General Terms

Barclays Bank PLC, Monaco

May 2021

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The relationship between Barclays Bank Plc acting through its Monaco branch (the '**Bank**') and the Client (the '**Client**') are governed by these general terms of business, and the annexes that form an integral part thereof (the '**General Terms**'), together with the pricing conditions (the '**Pricing Conditions**') and, where applicable, by special agreements relating to banking and/or financial services (the '**Special Agreements**') that may be entered into separately between the Bank and the Client.

The General Terms , Pricing Conditions and Special Agreements may be updated and/or amended to take notably into account any changes to the products and services offered by the Bank, and legislative, regulatory or other changes. These amendments will be communicated to the Client prior to their effective implementation, in accordance with the procedures defined in the notification of these updates/amendments.

Section A – Provisions applicable to all accounts

The provisions below apply to all accounts that the Client opens or has opened with the Bank, whether these are current accounts or financial instruments accounts.

The Client acknowledges having received a copy of these General Terms of Business and read them. The Client further represents that it fully understands them and accepts them without constraint or restriction.

1. Client representations and undertakings

The Client expressly represents that:

- it is not subject to any legal or court prohibition under Monegasque law, its national law and/or the law applicable to its place of residence;
- it has full capacity to sign these General Terms and to fulfil the obligations resulting therefrom;
- with regards to the applicable matrimonial regime, it may freely and validly commit to the terms of these General Terms and use the funds held in deposit;
- it acts vis-à-vis the Bank in its own interests and holds the funds for its own account;
- all documents, certifications and information communicated to the Bank are accurate, legal and genuine on the date given thereon, and it undertakes to inform the Bank in advance of any change that may affect the veracity or accuracy of the same;
- it undertakes to comply with the legal and regulatory obligations to which it is subject to under these General Terms; and
- it undertakes not to deposit or receive at the Bank, in its account or in a safe-deposit box, any security of any kind whatsoever that may directly or indirectly be the product of an offence or intended for the commission of such an offence.

The Client acknowledges and accepts that all the accounts opened subsequently by it will automatically be governed by these General Terms.

2. Opening accounts or sub-accounts

The opening of an account is subject to prior request by the applicant and gives rise to a thorough examination by the Bank in accordance with applicable regulations.

The relationship between the Bank and the Client is based on trust and in consideration of the person (*intuitu personae*). Accordingly, the Bank may decide, at its own discretion, whether to enter into a relationship with the applicant.

Hence, the submission of an account opening documentation (even if filled-in and signed) shall not automatically entail the opening of an account, which remains subject to the express consent of the Bank. No reason needs to be given for refusal to enter into a relationship. The applicant will be informed of such refusal as soon as possible.

Where this refusal relates to one of the persons referred to in article 2 of Monegasque Law 1.492 of 8 August 2020, as part of their exercising of their right to a bank account, the Bank may, free of charge and at the express request of that person, provide written evidence of the refusal to open an account. The applicant is thereupon informed that it may request the Budget and Treasury Department (*Direction du Budget et du Trésor*) to provide it with the name of a credit institution where it may open an account.

All accounts are identified by a base number and may be subdivided into as many sub-accounts as necessary, irrespective of their name (sub-account, root, file, etc.) or their classification (main, secondary, etc.). A sub-account may be opened at the Bank's initiative, in particular for the purposes of a specific transaction or service or at the request of the Client. In any event, and unless agreed otherwise, all sub-accounts are governed by the documents applicable to the account bearing the same base number.

The sub-accounts are governed by the principle of unity and merging of accounts, irrespective of the currency in which they are held, and constitute, in reality, a single account.

Upon opening an account and throughout the relationship between the Bank and the Client, the Client undertakes, in general, to provide the Bank with any and all documents and information regarding both the Client and its assets, which the Bank may deem necessary, appropriate or useful, so as to fulfil, in particular, its legal and regulatory obligations, specifically in terms of combatting money laundering, the financing of terrorism and corruption. To this end, the Client shall notably:

- if a natural person: provide precise evidence of their identity by means of an official document bearing a photo of the Client and its address. Furthermore, it must be fully capable to perform the acts associated with civilian life or be duly represented by a third party authorised to manage its assets. The legal representatives of Clients which do not have the required capacity or their authorised representatives must also provide evidence of their identity and address under the same conditions. Clients who are natural persons are considered to be the economic beneficiaries of the relationship.
- if a legal person: provide official documents to prove the company name, legal form, company purpose, registration with an authorised administration, head office and the identity of the people authorised to act on its behalf. A copy of the Articles of Association and an extract from the commercial register must also be provided. If the documents are not in French, the Bank has the right to request a translation. The duly authorised representatives of the legal person are also required to provide the Bank with evidence of the exact identity of the beneficial owner upon opening the account and to keep the Bank informed of any change.
- if they are a legal entity or a trust: provide evidence of the existence, nature and objectives of the entity or trust as well as the arrangements in place regarding the management and representation of the entity or trust. The constituents of the legal entity or trust are also to be identified, as are the protectors of the legal entity or trust, where applicable, together with the beneficial owners. These diligence procedures must be fulfilled by means of any and all written supporting documents. If the trustee is not a professional trustee, the trust deed may also be requested.

The documents and information required by virtue of these General Terms are mandatory. Furthermore, all the information and documents provided to the Bank are to be certified as accurate and genuine by the Client. The Client shall bear all the consequences that may result from the provision to the Bank of inaccurate, incomplete or ambiguous information, whether provided by the Client or their authorised representative. In the event that the Bank believes that it is not in a position to judge the validity or authenticity of the documents received from the Client or their successors, or to interpret the documents, it reserves the right to implement all suitable measures and, in particular, to request any additional useful information, or even to seek external advice, where applicable, at the Client's expense.

The Client is required to immediately inform the Bank in writing of i) any changes to their personal or professional situation or, in the case of a legal person, to their activities, financial situation or the way they operate, and ii) any change of circumstances likely to result in a change to their residence for tax purposes. The Client shall provide the Bank with all required supporting documents. Likewise, it must notify the Bank without delay of any changes affecting both the circumstances and the rights and obligations of the individuals directly or indirectly involved in the banking relationship, and in particular as regards their authorised representative(s).

The Client bears any consequences arising of their failure to communicate or of incomplete or late communication of such changes, in particular with regard to the Bank's obligations in terms of automatic information exchange.

These documents and information shall be held by the Bank for five years following the end of the business relationship in order to enable it to meet its legal obligations. Where a potential Client does not enter into a business relationship with the Bank, the information collected regarding this prospective client is held for five years from collection.

3. Duty of care

As part of the fight against money laundering, the financing of terrorism and corruption, the Bank remains constantly vigilant as regards the business relationship. This duty of care primarily consists of the obligation to monitor the Client's activity and check that the transactions performed are understandable and consistent with the Client's profile, their socio-economic background, their professional activity and their risk profile, as established and updated over the course of the business relationship.

As a result, the Bank may, in the event of transactions that it deems to be inconsistent or unusual, request information from the Client or, where applicable, its authorised representative, regarding the origin or destination of the funds, the purpose and nature of the transaction or the identity of the beneficiary. The Client or, where applicable, its legal or authorised representative undertake to provide the Bank with all the information it requires to comply with its obligations. Failing that, the Bank reserves the right not to perform the transaction or to cancel or end the relationship.

The Bank's duty of care also specifies a requirement to keep the information collected up to date. The Client therefore undertakes to provide the Bank with any and all useful information in the event that their personal, professional or financial situation changes.

4. Collective accounts

4.1 Joint account

A joint account is a collective account with joint and several liability within the meaning of Article 1052 *et seq*. of the Monegasque Civil Code opened between two or more people who are known as joint account holders. The joint account holders accept the conditions laid down below, irrespective of the applicable matrimonial property regime.

Where the parent account is a joint current account, the securities account must be a joint securities account, which will operate in accordance with the operating rules that apply to this type of joint current account.

Each joint account holder may freely conduct debit and credit transactions involving the current account with their simple signature, be issued with all means of payment attached to this type of joint account, in particular cheque books, payment and/or ATM cards, and be granted any advances and overdrafts on this joint account.

Each joint account holder may also process operations of all kind relating to the securities in this joint account.

Upon performing this operation, each of the joint account holders jointly and severally binds the other joint account holder(s) as well as their successors or heirs.

If the joint account becomes overdrawn for whatever reason, the joint account holders are together jointly and severally responsible, vis-à-vis the Bank, for the entirety of the principal debtor balance as well as any interest, commission, fees or incidental costs. In such case, the Bank may request that one of the joint account holders make payment for the entirety of the debt, even in the event of a subsequent termination of the joint account by any joint account holder.

Each joint account holder has the power to withdraw from the signature regime that governs this type of joint account or to opt out or object to its operating by means of a registered letter with acknowledgement of receipt sent to the Bank and the other holders. This notification obligation is the sole responsibility of the joint account holder wishing to withdraw from the signature regime that governs the account and the Bank cannot be held responsible for any failure to inform the other holders. In this case, the joint account is immediately converted into a joint account requiring the signatures of all account holders and is blocked upon receipt of the letter. Thereafter, the signatures of all the joint account holders are required to operate the current account. Any credit balance is allocated as specified by mutual agreement by all the joint account holders. Each joint account holder must return any means of payment provided by the Bank and attached to the account from which the single-signature regime has been withdrawn. A seizure order directed against one of the joint account holders placed with the Bank shall affect all the assets held in this type of joint account.

