

## **SCHEDULE A: ACCOUNTS**

This Schedule forms an integral part of the Terms of Business for Professional Clients and Eligible Counterparties of Roemer Capital (Europe) Ltd (previously Sinara Financial Corporation (Europe) Ltd) available at [roemercapital.com](http://roemercapital.com) and the relevant Services cannot be provided to you unless and until you accept the General Terms.

Subject to Part A of this Schedule, and only if we have specifically agreed to do so in writing, we will provide you services of safekeeping and administration of your (or where applicable, your underlying customer's or customers' (as defined in the General Terms)) investments, including settlement of transactions relating to your (or where applicable, your underlying customer's or customers') assets, dealing with income arising therefrom and carrying out corporate actions.

Part B of this Schedule sets out the terms for a title transfer financial collateral arrangement, which will be the basis for holding the money and other assets you may transfer to us from time to time for the purpose of securing or covering your present or future, actual or contingent or prospective obligations under the Terms.

### **PART A. SAFEKEEPING ACCOUNTS**

#### **1. GENERAL**

**1.1.** Subject to this Part of the Schedule, we shall open and maintain on our books and records one or more cash and securities accounts in your name (or where applicable, in the name of your underlying customer or customers), to which in the case of cash accounts, there shall be credited all cash paid or deemed or treated as paid to you (or where applicable, your underlying customer or customers) and debited all cash paid or deemed or treated as paid by you (or where applicable,

your underlying customer or customers) pursuant to these Terms and all transactions relating thereto and such other payments as we and you may from time to time agree; and in the case of securities accounts, there shall be credited all securities and other similar property (including evidence of, title to, and all rights in respect of, securities or other similar property) delivered or deemed or treated as delivered to you (or where applicable, your underlying customer or customers) and debited all securities and other similar property (including evidence of, title to, and all rights in respect of, securities or other similar property) delivered or deemed or treated as delivered by you (or where applicable, your underlying customer or customers) pursuant to these Terms and all transactions relating thereto. You (including, where applicable, on behalf of underlying customer(s) for whom you are acting as agent) acknowledge that any cash (**Cash**) or securities or other similar property (including evidence of, title to, and all rights in respect of, securities or other similar property) (**Securities**) which are held or received by us for you (or where applicable, your underlying customer or customers) pursuant to this Schedule, shall be held by us as client funds or financial instruments (**Client's Assets**) in accordance with the Applicable Regulations (as defined in the General Terms).

**1.2.** Subject to clause 1.3 below, we shall receive, hold, release, pay, transfer and deliver (or instruct any sub-custodian or agent to receive, hold, release, pay, transfer and deliver) any Client's Assets to or from the Securities or Cash accounts only on receipt of your instructions. You (including, where applicable, on behalf of underlying customer(s) for whom you are acting as agent) authorise us to (or to instruct any sub-custodian or agent to) deliver Client's Assets to the Securities or Cash accounts and to transfer Client's Assets from the Securities or Cash accounts, only in accordance with such instructions. We shall have full authority to do whatever we reasonably deem

necessary in order to effect your instructions. You (including, where applicable, on behalf of underlying customer(s) for whom you are acting as agent) also authorise us to (or to instruct any sub-custodian or agent to) do whatever we reasonably deem necessary to effect such transfers of Client's Assets to and from the securities or cash accounts as are required pursuant to these Terms or any transaction.

**1.3.** You (including, where applicable, on behalf of underlying customer(s) for whom you are acting as agent) agree that we may without any further instructions from you carry out the following actions relating to Client's Assets:

(a) to collect and receive, for your account (or where applicable, for your underlying customer(s)), any payments (whether income or capital) and distributions in respect of Client's Assets, and to take any action necessary and proper in connection with them, including (without limitation) the presentation of coupons and other interest items and the endorsement for collection of cheques, drafts and other negotiable instruments and the deduction or withholding of any sum on account of any tax required or which in our view is required to be so deducted or withheld or for which you (or where applicable, any your underlying customer(s)) are or are in our view liable or accountable by law or practice of any relevant revenue authority of any jurisdiction;

(b) to execute in your (or where applicable, your underlying customer's or customers') name such ownership and other certificates as may be required to obtain payment in respect of Client's Assets; and

(c) to exchange interim or temporary documents of title to Client's Assets for definitive ones.

**1.4.** We will identify on our books and records that Client's Assets belong to you (or where applicable, your underlying customer(s)). We will take all necessary steps and require that any sub-custodian or nominee or agent appointed by it, or any securities depository or credit institution which we use to hold Client's

Assets pursuant to this Schedule, will clearly identify on its books and records that the Client's Assets do not belong to us but belong to our clients (to the extent permitted by applicable mandatory law, regulation, or market practice in accordance with the Applicable Regulations and/or any Market Rules).

**1.5.** In this Schedule when we refer to 'you', 'your' Cash or Securities, 'your' rights, obligations, agreement and acknowledgement, we include reference to your underlying customer(s) (if applicable), and to you acting on behalf of your underlying customer(s) for whom you are acting as agent or trustee. It is your obligation as an agent, sub-broker or sub-custodian to obtain consent, approval, instructions and authorisations from your underlying customer(s), and to keep them informed and aware of the arrangements with us, or information received from us.

**1.6.** You authorise us to hold Client's Assets in fungible accounts holding securities or cash of other clients of ours (but not our own securities or cash). You also authorise us to hold Client's Assets in accounts with any sub-custodian or nominee or agent or any securities depository or credit institution appointed by us on the basis that such accounts are fungible accounts, which hold securities or cash of other customers of the relevant third party (but not securities or cash of such third party).

**1.7.** You understand and expressly agree and provide consent to the following:

(a) where Client's Assets are held overseas there may be different settlement, legal and regulatory requirements in those jurisdictions from those applying in the Republic of Cyprus, together with different practices for the separate identification of securities or cash. In some jurisdictions Applicable Regulations may not allow us to hold Client's Assets separately from our own assets or those of a third party broker or sub-custodian;

(b) in providing the Services described in this Schedule, we may hold Client's Assets with other institutions who are our affiliates, with

such limitations as provided by Applicable Regulations;

(c) the fungible accounts held with third parties are a form of pooling and accordingly, your individual entitlements may not be identifiable by separate certificates, physical documents or entries on the register or equivalent electronic records. In the event of an irrecoverable shortfall following any default or failure by a party responsible for pooled assets, you may not receive full entitlement and may share in that shortfall pro-rata to your original share of assets in the pool; and

(d) if you instruct us to hold Client's Assets with or register or record Securities in the name of a person not chosen by us, the consequences of doing so are at your own responsibility and risk and we shall not be liable therefore.

**1.8.** You acknowledge that if, for reasons of the applicable law, including in particular the law relating to property or insolvency, we cannot ensure that any Securities deposited with a third party are identifiable separately from the financial instruments belonging to us and from financial instruments belonging to that third party, by means of differently titled accounts on the books of the third party or other equivalent measures that achieve the same level of protection or that Cash deposited in a central bank, a credit institution or a bank authorised in a third country is held in an account or accounts identified separately from any accounts used to hold funds belonging to us, you will not benefit from the provisions envisaged under Directive 2014/65/EU and Commission Delegated Directive (EU) 2017/593, as amended.

**1.9.** We shall be entitled to disclose any information relating to you or Client's Assets as is required by any law, court, legal process, professional advisor or banking or other regulatory or examining authorities (whether governmental or otherwise). In addition, where you request the use of a third party tax reclaim service you agree that we may disclose information relating to you or Client's Assets

that is requested by such third party tax reclaim service.

**1.10.** You acknowledge and agree that we may grant to any sub-custodian, securities depository or other third party providing similar services, or otherwise create a security interest, lien, right of set-off or right of retention (**Third Party Security Interest**) over Client's Assets. This Third Party Security Interest:

(a) may arise over your Securities or Cash held by, or deposited with, that sub-custodian, securities depository or third party and shall extend only to properly incurred charges and liabilities arising from the provision of custody services in respect of your Securities in that account or from the provision by that third party to us for you of other services in respect of your Cash held in that account;

(b) arises under the operating terms of a settlement depository, in whose account your Securities are recorded or held, for the purpose of facilitating settlement of transactions involving your Securities held in that account or under the operating terms of a third party, such as a clearing house, trading venue, settlement facility or intermediate broker, in whose account your Cash is recorded or held, for the purpose of settlement of transactions or provision of margin or collateral under transactions; or

(c) in relation to Securities or Cash held outside the Republic of Cyprus, arises as a result of the Applicable Regulations or Market Rules or is necessary for us to gain access to the local market in that jurisdiction and we have taken reasonable steps to determine that holding Securities or Cash subject to such security interest, lien, right of set-off or right of retention is in your best interest. You should nonetheless determine whether you wish to access markets and hold assets in such jurisdiction.

