

TERMS OF BUSINESS FOR ELIGIBLE COUNTERPARTIES

1 GENERAL INFORMATION

1.1 *Information about us*

JonesTrading International Limited (“**JTIL**”) is a company incorporated in England and Wales with company number 04274625. We are authorised and regulated by the Financial Conduct Authority (the “**FCA**”) with FCA Firm Reference Number (“**FRN**”) 208165. Our registered office and principal place of business is 1 Berkley Street, London, W1J 8DJ.

References to “we”, “us”, and “our” are references to JTIL, while “you” and “your” means you and/or (as relevant) your principal(s).

1.2 *Definitions and Construction*

A reference in these Terms to a “clause” shall be construed as a reference to a clause of these Terms, unless the context requires otherwise. References in these Terms to any statute or statutory instrument or Applicable Law include any modification, amendment, extension or re-enactment thereof. A reference in these Terms to a “document” shall be construed to include any electronic document. The masculine includes the feminine and the neuter and the singular includes the plural and vice versa, as the context admits or requires. Words and phrases defined in the FCA’s Rules have the same meaning in these Terms unless expressly defined otherwise in these Terms.

“**Applicable Law**” means any law, rule, regulation, order, ruling, judicial interpretation or directive (whether or not having the force of law) referred to in these Terms and/or which is applicable to you, us or an affiliate or any of our agent service providers, any of our or their activities, any transaction, and/or any of the services provided hereunder, whether in England or elsewhere, from time to time, including without limitation: (i) any rule, regulation, requirement, code, notice, guideline, practice note, circular, policy, recommendation or request (whether or not mandatory) made by any regulator and including (without limitation) the FCA Rules; (ii) the rules, requirements, customs, conventions and practices of any stock exchange, futures exchange, market, over the counter market, relevant financial market association, clearing house, registration system or depository; and (iii) any statutes, executive orders, directives, or regulations relating to US and EU economic sanctions, as modified, amended, restated or replaced from time to time.

“**Base Currency**” means such currency as we may, in our sole discretion, determine from time to time.

“**Business Day**” means a day which is not a Saturday or a Sunday and upon which banks are open for business in London, United Kingdom.

“**Event of Default**” means: (a) you fail to make any payment due to us or to deliver any securities due to us (or agents used by us); (b) you fail to perform any other obligation owed to us and you do not remedy such failure immediately after we serve on you notice relating to such failure; (c) any representation or warranty you make to us is false or misleading either under these Terms or under any other agreement between you and us; (d) you become unable to pay your debts as they fall due or become insolvent or bankrupt or become the subject of any insolvency, bankruptcy or administration proceedings under any Applicable Law; or (e) we have notified you that your account is subject to intra-day monitoring, for our risk management purposes we have deemed in our absolute discretion that an event of default has arisen.

“**Market**” means, except where indicated otherwise, any regulated market or multilateral trading facility (as such terms are defined in the FCA Rules).

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

"**Transaction**" means any transaction subject to these Terms.

"**Website**" means www.jonestrading.com.

1.3 *Purpose of these Terms*

This document, together with any annex(es) and schedule(s) hereto, and accompanying documents, (as amended from time to time) and notified to you by electronic mail to the e mail address on record for you or by such other means as agreed between you and us in writing, set out the terms and conditions on which we will deal with you.

These terms of business ("**Terms**") constitute a legally binding contract which you accept for yourself and on behalf of any principal or principals on whose behalf you are acting as agent by giving us instructions to deal or accepting services from us. Your continued business with us affirms your consent to the terms herein.

These Terms supersede any terms of business that may have been previously sent to you by us or received from you. These Terms shall apply to all Transactions contemplated under these Terms, provided that in the event of conflict between these Terms and any other agreements between you and us that govern Transactions, then these Terms shall prevail.

These Terms and all Transactions are subject to Applicable Law so that if there is any conflict between these Terms and any Applicable Law, the latter will prevail, provided that nothing in this clause shall affect our rights under these Terms.

We may take all such steps as may be required or permitted by such Applicable Law. We will be entitled to take or not take any reasonable action we consider fit in order to ensure compliance with such Applicable Law and all such actions so taken will be binding upon you.

1.4 *Client Categorisation*

These Terms apply to clients which we have categorised as Eligible Counterparties (as defined by the FCA Rules). Details of the categorisation applicable to you are set out in our client categorisation letter.

Please note that Eligible Counterparties are not afforded the same protections under the FCA Rules as Professional Clients (as defined by the FCA Rules).

You hereby agree that you will provide us, on request, with such information regarding your financial or business affairs as we may reasonably require to comply with our obligations under Applicable Law, provided that you are not prohibited from providing such information by Applicable Law or confidentiality provisions.

You also acknowledge that you are responsible for keeping us informed about any change (including any change to your financial circumstances, investment objectives and corporate structure) that could affect your client categorisation or which may be relevant to the services we provide under these Terms.

1.5 *Acting as Agent*

In any dealing or other matter where you are an agent or otherwise acting on behalf of or for the benefit of any other person then, even if you disclose that fact and/or identify that person to us, we will (save as provided below) treat you alone as our client for all purposes relating to such dealing or matter, and (subject to Applicable Laws) we shall not owe any contractual, regulatory or other obligations to that person. You, as agent for your principal and on your own behalf, retain full responsibility for making all investment decisions with respect to any principal.