Each joint account holder may also instruct the closure of the account without the Bank being obliged to inform the other holders of the same.

The joint account holders represent that they are personally responsible for any disputes that may arise from claims of the Monegasque tax authorities and release the Bank from any responsibility in this respect.

The joint account holders represent that they are fully aware of the legal obligations incumbent on the surviving holder and on the Bank in the event of the death of one of the joint account holders and the initiation of the necessary steps with a civil-law notary of the Principality of Monaco.

4.2 Joint account requiring the signatures of all account holders (*Compte indivis*)

A joint account requiring the signatures of all account holders is a collective account with joint and several liability for debts within the meaning of Article 1055 *et seq*. of the Monegasque Civil Code opened between two or more people who are known as joint account signatories. The joint account signatories together form the co-ownership of the account.

This type of joint account will function with the joint signatures of all joint account signatories, whereby the latter are held jointly and severally liable to the Bank for all obligations and commitments arising from that account and from the transactions carried out as part of this agreement.

If the joint account becomes overdrawn for whatever reason, the joint account signatories are together jointly and severally responsible, vis-à-vis the Bank, for the entirety of the principal debtor balance as well as any interest, commission, and/or incidental fees. In such case, the Bank may request that one of the joint account signatories make payment for the entirety of the debt.

Each joint account signatory has the power to withdraw from the co-ownership and to request its distribution by means of a registered letter with acknowledgement of receipt sent to the Bank and the other joint account signatories. The Bank shall have the power, at its sole discretion to accept the withdrawal from the joint account by means of a simple letter. In this case, this type of joint account is immediately blocked upon receipt of the registered letter.

Should the joint account signatories fail to reach a unanimous agreement on amicable distribution, it shall be their responsibility to refer the matter to the competent court for a ruling on the judicial distribution of the assets.

The joint account signatories may not be granted means of payment attached to this type of joint account.

4.3 'Bare ownership/beneficial interest' account (*Compte nue propriété/usufruit*)

The 'bare ownership/beneficial interest' account is a collective current account with joint and several liability for debts within the meaning of Article 1055 of the Monegasque Civil Code opened between two people who are known as the bare owner and the beneficial owner. This joint and several liability shall be fully effective, even if the rights of bare ownership are different from those of the beneficial interest that encumbers the assets split in this way.

The beneficial owner and the bare owner state their unreserved and unrestricted acceptance of the obligations arising from that joint and several liability and acknowledge that they fully understand the legal consequences that result.

The account shall be operated with the joint signature of both the beneficial owner and bare owner, both in terms of the funds and the associated securities.

Unless otherwise provided for by testamentary dispositions or gifts inter vivos, the death of the beneficial owner effectively ends the subdivision and consolidates full ownership with the bare owner.

In this case, the bare ownership/beneficial interest account is automatically converted into a simple individual account, which will operate in accordance with the conditions applicable under the terms of these General Terms.

The death of the bare owner blocks the account until their estate has been settled. However, the beneficial owner shall continue to receive the revenue and capital returns, in particular pay-outs of any kind in the form of coupons, dividends, interest and/or other payments attached to the holding of securities of any kind up to their death, except in the case of the early closure of the account.

The bare owner and the beneficial owner are responsible for repaying the sums to the bare owner at the end of the beneficial interest.

The beneficial owner authorises the Bank to debit from its cash sub-account all charges associated with the operating of the account.

The beneficial owner may, on its own acknowledgement, receives any income and returns from capital and securities, which, unless otherwise instructed, will be automatically transferred to the account opened with the Bank in their name only.

The holders of a bare ownership/beneficial interest account undertake to only register or have register to such an account securities that are subject to a contractual, legal or judicial division of ownership rights, with the Bank released of any liability as regards the consequences of registering securities into such an account.

All transactions on the bare ownership/beneficial interest account shall be performed subject to the joint signature of the bare owner and beneficial owner. However, the interest and dividends attached to the securities shall be credited to the cash sub-account opened by the beneficial owner with the Bank. The same applies in the case of the revenue from the liquidating dividend, redemption and/or amortisation of the securities, whereby the bare owner and the beneficial owner are responsible for repaying the sums to the bare owner at the end of the beneficial interest.

The bare owner authorises the beneficial owner to exercise, alone, the rights of subscription, free allocation and payment of dividend in the form of shares, which are attached to the securities registered to the account, on the understanding that the securities obtained by exercising these rights are credited to the bare ownership/beneficial interest account, with the bare owner holding the bare ownership and the beneficial user holding the beneficial interest of those securities. The information regarding the bare ownership/beneficial interest account will be sent to the bare owner and the beneficial owner.

The voting rights attached to the shares registered to the account shall be exercised by the beneficial owner at ordinary general meetings and by the bare owner at extraordinary general meetings. As a result, the blocking certificates for the securities shall be drawn up in the name of the beneficial owner or the bare owner, as required.

5. Dependent minor or protected adult account

A current account opened in the name of a minor or protected adult will operate in the same way as an individual current account, with the joint signature of the parents or administrators of the minor, authorised representatives, guardians, supervisory guardians appointed by law, under the conditions specified by law and subject to authorisation, where applicable, from the judicial authorities as regards transactions subject to authorisation, being specified that they remain jointly and severally liable vis-à-vis the Bank up to the debit balance of the account in principal, if any, together with any fees and/or incidental costs.

5.1 Minor account

The minor's legal representative waives, in advance, any objections against the Bank regarding transactions carried out on the account held in the minor's name and which pertain to everyday acts.

The minor's legal representative represents that it stands as surety for the dependent minor for any sum owed by the account-holding minor, without limitation as to the amount.

5.2 Protected adult account

The opening of a first account by the representative does not require authorisation by the court or family council if the protected adult does not have another account or bankbook with the Bank or any other banking institution.

However, the opening of a further account by the representative must be authorised by the court or family council if one has been established. In this case, this authorisation must be presented to the Bank and the account will be opened under the conditions specified in the court decision establishing the nature of the protection measure, the rules of representation and the rules governing the operating of the account.

The closure of the account by the representative must be authorised by the court or family council if one has been established.

If a protection measure is established during the operation of the account, the representative of the protected person, or the protected adult where the latter is not subject to a protection measure stipulating representation, is responsible for the following:

- Informing the Bank of this measure by submitting the court decision establishing the protection measure;
- Returning, where applicable, the means of payment held by the person who has become a protected adult;
- Requesting, where applicable, the change of account name, which will thereafter operate in accordance with the terms established in the court decision.

6. Signature and proxy

The Client must have a copy of its signature in the Bank's records. The same applies to any authorised representatives. Notification of any change in signature, both of the Client and its authorised representative(s), must be provided, in writing, without delay. This change shall only be binding on the Bank from the second working day following receipt of the notification.

The Bank shall only perform transactions on the Client account on the instruction of an individual whose signature can be validly verified. To that end, the Bank conducts apparent compliance checks by comparing the signature on the instruction either with the copy of the signature held in its records or which appears on an identity document or any other substantiating document. The Bank shall also be entitled to have the signature legally verified by any competent authority.

In accordance with the provisions of Article 1823 *et seq* of the Monegasque Civil Code, the account may operate with the signature of one or more authorised representatives appointed by the Client. For this, the Client and the authorised representative(s) must fill out a form specifically provided by the Bank at the Client's request. No proxy shall be accepted by the Bank if the standard forms that it provides are not used. The authorised representative undertake to provide any useful document or evidence requested by the Bank. The Bank may, at its sole discretion, refuse a proxy.

The authorised representative(s) chosen by the Client must not be subject to a suspension of banking facilities or a court ban.

The transactions initiated by the authorised representative(s) on the accounts bind the Client as though they themselves have conducted the transactions. The operation and proper management of the account shall remain the responsibility of the Client, without, however, excluding the liability of the appointed authorised representatives.

In the event of abuse on the part of the authorised representatives, the Client shall not bring any proceedings or appeal, by way of an action or defence, against the Bank.

The revocation of one or more authorised representatives shall take place exclusively via registered letter with acknowledgement of receipt addressed to the Bank, whereby that revocation shall be binding on the Bank after the expiry of one working day in Monaco following receipt of the notification.

In terms of the joint account requiring the signatures of all account holders, the appointment of an authorised representative takes place at the initiative of all joint account signatories. However, the mandate ends upon revocation by just one of the joint account signatories providing express notification to the Bank.

In terms of the joint account requiring the signature of a single account holder, both the appointment and revocation of an authorised representative may take place at the initiative of a single joint account holder.

In the event of revocation at the initiative of any one of the joint account holders or joint account signatories, that individual is responsible for informing the other joint account holder(s) or joint account signatories and requesting that the authorised representative return any means of payment in their possession. Failure to do so may result in that individual being held liable.

In the case of a 'bare ownership/beneficial interest' account, the appointment of an authorised representative shall take place at the joint initiative of the beneficial owner and the bare owner. However, the mandate ends upon revocation by the beneficial owner or the bare owner providing express notification to the Bank.