**1.11.** Where Third Party Security Interest is created as per clause 1.10 above, there is a risk that in instances where we or any sub-custodian, securities depository or other third party providing similar services, default on our or their obligations towards the relevant third

party, or in other circumstances, including, without limitation, where the third party anticipates that such obligor may default on its obligations (including, for example, where the financial condition of the obligor deteriorates or insolvency proceedings onset against the obligor), then the third party may have the option to enforce or set-off its rights against Cash or Securities and as a consequence you may lose the Securities or Cash and may be not able to recover them from us or the third party, regardless of whether you are in actual or potential default towards us or the third person.

## **2. CLIENT'S ASSETS**

**2.1.** Where we enter into transactions with you on a 'delivery-versus-payment' basis the assets and cash received in that case will not be held as Cash or Securities.

**2.2.** We will hold Cash as custodian in compliance with the Applicable Regulations.

**2.3.** In relation to Cash the following provisions shall apply:

(a) when holding Cash we will make adequate arrangements to safeguard your rights and prevent the use of Cash for our own account;

(b) unless otherwise agreed in writing, we will not pay any interest on any Cash and you waive your right to such interest;

(c) we will keep such records and accounts as are necessary to enable us at any time and without delay to distinguish Cash held for you from cash held for any other client, and from our own funds;

(d) we will maintain our records and accounts in a way that ensures their accuracy, and in particular their correspondence to Cash and that they may be used as an audit trail;

(e) we will conduct, on a regular basis, reconciliations between our internal accounts and those of any third party with which Cash is held;

(f) when receiving any Cash, we will promptly place the same into one or more accounts, opened with a central bank, credit

institution, a bank authorised in a third country or subject to your written request, a qualifying money market fund; and

(g) we will take the necessary steps to ensure that Cash deposited in a central bank, a credit institution or a bank authorised in a third country or a qualifying money market fund is held in an account or accounts identified separately from any accounts used to hold funds belonging to us.

**2.4.** Where we do not deposit Cash with a central bank, we will exercise all due skill, care and diligence in the selection, appointment and periodic review of a credit institution, bank or money market fund where Cash will be placed and the arrangements for the holding Cash. In doing so, we will consider the need for diversification and mitigation of risks, where appropriate, by placing Cash with more than one third party in order to safeguard your rights and minimise the risk of loss and misuse. We will also take into account any legal or regulatory requirements or market practices related to the holding of client funds that could adversely affect your rights as well as the expertise and market reputation of such institutions or money market funds with a view to ensuring the protection of your rights. We will require your explicit consent to the placement of Cash in a qualifying money market fund. Before providing your consent, you shall be aware that Cash placed with a qualifying money market fund will not be held in accordance with the requirements for safeguarding client funds set out in the Commission Delegated Directive (EU) 2017/593.

**2.5.** We may allow another person, such as a trading venue, central counterparty, organised market, settlement or clearing institution or an intermediate broker or agent, to hold or control Cash where we transfer the Cash for the purposes of a transaction through or with that person, or to meet your obligation to provide collateral for a transaction (including margin requirement for a contingent liability investment).

**2.6.** We may pass your Cash to a trading venue, central counterparty, organised market, settlement or clearing institution or an intermediate broker or agent, which is located outside the Republic of Cyprus. In such circumstances the legal and regulatory regime applying to such person(s) will be different from that of the Republic of Cyprus and, in the event of insolvency of such person(s), Cash may be treated in a different manner from that which would apply if the money was held by such person(s) in the Republic of Cyprus. Where due to the nature of the law or market practice of an overseas jurisdiction as set out in the Applicable Regulations and/or the Market Rules we are prevented from holding Cash in a separate account identified on books and records of a third party as containing money belonging only to clients of ours and not our proprietary funds, Cash may not be segregated from our funds, and, in the event of our insolvency, Cash may not be as well protected.

**2.7.** With the exception of any securities or other instruments transferred to us pursuant to Part B of this Schedule, any Securities credited to the securities accounts shall be held by us as custodian, and you hereby appoint us, and we agree to act, as a custodian, in accordance with the terms of this Schedule with respect to any Securities.

**2.8.** We are authorised under this Schedule to act through and hold Securities with sub-custodians being such other entities as we may appoint as sub-custodian. In addition, we and each sub-custodian appointed by us may deposit Securities with, and hold Securities in any securities depository (which may include any settlement system, dematerialised book entry system, clearance system or similar system) on such terms as such systems customarily operate. We reserve the right to add, replace or remove any sub-custodians.

**2.9.** We will use reasonable skill, care and diligence in the selection of any sub-custodian appointed by us pursuant to this Schedule and shall be responsible to you for satisfying

ourselves as to the ongoing suitability of such sub-custodian, for the maintenance of an appropriate level of supervision over such sub-custodian and for making periodic enquiries to confirm that the obligations of such sub-custodian to us are discharged in a satisfactory manner. As part of their due diligence, we will also take into account the expertise and market reputation of the other third parties to which the sub-custodian may have delegated functions concerning the holding and safekeeping of financial instruments.

**2.10.** Unless we specifically agree otherwise, we shall not hold for you any securities which are customarily held in bearer form. Where we do so agree, we are authorised to hold in bearer form, such securities, and register (at our discretion) in your or our name or in the name of another sub-custodian appointed by us or any nominee of ours or another sub-custodian appointed by us, such securities as are customarily held in registered form. We shall not be liable for any Loss (as defined in the General Terms) suffered or caused as a result of an instruction to hold Securities with, or have them registered in the name of, any person not chosen by us.

**2.11.** We will take the necessary steps to ensure that any Securities deposited with a third party are identifiable separately from the financial instruments belonging to us and from financial instruments belonging to that third party, by means of differently titled accounts on the books of the third party or other equivalent measures that achieve the same level of protection. Where investments are subject to the law or market practice of a jurisdiction outside the Republic of Cyprus and due to the nature of the law or market practice of an overseas jurisdiction, it is in your best interest or it is not feasible to do otherwise:

(a) where we are prevented from registering or recording legal title to Securities in your name or the name of a nominee, we may register or record Securities in the name of a sub-custodian or other third party; or

(b) where we are prevented from registering or recording legal title to Securities in your name, the name of a nominee, or the name of a third party, we may register or record Securities in our name. If Securities are registered in our name, such Securities may not be segregated from our assets, and, in the event of our insolvency, may not be as well protected. Arrangements with sub-custodians are such that Securities held with them shall be in a separate account containing assets belonging only to clients of ours and not our proprietary assets. In any event, we will notify you of the registration name used in respect of Securities, which are registrable securities.

**2.12.** We are committed to maintain adequate organisational arrangements to minimise the risk of misuse, fraud, poor administration, inadequate recordkeeping or negligence in respect of Securities. We keep such records and accounts as are necessary to enable us at any time and without delay to distinguish Securities held for you from those held for any other client, and from our own assets. We maintain our records and accounts in a way that ensures their accuracy, and in particular their correspondence to Securities, and that they may be used as an audit trail. We conduct, on a regular basis, reconciliations between our internal accounts and those of any third parties with which Securities are held, details of which are available upon request.

**2.13.** If we deposit Securities with a person in a non-EEA state, we will be subject to the law of that state and your rights in relation to Securities may differ accordingly. If the safekeeping of securities is subject to specific regulation and supervision in a jurisdiction where we propose to hold Securities with a third party, we will not deposit Securities in that jurisdiction with a third party, which is not subject to such regulation and supervision.

