Client does not give an express instruction specifying the quantity of Financial Instruments intended, any commencement of execution is binding on the Client.

When the Order is subject to a split execution, the Client may request to be regularly informed on the conditions of this execution.



Should the Client give a specific instruction, as defined in the Service Provider's Execution Policy, regarding the execution of an Order, the Service Provider shall execute the Order following this specific instruction and shall not apply its "best execution" policy in this case. However, the Service Provider may refuse to take over an Order containing a specific instruction.

Where the Client's instructions refer only to a part of the Order, Service Provider shall continue to apply its order Execution Policy to aspects of the Order not covered by the said specific instructions.

Where an Order involves an interest rate instrument negotiated on an over-the-counter market, it is expressly agreed that, unless exception, the Service Provider shall transmit the Order to BGC Brokers LP, parent company of the Service Provider, approved and regulated in United Kingdom by the FCA (*Financial Conduct Authority*). The Order is then executed by the Service Provider on behalf of BGC Brokers LP, the latter acting as principal to the Transaction. The Client acknowledges that under these circumstances, furthermore he will be bound by the "*Terms of Business*" of BGC Brokers LP and/or any other contractual documents which allow to regulate relations between the Client and BGC Brokers LP.

Where the Service Provider would act as principal, or as agent on the Transaction, it will pre-inform the Client. The Client's acceptance of the Service Provider's offer is irrevocable unless there is an obvious error in the direction, the price or the proposed volume of the Transaction noted by the Service Provider within a short time after a Transaction. The negotiation, confirmation, registration and settlement of the Transactions concluded between the Service Provider and the Client shall be governed by laws, regulations and practices of the financial markets and, if need be, by appropriate standard master agreements that the parties shall do their best to set up.

The Client acknowledges that its Orders may be involved outside regulated markets, MTFs or OTFs. The Client hereby expressly authorises the Service Provider to execute Orders involving debt and capital instruments outside regulated markets, MTFs or OTFs.

## **ARTICLE 10 : CLIENT INFORMATION**

**10.1.** In due time, from the moment it has knowledge of the execution terms of the Order, the Service Provider sends to the Client a Confirmation compliant with I of Article 314-89 of the AMF General Regulations. The Confirmation shall be sent to the Client by fax, email or electronic system (TRAX, CTM, Bloomberg or any other system that may replace them).

On the Client's request, the Service Provider may send Confirmations to any other designated person.

**10.2** The Client is invited to inform the Service Provider in case a Confirmation is not received within a 24-hour period effective from the placement of the Order. The Service Provider shall then send it a duplicate of the Confirmation.

**10.3** Pursuant to the laws and regulations in force, the Service Provider may be obliged to make information about certain Transactions public. When the Service Provider trades bilaterally with the Client, it will provide assisted reporting on such terms as it shall determine and provide to the Client as amended from time to time. The Client agrees and acknowledges that any and all proprietary rights in Transaction information are owned by the Service Provider and it waives any duty of confidentiality attaching to the information which the Service Provider reasonably discloses.

#### **ARTICLE 11 : CLOSING-OUT TRANSACTIONS**

The Client must provide the Service Provider with the information needed to properly settle the Orders. The Client therefore undertakes to notify the Service Provider in due time in case of any changes that may affect the effective completion of its aforementioned obligation.

#### **ARTICLE 12 : OBJECTIONS ON EXECUTION TERMS OF AN ORDER**

**12.1** Objections must be sent to the Service Provider at the latest 24 hours after the Confirmation has been sent to the Client. If no objection is received within the above timelines, the Confirmation terms shall be deemed accepted.

The Client shall therefore be liable for any losses caused to the Service Provider due to its failure to submit an objection within the aforementioned timelines.

Complaints must be submitted in writing and justified.

**12.2.** In case of an objection, and without prejudice to its validity, the Service Provider may, on its sole initiative, Liquidate the Position. Should the objection be found groundless, the Liquidation shall be performed at the Client's expense.

#### **ARTICLE 13 : SETTLEMENT**

Unless otherwise agreed between the Client and the Service Provider, the Transactions will be settled with the custodian under the terms and within the timelines set out by the regulations applicable to the Market on which the Transaction is concluded.

Settlement shall discharge the Service Provider from its commitments to the Client.

For each Account, the name and address of the custodian with which the Settlement should be made shall be communicated by the Client to Service Provider. The Client may decide to change them. However, these changes shall only be taken into consideration provided they are sent to the Service Provider within timelines compatible with the applicable time limits for Settlement.

The Client undertakes to send the Service Provider its instructions for payment/delivery within the time limits compatible with those stipulated for Settlements.

The Client hereby undertakes to ensure that the Financial Instruments and/or cash needed for the Settlements are made available to the custodian concerned in due time, so that the Settlement should be made at the due date.