In the event of revocation at the initiative of either the beneficial owner or the bare owner, that individual is responsible for informing the other party and requesting that the authorised representative return any means of payment in their possession. Failure to do so may result in that individual being held liable.

The proxy automatically ends if:

- the holder or authorised representative of the account dies;
- the holder issuing the authorisation or the authorised representative is declared personally bankrupt, prohibited from holding managerial responsibilities or subject to receivership or compulsory liquidation; and
- the holder issuing the authorisation or the authorised representative is declared incapable (placed under guardianship).

7. Safe-deposit box and precious packages

The Client may request the rental of a safe-deposit box and/or to deposit precious packages. To that end, they must sign specific contracts defining the rental and deposit conditions.

Access to the safe-deposit boxes and precious packages are strictly restricted to the Client and, where applicable, to the authorised representative(s) appointed for that purpose. The Client is informed that the Bank does not take out any specific insurance to cover the safe-deposit boxes/precious packages beyond a policy that has a guarantee limited in its amount per insurance year per safe-deposit box/precious package. The Client understands and accepts that the Bank's liability is limited to this maximum amount.

8. Succession

In the event of the death of the Client, the Bank reserves the right to request the provision of documentary evidence proving the devolution of the estate and the written agreement of all the successors. The Bank shall only agree to respond to instructions and/or requests for information from a Monegasque civil-law notary and within the limits of professional secrecy to which the Bank is bound. Any request for information by a Monegasque civil-law notary shall only be fulfilled within the strict scope of the requirements of the open succession in the name of the account holder.

Where the assets credited to the account are from an estate distributed to one or more heirs or legatees domiciled in and/or outside Monaco, the Bank shall only release those assets on presentation of a certificate issued, free of charge, by the Registrar of the Principality confirming either the payment or inapplicability of death duties (Article 1 of Law No. 995 of 24 June 1977) and on presentation of a notarial certificate of inheritance and written instruction from a Monegasque civil-law notary.

Furthermore, the Bank accepts no responsibility for any transactions involving the assets of the estate that may have been performed in the event of late notification of death. If the account is held by a sole holder, it shall be blocked as soon as the Bank is notified of the Client's death, subject to the settlement of any ongoing transactions.

The proxies shall cease and the authorised representatives must return the means of payment placed at their disposal.

The following shall be paid or fulfilled, subject to sufficient available funds:

- cheques drawn by the Client before their death;
- cheques issued by the authorised representatives where they have a legal date on the date of death;
- payments and withdrawals made by bank card for which the value date is prior to the death.

Payment orders and direct debits not fulfilled on the date of death shall cease to be valid and shall be rejected, except where expressly requested by the civil-law notary responsible for the estate of the deceased.

The account may be credited with transactions that originate prior to the death such as coupons, dividends, sales revenue, redemption or amortisation of financial securities, payment of a pension pro rata temporis.

The Bank shall debit its fee amount for managing the estate file in accordance with the pricing in force.

In the case of a joint account requiring the signature of a single account holder or a joint account requiring the signature of all account holders, the joint and several liability under which each joint account holder or joint account signatory is liable for the entirety of the debt continues among the surviving joint account holder(s) or joint account signatory(ies) and heirs of the deceased up to the debit balance of the current account on the date of death, including any ongoing transactions. The account funds and securities are, in such case, blocked in their entirety. The indivisibility of the debt is established among these heirs.

The death of one of the joint account holders or joint account signatures brings about the closure of the joint account (irrespective of type) on the date of effective settlement of the estate.

If, upon closure, there is a balance in favour of the joint account holders or joint account signatories, the funds and securities shall be kept at the disposal of the surviving joint account holder(s) or joint account signatory(ies) only in the amount of the lawful share allocated to them, whereby the lawful share considered to belong to the deceased joint account holder or joint account signatory shall remain blocked until presentation of the certificate issued by the Registrar of the Principality confirming either the payment or inapplicability of death duties (Article 1 of Law No. 995 of 24 June 1977) and on presentation of a notarial certificate of inheritance; the fulfilment of instructions issued by the surviving joint account holder(s) or joint account signatory(ies) shall release the Bank from its obligations on the understanding that:

- the latter shall take personal responsibility for presenting the accounts to the heirs or successors of the deceased joint account holder or joint account signatory,
- for the purposes of charging death duties, the assets in the accounts shall be considered to belong to each of the joint account holders or joint account signatories in their lawful share; the heirs of the deceased shall pay this minimum tax, unless proved otherwise by either the authorities or those liable for its payment.

9. Seizure and freezing of funds

In accordance with the provisions of Articles 487 *et seq* of the Monegasque Code of Civil Procedure, all the assets in currency and in financial instruments credited to the Client's current account may be subject to a full or partial freezing of assets held in the account(s) at the request of the Client's creditors, by means of attachment served by a judicial officer. The freezing measures may also be applied at the instruction of the Monegasque authorities.

In proportion to the amount of the debt, the seizure freezes all or part of the cash assets and securities, whether available or not, held by the Bank in the Client's name at the time the seizure is implemented; the Client is informed of the procedure being conducted against them by their creditor or the Monegasque authorities, as applicable, but not by the Bank.

Following the procedure to freeze the assets in the account, any fees, commission or interest owed to the Bank during the period of the freeze shall be collected as soon as the account is released.

The attachment or full or partial freezing of the assets held in the Client's account(s) may only be lifted if all the claims of the court decision that initiated the freezing measures have been definitively cleared.

Other enforcement procedures and measures, including the proceedings initiated by the Monegasque Tax Authorities (*Direction des Services Fiscaux*), that are governed by specific legal regime, may lead to the freezing of funds deposited in the Client's current account.

The enforcement measures, irrespective of their nature, are likely to prevent, full or partial, performance of transactions and/or agreements entered into between the Bank and/or a third party and the Client, in particular those resulting from the performance of a management mandate. Therefore, the Bank may not be held liable for the partial or full inability to perform its obligations arising from these transactions and/or agreements, to which it is hereby referred as appropriate.

10. Communication and correspondence

The transaction notices and statements, and any other useful correspondence (hereinafter referred to as the '**Correspondence**') are sent to the last address given by the Client and/or, at the express written request of the Client or their representative acting in their name and on their behalf, are made available online in PDF format. Paper correspondence is considered to have reached the Client within the customary delivery time. Correspondence is presumed to have been sent by mutual agreement between the parties, if a copy or duplicate is in the Bank's possession. The Bank accepts no responsibility in the event that the Client has not read any information provided online.

In the case of a joint account under either signature regime, and in the absence of joint written specifications from the joint account holders or joint account signatories, mail will be sent to the address designated by all the joint account holders or joint account signatories.

The Client and the Bank may also communicate via email, phone, fax or any other electronic means of communication.

The Bank recalls that email is not a reliable electronic means of communication and the Client confirms its acceptance of the associated risks.

If the Client uses email to communicate information to the Bank, the latter cannot be held responsible vis-à-vis the Client for any loss or damage that may result from the fact that the Bank has not received that information or for their modification or interception prior to receipt. The same applies if the Bank receives information from a third party presenting itself as the Client. The Bank will do whatever it can to contact the Client if it has any doubts regarding the information received, being understood that any attempt to contact the client shall not, in any way, be considered to form or establish any obligation on its part.

The Bank can, at the Client's explicit request, provide certain information via email, in particular the Client's bank statement(s). The Bank accepts no responsibility in the event that the Client has not received the information.

Where email is used, the signing of these General Terms is deemed to constitute the Client's acceptance and releases the Bank from any responsibility for any lack of security of a third-party electronic mailbox, for any inopportune intrusion into their inbox and, in general, for any undesired communication to third parties of information regarding their account, transactions performed by the Bank or regarding them personally.

The Client acknowledges and accepts without reservation or restriction that they have been informed that the Bank may record phone calls between the Client and the Bank's employees or correspondents. These recordings shall be deemed authentic between the parties and may therefore be used as evidence in the event of a dispute.

11. Orders and instructions

Instructions from the Client are, in principle, only accepted during the Bank's opening hours, from 8:30 to 16:30 on working days in Monaco. Acceptance of instructions, at the Bank's discretion, outside of opening hours does not constitute an acquired right for the Client.

The Client shall issue its orders and instructions to the Bank by means of a signed letter (original, fax or email) or by phone, specifying the account number in question and all the information required for the proper execution of such orders and instructions.

Where orders are issued by one of these means, the Bank shall not be held responsible for any failures that are the result of force majeur or unforeseeable circumstances within the meaning of Article 1003 of the Monegasque Civil Code.

The Bank is entitled to request confirmation in a different form from that initially used. When confirming instructions, the Client must specify unambiguously that they are providing confirmation and that duplications are to be avoided. Otherwise, the Client shall bear all the consequences of a potential duplication of the order. The Bank reserves the right to delay the performance of any instructions if it believes them to be incomplete or unclear, or doubts their authenticity, until the Client provides the necessary information. The Bank accepts no responsibility with regard to the delayed performance of the order or instruction or for any consequences that may result, which the Client accepts without reservation or restriction.