You undertake and warrant that if you are party to a transaction entered into and executed pursuant to these Terms as agent for, or on behalf of, another person, then:

- (a) in doing so, you are expressly authorised by, or otherwise acting within the scope of the authority you have received from, your principal;
- (b) notwithstanding the above, you will procure the performance by your principal of all obligations and liabilities arising under or by virtue of the Terms or any transaction or other investment business carried out hereunder;
- (c) your principal has full power, authority and legal capacity to perform all obligations contemplated by these Terms;
- (d) when performing the transactions and activities contemplated by these Terms, your principal will comply with all relevant laws and regulations in any relevant jurisdiction;
- (e) any information which you provide or have provided to us in respect of your or your principal's financial position, domicile or other matters is accurate and not misleading in any material respect.

You acknowledge that providing details of your principal will not make your principal a client of ours for the purposes of the FCA Rules and you further agree to the terms of the Agency Schedule 2 hereto.

1.6 *Communications*

You may communicate with us and we may communicate with you in writing (including by fax), by email, or other electronic means, or orally (including by telephone). The language of communication shall be in English, and you will receive documents and other information from us in English. Subject to Applicable Law, any communication between us and you using electronic signatures shall be binding as if it were in writing. Orders and instructions given by you by email or other electronic means will constitute evidence of orders and instructions given.

We may in our sole discretion record all telephone conversations and electronic communications. Such records will be and will remain our sole property. Our voice records will be accepted by you as conclusive evidence of the orders, instructions or conversations recorded. Such records may be maintained for whatever period as may be required as a matter of internal policies and/or Applicable Law.

2 **SERVICES**

2.1 *Capacity for Customer Transactions*

We may act as principal or agent on your behalf. We deal on an execution-only basis. We do not advise on the merits of particular Transactions or their taxation consequences. You acknowledge and agree that we do not assume any responsibility for the provision of advice or recommendations with respect to any Transaction and that you do not and

will not treat or rely on any information communicated by us to you as investment advice or an investment recommendation.

2.2 *Own Judgement, Suitability, and Understanding of Risks*

In asking us to enter into any Transaction, you represent that you have been solely responsible for making your own independent appraisal and investigations into the risks of the Transaction. We give you no warranty as to the suitability of the products traded under these Terms and assume no fiduciary duty in our relations with you.

Any investment is subject to risk and the degree of risk is a matter of judgment and cannot be accurately predetermined. In entering into these Terms, we give no warranty as to the performance of any investment. When making a decision to deal in investments, you should consider the risk inherent in those products and in any services and strategies related to them. You should consider a variety of potential risks including credit, liquidity, interest rate, insolvency, foreign exchange and market risk, as well as those relating to volatility, gearing, execution venue, and the risk of legal, tax and regulatory changes. Additional specific risk warnings may also be set out in the applicable schedules to these Terms.

2.3 *General Research and other Published Information*

We do not produce or distribute investment research and to the extent a communication from us may have research characteristics it is to be treated as a marketing communication and as non-independent research (as that term is defined under FCA Rules).

Where we do provide market commentary or other information:

- (a) this is incidental to your dealing relationship with us and you acknowledge and agree that it is not to be treated or relied upon as investment advice or a personal recommendation;
- (b) we give no representation, warranty or guarantee as to the accuracy or completeness of such information or as to the tax consequences of any Transaction;
- (c) where information is in the form of a document containing a restriction on the person or category of persons for whom that document is intended or to whom it is distributed, you agree that you will not pass it on contrary to that restriction.

3 **INSTRUCTIONS AND BASIS OF DEALING**

3.1 *Instructions*

You may give us instructions in writing (including by fax), by email or other electronic means or orally (including by telephone), unless we tell you that instructions can only be given in a particular way. If instructions are given by telephone your conversation will be recorded.

Any instructions must be received by us during normal business hours (and during the times when any applicable Market or execution venue is open for business) allowing us sufficient time to act upon this if you wish us to action them that day.

We can only cancel your instructions if we have not acted upon these instructions. Instructions may only be withdrawn or amended by you with our consent.

We may, but shall not be obliged to, accept instructions to enter into a Transaction. If we decline to enter into a proposed Transaction, we shall not be obliged to give a reason but we shall promptly notify you accordingly.

3.2 *Authority*

You hereby authorise us to act on any instruction received (by whatever means transmitted, whether or not in writing), which purports, and which we believe in good faith, to come from you or to have been given on your behalf regardless of whether you have provided us with notice of a list of persons (including any individual or entity) authorised to act on your behalf and, where you have provided us with such a list, regardless of whether the person in question is named or not named on that list.

3.3 *Execution of Customer Orders*

We shall use our reasonable endeavours to execute any order promptly, but in accepting your orders we do not represent or warrant that it will be possible to execute such order or that execution will be possible according to your instructions. Unless otherwise provided for, we shall carry out an order on your behalf only when the relevant Market is open for dealings, and we shall deal with any instructions received outside Market hours as soon as possible when that relevant Market is next open for business (in accordance with the rules of that Market).

3.4 *Aggregation of Orders*

We may aggregate your order with orders of persons connected with us, and orders of other clients if it is unlikely that the aggregation of orders will work overall to your disadvantage. By combining your orders with either orders of other clients, we must reasonably believe that this is in the overall best interests of our clients. However, aggregation may result in you obtaining a less favourable price in relation to a particular order. Please refer to our Aggregation and Allocation Policy on our Website for more information. Our Aggregation and Allocation Policy may be amended by us from time to time by the publication of an updated version on our Website.

3.5 *Limit Orders*

In accordance with FCA Rules, you instruct us not to immediately make public (where we would otherwise be required to do so by Applicable Law) any limit order you place with us in respect of shares traded on a Market where that order cannot immediately be executed.

3.6 *Short Positions*

Unless you inform us otherwise, all instructions to sell securities are accepted on the understanding that you own the relevant securities or have located a borrow. At the time of providing an instruction to us to enter into Transactions on your behalf, you must inform us if the instruction requires us to sell on your behalf securities which you do not own at the time, and we shall have the right in our sole discretion to refuse to accept any such instructions. .