**2.14.** We will not hold Securities with a person in a non-EEA state, which does not regulate custody activities unless the nature of Securities or of the Services connected with those

Securities requires the Securities to be held in such a state or we receive a prior written instruction from you, in which case the consequences of doing so are entirely at your own responsibility and risk.

**2.15.** You shall not be entitled to any fraction or other entitlement arising as a result of us holding Securities in omnibus accounts, which is not directly referable solely to your holding and such fractions or entitlements shall be at our disposal. On partial redemptions, we shall use whatever method we deem fair to determine how shares will be redeemed.

**2.16.** We do not make any warranties, representations or other statements whatsoever in respect of the validity or sufficiency of the securities, the enforceability of any rights or interests relating thereto or whether it is appropriate, necessary or desirable to take or omit to take any action in relation thereto, and these matters shall exclusively be your concern.

**2.17.** In case you do not operate your account or instruct us with regard to your Cash or Securities for a long time, you agree that:

(a) we may cease to treat any assets as Securities, provided that we have held the relevant assets in safe custody for at least 12 years and in the 12 years preceding the divestment we have not received any instructions from you or on your behalf relating to those assets and taken reasonable steps to trace you and return the relevant asset;

(b) we may stop treating money as Cash, provided that we have held such money for you for at least 6 years following the last movement on your account (disregarding any payment or receipt of interest, charges or similar items) and we have taken reasonable steps to trace you and return the money. We will write to you at your last known address informing of our intention to no longer treat any balance as Cash and thereafter give you 28 days to make a claim.

**2.18.** Once you have unconditionally and irrevocably paid and discharged in full any and

all your obligations and liabilities to us you may close your account(s) with us. We will, at your request and cost, return to you Cash and Securities held by us for you at that time by crediting or otherwise depositing such assets to an account (accounts) in your name, or in the name of a person acting on your behalf as you have specified to us in your request, subject to any limitations in place by Applicable Regulations.

**2.19.** You are required to provide us with outward transfer instructions as soon as reasonably practicable and where no such instructions have been received on or before the termination date, you may be subject to a separate fee accruing on your Securities portfolio up to the date of withdrawal.

**2.20.** You agree that where no instructions have been received for returning assets to you as per clause 2.19 above, on or before the termination date, we may (and you hereby irrevocably and unconditionally authorise us to) transfer Cash to such account in your name as you have most recently notified to us in your account documentation. You understand that we will not be able to transfer out any balances unless moneys held in your cash account(s) are sufficient to make a transfer and to cover related expenses. You acknowledge that no payment or transfer may be made unless all the necessary anti-money laundering checks have been completed. You agree that no interest will be paid to you on moneys or securities held by us for you on or after the termination date.

**2.21.** We reserve the right to charge an account maintenance fee in relation to accounts in respect of which we have not received any instructions from you or on your behalf for at least 1 (one) year. Such fee will be notified to you at your last known address. Such maintenance fee may be deducted from any funds held by us on your behalf. In the event that insufficient funds are available in your accounts, you agree that we may in such

manner and at such time or times as we in our sole discretion see fit, liquidate as we may select subject to these Terms, any assets that we hold for you in order to deduct the amount of the maintenance fee from the proceeds.

### **3. ACCOUNT STATEMENTS**

**3.1.** We shall issue to you statements of account (each an **Account Statement**) on the next business day and upon termination of these Terms. In case there are no operations on your account, we may not send Account Statements to you unless otherwise required by Applicable Regulation. We may send to you Account Statements by electronic mail and/or other means of electronic communication as agreed between you and us from time to time. Only if specifically agreed with you we will provide you with hard copies of Account Statements within reasonable time, after notice requiring doing so is received by us.

**3.2.** Account Statements will contain full information as may be required by Applicable Regulations, including information on Cash and Securities held by us for you and will include, where applicable, all costs and associated charges charged by us or other parties related to the transactions and Services undertaken on your behalf and all sums due to us by you and by us to you under these Terms. This will include one-off charges that need to be paid to us at the beginning or at the end of the transaction and/or Service; ongoing charges related to transactions and/or Services, any charges that are related to ancillary services; and any other costs incidental thereto. The information on the Account Statement may be shown as at the trade date or the settlement date, provided that the same basis is applied by us consistently to all information in the Account Statement.

**3.3.** The reporting currency will be United States Dollars (USD), unless otherwise agreed, however when prices, values, costs or charges

are in foreign currency we will indicate the currency involved and applicable currency conversion rates and costs.

**3.4.** Account Statements shall, in the absence of manifest error, be conclusive evidence and be binding on you, unless we receive a written detailed objection from you within 24 hours of dispatch of the Account Statement at the correct address or making it otherwise available to you. If you fail to object to or request a correction of an Account Statement, that Account Statement shall be deemed agreed by you and a failure to object shall not affect the validity or enforceability of any Account Statement. You shall not be entitled to refuse to perform your obligations thereunder on the ground that you have not received the Account Statement due to any reasons whatsoever unless the failure to receive the same was due to our fault. An Account Statement (or an amended Account Statement, as the case may be), once not objected by you shall be conclusive evidence of the transactions and other information contained therein and shall supersede all prior oral statements with respect thereto.

#### **4. CORPORATE ACTIONS**

**4.1.** If income is paid or distributed by the issuer of any securities:

(a) in respect of Securities standing to the debit of a securities account, you will (subject to clause 4.2) pay to us an amount equal to, and in the same currency as, the amount paid or, in the case of income in the form of securities, deliver to us securities equivalent to such securities;

(b) in respect of Securities standing to the credit of a securities account, we will (subject to clause 4.3) as soon as practicably possible but not later than 5 (five) business days upon receipt of fully reconciled income paid or otherwise delivered to us by the issuer or its paying agent, pay to you an amount equal to the amount paid or, in the case of income in the

form of securities, deliver to you securities equivalent to securities so delivered. We will credit the relevant cash account in respect of the amount so payable or, as the case may be, credit the relevant securities account in respect of the securities so deliverable.

**4.2.** The amount to be paid by you to us under clause 4.1(a) shall include but not be restricted to:

(a) any amount which is deducted or withheld in respect of tax by or on behalf of the issuer of the relevant securities or by any other withholding agent, and

(b) any additional tax credits to which a holder of such securities as specified by us would be entitled in respect of such income.

**4.3.** Any amount distributed to you pursuant to clause 4.1(b) shall not:

(a) include any amount in respect of cash or securities which is:

(i) deducted or withheld in respect of tax by or on behalf of the issuer of the relevant securities or by other withholding agent;

(ii) required to be accounted for to the tax authorities of the Republic of Cyprus in respect of the income in question; or

(iii) might be recovered by us or any other holder of the securities from any relevant taxation authority outside the Republic of Cyprus in respect of the income in question; and

(b) exceed the amount of cash (or the amount of securities comprising income), which you would have received from the issuer in respect of the income, had you been the holder of such securities on the date, by reference to which the identity is determined of those holders to whom that income is paid, net of any amount which is or, as the case may be, would have been, held or deducted or withheld in respect of tax by or on behalf of the issuer of the relevant securities or other withholding agent.

**4.4.** We will use commercially reasonable efforts to claim dividends and interest payments



on Securities but will not have any duty to take steps to recover any amounts due in respect of which the issuer or its registrar, paying agent or other agent defaults.

**4.5.** We shall inform you as soon as practicable after we become aware of the occurrence or prospective occurrence of any conversion, subscription, sub-division, consolidation, redemption, rights issue, takeover or other offer, capital reorganisation, call, capitalisation issue or distribution of, or a granting of, an entitlement to receive securities or any other corporate event (**Corporate Action**) with respect to Securities credited to your securities account. You agree that we give no representation, warranty or guarantee as to the accuracy or completeness of any information in relation to a Corporate Action provided to us by a third party and accept no liability or responsibility whatsoever for the accuracy or completeness of such information.

**4.6.** Where a Corporate Action giving rise to a right or option occurs, you (in respect of Securities standing to the credit of your securities account) or us (in respect of Securities standing to the debit of your securities account) may within a reasonable time before the latest time for the exercise of the right or option give notice to the other party that either we or you wish to receive Equivalent Securities or other assets in such form as will arise if the right is exercised in such manner as is stated in the notice.