#### **ARTICLE 14 : DEFAULT**

Should its custodian Default, the Client shall bear all the ensuing expenses incurred by the Service Provider upon presentation of the related supporting documents.

Should the Client Default on a buying Position, it shall automatically be liable for payment of interests on arrears to the Service Provider. The interests on arrears shall be calculated daily until the effective Settlement has been made by applying the EONIA rate, increased by a margin of 0.50% yearly, to the cash amount of the Transaction.

Should the Client Default on a selling Position due to failure to deliver the securities at the settlement date, the Client shall bear all the consequences of the automatic buy-back procedure instituted by LCH Clearnet, the buy-in procedure instituted by ICMA for negotiable debt securities or any other procedure instituted by the competent clearing house of the Execution Venue of the Transaction. If this occurs, it will be up to the Client to manage the financial consequences of the buy-back procedure with its custodian.

Besides the automatic buy-back/buy-in fees, in case of a Default on a selling Position on French or foreign equities, the Client shall equally bear the cost for recycling the outstandings applied by the clearing houses as well as any penalties for failing to deliver the securities.

Finally, should the Client Default on a selling or buying Position, the Service Provider shall be entitled, at its own initiative, to buy-in or resell the position at the Client's expense.

In case of Default ascribable to the Service Provider, and upon production of the related supporting documents, the latter may cover the Client for any direct material losses caused by the said Default, excluding loss of opportunity and immaterial losses.

#### **ARTICLE 15: OBLIGATIONS OF SERVICE PROVIDER**

**15.1.** Pursuant to the laws and regulations in force, the Service Provider shall act in accordance with the practices of the profession.

**15.2.** The Service Provider shall not be held liable for a consequence arising from a breakdown in the means of transmitting the Orders used, regardless of whether the breakdown happens between the Client and itself, between itself and an agent it would have designated as its representative, or between itself and the Market on which the Order is presented.

**15.3.** In performing its assignment, the Service Provider may appoint an agent to represent it pursuant to the standards and practices internationally recognised in the business.

#### **ARTICLE 16 : OBLIGATIONS OF CLIENT**

**16.1.** The Client hereby represents and warrants :

- It has proper knowledge of the regulations and is duly authorised, and is acting in accordance with the regulations applicable;
- Knows the operating rules of the markets on which it can operate under the Agreement, as well as those of the clearing house(s) handling the Transactions executed on its behalf via the Service Provider;
- Knows the specifications of the Financial Instruments and the markets on which it ask the Service Provider to intervene, as well as the risks inherent in the said Financial Instruments and markets;

- It has been duly informed that it must meet the legal and regulatory obligations in force as concerns taxation, customs, fighting corruption, fighting money laundering and financial regulations with foreign countries, which are binding upon it, especially by virtue of the location of their head office or nationality, which obligations it hereby undertakes to fulfil;
- It undertakes to sign and provide any documents that may be needed for the Service Provider, or where needed, its agent, to deliver the investment services mentioned in this agreement on all markets;
- It undertakes to provide all information on them to help the latter fulfil its legal and regulatory obligations;
- Personally endeavour to follow up any amendments to the said operating rules and regulations.

**16.2.** The Client shall indemnify the Service Provider on first request for all expenses, charges and damages that the latter may directly or indirectly bear for receiving/transmitting or executing an Order placed by the Client, except where such expenses, charges and damages shall be solely due to a gross misconduct or negligence by the Service Provider. Whatever the case, the Client shall endeavour to assist the Service Provider in case of any complaints, legal actions or any other third party liability claims that may arise from the execution of the Agreement.

Additionally, it undertakes to initiate only Transactions in accordance with its company object and its articles of association.

**16.3.** Besides the information commitments made under the Agreement, the Client shall equally notify, as soon as possible, the Service Provider of:

- Any event altering its capacity to act,
- Any change in its legal form,
- Any event that may substantially affect its financial capacity,
- Any event that may affect its categorisation,
- Any addition to or change in its settlement system.

**16.4.** The Client shall send to the Service Provider yearly all information likely to reflect its financial situation, particularly its corporate financial statements.

**16.5.** The Client shall refrain from objecting to any Transaction initiated by any of its legal representatives whose ceasing of functions would not have been duly notified to the Service Provider.

## **ARTICLE 17 : LIABILITY**

17.1 In executing this Agreement, the Service Provider shall not be held liable for the following cases:

- for all events such as, force majeure events as defined by the French courts, unforeseen events, decision by the regulatory authorities of the markets on which the Service Provider or its agent may act, which would result in the Service Provider not being permitted to fulfil its obligations towards the Client;

- incidents operating on the aforementioned markets, such as strikes, “lock-out”, suspension of quotations, etc;
- incidents affecting the transmission or execution of Orders on the markets, such as impossibility to access the market quotation system, delays, interruption, strikes;
- and any circumstances beyond the Service Provider's reasonable control.