You acknowledge that restrictions or disclosure obligations may exist or be imposed from time to time under Applicable Law in relation to Transactions in securities that we enter into on your behalf. We reserve the right to refuse to accept any instruction where we suspect or consider it to breach Applicable Law (whether or not you have informed us as to whether or not you own the securities in question).

3.7 *Crossing of Orders*

We may arrange for a Transaction to be executed, either in whole or in part, by selling securities to you from another client or vice-versa. A Transaction will only be executed in this manner where we reasonably believe that this is in the overall best interests of our clients. We shall not give you prior notice if we arrange for a Transaction to be executed in this manner.

3.8 *Confirmations - Customer Transactions*

We shall send you confirmations for any Transactions that we have executed on your behalf, by electronic mail to the email address on record for you or by such other means as agreed between you and us in writing. It is your responsibility to inform us of any change to your email address, the non-receipt of a confirmation, or whether any confirmations are incorrect before settlement. Confirmations, in the absence of manifest error, are conclusive and binding on you, unless we receive from you objection in writing immediately after delivery to you.

We will not be held liable for trade differences that arise as a result of confirmations not being promptly checked by you.

3.9 *Trade Reporting*

Where we execute a Transaction in respect of investments admitted to trading on a Market, but which are transacted outside a Market, we will make the relevant Transaction information public in accordance with the Applicable Law unless you inform us in writing that you will undertake to do so. We may rely upon third parties to make public such Transaction information and we may receive fees or commissions in connection with such third party arrangements. Fees or commissions owed by you to us in connection with any such Transaction shall not be affected by any fees or commissions received by us from any third party in respect of such Transactions.

3.10 *Transaction Reporting*

We will comply with our obligations under the FCA Rules set out in SUP 17 (as amended from time to time) in relation to Transactions executed with you or on your behalf.

3.11 *Settlement*

You are solely responsible for the due performance of every transaction that JTIL enters into with or for you, whether you are dealing as principal or as agent for another person. JTIL will advise you of its settlement instructions and agents for each of the respective markets in which JTIL performs its services.

Upon execution of your orders by JTIL, JTIL shall instruct its settlement agent to deliver securities to or pay proceeds to your pre-advised custodian account, on a delivery-versus-payment basis. The obligation of JTIL to settle any transaction is conditional upon the receipt by JTIL's settlement agents, on or before the due date for settlement, of all necessary documents or funds due to be delivered by you, or on your behalf, by such due date. JTIL shall have no responsibility, nor shall its settlement agents have any responsibility, for documents or funds which fail to be received or transmitted appropriately, such being at your sole risk.

In the event that you wish to sell investments that are held in certificated form, JTIL will only pass an order to sell such securities, where it has the certificate in its physical possession and such certificate is being held solely for the purpose of passing a sell order and effecting settlement of the sell order. In order that JTIL can pass a sell order for

investments held in certificated form, you must first deliver the certificate to JTIL. The appropriate stock transfer form must be accompanied with the certificate, completed and signed by authorised representatives of the seller. The certificate must be sent by recorded mail or courier service for which a signature of receipt must be requested of and provided by JTIL. JTIL shall not be responsible for any share certificates not sent to it by a registered or recorded means requiring its signature as proof of receipt.

3.12 *Client Money*

JTIL will normally settle transactions on a “delivery versus payment” basis and, where we do, we will not receive or hold money or assets belonging to you and therefore your money or assets will not usually be eligible to be treated as Client Money or Custody Assets under the FCA Rules. There may be circumstances, in the course of settling transactions with or for you, where we do receive or hold money or assets belonging to you, and in those circumstances you agree we may utilise, at our discretion, where permitted by the FCA Rules, the “delivery versus payment transaction exemptions” available in respect of Client Money and Custody Assets (the “DVP Exemption”).

Where JTIL receives or holds your cash in circumstances where the requirements of the FCA Client Money Rules apply or where JTIL otherwise elects to treat your money as client money it will be placed in a client money bank account opened at an Approved Bank (as that term is defined under FCA Rules). However, you should note that if your money is deposited with a bank outside the UK, the legal and regulatory regime applying to that bank will be different from that of UK banks, and as such, your money may be treated differently in the event of a failure of that bank. Similarly, if your money is passed to an intermediate broker, settlement agent or over-the-counter counterparty outside the United Kingdom, as it may be in the course of business, the legal and regulatory regime applying to those institutions will be different from that of UK institutions, and as such, your money may be treated differently in the event of a failure of that institution. You should be aware that in the case that your money is held with a bank or other financial institution outside the UK, your money might not be as well protected as would be the case if held by a bank or other financial institution in the United Kingdom.

Unless otherwise agreed in writing, client money placed with third parties may be held in general omnibus accounts containing your client money and that of other JTIL clients. This means that in the event of the failure of JTIL, any shortfall in client money in such omnibus accounts would be borne by all clients rateably in accordance with their entitlements in respect of the client money held for clients on this basis. In such circumstances, you may not receive an amount equal to the individual sum owing to you. In addition, in the event of the insolvency of any such third party (a “**Third Party Insolvency**”), any short fall in the amount of money in the relevant client bank accounts may be insufficient to satisfy the claims of all clients in respect of those accounts and clients will share proportionately in the shortfall with other creditors of the third party. JTIL will not be responsible for any shortfall in respect of a Third Party Insolvency.

Any client money held by JTIL shall be subject to a right of set-off, lien or other security interest as set out in this Agreement.