**4.7.** We may, upon service of such notice, credit or debit the relevant cash account or the relevant securities account with such amounts of cash or, as the case may be, securities as would reflect the performance of the instructions in such notice by us. If you do not serve notice under clause 4.6, we shall credit or debit the relevant cash account or the relevant securities account to reflect the taking of such action as we in our absolute discretion deem appropriate provided that we notified you of a Corporate Action giving rise to a right or option in respect of which you served no notice to us.

You acknowledge that securities, or other assets required to be delivered under clause 4.6, may be the subject of a loan made by us to third parties and that reasonable prior notice (being the period of standard settlement time for the relevant securities or assets) must be given to us to provide for the return of such securities or other assets.

**4.8.** A notice served by you under clause 4.6 shall not be effective (in which case we will inform you as soon as reasonably practicable) where it refers to an event which involves the payment of money by the holder of securities, unless you pay to us, for value not later than the due date of the relevant payment, an amount equal to that which is required to be paid by such a holder of securities.

**4.9.** If a call becomes payable in respect of partly-paid Securities, or a demand for any fee, assessment, charge or other payment in respect of any Securities becomes payable, we may debit the cash accounts with a sum equal to the amount so payable, but shall have no liability whatsoever for the consequences of a failure to satisfy any calls made.

**4.10.** Where we, in our capacity as custodian, or any third party holding Securities on our behalf, in its capacity as custodian, is legally liable to meet any payment due or to become due in respect of Securities, you will provide us or such other person (as the case may be) with funds to meet such payment, for value not later than the day on which the call is payable.

**4.11.** If a right to vote (other than a right contemplated by a Corporate Action) arises in respect of any Securities standing to the credit of your securities account, we may (but shall not be obliged to) either:

(a) transfer such Securities to your designated account with another custodian\broker\registrar within a reasonable time before the latest time for the exercise of such vote; or

(b) request instructions from you in respect of such voting rights and use our commercially reasonable endeavours to arrange for such

voting rights to be exercised in accordance with such instructions provided those instructions are received within such period as we reasonably require.

## 5. SECURITY INTEREST

**5.1.** Subject to clause 5.6 below, as continuing security for the payment and discharge of all your present and future obligations and liabilities, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity whatsoever, and any guarantee or indemnity of any of those obligations, under or in connection with these Terms or any transaction, and/or any other agreement or contract for which you agree to provide security to us, together with all interest accruing on such obligations and liabilities and any cost or expense whatsoever, (including, without limitation, reasonable legal fees) which we may incur in enforcing, perfecting or maintaining any of our rights, whether pursuant to these Terms or any transaction, contract or otherwise, including without limitation, the cost of funding or currency exchange and, to the extent not already covered, any loss incurred by us in liquidating, obtaining or re-establishing any hedge or related position (**Secured Obligations**), you hereby charge to us by way of first fixed charge with full title guarantee and free from any encumbrances whatsoever:

- (a) all right, title and interest in and to Securities credited to any securities account;
- (b) all rights which, or the certificates or documents of title to which, are deposited with, held or recorded by us (including without limitation derivative rights under any contract);
- (c) all other securities and all rights, cash (including without limitation dividends and coupon payments) and property whatsoever which may from time to time accrue on, be derived from or be offered in respect of any Client's Assets;
- (d) all Cash credited to any cash accounts;

(e) all your rights arising in respect of any Client's Assets, including, without limitation, any rights against any custodian, banker or other person;

(f) all your rights under these Terms including, without limitation, all rights to delivery of any equivalent assets, (each of the cases (a) to (f) above individually or collectively, **Secured Assets**).

**5.2.** Subject to clause 5.6 below, as continuing security for the payment and discharge of the Secured Obligations, you hereby charge to us by way of floating charge all rights, title and interests in the Secured Assets expressed to be charged by clause 5.1.

**5.3.** Without prejudice to 5.4, at any time while any Secured Obligation is outstanding and not discharged in full in accordance herewith, we may:

(a) if we reasonably believe that the Secured Assets or any part thereof is in danger of being seized or sold under any form of distress or execution levied or threatened or is otherwise in jeopardy or imperilled; or

(b) if any circumstance shall occur which in our reasonable belief prejudices, imperils or threatens the Secured Assets or is likely to do any of the foregoing,

by notice in writing to you give a notice of crystallisation pursuant to this clause and upon giving the notice, any charge created pursuant to clause 5.2 or any charge created by clause 5.1 which is a floating charge shall, to the extent permitted by Applicable Regulations, be crystallised and be converted into a fixed charge as to all of the undertaking, property and assets or such of them as may be specified in the notice.

**5.4.** In addition, and without prejudice to clause 5.3, any charge created by clause 5.1 or any charge created by clause 5.2 which is a floating charge shall automatically be converted into a fixed charge as to all of the undertaking, property and assets subject to such floating charge, subject to the relevant provisions of the Cyprus Companies Law Chap. 113, as amended,

if and to the extent applicable, and, in addition to any conversion, which would occur under general law, shall automatically be converted (immediately and without notice) into a fixed charge as to all of the undertaking, property and assets subject to such floating charge if an Event of Default occurs.

**5.5.** The floating charge created by clause 5.2 shall rank behind all the fixed charges created by clause 5.1 but shall rank in priority to any other security created over any Secured Assets after the effective date hereof.

**5.6.** Without prejudice to clauses 5.1 to 5.5, in the event that you are an investment firm duly authorised in the EU and holding Securities with us in your own name but on behalf of your underlying customer(s) in your capacity as a trustee, you hereby confer on us (and on any other person subject to clause 1.10 above) a general lien, right of sale and right of set-off in our (and that person's) favour in respect of any and all Securities (and any income paid or distributed in respect of such Securities), which shall extend only to the payment and discharge of all properly incurred charges and liabilities arising from the provision of the Services in respect of those Securities (and any income paid or distributed in respect of those Securities) and the full and punctual settlement of transactions involving those Securities, and references in these Terms to 'Secured Assets' and 'Secured Obligations' shall be construed accordingly.

**5.7.** The Secured Assets shall be deemed to constitute primary and not collateral security; and the security shall not be discharged or impaired by:

- (a) the dealing with, existence or validity of any other security taken by us in relation to the Secured Obligations or any enforcement of or failure to take, perfect or enforce any such security;
- (b) any amendment to or variation of the Secured Obligations;
- (c) any release of or granting of time or any other indulgence to you or any third party; or

(d) any other act, event or omission which would or might but for this clause operate to impair or discharge the security constituted by, or liability hereunder, including any act, omission or thing which would or might afford an equitable defence to a security.

**5.8.** The security hereby created is a continuing security notwithstanding any intermediate payment or settlement of account for the payment and discharge of the Secured Obligations and is in addition to, and shall neither be merged into, nor in any way exclude or prejudice, any other security, right of recourse, set-off, combination or other right or interest whatsoever which we may now have or at any time hereafter hold or have (or would apart from this Schedule hold or have) as regards you or any other person in respect of the Secured Obligations, and we may at any time take, give up, deal with, vary, exchange, or abstain from perfecting or enforcing any other security interest without affecting or prejudicing the security hereby created.

**5.9.** All our rights under this Schedule, the grant of the security in the Secured Assets, and all your obligations under this Schedule, shall be absolute and unconditional irrespective of:

- (a) any lack of validity or enforceability of these Terms or any transaction or any other agreement or contract for which you agree to provide security to us or any other agreement or instrument relating to any of the foregoing;
- (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other amendment or waiver of or any consent to any departure from any other agreement or instrument relating to any of the foregoing;
- (c) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of or consent to or departure from any guarantee, for all or any of the Secured Obligations; or
- (d) any other circumstance that might otherwise constitute a defence available to, or a discharge of, you in respect of the Secured

Obligations or in respect of this Schedule (other than the indefeasible payment in full of all the Secured Obligations).

**5.10.** The security constituted by this Schedule shall be cumulative, in addition to and independent of every other security which we may at any time hold for the Secured Obligations or any rights, powers and remedies provided by law. No prior security held by us over the whole or any part of the Secured Assets shall merge into the security constituted by this Schedule.

**5.11.** This Schedule shall remain in full force and effect as a continuing arrangement, notwithstanding any settlement or intermediate payment or other matter or thing whatsoever, unless and until you discharges it or it is otherwise discharged (in each case in accordance with this Schedule).