The Bank is not obliged to perform a Client instruction, to proceed with a payment request, or to finalise in its books a transaction placed with a third party, even partially, where the account funds are insufficient or unavailable. This unavailability may, in particular but not exclusively, be the result of the existence of a pledge granted in favour of the Bank and/or a third party. The Client is obliged to check that it maintains, at all times, the credit balance necessary for the proper fulfilment of the transactions that it intends to carry out on its account.

Lastly, the Client hereby declares, that it will not seek to hold the Bank liable in the event of fraud, falsification or counterfeiting affecting an order addressed to the Bank by fax, email or phone. The Client acknowledges and understands the risks inherent to these means of transmission, which are not protected, including the risk of misinterpretation on the part of the Bank, for which the Client gives it unreserved acceptance and from which it fully releases the Bank.

The execution and processing of transactions involving financial instruments is dealt with under the terms and conditions provided for in Section C.

12. Legal, tax and regulatory obligations

The Client declares that it is aware of the legal and tax obligations to which it is subject.

The Client bears sole responsibility for the legal and tax obligations to which it is subject, in particular with regards to any mandatory declaration and/or action, any mandatory payment and compliance with all applicable laws and regulations, including those governing tax matters. The Bank does not provide its Clients with any information or advice on legal or tax matters.

The Client confirms that it has been informed exhaustively and complies and has complied with all the obligations in terms of tax returns regarding assets and income held in its accounts and products and services provided by the Bank, as applicable.

The Client undertakes to indemnify the Bank for any tax costs and responsibilities that it risks, where applicable, in relation to any tax obligations that may be incumbent on the Bank by virtue of transactions it performs on behalf of the Client.

The Client undertakes to immediately inform the Bank of any change that may occur in relation to its residence or nationality. Furthermore, the Client undertakes to provide all reasonable information required by the Bank regarding its identity or activities, at any time.

12.1 Tax residents in France

In the event that the Client is subject to income tax in France, the Bank shall provide it each year with a Single Tax Statement (*'Imprimé Fiscal Unique'*, IFU) containing the information required to prepare its income tax return. A copy of this Single Tax Statement is sent to the French tax authorities. It is the responsibility of the Client to specify whether it intends to opt for the withholding tax (that exempts their investment income from tax) by filling in the document provided for this purpose.

If the Client is a tax resident in France, it must provide evidence of the conditions enabling it to claim an exemption and produce any and all documents required for this purpose.

The Client acknowledges that it is aware of the obligation to provide an annual declaration of the existence of any accounts held in other countries.

12.2 Persons liable for tax in the USA

The US Tax Regulation that came into force on 1 January 2001 ('FATCA') reinforces the reporting obligations of all natural and legal persons, and specifically those considered to be 'US Persons' where such persons hold or are likely to hold US securities.

In terms of the US source taxation regime, the Bank informs the Client that it has concluded an agreement with the US tax authorities, the IRS (Internal Revenue Service), granting it the status of Qualified Intermediary, under which it is subject to the reporting obligations relating to income from US sources received by its Clients.

In order to enjoy the benefits associated with this status, the Client must fill in the forms required to identify it potential status as a 'US Tax Payer' under US legislation.

The Client is hereby informed and expressly accepts that, in the event it fails to complete all the mandatory reporting formalities in time, the Bank may immediately liquidate the US securities in question, at the Client's own risk.

If the Client is not a 'US Person' within the meaning of the US regulation, the documents submitted to the Bank upon opening the account will enable the Bank to apply the US withholding tax at the rate that corresponds to the Client's status.

The Client is obliged to immediately inform the Bank of any change of situation associated with its status as a US Person or any event impacting their situation with regard to its obligations under the US regulation.

If it transpires that the Client's current account is an undocumented 'US Person' account as defined in the IRS rules, the Bank shall be entitled to transfer the US securities that could have been acquired by its intermediary in violation of the rules in force and, in such scenario, the Client shall have no right to any compensation or damages.

For the purposes of this section, 'FATCA' refers to:

(a) sections 1471 to 1474 of the Internal Revenue Code (enacted by Congress as Title 26 of the United States Code) or any regulation, instruction or other official directive related thereto, in their amended version, where applicable;

(b) any treaty, law, regulation, instruction or other official directors enacted or amended in any other territory or relating to an intergovernmental agreement between the United States and any other territory, which (in each case) facilitates the application of paragraph (a) above;

(c) any agreement concluded under application of paragraphs (a) or (b) with the US Internal Revenue Service, the US government or any state or tax authority in any other territory; or

(d) any treaty, law, regulation, instruction or other official directive similar to paragraphs (a), (b) or (c) enacted or amended in any other territory, as applicable, and any agreement concluded under application of any treaty, law, regulation, instruction or other official directive of that type with any state or tax authority in any territory, including, but not limited to, any governmental or intergovernmental agreement regarding the cross-border exchange of tax information applicable in any territory, the EU Directive on taxation of savings income (Council Directive 2003/48/EC) and any multilateral exchange of tax information.

13. Fees and commissions

13.1 Pricing Conditions

The various services offered by the Bank are subject to a fee, the rates of which are provided for in the brochure 'Schedule of Principal Fees and Charges Barclays Bank Plc (Monaco)' applicable on the day on which the Client subscribes to the service in question. The Client acknowledges that it has received a copy and confirms its acceptance with the Pricing Conditions applicable on the date of signing these General Terms. As a result, the Client hereby authorises the Bank to automatically debit the applicable rate to its account.

Any changes in the pricing of products and services that relate to the current account are communicated to the Client in writing, at least one month prior to the date on which the new rate is applied, by any means as specified in the Pricing Conditions, notably via the account statements. If the Client does not object to these changes within one month of their communication, the new rate shall be deemed to have been accepted.

In addition to the fees and rates expressly mentioned, the Client shall also be obliged to bear any fees not attributable to the Bank, associated with the specific formalities that result from the opening, operation or closure of the current account and which may apply where the Client is domiciled outside of France and/or which result from a capacity regime governed under foreign legislation. Where the current account is a 'bare ownership/beneficial interest' account, the beneficial owner hereby authorises the Bank to debit to its cash sub-account all charges associated with the operation of the current account.

13.2 Single Euro Payment Area (SEPA) membership

Fees applicable to electronic cross-border payment transactions and cross-border transfers:

1. The fees applied by the Bank to electronic cross-border payment transactions conducted in euro are the same as those that the Bank charges for payments in euro, for the same amount, where these involve a payer and beneficiary with accounts held with Monegasque institutions.

2. The fees charged by the institution for cross-border transfers in euro are the same as those that the Bank charges for payments in euro made via transfer, for the same amount, where these involve a payer and beneficiary with accounts held with Monegasque institutions.

3. The Bank applies the EPC rules (European Payments Council) to transfers within the SEPA. However, where the transfer beneficiary's Bank does not follow the EPC rules, the specific rules that contain benefits relating to the maximum processing time, the total transfer amount and the transparent regulations on fees do not apply.

13.3 Transparency of fees on international payments

The Bank provides its Clients with prior information on the fees that it charges for cross-border payments and payments involving a payer and beneficiary with accounts held with Monegasque institutions in a readily understandable, written format, including via electronic means.

Any amendment to the fees is communicated prior to its entry into force, in the way specified in paragraph 1 above.

Where the Bank levies fees for currency exchange, it provides its Clients with:

(a) Prior information on all exchange fees that it intends to levy, and

(b) Specific information on the various exchange fees that have been charged.

14. Conflict of interest

The Client acknowledges that the Bank receives payments or other financial benefits from Barclays Group companies or third parties that are not part of the Group. These payments are made to the Bank in exchange for services that it provides to these companies, which include, in particular, distribution services associated with investment instruments.

The payments are generally based on the amount of assets invested in an instrument (for example, fund shares, investment company securities, structured financial instruments, etc.) or on the volume of Client transactions (including net price transactions, i.e. transactions whereby the payment is incorporated in the net purchase or sale price of the product or asset).

The Client acknowledges and accepts that receiving a payment of this type may constitute a conflict of interest, specifically because this payment could encourage the Bank to select or recommend types of investment or investment instruments for which a payment is made to the Bank or for which it receives a higher payment than other investments.

If the payment entails a risk of conflict of interest, the Bank has precautionary measures in place to protect the Client's interests as effectively as possible. The Client hereby agrees that the Bank is entitled to keep the full payment and expressly renounces any rights in this regard.

The Bank shall provide the Client, on request, with more details on the payment received for the investment instruments acquired and the services received by the Client. To the extent this information may not be attributed to a business relationship without reasonable efforts, the Bank shall inform the Client using an approximate or standard value.

15. Confidentiality and professional secrecy

In accordance with Sovereign Ordinance No. 14.892 of 28 March 2001, by which Article L 511-33 of the French Monetary and Financial Code is made applicable in Monaco, and with Article 308 of the Monegasque Criminal Code, the Bank and its employees are bound by professional secrecy.