You agree that JTIL may cease to treat your money as client money, and, accordingly, release it from our client bank accounts, if there has been no movement on your balance for a period of at least six years (notwithstanding any payments or receipts of charges, interest or similar items) and JTIL has taken reasonable steps to trace you and to

return the balance. JTIL may donate such money to a registered charity of its choice. Such money will, however, remain owing to you and JTIL will make and retain records of all balances released from client bank accounts and will undertake to make good any valid claims against any released balances. You additionally agree that in accordance with the FCA Rules for *de minimis* balances, where JTIL pays away such balances to a registered charity of its choice, JTIL will not be required to make good any claims to such balances.

If JTIL transfers any part of its business to another party, you agree that JTIL may transfer your money that relates to that business to that party provided (a) that party holds that money in accordance with the FCA Rules on client money or (b) JTIL exercises all due skill, care and diligence in assessing whether that party will apply adequate measures to protect that money.

It is agreed that we have no obligation to pay you interest on any client money we hold on your behalf.

4. CHARGES

Our charges will be subject to negotiation and agreement. In the absence of any agreement between you and us, we shall be entitled to charge and you agree to pay our standard rates plus all commission, mark-up, mark-down, spread or other fees, charges, expenses, fines or penalties on a Transaction entered into by you under these Terms, as well as any applicable value added tax.

Where we charge commission for our services, unless otherwise agreed, the commission will be in accordance with our rates at the time the commission was incurred and as notified to you verbally or in writing prior to dealing. Any alteration to these rates will be notified to you at or before the time of the change. You shall be obliged to pay commission for each proposed Transaction arranged by us.

You accept that we may receive commission from both you and the counterparty where permitted under Applicable Law. JTIL pays or receives remuneration, compensation or other consideration for directing orders to particular broker-dealers or market centers, including its affiliates for execution. These payments usually represent an amount of the commission charged to you, although in specific cases they can vary. The arrangements are detailed on Schedule 4. The source, nature and amount of any compensation received in connection with your particular transaction will be furnished upon written request.

Where we effect any Transaction as principal with you, the pricing of that Transaction may incorporate a mark up or mark down, which may result in additional compensation to us.

You may incur other costs, including taxes, related to Transactions that are not payable to us.

5. CONFLICTS OF INTEREST

Please refer to our Conflicts of Interest Policy on our Website for further information on how we manage conflicts which could affect the impartiality of the service we provide to you. Our Conflicts of Interest Policy may be amended by us from time to time by the publication of an updated version on our Website.

6. REPRESENTATIONS AND WARRANTIES

6.1 You represent and warrant to us on the date that these Terms come into effect and as on the date of each Transaction that:

- (a) these Terms, each Transaction and the obligations created under them are binding against you and enforceable against you in accordance with their terms and do not and will not violate the terms of any regulation, order, charge or agreement by which you are bound;
- (b) you and/or your customer will be jointly and severally liable to us in respect of all obligations and liabilities of any Transaction;
- (c) you will at all times obtain and comply, and do all that is necessary to maintain in full force and effect, all authority, powers, licences and authorisations referred to in this clause;
- (d) you will use all reasonable steps to comply with all Applicable Law in relation to these Terms and any Transaction, so long as they are applicable to you and/ or us;
- (e) you will promptly notify us of any change in material circumstance with respect to yourself or any person who has entered into any guarantee, hypothecation, margin, or security agreement in respect to your obligations under these Terms;
- (f) you will not send orders or otherwise take any action that could create a false impression of the demand or value for a financial instrument, or send orders which you have reason to believe are in breach of Applicable Law;
- (g) you shall observe the standard of behaviour reasonably expected of persons in your position and not take any step which would cause us to fail to observe the standard of behaviour reasonably expected of persons in our position; and
- (h) before concluding a proposed Transaction with us under these Terms, you will be solely responsible, and we accept no responsibility for:
 - (i) the suitability of the proposed Transaction for you including the proposed terms and pricing of the proposed Transaction;
 - (ii) any errors in the documentation and/or other documentation and any disagreements relating to the proposed Transaction or any of the accompanying documentation;
 - (iii) assessing the risks for you in relation to the proposed Transaction including the risk of movement in the market before the proposed Transaction is concluded;
 - (iv) assessing the applicability and implications of the FCA Handbook including but not limited to the good market practice and conventions, to any proposed Transaction; and
 - (v) the provision, delivery, payment or transfer to us, or to whomever we may direct, of all relevant securities or any documents of title and/or transfer forms and/or any relevant payments, in sufficient time on or before the contractual settlement date to enable us to settle the relevant Transaction in accordance with Market requirements.

Upon demand, you will provide us with such information as we may reasonably require to evidence the matters referred to in this clause or to comply with any Applicable Law.

6.2 We represent and warrant to you on the date that these Terms come into effect and as of the date of each Transaction that:

- (a) these Terms, and the obligations created under it are binding against us and enforceable against us in accordance with its Terms and does not and will not violate the terms of any regulation, order, charge or agreement by which we are bound;
- (b) we will at all times obtain and comply, and do all that is necessary to maintain in full force and effect, all authority, powers, licences and authorisations referred to in this clause; and
- (c) we will use all reasonable steps to comply with all Applicable Law in relation to these Terms and any Transaction, so long as they are applicable to us and/ or you.

7. EVENTS OF DEFAULT

7.1 *Default*

On an Event of Default or at any time after we have determined, in our reasonable discretion, that you have not performed (or we reasonably believe that you will not be able or willing in the future to perform) any of your obligations to us, we shall be entitled but not obligated, without prior notice to you, to reject any Transaction which you place with us for execution and take any action available to us.