**5.12.** You shall not be entitled to sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Secured Assets without our permission. We may, at your request, in our absolute discretion permit you to deal in or otherwise dispose of any of the Secured Assets, subject to the other provisions of this Schedule. If at any time we consent to such a dealing or disposition, that consent shall in no way constitute a waiver of our right to refuse to give our consent to any other request. If we permit such a dealing or disposition of any of the Secured Assets, then on such dealing or disposition the relevant Secured Assets shall be automatically released from the security hereby created. Subject to the other provisions of this Schedule, you will be able to withdraw the Secured Assets in amount by which the total value of the Secured Assets exceeds the total value of the Secured Obligations at the time of withdrawal.

**5.13.** You shall not at any time, except with our prior consent:

(a) create, purport to create or permit to subsist any security on, or in relation to, any

Secured Assets other than the security created by this Schedule;

(b) create or grant (or purport to create or grant) any interest in any Secured Assets in favour of a third party; or

(c) amend, or agree to the amendment of, the rights or liabilities attaching to any of the Secured Assets.

**5.14.** We acknowledge that before the security constituted by this Schedule becomes enforceable or we exercise the Right to Use (if applicable):

(a) you are the beneficial owner of the Secured Assets and there will be no transfer of full ownership, merely an encumbrance on the Secured Assets and the beneficial interest in the Secured Assets will remain with you; and

(b) you shall be entitled to receive all dividends, interest and other distributions paid in respect of the Secured Assets and all voting and other rights and powers which may be exercised by the holder in respect of Secured Assets shall be exercised by you, or at your direction as described hereinabove.

**5.15.** You shall immediately on demand execute and deliver to us any document and do any other act or thing which we may specify for protecting, preserving or perfecting any security created or intended to be created by this Schedule or for facilitating the realisation thereof or otherwise for enforcing the same or exercising any of our powers, rights and discretions under this Schedule, including the execution of all releases, transfers, assignments and other documents and the giving of all notices, orders, instructions and directions which we may request.

**5.16.** You shall not, without our prior consent, do, cause or permit to be done anything which may adversely affect the security created by this Schedule or which is a variation or abrogation of the rights attaching to or conferred on all or any part of the Secured Assets by this Schedule.

**5.17.** Your liability under this Schedule in respect of any of the Secured Obligations shall not be discharged, prejudiced or affected by:

(a) any security, guarantee, indemnity, remedy or other right held by or available to us being or becoming wholly or partially illegal, void or unenforceable on any ground;

(b) us renewing, determining or varying any transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement or omitting to claim or enforce payment from any other person; or

(c) any other act or omission which, but for this provision, might have discharged or otherwise prejudiced or affected your liability hereunder.

**5.18.** You waive any right you may have of requiring us to enforce any security or other right; or claim any payment from, or otherwise proceed against, any other person, before enforcing the security created under this Schedule against you.

**5.19.** After the security created by this Schedule has become enforceable:

(a) all dividends, interest and other distributions paid in respect of the Secured Assets and received by you or on your behalf shall be immediately paid to us or, if received by us, may be applied by us as though they were proceeds of a sale under clause 15 of the General Terms; and

(b) all voting and other rights and powers which may be exercised by the holder in respect of Secured Assets shall be exercised by us, or at our direction and you shall comply with any directions we may, in our absolute discretion, give concerning the exercise of those rights and powers.

**5.20.** Upon or at any time after the occurrence of an Event of Default, we shall not be obliged to accept any instructions from you in respect of the Secured Assets.

**5.21.** If we are satisfied that all Secured Obligations have been irrevocably paid and discharged in full and that all facilities which might give rise to Secured Obligations have terminated, we shall, at your request and at your expense, release, reassign or discharge (as

appropriate) the Secured Assets from the security created pursuant to this Schedule.

**5.22.** If we reasonably determine that any payment or delivery received or recovered by us may be avoided or invalidated after Secured Obligations have been discharged in full, and after any facility which might give rise to such Secured Obligations has been terminated, this Schedule (and the security created hereby) will remain in full force and effect and we will not be obliged to release any Secured Assets until the expiry of such period as we shall reasonably determine.

**5.23.** No payment, which may be avoided or adjusted under any Applicable Regulations, including any enactment relating to bankruptcy or insolvency, shall prejudice or affect our right to recover the Secured Obligations from you or to enforce the security created under this Schedule, to the full extent of the Secured Obligations.

## **6. FINANCIAL COLLATERAL**

**6.1.** Where you are an undertaking, the security interest established over Secured Assets under clause 5 above shall constitute a **security financial collateral arrangement** between you and us, as described in this Schedule and regulated by Financial Collateral Arrangements Law, 43(I)/2004, as amended.

**6.2.** You hereby expressly consent that we may:

(a) enter into a Securities Financing Transactions (as defined in the Commission Delegated Directive (EU) 2017/593, as amended) in respect of Securities including those which are held on your behalf in an omnibus account maintained by a third party, whether or not with or for you, our own account or any other person, and use them thereunder; and

(b) otherwise use your Securities including those which are held on your behalf in an omnibus account maintained by a third party for our own account or for the account of any other person including another client of ours.

**6.3.** We have adopted specific arrangements to ensure that the borrower of Securities provides the appropriate collateral and we will monitor the continued appropriateness of such collateral and take the necessary steps to maintain the balance with the value of the loaned Securities.

**6.4.** We will take appropriate measures to prevent the unauthorised use of Securities for our own account or the account of any other person. We will closely monitor your projected ability to deliver on the settlement date and promptly request undelivered securities outstanding on the settlement day and beyond. In case you do not have enough provision on your account on the settlement date, we may borrow the corresponding securities on your behalf or unwinding your positions as set forth in the General Terms and Schedule E: Financing as applicable.

**6.5.** You hereby authorise us at any time or times to borrow, lend, charge, pledge or otherwise encumber to cover any obligations or liabilities, whether present or future, actual or contingent, owed by us to any person and arising from time to time, and to hypothecate or rehypothecate, on any terms, whether for its own account or for the account of third parties, and to dispose of or otherwise to use for our own purposes any Secured Assets by transferring such Secured Assets to ourselves or to another person without giving you prior notice of such transfer (**Right to Use**).

**6.6.** Upon exercising the Rights to Use, Secured Assets will be transferred to us with full title guarantee and free from any encumbrances whatsoever, be registered, recorded or held in our name or in the name of our nominee and that we will not register, record or hold any assets in your name. You will have a right against us for the delivery of equivalent assets. Upon delivery to you of equivalent assets, such equivalent assets will become subject to the security created by this Schedule (and security financial collateral arrangement regime) and will constitute Secured Assets subject to all the

provisions hereof. Please refer to risk disclosure regarding financial collateral arrangement at [roemercapital.com/disclosures/](http://roemercapital.com/disclosures/).

## **Part B. TTCA ACCOUNTS**

### **7. GENERAL**

**7.1.** This Part B of the Schedule shall apply to secure any and all obligations whether present or future, actual or contingent or prospective, owed to us by you or another person, which give a right to cash settlement and/or delivery of financial instruments. We shall not be obliged to make any payments and/or deliveries to a third party, except as contemplated by this Schedule.

**7.2.** Subject to this Part B of the Schedule, we shall open and maintain on our books and records one or more accounts in your name, to identify contractual claims belonging to you so that to enable us at any time and without delay to distinguish claims attributed to you from those attributed to any other client, and to which:

(a) in the case of cash, there shall be credited all cash paid or deemed or treated as paid to you and debited all cash paid or deemed or treated as paid by you pursuant to these Terms and all transactions relating thereto and such other payments as we and you may from time to time agree; and

(b) in the case of securities, there shall be credited all securities and other similar property (including evidence of, title to, and all rights in respect of, securities or other similar property, and all eligible rights, title, interest, money, shares, securities or property accruing, offered, or issued at any time in relation to any of the foregoing by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise) delivered or deemed or treated as delivered to you and debited all securities and other similar property (including evidence of, title to, and all rights in respect of, securities or other similar property, and all eligible rights, title, interest,

money, shares, securities or property accruing, offered, or issued at any time in relation to any of the foregoing by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise) delivered or deemed or treated as delivered by you pursuant to these Terms and all transactions relating thereto.