However, the Client expressly accepts that, by way of derogation from the articles specified above, the Bank may disclose certain information held by or transmitted to the Bank by the Client and/or the Client's beneficial owner, verbally or in writing (including by electronic means) and, in particular, the Client's identity and fixed identifiers allocated to the Client by the Bank and/or third parties, as applicable, (the '**information**') to:

(i) all depositories, financial intermediaries, clearing houses, correspondent banks (including Barclays Bank (Suisse) SA), acting occasionally on behalf of the Bank as a negotiation agency, correspondent bank, clearing house, depository and/or nominee shareholder, (the '**Intermediaries**'), and in particular to Intermediaries located in the USA, UK, Singapore, Hong Kong, Japan, Switzerland, France and/or Russia, and/or

(ii) market authorities, bodies working to combat financial crime, regulatory authorities and any supervisory body, any state agencies and departments, and any administrative and/or judicial authorities (without limitation), based in the USA, UK, Singapore, Hong Kong, Japan, Switzerland, France and/or Russia that are required to have such knowledge under their respective laws and regulations, whether directly or indirectly applicable, national or international, and/or

(iii) other entities of the Barclays Group in Monaco, Switzerland, the UK, Scotland, France, Singapore and India, and/or

(iv) certain intermediaries and counterparties of investment fund services associated with regulated and unregulated funds, based in the Bahamas, Bermuda, British Virgin Islands, Channel Islands, Ireland, Isle of Man and/or the USA,

(v) certain service providers conducting due diligence measures, in particular as part of the fight against money laundering and financial crime, as selected by the Bank or Barclays Group, and/or any external counsel also subject to a strict obligation to respect professional secrecy, as well as its accountants, auditors, brokers, insurers, reinsurers and rating agencies, situated, in particular, in the UK, Scotland and India,

(vi) the people specified in European Directive (EU) 2017/828 of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement ('SRD II Directive').

(i), (ii), (iii), (iv) and (v) (hereinafter collectively referred to as the '**Authorised Recipients**'), for reasons associated with account management and/or the implementation of some of its loans (including for the requirements of procedures associated with debt recovery), services and products, in favour of the Client, and/or the optimisation of the Bank's functions and services in relation to the accounts and/or technical, IT or administrative processing of some services, and/or so as to enable the Bank and/or all of its Intermediaries to comply with:

(i) all legal and regulatory requirements, whether territorial or extraterritorial, specifically applicable to the Bank and the Intermediaries, respectively, as part of their activities,

(ii) all operational, technical and backlogging processes and obligations that are necessary, in particular as regards the Client's assets and cash,

(iii) all legal and regulatory requirements, whether territorial or extraterritorial, applicable to investments and divestments, and to the associated management of regulated and unregulated funds in any currency, including the US dollar,

(iv) the applicable internal policies of the Bank, specifically those associated with the processes of identifying clients and prospective clients, and

(v) certain restrictions resulting from services and products associated with the organisation of the activities of the Bank and the Barclays Group (the '**Authorised Objective**').

The Client acknowledges and accepts that the Bank may communicate the Information to the Authorised Recipients exclusively for the fulfilment of their obligations directly associated with the Authorised Objective and/or to fulfil their own legal or regulatory obligations.

The Client agrees and understands that the Authorised Recipients may not be subject to laws or regulations on banking secrecy and data protection that provide the same degree of protection as those applicable in Monaco.

In any case, this professional secrecy obligation may be removed in instances specified by the law, and, in particular, professional secrecy cannot be enforced against French or Monegasque administrative authorities, specifically the Ministry of State of the Principality of Monaco, the Budget and Treasury Department of the Principality of Monaco, the Financial Activity Control Commission (CCAF), the Prudential Supervision and Resolution Authority or Monegasque judicial authorities where they are acting as part of criminal proceedings.

Furthermore, it cannot be enforced against the Financial Network Monitoring and Information Service (SICCFIN) within the framework of the contribution of financial bodies to the fight against money laundering and terrorism financing.

If a Client wants information regarding its account to be communicated to third parties outside of the cases above, it must provide the Bank with written and signed express authorisation.

By way of reminder, any Client considered to be a 'US Person' within the meaning of the US tax regulation or any other person or entity covered by this regulation expressly authorises the Bank to disclose information regarding the Client to the IRS. As these reports to the IRS are mandatory, the Client may not seek to hold the Bank liable on this count.

16. Processing of personal data

The Bank prioritises respect for privacy and protection of personal information in accordance with applicable legislation.

The privacy policy applicable within the Barclays Group may be consulted online at https://privatebank.barclays.com/support-and-information/full-privacy-notice/, and is otherwise available upon request. This information is regularly updated.

The Client is hereby informed that its personal data are collected, registered and subject to automated processing by the Bank. These personal data shall only be subject to external communication for the purposes of external processing with authorised members of Barclays Group or with authorised third parties (regulators, judicial authorities, tax or custom authorities, auditors, insurers/reinsurers, service providers/vendors, advisors, experts), established in a country which maintains or not an appropriate level of protection at least equivalent to the one provided for under Monegasque law, in connection with the provision of services offered by the Bank, information and technology services and/or operational services sub-contracted by the Bank.

An up to date list of all processing implemented by the Bank is available upon request. The Client is entitled to an objection right, a right to access and correction, relating to its personal data. To this end, the Client may obtain copies of its personal data, by letter addressed to Barclays Bank Plc – Att. 'La Direction' – 31 avenue de la Costa 98000 Monaco.

17. Force majeure

The Bank may not be held liable for the consequences of failures to comply with its obligations under this agreement that result from circumstances outside of its control, such as strikes, malfunctions in IT systems or means of communication, a malfunction in the clearing system and, more generally without limitation, any event of force majeure or unforeseeable circumstances within the meaning of Article 1003 of the Monegasque Civil Code and case-law.

18. Set-off

The Client accepts that the Bank has a general right of set-off over the Client's current and future assets and receivables as collateral for all potential, conditional and future claims that the Bank may have against the Client, irrespective of their due date or the currency in which they are denominated. The Bank may, at its sole discretion, allocate all sums received from the Client to the clearance of their debit balance.

Without prejudice to the Bank's rights under the applicable law, the Bank may, without notice, set-off any sum that the Bank owes the Client, including any sum credited to one of the accounts (irrespective of whether the Client's assets are credited or deposited in one or more accounts) against any sum that the Client owes the Bank, whether or not that sum is due and payable, whether or not it is conditional, or against any part thereof. To that end, the Bank may conduct any currency conversions that are necessary at the spot rates in force at that time for the sale and purchase of the currencies in question.

The provisions of this article shall remain applicable following the termination of these General Terms.

19. Complaints

In the event that the Client wishes to make a complaint regarding any of the Bank's services, it may address the same, in writing, to its account manager or to the Directeur Général, Barclays Bank Plc, 31, Avenue de la Costa MC 98000 Monaco.

20. Rules of evidence and electronic signature

In addition to the provisions applicable to the recording of phone calls, the Client and the Bank expressly agree that the documents issued by the Bank for the Client's attention (account statement, circulars, etc.) have probative value, as do any files or other reports issued by the Bank from its IT system with the aim of establishing or restoring a situation on a given date.

In accordance with Article 1163-3 of the Monegasque Civil Code, the signature required to complete a legal act may be handwritten or electronic. In the event that the Bank is able to provide a reliable identification process guaranteeing the relationship between the signature and the deed to which it is affixed, the Client agrees that any agreement with the Bank may be signed electronically and shall have the same probative value as a handwritten signature.

21. Term and termination

The provisions of these General Terms are concluded for an indefinite term.

Each party may terminate the relationship at any time without having to justify the same, by means of a registered letter with acknowledgement of receipt. In such case, the account(s) will be closed upon expiry of a notice period of 30 calendar days from the date of the termination letter. As an exception, and in accordance with Article 10 of Law 1.492 of 8 August 2020, if the Client has been given an account following the exercising of its right to an account, the Bank shall state the reason for the termination in the notification addressed to the Client, a copy of which will be sent to the Budget and Treasury Department, in accordance with Article 10 of the aforementioned law.

By way of reminder, the Bank reserves the right to close the current account and the securities account in particular on the basis of a level of assets that is lower than a specific value that is specified and periodically updated.

If the balance of the account(s) is in credit, it is repaid to the Client, less any ongoing transactions and any interest, fees and commission that may be owed to the Bank, on the understanding that, in the case of a collective account (account requiring the signatures of one account holder or account requiring the signature of all account holders), its joint account holders or joint account signatories shall instruct the Bank on the terms for distributing its credit balance.

The closure of the current account will automatically lead to the closure of the securities account and will consequently result in the revocation of the mandate for the administration of the registered securities held in the account. In the event of the closure of the securities account, the Client shall inform the Bank of the name of the institution to which the securities are to be transferred as well as the account number.

The closure of the securities account shall end any regular transaction on the account, with the exception of transactions in progress on the day of the closure and not fully settled. However, the Bank may retain all or part of the securities registered to the account until the settlement of the ongoing transactions in order to ensure coverage.

In the case of ongoing transactions, the Bank shall, in particular, have the power to:

- Reverse the amount of any unpaid sums, with this reversal comprising a simple accounting transaction and not considered a payment if the account has a debit situation or insufficient credit at the moment at which the reversal is made;
- Debit to the account the sums that the Bank will be required to pay at a later date to fulfil any Client commitments prior to the account closure;
- Immediately settle any forward transactions, if any, and at the latest, the day of the account closure, in particular by signing, where required, on behalf of and in the name of the Client, a reverse position so as to reimburse the forward transaction in question, specifically for all transactions associated with forward currency exchange ('forex').