17.2 Complaints procedure: In the unlikely event that the Client has a complaint, the Service Provider has internal procedures for handling complaints fairly and promptly. The Client may submit a complaint to the Compliance Department by letter, telephone, e-mail, or in person. The Service Provider will send to the Client a written acknowledgement of its complaint within five days of receipt enclosing details of its complaints procedure. The Client shall contact the Service provider if it would like further details regarding the complaints procedures. As a Professional Client or Eligible Counterparty, the Client will have no right of complaint to the AMF Arbitration Service in respect of any act or omission on the Service Provider's part which is alleged to be in breach of AMF Rules.

#### **ARTICLE 18 : PROFESSIONAL SECRECY**

Pursuant to Article L. 511-33 of the CMF, the Service Provider is held to professional secrecy.

However, this secrecy may be lifted, according to the law, in particular, at the request of the regulators, tax or customs authorities, as well as at the demand of an enforceable judicial document within the scope of a criminal procedure.

Notwithstanding the professional secrecy obligation, the Client authorises the Service Provider to disclose any useful information to any person needed to accomplish its assignment, including any company directly or indirectly holding more than 50% of the Service Provider's share capital and voting rights, or held in the same manner by the latter or any other service provider whose intervention may be needed to execute the Orders, subject to the said service provider being subject to equivalent secrecy or confidentiality obligations.

Furthermore, the Client has the right to release the Service Provider from professional secrecy by indicating in writing, on the one hand, the third parties to which it is authorised to provide information on it, and, on the other hand, the nature of the information which can thereby be provided.

#### **ARTICLE 19: OBLIGATION OF VIGILANCE**

The Service Provider has an obligation of vigilance over Transactions executed by the Client, subject to facing criminal sanctions.

In accordance with the laws and regulation in force (including in particular the UK Bribery Act 2010 and the French law Sapin II of 2016) relating to the participation of financial organism on the fight against money-laundering, against the financing of terrorism, against money coming from drug traffic or organized criminal activities and against market abuse and their texts of application, the Client is informed that the Service Provider is bound to an obligation of vigilance and may be obliged to declare some of the Client's Transactions to the different authorities.

## **ARTICLE 20 : MODE OF PROOF**

All forms of recording with the means of communication used between the Client and the Service Provider, particularly telephone recordings by the Service Provider, shall be accepted as means of proof.

Date and time stamping by the Service Provider shall have probative value.

## **ARTICLE 21 : COSTS, CHARGES AND REMUNERATION**

The remuneration due by the Client shall be addressed in a separate deed and may be changed at any time by mutual agreement between the parties.

Notwithstanding anything to the contrary, this remuneration includes, if need be, the remunerations paid to the Service Provider's own service providers with which agreements have been entered into for transmitting orders or executing orders.

Prior to the providing Services by the Service Provider to the Client, the Service Provider will disclose its rates and charges in accordance with applicable laws and regulation and such disclosure may be by way of limited application. For certain Services, the Service Provider is only able to provide estimates of its rates and any such disclosure will not obligate the Service Provider to provide its services at the estimated rate.

For the Services it delivers to the Client under this Agreement, the Service Provider may be obliged to pay to or receive from third parties fees or commissions, or provide or receive non-monetary benefits.

Pursuant to Article 314-76 of the AMF General Regulations, the Service Provider shall provide the Client, where needed, with information on the said benefits, remuneration and commissions in a separate document. When the Service Provider acts as agent of BGC Brokers LP on fixed income Transactions, the Client is informed that the Service Provider will receive a commission of a maximum of 98 % of the remuneration received by BGC Brokers LP. The amount of this commission received by the Service Provider can be available at first request.

## **ARTICLE 22 : PAYMENT CURRENCY**

Unless otherwise stated by the parties, Payments for the Financial Instrument transactions shall be made in the currency retained to execute the Transaction concerned, following the operating rules of the market considered.

## **ARTICLE 23: TERMINATION OF AGREEMENT**

### **23.1 Condition of Termination**

Given that the Agreement is concluded for an indefinite period, it may be terminated at any time by either party subject to a 15 days' notice by registered mail with acknowledgement of receipt. In this case, the termination shall take effect on the expiry of the aforementioned notice period.

Without prejudice to the foregoing, the Agreement may be terminated by the Service Provider, without prior formal notice, in the following cases:

- (i) misrepresentation by the Client;
- (ii) suspension of payments, voluntary liquidation, bankruptcy, judicial administration or liquidation or any other equivalent procedure taken against the Client;
- (iii) Any event indicating insolvency of the Client;
- (iv) Substantial changes likely to have an unfavorable effect on the Client's capacity to meet its obligations under the Agreement;
- (v) Failure by the Client to meet its contractual or legal obligations;
- (vi) No Transaction shall be entered in the Client's account over a continuous period of 12 months.