7.2 *Rights on Default*

On the occurrence of an Event of Default, we shall be entitled, without prior notice to you, to take any and all of the following actions, provided that with respect to a party where the Event of Default is governed by a system of law which does not permit termination to take place after the occurrence of the relevant Event of Default, then all Transactions shall be deemed terminated immediately prior to the Event of Default having occurred and we shall be entitled to treat any or all outstanding Transactions between your and us as having been cancelled or terminated at such time:

- (a) terminate our agreement to provide services and treat any and all outstanding transactions between you and us as having been cancelled or terminated;
- (b) sell or charge in any way any or all of the investments or other assets or property which we are holding or control or are entitled to receive on your behalf and to apply the proceeds in or towards satisfaction of any obligation or liability you may have to us (including any contingent or prospective liability);
- (c) buy any investment, asset or other property and deliver such investment, asset or other property to any company or entity, or otherwise take any action we see fit in order to close-out any positions or transactions you may hold with us, in whole or in part, or in order to close-out any commitments made or terminate transactions on your behalf;
- (d) set off any obligation we owe to you, and/or to apply any cash we hold for your account, against any obligation or liability you may have to us (including any contingent or prospective liability); or
- (e) close out, replace or reverse any transaction or position and convert any currency at such rates and times as conclusively determined by us and as is appropriate in order to meet obligations incurred on your behalf or on behalf of your account(s) with us, enter into any other transaction or take, or refrain from taking, such other action at such time or times and in such manner as, at our sole discretion, we consider necessary or appropriate, acting at all times in good faith, to cover, reduce or eliminate our loss or liability under or in respect of any contracts, positions or commitments.

On the occurrence of any Event of Default you agree to notify us of the same.

7.3 *Outstandings*

We may at any time do the following (but only as consistent with the FCA Rules where we are treating your money as client money for the purposes thereof):

- (a) at your risk and without notice to you, consolidate all or any of your accounts with us and/or set off any monies whatsoever which we may hold for your account (on any account and in whatever currency) against all indebtedness and all liabilities you have or owe to us on any account whether present or future, actual or contingent and whether incurred solely or jointly, as principal or surety and in whatever currency together with interest, commission, bank charges, and any other costs and expenses, including legal expenses (on a full indemnity basis) incurred by us (the “**Outstandings**”); and

- (b) until the Outstandings have been satisfied in full, retain any amount which may at any time be owing by us to you or held for your account (on any account and in whatever currency), and if any Outstandings are not satisfied in full when due, we shall be entitled to appropriate any amount owing to you and/or held for your account in or towards repayment of such Outstandings. If any of your obligations are unascertained, we may in good faith estimate that obligation and set off in respect of the estimate, subject to accounting to you when the obligation is ascertained (if our estimate turns out to have been higher than the ascertained value of the obligation).

7.4 *Other Transactions*

Where termination and liquidation occurs in accordance with this clause 7, we shall also be entitled, at our discretion, to terminate and liquidate, in accordance with the provisions of this clause 7, any other Transactions entered into between you and us which are then outstanding.

7.5 *Base Currency*

For the purposes of any calculation hereunder, we may convert amounts denominated in any other currency into the Base Currency at such rate prevailing at the time of the calculation as we shall reasonably select.

7.6 *Additional Rights*

Our rights under this clause shall be in addition to, and not in limitation or exclusion of, any other rights which we may have (whether by agreement, operation of law, or otherwise).

You agree to execute such further documents and to take such further steps as we may reasonably require to enable us to:

- (a) perfect our security interest over and/or (as the case may be) be registered as owner of, or obtain legal title to, any margin or any property over which you have granted us security;
- (b) secure further the Outstandings;
- (c) exercise our rights; or
- (d) to satisfy any market requirements.

This clause 7 applies to each Transaction entered into or outstanding between you and us on or after the date these Terms take effect.

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to these Terms.

8. **TERMINATION**

8.1 *Termination*

Unless required by Applicable Law, either party may terminate these Terms and relationship between you and us by giving ten (10) days written notice of termination to the other. Either party may terminate these Terms immediately if the other party fails to observe or perform any provision of these Terms or in the event of the other party's insolvency.

Upon terminating these Terms, all amounts payable under its Terms will become immediately due and payable including (but without limitation):

- (a) all outstanding fees, charges, and commissions;
- (b) any dealing expenses incurred by terminating these Terms; and

- (c) any losses and expenses realised in closing out any Transactions or settling or concluding outstanding obligations incurred by us on your behalf.

8.2 *Existing Rights*

Termination shall not affect the outstanding rights and obligations of either party until all obligations have been fully performed.

9. **EXCLUSIONS, LIMITATIONS AND INDEMNITY**

9.1 *General Exclusion*

Neither we nor our directors, officers, employees, or agents shall be liable for any losses, damages, costs or expenses, whether arising out of negligence, breach of contract, misrepresentation, or otherwise, incurred or suffered by you under these Terms (including any Transaction or where we have declined to enter into a proposed Transaction) unless such loss is a reasonably foreseeable consequence and arises directly from our or their respective negligence, wilful default or fraud.

In no circumstance, shall either party have liability for losses suffered by the other party or any third party for any special or consequential damage, loss of profits, loss of goodwill or loss of business opportunity arising under or in connection with these Terms, whether arising out of negligence, breach of contract, misrepresentation, or otherwise.

9.2 *Changes in the Market*

Without limitation, we do not accept any liability by reason of any delay or change in market conditions before any particular Transaction is effected.

9.3 *Limitation of Liability*

Neither party shall be liable to the other for any partial or non-performance of its obligations hereunder by reason of any cause beyond its reasonable control, including without limitation any breakdown, delay, malfunction or failure of transmission, communication or computer facilities, industrial action, act of terrorism, act of God, acts and regulations of any governmental or supra national authorities or the failure by the relevant intermediate broker or agent, agent or principal of our custodian, sub-custodian, dealer, Market, clearing house or regulatory or self regulatory organisation, for any reason, to perform its obligations. Nothing in these Terms will exclude or restrict any duty or liability we may have to you under the Regulatory System (as defined in the FCA Rules), which may not be excluded or restricted thereunder.