The balance shall be determined in all the currencies in which the sub-accounts and currency positions (if any) are denominated. The final single balance will be drawn up in euro, the reference currency of the current account, which the Client expressly accepts.

All the Client's assets will be converted into a final balance which will be addressed to the Client exclusively in the form of a bank cheque and sent by registered mail with acknowledgement of receipt to the Client's legal address or by bank transfer to an account in the Client's name only.

If the balance is in debit, it is automatically due and payable. If the account balance has not been settled at the end of the settlement period specified by the Bank in its termination letter, the Bank will initiate proceedings for judicial recovery. Until the Bank has been fully repaid, the debit balance shall bear interest, where applicable, at the rate specified in the Pricing Conditions in force. This interest shall, itself, bear interest if it remains due for an entire year.

Where applicable, the securities guaranteeing the Bank's claims against the Client and registered to the account shall, in all cases, be expressly maintained in order to guarantee coverage of the final single balance of the current account. The closure of the current account, including at the Bank's initiative, may result in the acceleration of the term and early repayment of any assistance granted to the Client.

Upon closure of the account, the Client must return all payment instruments placed at its disposal and at the disposal of its authorised representatives. The Bank shall also cancel all direct debits held at its counters.

In the case of inactivity in all of the Client's accounts, the sums held in the account(s) in question shall be transferred to the Monegasque Caisse des Dépôts et Consignations (Deposits and Consignments Fund). This transfer shall result in the closure of the account(s) in question, without application of the provisions specified above. If these sums deposited with the Monegasque Deposits and Consignments Fund are not reclaimed by the Client or their successors, they shall be acquired by the Monegasque General Treasury at the end of the periods specified in the Ordinance of 4 January 1881 on the Deposits and Consignments Fund.

22. Reference language and currency

The currency that is legal tender in the Principality of Monaco is the euro. If the Client has not chosen a reference currency for the valuation of its assets held with the Bank, the reference currency shall be the euro by default.

The language used for this agreement is French, which is the official language of the Principality of Monaco. However, in the event that the Client has chosen to sign a copy of this agreement in English, which they state to understand perfectly, it is hereby expressly agreed that the version signed in that language shall be authentic between the parties and shall have contractual value.

23. Discrepancy between the General Terms and the Special Agreements

In the event of a discrepancy between these General Terms and (i) any specific conditions applicable to one or more transactions, or (ii) the provisions of the Special Agreements, then those specific conditions and/or the provisions of the Special Agreements shall prevail over these General Terms.

24. Validity and amendment of the General Terms

The invalidity of one of the clauses of this agreement shall not have any effect on the validity and effectiveness of the other provisions herein.

These General Terms cancel and replace any previous general terms. Any subsequent amendment of these General Terms will be communicated to the Client by any means, and notably will be specified on the account statements.

The Client shall have 30 days from the date of communication to object to the new conditions in writing. Once this period has passed, the Client will be deemed to have approved the amendments, which will then become fully enforceable and will have contractual force between the Parties.

In the event that the Client rejects the amendments proposed by the Bank, it may terminate this agreement, free of change, prior to the aforementioned date.

The Client undertakes not to make any subsequent objections, which are considered to be time barred, by mutual agreement between the Bank and the Client.

Any legal or regulatory measures that could result in an amendment to all or part of these General Terms and the pricing applicable to the products and services covered in this agreement shall take effect as soon as they come into force.

25. Applicable law – Jurisdiction

The law applicable to this agreement is the Law of the Principality of Monaco. The Courts of the Principality shall have exclusive jurisdiction to hear any disputes that may arise, directly or indirectly, with regard to these General Terms and/or any annexes thereto and, more generally any directly or indirectly related document.

For the application of this article, the Client expressly acknowledges that all of the deeds and negotiations prior to the conclusion of this agreement have been implemented in the territory of the Principality of Monaco, which is also the place of signature of this agreement. The Client expressly agrees to derogate from the clauses above in the event that the Bank, for the purposes of better ensuring the defence of its interests, decides to initiate proceedings in another country in application of the local law. In any event, the Client expressly waives any rights to claim any jurisdictional and/or enforcement and/or immunity privilege that they may make use of elsewhere under their national law or for any other reason whatsoever.

Section B – Operating of accounts and banking services

I. Operating of the current account

26. Current account agreement – Unity of accounts

All transactions between the Client and the Bank are part of a current account relationship operating via reciprocal remittances; these constitute simple credit or debit items, the sum of which always results in a single balance. Due to its general nature and subject to the following paragraphs, this current account shall encompass all relations and obligations existing between the Client and the Bank. Consequently, if multiple accounts were already open or were to be opened in the Client's name, those accounts, whether current or fixed deposit accounts, denominated in euros or other currencies, shall, unless otherwise agreed, constitute the elements of this single current account, even if they function using different conditions, names or numbers. The Bank may combine them, at any time, to show a single general balance.

Securities accounts, due to the nature of the assets they record, are also excluded from the current account relationship; only the cash sub-accounts of securities accounts shall be combined with the current account.

For all securities deposited for collection, the Bank reserves the right to credit the account only after confirmation of effective payment, particularly where the securities are payable elsewhere than in the Principality of Monaco.

27. Account transactions

27.1 Debit transactions

Unless otherwise agreed, orders and transfers, including cheques, shall be assigned to the sub-account corresponding to the currency in which the order, transfer or cheque in question is denominated. If there is no corresponding sub-account, a sub-account in the relevant currency shall be opened automatically.

27.2 Credit transactions

Cheques shall be credited to the relevant sub-account subject to successful cashing: Any credit shall therefore be posted to the account subject to completion of the transaction. The Bank shall refuse to cash any cheque paid in by the Client that is not made payable to the Client. Consequently, the Bank shall not cash any cheques with successive endorsements.

However, the Bank reserves the right to only credit cheques to the relevant sub-account once the cheques have been successfully cashed by the Bank.

The Bank may also, at its sole discretion, accept or refuse any cheque made payable to the Client that is drawn on banking establishments located in the following countries: the United States, the United Kingdom, Australia and more generally all countries that use an Anglo-Saxon legal system.

The Client is hereby informed that, due to the legislation relating to cheques in the aforementioned countries, the issuer of the cheque has the right to make an objection to the cheque, including for commercial reasons, even after the cheque has been cashed.

The Bank shall take all due care in cashing cheques and bills of exchange; it shall be released from any liability in the performance of the formalities for presentation, either for acceptance or for payment, and shall be exempt from any protest; no forfeiture or liability may be invoked against it in the event of failure to present cheques and bills of exchange on time or in the event of late notice of non-payment or non-acceptance of cheques bearing the Client's signature in any capacity whatsoever. Except in the cases provided for by law, and provided that it has been diligent and has acted in good faith, the Bank, in its capacity as the Client's authorised representative for the purposes of cashing cheques, shall be held harmless and guaranteed by the Client concerning any liability in respect of any third parties in the event of a dispute or challenge on any grounds whatsoever and in particular, but not exhaustively, in the event of an anomaly, irregularity, alteration or theft by a third party.

Consequently, the Client undertakes to indemnify the Bank for any principal, interest, costs and incidental expenses whatsoever, including legal fees, that the Bank may incur in the event of a dispute with any third party on respect of any cheque that it may have cashed on behalf of the Client.

Any Client who forges, falsifies or fraudulently endorses a cheque or who knowingly agrees to accept such a cheque, also runs the risk of incurring criminal penalties (Article 332 of the Monégasque Criminal Code).

In the event that a cheque submitted for cashing by the Client is rejected, for any reason whatsoever, the latter may ask the Bank to issue a certificate of non-payment recording the incident and enabling them to exercise the remedies provided for in Article 68 of Order No 1876 of 13 May 1936, as amended by Order No 15,152 of 17 December 2001.

The posting of items to the current account for transactions shall include the date on which the transaction is executed and a value date or number of value days. Values days are the debit or credit days actually taken into account by the Bank, corresponding to the time required to complete the transaction from the registration date. Interest expense or income is calculated from the value date. The value date is set for each type of transaction in accordance with the pricing conditions in force.

Any sum, regardless of the currency, received to credit the Client's current account or sub-account, in particular by SWIFT or any other means of clearing, where the electronic message used as a medium does not contain sufficient information needed to post the funds to the account, and/or information relating to the instructing party and/or the beneficiary, may be put on hold until complete clarification and identification.

If the identification mentioned above remains unsuccessful, the Bank will refuse to post the funds to the account and will return them to the issuer. The Client confirms that it has been informed of this procedure and waives in advance their right to bring liability action against the Bank in the event of the late registration of a transaction relating to funds originating from an incomplete message or payment order or one with insufficient information. In addition, the Client is informed that the Bank may be required to provide the name of the instructing party and/or beneficiary when making transfers to certain countries with legislation that requires that the full details of the instructing party and/or beneficiary be specified.

The Client expressly releases the Bank from all of its obligations in respect of banking confidentiality and the protection of personal data under Monégasque law for the purposes of fulfilling its aforementioned identification obligations.

28. Currency transactions

In the absence of express instructions to the contrary, the Bank is authorised to debit or credit the Client's current account with the amount of the transaction carried out in the corresponding currency or its equivalent value in euros, plus the related fees and commissions. The Bank will apply the market rate for the currency on the date the transaction is recorded in the Client's current account.