**7.3.** We shall issue to you statements of account (each an **Account Statement**) on the following business day and upon termination of these Terms. In case there are no operations on your account, we may not send Account Statements to you unless otherwise required by Applicable Regulation. We may send to you Account Statements by electronic mail and/or other means of electronic communication as agreed between you and us from time to time. Only if specifically agreed with you we will provide you with hard copies of Account Statements within reasonable time, after notice requiring doing so is received by us.

**7.4.** Account Statements will contain full information as may be required by Applicable Regulations, including information on financial instruments and funds held in collateral by us for you, your obligations to us, if any, and will include, where applicable, all costs and associated charges charged by us or other parties related to the transactions and Services undertaken on your behalf and all sums due to us by you and by us to you under these Terms. This will include one-off charges that need to be paid to us at the beginning or at the end of the transaction and/or Service; ongoing charges related to transactions and/or Services, any charges that are related to ancillary services; and any other costs incidental thereto. The information on the Account Statement may be shown as at the trade date or the settlement date, provided that the same basis is applied by us consistently to all information in the Account Statement.

**7.5.** The reporting currency will be United States Dollars (USD), unless otherwise agreed, however when prices, values, costs or charges are in foreign currency we will indicate the currency involved and applicable currency conversion rates and costs.

**7.6.** Account Statements shall, in the absence of manifest error, be conclusive evidence and be binding on you, unless we receive a written detailed objection from you within 24 hours of dispatch of the Account Statement at the correct address or making it otherwise available to you. If you fail to object to or request a correction of an Account Statement, that Account Statement shall be deemed agreed by you and a failure to object shall not affect the validity or enforceability of any Account Statement. You shall not be entitled to refuse to perform your obligations thereunder on the ground that you have not received the Account Statement due to any reasons whatsoever unless the failure to receive the same was due to our fault. An Account Statement (or an amended Account Statement, as the case may be), once not objected by you shall be conclusive evidence of the transactions and other information contained therein and shall supersede all prior oral statements with respect thereto.

## **8. TITLE TRANSFER COLLATERAL ARRANGEMENT**

**8.1.** You acknowledge that any cash, securities or other similar property (including evidence of, title to, and all rights in respect of, securities or other similar property and all eligible rights, title, interest, money, shares, securities or property accruing, offered, or issued at any time in relation to any of the foregoing by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise) which is held or received by us for you pursuant to this Schedule, shall:

(a) be transferred, novated or assigned to us with full title guarantee and free from any encumbrances whatsoever (except for a lien routinely imposed on all securities in a relevant clearance system) with a view to securing the payment and discharge of all present and future obligations and liabilities, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity whatsoever, and any guarantee or indemnity of any of those obligations, under or in connection with these Terms or any transaction, and/or any other agreement or contract for which you agree to provide financial collateral to us, together with all interest accruing on such obligations and liabilities and any cost or expense whatsoever, (including, without limitation, reasonable legal fees) which we may incur in enforcing, perfecting or maintaining any of our rights, whether pursuant to these Terms or any transaction, contract or otherwise, including without limitation, the cost of funding or currency exchange and, to the extent not already covered, any loss incurred by us in liquidating, obtaining or re-establishing any hedge or related position;

(b) be held by us as title transfer collateral with full ownership under a title transfer collateral arrangement and shall become the absolute property of ours free from any security and from any equity, right, title or interest in your favor from the moment it has been credited or otherwise deposited to an account in our name or in the name of a person acting on our behalf. You agree that we will be entitled at any time without notice to you to sell, lend, alienate or otherwise transfer or dispose of, pledge, re-pledge or otherwise encumber to cover any obligations or liabilities, whether present or future, actual or contingent, owed by us to any person and arising from time to time, and to hypothecate or rehypothecate, on any terms, whether for our own account or for the account of third parties, any assets and to retain for our own account all fees, income, profits and other benefits arising out of, or in connection

with any such sale, borrowing, loan, charge, hypothecation, or disposal;

(c) be registered, recorded or held in our name or in the name of our nominee and that we will not register, record or hold any assets in your name. Consequently, such assets will not be segregated from and will form part of, our proprietary assets and will be held free and clear of all trusts in your favour. We will nonetheless separately identify on our internal books and records contractual claims belonging to you (as this described in clause 2 above) so that to enable us at any time and without delay to distinguish claims attributed to you from those attributed to any other client. Any accounts with third parties in which such assets will be held, will not be identified on the books and records of a third party as accounts containing assets belonging to our clients. No such assets will be afforded protection under the Applicable Regulations as client securities or client funds. In the event of our insolvency, you will be an unsecured general creditor and will have only a contractual claim to the delivery of equivalent assets. You will have no proprietary claim with respect to any securities or cash originally paid or delivered to us for you or on your behalf;

(d) not be intended to create and does not create any mortgage, charge, lien, pledge, encumbrance or other security interest in our favor in any cash or other property transferred to us for you pursuant to this Schedule.

**8.2.** We are required to provide you with information about the effect of title transfer collateral where you provide us with financial instruments or cash collateral by way of title transfer. Please refer to risk disclosure regarding financial collateral arrangement at [roemercapital.com/disclosures/](https://roemercapital.com/disclosures/).

## **9. DISPOSAL AND TERMINATION**

**9.1.** Without prejudice to clause 9.2 below, any instruction to make any payment of cash or any delivery of securities prior to satisfaction of all your liabilities to us will constitute a call for



the delivery of equivalent assets (as defined below), which we will execute on condition that you will deliver or procure the delivery to us of other securities or cash recognised by us to be eligible to secure your obligations and liabilities.

**9.2.** You may withdraw any cash or securities prior to satisfaction of all your liabilities to the extent that the risk-adjusted market value of assets attributed to you on our books and records in aggregate exceeds your liabilities. You agree that we may return any cash or securities to you at any time prior to satisfaction of all obligations and liabilities to us.

**9.3.** If you are, at any time, required to make any payment of cash or any delivery of securities to us pursuant to these Terms or any transaction effected hereunder, including interest and any of our fee, you hereby authorise us to debit any of your accounts, whether held with us, one of our affiliates or a third party, in order to effect such payment or delivery, without prior notice or reference to you.

**9.4.** We may in our sole discretion provisionally credit or debit your account on the due date for settlement regardless of the actual settlement of the transaction. We can, however, in our absolute discretion, reverse any such provisional debit or credit at any time until the obligations under the relevant transaction are discharged completely. In case of a reversal, we shall not be liable to you in respect of income or any other rights or benefits relating to cash or financial instruments, which would have occurred if settlement had taken place on the contractual settlement date.

**9.5.** You agree that if on any due date for delivery of equivalent securities to you we shall be unable to deliver to you any equivalent securities, we may, upon prior notice to you credit to your cash account with us an amount equal to the market value of such equivalent securities as determined by us.

**9.6.** Either you or us may terminate the Terms as set out in the General Terms, or you may terminate the arrangement under this clause 9 as provided in the General Terms or by giving us at least 5 (five) business days' prior written notice that all cash and securities held with us or credited to us for you shall be returned to you. No such request will be effective unless we have agreed in writing to that request.

**9.7.** Once you have unconditionally and irrevocably paid and discharged in full any and all your obligations and liabilities to us and terminated all facilities that may give rise to further obligations and liabilities on your behalf, we will, at your request and cost, return to you assets equivalent to assets held by us for you at that time by crediting or otherwise depositing such equivalent assets to an account in your name, or in the name of a person acting on your behalf as you have specified to us in your request, subject to any limitations in place by Applicable Regulations.

**9.8.** Unless you have a safekeeping account with us under Part A (**Custody Account**), you are required to provide us with outward transfer instructions as soon as reasonably practicable and where no such instructions have been received on or before the termination date, you will be subject to a separate fee accruing on your portfolio up to the date of withdrawal. You understand that we will not be able to transfer out any balances unless moneys held in your cash account(s) are sufficient to make a transfer and to cover related expenses. You acknowledge that no payment or transfer may be made unless all the necessary anti-money laundering checks have been completed. You agree that no interest will be paid to you on moneys or securities held by us for you on or after the termination date.