9.4 *Entire Agreement*

You acknowledge that you have not relied on, or have been induced to enter into these Terms by, a representation other than those expressly set out in these Terms. We will not be liable to you (in equity, contract or tort under the Misrepresentation Act 1967) for a representation that is not set out in these Terms and that is not fraudulent.

9.5 *Indemnity*

You shall pay to us such sums as we may from time to time require in or towards satisfaction of any debit balance on any of your accounts with us and, on a full indemnity basis, any losses, liabilities, costs or expenses (including reasonable legal fees), taxes, imposts and levies which we may incur or be subjected to with respect to any of your

accounts, or any Transaction, or any matching Transaction on a Market, or with an intermediate broker, or as a result of any misrepresentation by you, or any violation by you of your obligations under these Terms (including any Transaction) or by the enforcement of our rights.

10. MISCELLANEOUS

10.1 *Amendments*

We have the right to amend these Terms from time to time and as notified to you. If we make any non-material change to these Terms, we will give at least five (5) Business Days written notice to you. Such amendment will become effective on the date specified in the notice. Any change which we reasonably deem to be a material change will only take effect on agreement by the parties in writing. Unless otherwise agreed, an amendment will not affect any outstanding order or Transaction or any legal rights or obligations which may already have arisen.

10.2 *Notices*

Unless otherwise agreed, all written notices, instructions and other communications to be given by us under these Terms shall be given to the address, email address, or fax number provided by you in writing to us. Likewise, unless otherwise agreed, all written notices, instructions and other communications to be given by you under these Terms shall be given to the address, email address, or fax number that we shall specify in writing. Both parties will notify the other of any change of its address, email address, or fax number, in accordance with this clause.

10.3 *Electronic Communications*

Subject to Applicable Law, any communications between you and us using electronic signatures shall be binding as if it were in writing. Orders or instructions given via email or other electronic means will constitute evidence of the orders or instructions given.

10.4 *Recording of Calls*

We may record telephone conversations without use of a warning tone to ensure that the material terms of the Transaction, and any other material information relating to the Transaction, is promptly and accurately recorded. Such records will be our sole property and accepted by you as evidence of the orders or instructions given.

10.5 *Our Records*

Our records, unless shown to be wrong, will be evidence of your dealings with us in connection with our services. You will not object to the admission of our records as evidence in any legal proceedings on the basis that such records are not originals, are not in writing, or are documents produced by a computer. You will not rely on us to comply with your record-keeping obligations, although records may be made available to you on request at our absolute discretion.

10.6 *Your Records*

You agree to keep adequate records in accordance with Applicable Law to demonstrate the nature of orders submitted and the time at which such orders are submitted.

10.7 *Third Party Rights*

These Terms shall be for the benefit of and binding upon us both and our respective successors and assigns. You shall not assign, charge or otherwise transfer or purport to assign charge or otherwise transfer your rights or obligations under these Terms or any interest in these Terms, without our prior written consent, and any purported assignment, charge or transfer in violation of this clause shall be void. A person who is not a party to these Terms has no right under the Contracts (Rights of Third Parties) Act 1999.

10.8 *Time of Essence*

Time shall be of the essence in respect of all your obligations under these Terms including any Transaction.

10.9 *Rights and Remedies*

The rights and remedies provided under these Terms are cumulative and not exclusive of those provided by law. Neither party shall be under an obligation to exercise any right or remedy either at all or in a manner or at any time beneficial to the other. No failure by either party to exercise or delay by it in exercising any of its rights under these Terms (including any Transaction) or otherwise shall operate as a waiver of those or any other rights or remedies.

No single or partial exercise of a right or remedy shall prevent further exercise of that right or remedy or the exercise of another right or remedy.

10.10 *Set-off*

Without prejudice to any other rights to which either party may be entitled, either party may at any time and without notice, set off any amount (whether actual or contingent, present or future) owed by such party to the other.

10.11 *Partial Invalidity*

If, at any time, any provision of these Terms is or becomes illegal, invalid or unenforceable this will not affect the validity of these Terms. The parties to these Terms undertake to replace the invalid provision with a provision that corresponds as closely as possible to the original intention of the invalid provision.

11. **GOVERNING LAW AND JURISDICTION**

11.1 *Governing Law*

A Transaction which is subject to the Rules of a Market shall be governed by the law applicable to it under those Rules. Subject thereto, these Terms shall be governed by and construed in accordance with English law.

11.2 *Jurisdiction*

Any dispute, controversy or claim arising out of or in connection with any Transaction subject to the terms of these Terms shall be finally resolved in accordance with dispute resolution provisions contained in the applicable Rules of the Market. If the Rules of the Market do not contain dispute resolution provisions, or the Transaction is not subject to the Rules of the Market, the courts of England shall have exclusive jurisdiction to determine any such dispute, controversy or claim. The courts of England shall have exclusive jurisdiction to determine any other dispute, controversy or claim arising out of or in connection with these Terms.

12. **CONFIDENTIALITY AND DATA PROTECTION**

12.1 *Confidentiality*

We will treat all information we hold about you/your account and any Transactions as confidential. You agree, however, that we may disclose such information:

- (a) to the FCA, any relevant exchange, or any other regulatory body as may be requested by them, or we may otherwise be requested to disclose;
- (b) to any third party, wherever located in the world, including (without limitation) those who provide services to us, or act as our agents, for the purposes of making credit decisions, reducing the incidence of fraud, anti-money laundering, credit controls or facilitation of trades, and for the purposes of any other services carried out on your behalf; and
- (c) where we are required to do so by Applicable Law, there is a public duty to disclose, our interests require disclosure; or at your request.