Forward exchange: The Client acknowledges that it has thorough knowledge of forward exchange transactions and, in particular, speculative forward exchange transactions, as well as their inherent risks, linked to the intrinsic volatility of each currency taken individually and the conflicting fluctuations that each currency may have in relation to another. The Client expressly acknowledges that it will process these transactions based solely on its own judgement and that it fully accepts the risks involved. The Bank's involvement in the execution of the Client's orders shall not imply any assessment of their possibilities/opportunities, which shall be the sole responsibility of the Client.

With specific regard to speculative forward foreign exchange ('forex') transactions requiring prior hedging, in the event that the hedging margin subsequently proves to be insufficient before the position is unwound to sufficiently hedge the risk of deterioration of the forward exchange position adopted by the Client, the Client hereby authorises the Bank, for the purpose of re-establishing the hedge, after a margin call has been unsuccessful with the Client, to proceed to enforce any pledge granted in favour of the Bank to cover the increased risk resulting therefrom, and/or to sell any of the Client's assets deposited with the Bank, which are expressly assigned by the Client to guarantee all of the Client's transactions and commitments.

In addition, in the case of failure to re-establish the necessary hedge, and in accordance with the rules applicable to speculative forward exchange transactions, the Client also authorises the Bank to immediately unwind any transaction(s) that are not settled within the time limits by taking out, if necessary, in the name and on the behalf of the Client, a reverse position, the cost of which will be borne in full by the Client.

Furthermore, in the case of non-speculative forward foreign exchange transactions, if the provision necessary for the execution of the forward order proves insufficient, after said order has been placed, and in the case of failure by the Client to re-establish the necessary provision within one banking day in Monaco from the date of the request made to them by the Bank, the latter reserves the right to take out the reverse position or close the position, with any loss being borne exclusively by the Client and with the Client having no right to bring liability action against the Bank in this respect.

29. Term deposits

The Client may ask the Bank to carry out term deposit transactions, giving rise to an amount payable in arrears. A term deposit is a deposit of cash in euro or another currency, which is made unavailable for a period of time agreed between the Client and the Bank (hereinafter referred to as the '**Capital Freezing Period**'), and giving rise to the payment of interest to the Client.

In the absence of any intervention to the contrary by the Client, at least forty-eight working hours before its maturity date, the deposit will be tacitly renewed for the same period and according to the contractual remuneration conditions proposed by the Bank at the time of renewal.

However, the Client expressly agrees that, at the end of the Capital Freezing Period, the Bank may deduct from the Client's account the amount of all or part of the interest and capital necessary to hedge any debit positions the Client may have that are not settled within the established deadlines, regardless of the currency.

In the event the Bank would, on an exceptional basis, accept an early termination of the term deposit before its maturity date, such early termination shall entail penalties as determined by the Bank.

The Client expressly agrees that the Bank may terminate the term deposit transaction, in particular for hedging purposes, at any time and on its sole initiative in accordance with the following conditions:

- Interruption of payment of the term deposit transaction and transfer of the balance of the frozen funds to the Client's ordinary account.
- Interruption of the payment of the term deposit transaction and deduction from the Client's account, to the benefit of the Bank, of the balance of the frozen funds to cover any debit positions the Client may have that are not settled within the established deadline.

In the event that an arbitrage transaction proves necessary, the Bank shall act in the Client's best interests, with it being specified that the Client shall solely bear the exchange rate risk.

The terms and conditions of each term deposit transaction (capital, freezing period and interest paid) will be defined on a case-by-case basis and set out in transaction notices.

Various forms of term deposits may be proposed by the Bank, and their terms and conditions are set-out in a separate contractual documentation.

30. Guarantee scheme applicable to deposits

In accordance with the provisions of the Monetary and Financial Code in force in relation to savings and financial security, the Bank is a member of the Deposit Insurance and Resolution Fund.

The conditions for the repayment of deposits and other repayable funds applied by the Bank are defined by applicable laws and regulations.

31. Negative interests

The Client's is hereby informed that the Bank may levy negative interests on funds deposited in the current account, particularly in accordance with the policy of the issuing institution of a currency; in the latter case, the negative interest rate shall be applied to the deposits made.

32. Client information – Account statements

Entries made to the Client's current account will be the subject of an account statement that the Bank will send to the Client on a monthly basis. This frequency may be modified at the Client's request. The account statement is understood to be a 'current account statement' or 'statement'.

The Client acknowledges that evidence will be established in respect of the account solely by the statements published on watermarked paper that are not followed by a written objection from the Client within 30 days of their date of issue or of the date on which they are made available to the Client. Beyond this deadline, the Client shall be deemed to have accepted the transactions registered to its current account and expressly acknowledges that any subsequent protest would be inadmissible due to being time-barred. In the event of a dispute or complaint made by the Client, it shall be the responsibility of the Client to provide evidence.

33. Overdraft rates

Account overdrafts of any type may only result from a specific agreement and/or specific prior approval of the Bank.

Any unauthorised debit balance of the current account, as per above, shall be considered exceptional and shall in no way be construed as an approval on the part of the Bank to grant a credit facility in favour of the Client.

Regardless of the cause of the debit balance of the current account, it shall immediately result in the payment of interest to the Bank at the following rates and until full repayment.

'**Base Rate**' means:

- for Australian dollars, pounds sterling, Canadian dollars, Japanese yen, Swiss francs and American dollars, the applicable Base Rate of the Central Bank (as defined below) at any time;
- for any currency other than those set out in the above, the applied Central Bank rate, if a Central Bank sets a single interest rate, or the Central Bank rate most commonly applied if the Central Bank sets multiple rates, as confirmed by the Bank upon request.
- Provided that (i) if the rate referred to above is zero or below, a minimum rate of 0% shall be used as the Base Rate and (ii) if the rate referred to above is a range rather than a single figure, the upper limit of that range shall be used as the Base Rate.

'**Central Bank Base Rate**' means:

- for an overdraft in Australian dollars, the 'target cash rate' (or any rate that may replace this rate) set by the Reserve Bank of Australia;
- for an overdraft in pounds sterling, the 'official bank rate' (or any rate that may replace this rate) set by the Bank of England;
- for an overdraft in Canadian dollars, the 'target overnight rate' (or any rate that may replace this rate) set by the Bank of Canada;
- for an overdraft in Japanese yen, the 'complementary deposit facility rate' (or any rate that may replace this rate) set by the Bank of Japan;
- for an overdraft in Swiss francs, the 'target three month LIBOR rate' (or any rate that may replace this rate) set by the Swiss National Bank;
- for an overdraft in American dollars, the 'target federal funds rate' (or any rate that may replace this rate) set by the Federal Reserve, the central bank of the United States.

34. Granting of credit facilities

Any credit facility shall be subject to mandatory express prior written authorisation by the Bank.

The granting of a credit facility will be formalised by means of a written agreement separate from these General Terms. It is hereby specified that the interest rate applicable to any credit facility, as well as the terms and conditions for repayment and payability, shall be determined in accordance with the provisions of such agreement.

II. Operating of the securities account

35. Registration of financial instruments

The Client may request the Bank to open a securities account in order to register therein any financial instruments, hereinafter also referred to as 'Financial Instruments', in accordance with application regulations or of any physical security traded on a regulated market.

The Bank reserves the right to refuse, at its sole discretion, the registration in the securities account of Financial Instruments issued and held outside of Monaco.

Financial Instruments held outside of Monaco will be deposited in the Bank's files with custodians outside of Monaco chosen by the Bank.

The current account opened in the Client's name will serve as a parent account, which means that it will record any sum relating to the transactions carried out on its securities account as a debit or credit.

Where the parent account is a joint account requiring the signature of a single account holder or a joint account requiring the signatures of all account holders, the securities account must be a joint securities account requiring the signature of a single account holder or a joint securities account requiring the signatures of all account holders, which will operate in accordance with the rules applicable to the operating of such accounts.

Securities registered in the account may be administered registered securities or bearer form securities. The transfer of dematerialised securities is carried out by inter-account transfer. Any new securities account opened in the Client's name by the Bank shall be governed by this section, in the absence of any specific provision to the contrary.

36. Registered form Financial Instruments – Administration mandate

When the Financial Instruments are in registered form, they are registered in an account maintained by the issuer, either in an individual Financial Instruments account, in a joint account requiring the signatures of all account holders or, when the issuer so allows, a joint account requiring the signature of a single account holder.

The Client authorises the Bank, which accepts it, to administer their portfolio of Financial Instruments registered in an account maintained by the issuer and credited to their Financial Instruments account opened with the Bank, it being specified, for the avoidance of doubt, that such administration mandate shall not be construed as a management mandate (*mandat de gestion*) as defined by Monegasque law.

In accordance with this mandate, the Bank will carry out administrative actions on behalf of the Client and, in particular, the collection of capital returns. However, disposal actions, in particular the exercise of rights to capital increase and the payment of Financial Instruments or cash, shall be carried out based on specific instructions from the Client.

However, the Bank may avail itself of the tacit acceptance of the mandate for certain operations, in accordance with current practice.

All orders relating to the Financial Instruments administered may only be given by the Client to the Bank, in accordance with the regulatory provisions in force.