**9.9.** You agree that where no instructions have been received for returning assets to you as per clause 9.8 above, on or before the

termination date, we may (and you hereby irrevocably and unconditionally authorise us to):

(a) if you have a Custody Account with us, we will, subject to clause 9.7, credit equivalent assets to Custody Account (unless this is not technically or otherwise possible);

(b) otherwise - without prior notice to you or prior authorisation from any court, sell, alienate, realise or otherwise transfer or dispose of to such person or persons and on such terms as we in our absolute discretion think fit any or all assets, which we may be holding on your behalf and transfer the proceeds thereof for further credit to such account in your name as you have most recently notified to us in your account documentation.

**9.10.** We reserve the right to charge an account maintenance fee in relation to accounts in respect of which we have not received any instructions from you or on your behalf for at least 1 (one) year. Such fee will be notified to you at your last known address. Such maintenance fee may be deducted from any funds held by us on your behalf. In the event that insufficient funds are available in your accounts, you agree that we may in such manner and at such time or times as we in our sole discretion see fit, liquidate as we may select subject to these Terms, any assets that we hold for you in order to deduct the amount of the maintenance fee from the proceeds.

## **10. INCOME AND VOTING RIGHTS**

**10.1.** If income is paid or distributed by the issuer of any securities:

(a) in respect of securities standing to the debit of a securities account, you will (subject to clause 10.2) pay to us an amount equal to, and in the same currency as, the amount paid by the issuer or, in the case of income in the form of securities, deliver to us securities equivalent to such securities;

(b) in respect of securities standing to the credit of a securities account, we will (subject to

clause 10.3) as soon as practicably possible but not later than 5 (five) business days upon receipt of fully reconciled income paid or otherwise delivered to us by the issuer or its paying agent pay to you an amount equal to the amount so paid or, in the case of income in the form of securities, deliver to you securities equivalent to securities so delivered. We will credit the relevant cash account in respect of the amount so payable or, as the case may be, credit the relevant securities account in respect of the securities so deliverable.

**10.2.** The amount to be paid by you to us under clause 10.1(a) shall include but not be restricted to:

(a) any amount which is deducted or withheld in respect of tax by or on behalf of the issuer of the relevant securities or by any other withholding agent, and

(b) any additional tax credits to which a holder of such securities as specified by us would be entitled in respect of such income.

**10.3.** Any amount distributed to you pursuant to clause 10.1(b) shall not, unless otherwise agreed:

(a) include any amount in respect of cash or securities which is:

(i) deducted or withheld in respect of tax by or on behalf of the issuer of the relevant securities or by other withholding agent;

(ii) required to be accounted for to the tax authorities of the Republic of Cyprus in respect of the income in question; or

(iii) might be recovered by us or any other holder of the securities from any relevant taxation authority outside the Republic of Cyprus in respect of the income in question; and

(b) exceed the amount of cash (or the amount of securities comprising income), which you would have received from the issuer in respect of the income, had you been the holder of such securities on the date, by reference to which the identity is determined of those holders to whom that income is paid, net of any

amount which is or, as the case may be, would have been, held or deducted or withheld in respect of tax by or on behalf of the issuer of the relevant securities or other withholding agent, and

(c) exceed the amount of cash (or the amount of securities comprising income), which we have received from the issuer.

**10.4.** We will use commercially reasonable efforts to claim dividends and interest payments on securities but will not have any duty to take steps to recover any amounts due in respect of which the issuer or its registrar, paying agent or other agent defaults.

**10.5.** We may (but shall not be obliged to) inform you after we become aware by sub-custodian or issuer of the occurrence or prospective occurrence of any corporate event (**Corporate Action**). You agree that we give no representation, warranty or guarantee as to the accuracy or completeness of any information in relation to a Corporate Action provided to us by a third party and accept no liability or responsibility whatsoever for the accuracy or completeness of such information.

**10.6.** Where a Corporate Action giving rise to a right or option occurs, you (in respect of securities standing to the credit of your securities account) or us (in respect of securities standing to the debit of your securities account) may within a reasonable time before the latest time for the exercise of the right or option give notice to the other party that either you or we wish to receive equivalent securities or other assets in such form as will arise if the right is exercised in such manner as is stated in the notice.

**10.7.** We may, upon service of such notice, credit or debit the relevant cash account or the relevant securities account with such amounts of cash or, as the case may be, securities as would reflect the performance of the instructions in such notice by us. If you do not serve notice under clause 10.6, we shall credit

or debit the relevant cash account or the relevant securities account to reflect the taking of such action as we (in our absolute discretion) deem appropriate provided that we notified you of a Corporate Action giving rise to a right or option in respect of which you served no notice to us. You acknowledge that securities, or other assets required to be delivered under clause 10.6, may be the subject of a loan made by us to third parties and that reasonable prior notice (being the period of standard settlement time for the relevant securities or assets) must be given to us to provide for the return of such securities or other assets.

**10.8.** A notice served by you under clause 10.6 shall not be effective (in which case we will inform you as soon as reasonably practicable) where it refers to an event which involves the payment of money by the holder of securities, unless you pay to us, for value not later than the due date of the relevant payment, an amount equal to that which is required to be paid by such a holder of securities.

**10.9.** If a call becomes payable in respect of partly-paid securities, or a demand for any fee, assessment, charge or other payment in respect of any securities becomes payable, we may debit the cash accounts with a sum equal to the amount so payable, but shall have no liability whatsoever for the consequences of a failure to satisfy any calls made.

**10.10.** Where we or any third party holding securities on our behalf is legally liable to meet any payment due or to become due in respect of securities, you will provide us or such other person (as the case may be) with funds to meet such payment, for value not later than the day on which the call is payable.

**10.11.** If a right to vote (other than a right contemplated by a Corporate Action) arises in respect of any securities standing to the credit of your securities account, we may (but shall not be obliged to) either:

(a) at your request and cost, deliver securities equivalent to such securities to you or to your order within a reasonable time before the latest time for the exercise of such vote; or  
(b) request instructions from you in respect of such voting rights and use our commercially reasonable endeavours to arrange for such voting rights to be exercised in accordance with such instructions provided those instructions are received within such period as we reasonably require.

**10.12.** For avoidance of doubt, the securities transferred to us by you and other clients may be held by us with sub-custodian without segregation, this may preclude us to exercise different (or contradicting) instructions received from you and other clients with regard to any Corporate Action above. You acknowledge and agree that we are not obliged to follow any instruction regarding Corporate Actions received from you, we may exercise the rights otherwise or refrain from exercising them at all, and you shall have no claim in this respect against us as we have no fiduciary duty to you hereunder; you may call for delivery of equivalent financial instruments (subject to provisions of clause 9 above) in order to participate in Corporate Action on your own.

## **11. CLOSE OUT**

**11.1.** Without prejudice and in addition to any right or remedy, which we or our affiliates may be entitled to exercise whether pursuant to clause 15 of the General Terms, by law or otherwise, we may (and you hereby irrevocably and unconditionally authorise us to) without prior notice to you or prior authorisation from any court, on or at any time after the occurrence of an Event of Default:

(a) sell, alienate, realise or otherwise transfer or dispose of at such time or times and to such person or persons as we in our absolute discretion think fit any or all securities and other similar property (including evidence of, title to, and all rights in respect of, securities or other

similar property), which we or any other party are holding or are entitled to receive on your behalf and to apply the proceeds thereof in or towards satisfaction of any of your liabilities to us or any other person; and/or

(b) combine, consolidate or merge any or all of your accounts; and/or

(c) satisfy any liabilities by withholding or deducting relevant amounts from your account or any payment to you, which we or our agents are entitled to receive on your behalf; and/or

(d) appropriate any or all securities and other eligible property in or towards discharge of any of your liabilities to us or any other person.