12.2 *Data Protection*

You acknowledge that we may obtain information (including personal data and sensitive personal data, each as defined in the Data Protection Act 1998) about you, your affiliates, employees, or agents. You agree that:

- (a) we may store any such information (whether provided electronically or otherwise) and disclose any such information (including, without limitation, information relating to your Transactions and accounts);
- (b) we may transfer information we hold about you to any country, including countries outside the European Economic Area, which may not have strong data protection laws compared with those in force in the United Kingdom; and
- (c) if any personal data or sensitive data belonging to any of your directors, employees, officers or agents or clients is provided to us, you represent to us that each such person is aware of and consents to the use of such data.

You agree that we may collect and keep a record of information concerning you and any of your directors, employees, officers or agents and that the information may be provided to, processed and stored by other members of the JonesTrading group of companies including JonesTrading Institutional Services LLC and JonesTrading Canada Inc.

Please refer to our Data Protection Policy which can be found on our Website.

Schedule 1 Risk Warning Notice

Risk

Investment involves risk and that by making an investment, there is not certainty as to making a profit and there is a risk of loss, including a total loss of the original investment.

Each designated investment will have risks that are specific to it as opposed to other designated investments. For instance, risks associated with shares include issuer risk, price risk and/or dividend risk, whilst risks associated with bonds may include issuer insolvency risk, interest rate risk, credit risk or early redemption risk. Before investing in any designated investment care should be taken to assess all types of risk associated with that designated investment and assess these against your investment objectives and risk appetite. If in doubt about the characteristics of a designated investment and/or its associated risk, you should seek advice from your professional advisor before investing.

Past Performance and Fluctuations

Past performance is not necessarily a guide to future performance. The value of shares and the income from them can fall as well as rise and you may not get back the amount originally invested.

Illiquid Investments

Some transactions you request us to effect on your behalf may be in illiquid investments. Basically, these are investments in which the market is limited or could become so. Illiquid investments can be difficult to sell and it can be difficult to assess what would be a proper market price for them. Where as agent, we execute the transaction, we will use reasonable care to execute the transaction at a price and on other terms that are fair and reasonable to you.

Transactions not on Regulated Markets, including FSA Prescribed Markets

On your instructions we may deal for you in circumstances in which the relevant transaction is not regulated by the rules of any Stock Exchange or Investment Exchange. We may also deal for you on any Stock Exchange or Investment Exchange that has not been recognised or designated by the FSA as meeting certain standards as regards safeguarding investors.

Dealing on such markets and exchanges may involve a greater risk of loss

Transactions in Grey Markets

On your instructions and subject to any necessary regulatory approval we may deal for you in:

1. investments for which an application has been made for listing on a Stock Exchange or for admission to dealings on an Investment Exchange, where the investments' listing or admission has not yet taken place; and/or

2. investments whose listing on a regulated market or recognised investment exchange are suspended or whose listing has been discontinued within the previous six months, or which is subject to an announcement of a recognised investment exchange suspending or prohibiting trading.

You should note that there might not be sufficient published information concerning such investments on which to base a decision about purchasing or selling them.

"Penny Shares"

On your instructions we may deal for you in a share with a low nominal value "Penny Shares". There is an extra risk of losing money when shares are bought in some smaller companies including penny shares. There is often a significant variation between the buying price and the selling price of these shares. If they have to be sold immediately, you may get back much less than you paid for them. The price may change quickly and it may go down as well as up.

Transactions in which you become an underwriter or sub-underwriter

Upon obtaining your consent (either generally or in relation to any specific instance), we may enter into transactions on your behalf, the effect of which will be that you will incur obligations as an underwriter or a sub-underwriter of investments in circumstances that include:

1. an offer for subscription for such investments (such as a rights issue);
2. a placing or an offer for sale of such investments;
3. a take-over offer, the consideration for which includes, or may include, such investments.

Off-exchange transactions

It may not always be apparent whether or not a particular derivative is effected on exchange or is an off-exchange derivative transaction. While some off-exchange markets are highly liquid, transactions in off-exchange or "non-transferable" derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an open position. It may not be possible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid and offer prices need not be quoted, and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price. The potential for profit or loss from transactions in foreign currency denominated contracts will be affected by fluctuations in foreign exchange rates.

Foreign markets

Foreign markets will involve different risks from UK markets. In some cases the risks will be greater. The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts will be affected by fluctuations

in foreign exchange rates.

Foreign Exchange Risk

Where investment is made in currencies other than the investor's base currency, movements in exchange rates will have an effect on the value, either favourable or unfavourable.

Schedule 2

Agency

This Schedule supplements the Terms as expressly provided below. Where you are acting for your own account the Supplemental terms set out in this Schedule shall not apply.

Application: This Schedule sets out the basis on which we will provide the services referred to in the Terms to you where you are acting as agent for a third party (“Principal”) which is a principal on behalf of which you act as agent (and where a principal does not constitute a single legal person, it means the trustees, individuals or other persons who are the primary representatives of the organisation, trust or fund on whose behalf they are dealing.)

Notification: You will notify us before placement of any orders where you are acting as agent and inform us of the identity, address and any other details which we require in respect of each Principal as may be requested.

Instructions: You may give us oral and written instructions and orders. We shall not accept nor act upon any instructions received by anyone other than persons whom we reasonably believe to be duly authorised by you (“Authorised Person”). If we refuse to act on any instruction or order, we shall notify you as soon as practicable of our refusal.

Capacity: Unless we agree otherwise in writing, we shall treat you alone as our client and we shall not treat any Principal as our client for the purposes of the FCA Rules.