In the latter cases (i) to (vi), the Service Provider decision to cease its contractual relations with the Client shall be notified to him by registered post with acknowledgement of receipt and shall take effect upon receipt of the written notice by the Client.

### **23.2 Effects of termination**

Whatever the case, the termination shall have the following consequences:

- The Service Provider shall no longer take new Orders from the Client, except Orders aimed at Liquidating the Client's Positions and shall settle the Transactions underway;
- All accounts governed by the Agreement shall be automatically closed;
- The Client's accounts shall only be activated as needed by the Client for Settlements or transfer to another intermediary or Liquidation of the Positions recorded in the said accounts. Barring any instructions from the Client, the Positions shall be Liquidated.

### **ARTICLE 24 : LAW ON DATA PROCESSING, FILES AND PRIVACY**

Nominative information gathered within the scope of the Agreement and subsequently are intended for the Service Provider which, by formal agreement, is authorized to retain them in the computer memory, to use them, and to pass them on for the same purposes to companies in the same group, to its brokers and insurers, even to third parties or sub-contractors for management requirements.

Access and rectification rights may be exercised with the Service Provider.

### **ARTICLE 25: APPLICABLE LAW**

As concerns its validity, interpretation and implementation, the Agreement shall be governed by French law.

Any disputes arising especially on its validity, interpretation or implementation shall be referred to the Commercial Court (*Tribunal de Commerce*) of Paris.

#### **ARTICLE 26 : CONFIDENTIALITY**

Each of the parties undertakes not to disclose confidential information received from the other party. The confidential information mean information of any kind, on any support, concerning the structure, the organization, the business, the internal diverse policies, the projects and the staff of each party. Subject to the exceptions below, the present obligation of confidentiality will remain in effect for a period of five (5) years following the term of the Services performed.

The obligations and restrictions stated above do not apply to:

- any information which is in the public domain, or that had been freely acquired before the beginning of the Services provision ;
- are or become known otherwise as a consequence of a breach of this article;
- are or become known through other sources which are not subject to a restriction on disclosure;
- or must be provided under a legal or professional obligation or upon request to any judicial or regulatory authority.

#### **ARTICLE 27: CONFLICT OF INTEREST**

The Client acknowledges and agrees that the Service Provider is involved in a wide range of broking, trading and other financial services businesses, both for its own account and for those of other clients. In the course of carrying on its business (both on its own account and for other clients), The Client acknowledges and accepts that the Service Provider may provide services to other clients whose interests may conflict with the services provided by the Service Provider to the Client, or the interests of, the Client and its affiliates or the Service Provider may have some other interest, relationship or arrangement that conflicts with the services provided by the Service Provider to the Client ("Conflicts of Interest"). The Service Provider has a policy for identifying, preventing and managing conflicts (a "Conflicts of Interest Policy"). For the avoidance of doubt, the Conflicts of Interest Policy does not constitute or create any legal rights for the Client under the Terms against the Service Provider. The Client acknowledges and accepts that:

- the Service Provider may act in any manner which it considers appropriate in relation to any Conflict of Interest; and
- the Service Provider will be under no obligation to disclose any Conflict of Interest unless it is unable to ensure with reasonable confidence that risks to the Client's interests can be prevented. In the event of such disclosure, the Service Provider will disclose in writing the general nature and/or source of the Conflict of Interest the steps taken to mitigate the risks to the Client.

#### **ARTICLE 28: VARIOUS**

**27.1** The Service Provider reserves the right to amend the present Agreement, notably in order to comply with law and/or regulation applicable. In such case, the Service Provider shall inform the Client by posting an updated version of the Agreement on its Website. It will be the Client's responsibility to periodically refer to the Service Provider's Website to the extent that the latest will not inform each Client individually of changes made to the Contract.



**27.2** Should any of the non-substantive provisions of the Agreement be considered invalid, the other provisions shall maintain their binding effect and the Agreement shall be executed partially.

**27.3** Failure to exercise or belated exercise of any right, power or privilege arising from the Agreement shall not be considered a waiver of the relevant right, power or privilege.

**27.4** The Agreement is commercial in nature. Parties irrevocably waive any immunity from jurisdiction or execution from which they could benefit either for themselves or for their present and future assets.

**27.5** Client shall not assign its rights or obligations under this present Agreement to a third party, without the prior and written consent of a legal representative of the Service Provider. The Service Provider, without obtaining the Client's consent, shall assign all or some of its rights and obligations under the present Agreement to any company of BGC Group or any legal person which could acquire control the Service Provider.

CLIENT'S LEGAL ENTITY NAME:

BY:

NAME:

TITLE:

DATE:

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