**11.2.** You agree that for the purposes of clause 11.1 (d) above, the value of appropriated financial instruments shall be equal to the default market value of the financial instruments to be determined by us on or as soon as reasonably practicable after an Event of Default as follows:

(a) if prices for financial instruments are available on a trading venue or organised market, the default market value shall be the closing price (or with respect to derivative contracts, settlement or theoretical price) on such venue or market on a trading day immediately preceding the day of determination; or

(b) if on or about a determination date we have sold financial instruments which form part of the same issue and are of an identical type and description as financial instruments to be evaluated (regardless as to whether or not such sales or purchases have settled), we may elect to treat as default market value the net proceeds of such sale after deducting all reasonable costs, commissions, fees and expenses incurred in connection therewith provided that, where financial instruments sold are not identical in amount, we may, acting in good faith, either:

(i) elect to treat such net proceeds of sale divided by the amount of financial

instruments sold and multiplied by the amount of financial instruments to be appropriated; or

(ii) elect to treat such net proceeds of sale of financial instruments actually sold as the default market value of that proportion of financial instruments subject to appropriation, and, in that case, the default market value of the balance shall be determined separately in accordance with the provisions of this clause; or

(c) if on or about a determination date we have received bid quotations in financial instruments of the relevant description from two or more market makers or regular dealers in the appropriate market in a commercially reasonable size, we may elect to treat as default market value the price quoted by each of them (or where a price is quoted by more than two market makers, the arithmetic mean of such prices) adjusted by us in a commercially reasonable manner to reflect accrued but unpaid distributions and to deduct anticipated transaction costs; or

(d) if, acting in good faith, we either have endeavored but been unable to carry out evaluation or have determined that it would not be commercially reasonable to accept the prices obtained in accordance with clause (a), (b) or (c) above, we may treat as default market value such amount which, in our reasonable opinion, represents their fair value between you and us, less all transaction costs which would be incurred or reasonably anticipated in connection with the purchase or sale of financial instruments.

**11.3.** You agree that the method of valuation set out in clause 11.2 above, represents a commercially reasonable method of valuation.

**11.4.** Where the value of the assets appropriated, sold or otherwise disposed of pursuant to clause 11.1 and 11.2 exceeds your liabilities, we will account to you for the excess balance. If your liabilities exceed the value of

the assets, you will remain liable to us for any balance due. You undertake to immediately transfer to us the amount appropriate to fully pay and discharge all your liabilities.

## **PART C. GENERAL PROVISIONS** **APPLICABLE TO ALL ACCOUNTS**

### **12. VALUATION**

**12.1.** You acknowledge that valuation levels provided by us under this Schedule shall reflect our good faith effort to ascertain fair market levels based on pricing and valuation information as well as calculation models believed by us to be reliable. The basis of all valuations will be as stated below unless otherwise notified. You acknowledge that variations in market conditions will mean that the prices shown by us do not necessarily reflect immediately realisable values.

**12.2.** If prices for securities are available on a trading venue or organised market, the value shall be the last price on such venue or organised market where securities are predominantly traded on a trading day immediately preceding the determination date. If prices for derivative contracts are available on a trading venue or organised market, the value shall be the settlement price of futures or theoretical price of options, as the case may be, on such venue or organised market on a trading day immediately preceding the determination date. Information about the prices can be obtained directly from the organized trading venue or information service providers such as, but not limited to, Bloomberg or Thomson Reuters.

**12.3.** If for any reason prices for securities are not available on a trading venue or organised market and on or about a determination date we have received, or if securities are predominantly OTC traded, "last price" quotations in respect of securities of the

relevant description from Bloomberg Generic (BGN) shall be used. If such quotes are unavailable - we will treat as the value of such securities Thomson Reuters Composite Pricing (CMPB, CMPA) quotes, or arithmetic mean of the prices quoted by two or more market makers or regular dealers in a comparable size, adjusted by us in a reasonable manner to reflect accrued but unpaid distributions and to deduct anticipated transaction costs.

**12.4.** In respect of securities or derivative contracts for which there is no pricing source or a discontinuous source, the value shall be such amount, which, in our reasonable opinion, represents the fair value thereof between you and us.

**12.5.** You agree that if any prices, balances or liabilities are expressed in different currencies, we may convert any of the same at a market rate of exchange available to us at the relevant determination date indicating to you the original currency and applicable conversion rates.

### **13. REPRESENTATIONS AND WARRANTIES**

On a continuous basis, you additionally represent and warrant to us and agree that:

- (a) unless otherwise expressly agreed with us, you are the ultimate beneficiary of any and all income which may be paid or distributed to you hereunder, i.e. the person who actually benefits from the income and determines its further economic fate;
- (b) unless otherwise expressly agreed with us, there are no limitations to your authorities to dispose of any income which may be paid or distributed to you hereunder, on the basis of the functions taken by you and risks assumed by you in relation to the receipt of the income;
- (c) you are subject to tax in the country of your tax residency;
- (d) whenever a reduced rate of, or exemption from, withholding tax is being claimed under an income tax treaty, you derive the item of income for which the treaty benefit

is claimed, and meet the limitation on benefits provisions contained in the treaty, if any;

(e) you will fully discharge any tax liabilities which may arise in relation to any income which may be paid or distributed to you hereunder as and when they fall due;

(f) your source of wealth and the source of funds in respect of investing are good, clean, cleared, of non-criminal origin and legally earned;

(g) you shall assist us and shall supply to us promptly, any information about your financial condition, business, operations or any other matter that we may reasonably request or which we must hold for discharge of our obligations under Applicable Regulations, including any tax obligations, and you will provide us with any instructions or orders and/or complete such procedural formalities as may be required by applicable tax or other law and/or practice and, at our request, you will supply in a timely manner all tax-related forms, documents, certificates, confirmations, declarations, certifications or other information that may be periodically required to enable us to comply with our or any other tax-related information reporting obligations and/or make any payments to you;

(h) you abide and will abide by specific anti-abuse provisions in relevant international tax treaties and general anti-abuse rules at all times and will not engage in any activity, practice or conduct which would constitute a tax evasion facilitation offence under any Applicable Regulations; and

(i) all investments to which this Schedule relates are and will so long as this Schedule is in force, be free from any impediment which would prevent any related transactions or arrangements and you are authorised to and deal with such investments as beneficial owner thereof.

### **14. EQUIVALENT ASSETS**

**14.1.** In this Schedule (both Part A and B), **equivalent** shall mean in relation to cash, a payment of the same amount in the same currency; in relation to securities, securities of the same issuer, which are part of the same issue and are of an identical type, nominal value, description and (except where otherwise stated) amount as those original securities; in relation to eligible derivative contracts, identical rights under a derivative contract of an identical description and amount. Securities will be equivalent to other securities notwithstanding that those securities have been redenominated or that the nominal value of those securities has changed in connection with such redenomination. Where securities have been partly paid, converted, subdivided or consolidated or have become the subject of a takeover or the holders of securities have become entitled to receive or acquire other securities or other property or the securities have become subject to any similar event other than interest, dividends or other distributions thereon, including distributions which are a payment or repayment of principal in respect of the relevant securities, the expression **equivalent to** shall have the following meanings:

- (a) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (b) in the case of a call on partly paid securities, securities equivalent to the paid-up securities;
- (c) in the case of a capitalisation issue, securities equivalent to the relevant securities together with the securities allotted by way of bonus thereon;
- (d) in the case of conversion, sub-division or consolidation, securities equivalent to the securities into which the relevant securities have been converted, sub-divided or consolidated;

(e) in the case of takeover, a sum of money or securities equivalent to the consideration given;

(f) in the case of a rights issue, securities equivalent to the relevant securities together with the securities allotted thereon;

(g) in the event that income in the form of securities, or a certificate which may at a future date be exchanged for securities or an entitlement to acquire securities is distributed, securities equivalent to the relevant securities together with securities or a certificate or an entitlement equivalent to those allotted;

(h) in the case of any event similar to any of the foregoing, securities equivalent to (as defined in the provisions of this definition preceding the proviso) the original securities together with or replaced by a sum of money or securities or other property equivalent to (as so defined) that receivable by holders of such original securities resulting from such event, provided that,

if any event occurs with respect to original securities, which involves the payment of money by the holder of securities, including where a call becomes payable in respect of partly-paid securities, or a demand for any fee, assessment, charge or other payment in respect of any securities becomes payable or the holder of securities otherwise is or becomes legally liable to meet any payment due or to become due in respect of securities, the holder of such securities is paid, for value not later than the due date of the relevant payment, an amount equal to that which is required to be paid by such a holder of securities.