Principal Accounts: We shall, in respect of each Principal, establish and maintain one or more separate sub-accounts (each a “Principal Account”). You undertake, as agent for the relevant Principal and on your own behalf, in respect of each instruction given, to specify within two hours of giving an instruction (or such other time as we may reasonably specify) the Principal Account to which the relevant instruction relates. Until you specify a Principal Account you shall be personally liable, as principal, in respect of the relevant transaction. You further undertake, as agent for each Principal and on your own behalf, to notify us immediately if any two or more Principal Accounts relate to the same Principal.

Separate Administration: We shall, subject to these terms, administer Principal Accounts which we reasonably believe relate to different Principals separately. We shall not exercise any power to consolidate accounts or set off amounts owing between Principal Accounts relating to different Principals.

Documentation: You agree to forward to a Principal any documentation in relation to such Principal that we are required to provide under the FCA Rules and which we make available to you for that purpose.

Schedule 3 Options

In asking us to execute option Transactions, you represent that you understands the risk factors involved in trading options and are solely responsible for making your own independent appraisal and investigations into the risks

You represent and warrant to us that:

- a) You have received a copy of *Characteristics and Risks if Standardized Options*.
- b) You have received this *Special Statement for Approved Uncovered Option Writers*: There are special risks associated with uncovered option writing which expose the investor to potentially significant loss. Therefore, this type of strategy may not be suitable for all customers approved for options transactions. i) The potential loss of uncovered call writing is unlimited. The writer of an uncovered call is in an extremely risky position, and may incur large losses if the value of the underlying instrument increases above the exercise price. ii) As with writing uncovered calls, the risk of writing uncovered put options is substantial. The writer of an uncovered put option bears a risk of loss if the value of the underlying instrument declines below the exercise price. Such loss could be substantial if there is a significant decline in the value of the underlying instrument. iii) Uncovered option writing is thus suitable only for the knowledgeable investor who understands the risks, has the financial capacity and willingness to incur potentially substantial losses, and has sufficient liquid assets to meet applicable margin requirements. In this regard, if the value of the underlying instrument moves against an uncovered writer's options position, the investor's broker may request significant additional margin payments. If an investor does not make such margin payments, the broker may liquidate stock or options positions in the investor's account, with little or no prior notice in accordance with the investor's margin agreement. iv) For combination writing, where the investor writes both a put and a call on the same underlying instrument, the potential risk is unlimited. v) If a secondary market in options were to become unavailable, investors could not engage in closing transactions, and an option writer would remain obligated until expiration or assignment. vi) The writer of an American-style option is subject to being assigned an exercise at any time after he has written the option until the option expires. By contrast, the writer of a European-style option is subject to exercise assignment only during the exercise period. NOTE: It is expected that you will read the booklet entitled *Characteristics and Risks if Standardized Options* provided to you. In particular your attention is directed to the chapter entitled Risks of Buying and Writing Options. This statement is not intended to enumerate all of the risks entailed in writing uncovered options.
- c) You have received, read, and understand the *Risk Disclosure Statement for Futures and Options* and you are i) aware of the nature of the risks involved in both the purchase and the writing of options, whether or not undertaken in combination with the purchase or sale of other option or securities, understands the rights and obligations associated with put and call option contracts and is financially able to assume such risks and to sustain any losses resulting from such operations; ii) that using borrowed money to finance the purchase of securities involves greater risk than using cash resources only. Your responsibility extends to repaying the loan and pay interest required even if the value of the securities purchased has declined; and iii) where you have applied for authorization to write uncovered (sell short) Put or Call Options and acknowledge that in writing uncovered Call Options your liability is unlimited and in writing uncovered Put options your liability is limited to the contract striking price of the underlying securities plus transaction costs less the amount received from the Put sold.

We may use the services of one or more agents, including affiliates in connection with the execution and clearance of orders.

All contracts will be given up to you or your clearing broker.

You have the sole responsibility to exercise, in a proper and timely manner, any right, privilege or any obligation of any put option, call option or other option.

For US Listed options, you are either a member of the Options Clearing Corporation (“OCC”) or are clearing through an OCC member firm. If you are an OCC member, you have notified OCC in writing through an executed Clearing Member Trade Assignment (“CMTA”) Agreement that we, our agent or clearing firm will be your agent on the floor of the appropriate exchanges and is authorized to submit executed trades to OCC or give-up such executed trades to your clearing broker on the your behalf and you have executed all appropriate agreements to effect this relationship. If you are not an OCC member firm, you have been granted proper authorization from your OCC member firm for us, our agent, or clearing firm to give up such executed trades to your clearing broker on your behalf and you have executed all appropriate agreements to effect this relationship.

You agree to be bound by the constitution and rules of each exchange where we or our agents execute your orders, including but not limited to, specific rules regarding position limits, exercise limits and the unbundling of round lot orders to execute such orders through an exchange automated system.

You understand that when options transactions are to be executed in more than one marketplace, in the absence of specific instructions, we may use our discretion in selecting the market in which to place the order based on a number of factors. These include: size of order, trading characteristics of the security, favorable execution prices (including the opportunity for price improvement), access to reliable market data, availability of efficient automated transaction processing and reduced execution costs through price concessions from the market centers.

Our affiliate(s) may receive payment for order flow for directing orders to certain market centers and broker-dealers.

We will bill you a fee and/or commission on each trade. Such charges shall be due monthly on the 10th day following trade month.

Schedule 4

- For step out orders routed to Louis Capital Markets UK, LLP, they retain 2.5 bps of the remuneration paid by you and revert the balance of the remuneration to JTIL.
- For step out orders routed to Societe Generale, they retains 1 bps of the remuneration paid by you and revert the balance of the remuneration to JTIL