The administration mandate may be terminated at any time and without notice by either of the Parties, by means of registered letter with acknowledgement of receipt. Such termination shall result in the immediate closure of the Financial Instruments account, as an exception to the rules set out in the article entitled "Term and Termination" in section A of these General Terms.

37. Safe keeping and custody – Administration of physical securities

The Bank reserves the right, at its sole discretion and without incurring any liability whatsoever, to accept or refuse any security in bearer form or held by the Client.

In any case, the Client may be asked to provide evidence of the origin and the conditions under which it was able to take possession of such securities.

The Bank offers no guarantee as to the valuation of these securities, which are generally stocks, securities or instruments that are not listed on regulated markets.

The Bank may simply refuse to register them in the account or may highlight them in a special sequence in order to isolate them.

38. Informing the Client

The Bank may inform the Client of the transactions to which the Financial Instruments will give rise in order to enable the latter, whenever its assistance is required, to exercise the rights attached to the Financial Instruments registered in the account.

The information communicated to the Client shall be limited to events affecting the rights attached to the Financial Instruments, to the exclusion of all events and/or legal facts of such a nature as to affect the sustainability and/or existence of the issuing company and/or the rights arising from the securities held by the Client.

The Client expressly acknowledges that the Bank does not assume any obligation to inform the Client with regard to this type of information, even if the Bank is aware of such events, nor in particular does it assume any obligation whatsoever to initiate any actions, formalities, declarations, legal, arbitration, amicable, administrative or other proceedings in the name of the Client, even in cases where the Bank appears as the "nominee shareholder" of the securities in question, in its capacity as custodian of the Client's Financial Instruments, securities and holdings.

However, if necessary, the Bank may contact the Client directly by any means, by telephone notably, to advise it and, if necessary, obtain its instructions.

In addition to the transaction notice corresponding to each order executed on the Client's behalf, the Bank shall send a half-yearly statement on its Financial Instruments.

In application of the obligations imposed by European Directive 2017/828,of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement ('SRD II Directive'), the Bank will immediately send the relevant information to the shareholders and issuers referred to in the Directive.

39. Collection of revenue and capital returns

The revenue and capital returns collected by the Bank on the securities held in the current account shall be credited, depending on their nature, to the cash sub-account or to the securities account opened with the Bank by the Client upon receipt by the Bank of the corresponding sums or revenue.

40. Availability of the securities

The Client may dispose of its securities at any time, subject to the contractual, legal or judicial cases of unavailability to which they may be subject and which could result in particular from the establishment of a pledge or a seizure carried out at the request of a third party.

The Bank shall refrain from recording to the Client's current account any transaction that does not comply with its instructions.

It is hereby expressly agreed that the Client shall only become the owner of the securities acquired under these transactions when they are actually delivered and payment has been completed in full.

The securities may not be used by the Bank, subject to the constraints imposed by the securities exchange rules, to ensure the proper settlement of transactions on the relevant markets.

In this case, the Bank undertakes to ensure that these transactions do not affect the availability of the Client's securities.

41. Exercise of non-pecuniary rights

The Client shall ensure that the information provided by it to the Bank, in particular concerning the ownership of the securities, corresponds to its financial situation and shall assume sole responsibility for the consequences of this information on registration to the account, with the Bank being released from any liability in this respect, and notably as a result of any delay and/or the consequences or inconveniences that could result from a registration refusal with the issuer.

In the event that joint registration is refused by the issuer and in the absence of instructions to the contrary from the Client, the securities appearing, as the case may be, in either joint account type, shall be registered with the issuer in the name of the first named joint account holder or joint account signatory, as applicable.

To that end, the joint account holders or joint account signatories give their consent for the first person named in the title of the either joint account type to exercise the non-pecuniary rights attached to the securities in that joint account (right to participate in assemblies, voting rights, etc.). Consequently, the Bank is authorised to provide the issuer with the name of the first account holder named, as the person exercising the non-pecuniary rights attached to the securities whenever such an indication is necessary for the exercise of the rights or is requested by the issuer, in particular for the registration of the registered securities in a book-entry account with the issuer.

All information documents or powers related to the holding of securities registered to either joint account type shall be sent to the first-named joint account holder or joint account signatory, in whose name the certificates of non-transferability allowing access to the assemblies of security holders will be drawn up.

By way of derogation from the aforementioned rule regarding the first-named person, joint account holders or joint account signatories may jointly and irrevocably designate another joint account holder or joint account signatory of the current account to exercise the non-pecuniary rights attached to the securities registered to the account.

With respect to a joint account requiring the signature of a single account holder, in the event of the death of one of the joint account holders, the surviving joint account holder may only exercise the non-financial rights attached to the securities if it is the first named or has been specially appointed for this purpose.

42. Liability of the custodian

When the Bank is responsible for the custody and administration of securities, stocks or instruments registered in the Client's name, it only assumes the simple responsibility of a custodian. The Bank may not be held liable for any problems or difficulties affecting the issuer of the security, stock or instrument and it is not responsible for any bankruptcy or entry into receivership of an issuer, where such events are totally external to it.

For reasons of confidentiality and in the exclusive interest of the Client, the Bank may subscribe in its own name to any fund unit, certificate or instrument of any so-called non-traditional nature. This means any non-traditional fund or instrument the issuer of which has its headquarters in a non-OECD country. This includes, but is not limited to, any fund or instrument the issuer of which is domiciled in the Bahamas, the Cayman Islands or the Virgin Islands, as well as any fund domiciled in the territories of any of these States and which uses hedge fund techniques.

In the aforementioned context, the Bank may act, at the Client's express written request, as the apparent owner of these instruments in respect of the fund, its administrators or the central custodian, at the exclusive risk of the Client, who declares that it has been fully informed and acknowledges that it is the full owner of these instruments, which will appear on its portfolio statement. Therefore, the Bank will act as a nominee, in line with the meaning used in Articles 62 *et seq*. of the Commercial Code, on behalf of the Client, which will be deemed as the principal of a transaction and will, therefore, assume the risks inherent to the transaction. The fact that the Bank acts as a nominee shall in no way release the Client from any liability whatsoever and the Client shall bear all losses or any depreciation in value.

In the event of bankruptcy or legal proceedings concerning one of these non-traditional funds, the Client is advised that the Bank, subject to the application of the legal aid agreements and to the nature of the requests thus made, may be required to communicate the Client's name to the requesting authorities.

However, such communication may not take place without prior notification of the Client, unless otherwise required by law.

The Client undertakes to indemnify and hold the Bank harmless against any legal recourse, action or proceedings of any kind brought against the Bank in its capacity as nominee acting on the Client's instructions and at the Client's exclusive risk. Consequently, the Client shall bear all costs, fees and incidental expenses of any kind that the Bank may incur in connection with action of any nature whatsoever that may be brought against it on account of its role as nominee in any of these non-traditional funds.

The Bank may terminate the nominee agreement at any time. However, the commitments, duties and rights arising from this agreement shall only end once the transfer has been completed, to the name of the Client or the name of the third party designated by the Client, of all fund units held by the Bank in accordance with this nominee agreement, and once the Client has fulfilled all of its financial commitments arising from the said nominee agreement.

Furthermore, the Client declares that it has been advised regarding the risks inherent to these non-traditional funds and acknowledges the same to the Bank.

43. Foreign exchange and forward financial instrument transactions

Transactions involving forward financial instruments may only be carried out by the Client under its exclusive responsibility, and the Bank reserves the right to make such transactions subject, at any time, to its prior agreement, under the Client's exclusive responsibility.

Foreign exchange or forward financial instrument transactions require sufficient assets pledged as collateral, taking into account the margins defined by the Bank to hedge the risk estimated at a percentage, set by the Bank, of the nominal amount of all outstanding transactions. All losses (realised or not) must always be 100% hedged.

The Bank may request a guarantee or additional securities if, due to market fluctuations or for any other reason, the securities subscribed by the Client in favour of the Bank are no longer sufficient.

The Bank may transfer from any current account or credit sub-account opened with it to a special unavailable sub-account the sums and/or securities used to hedge each outstanding transaction. If, within the time limit given by the Bank, the Client fails to provide these additional securities or assets requested by the Bank, the Bank shall then have the right, but not the obligation, to immediately or at any other time take the necessary measures to re-establish the hedge requested or, at its sole discretion, to unwind or liquidate all or part of the transactions or to sell the securities.

The Bank does not accept any liability even if subsequent market developments render the hedging transaction and/or creation of pledges unnecessary. The Bank reminds the Client of the random nature of these transactions and the extent of the associated risks.

44. Hedging and guarantees

The Client undertakes to comply, in general, with the hedging rules relating to all organised and regulated markets, and the Bank reserves the right to reinforce these minimum hedging rules.

The Bank may, at any time, require the delivery of full hedging, in cash or in securities, and refuse to execute an order that would exceed the amount of the hedge requested.

In order to ensure that the Client's commitments are hedged, the Bank may also require the Client to establish a Pledge of Cash and Financial Instruments in its favour.

45. Lack of hedging

The Client undertakes to establish and/or re-establish in the account the securities or cash provision required to execute the settlements and deliveries corresponding to the orders placed and at the correct time, i.e. in accordance with the market rules and the agreements concluded with the Bank.

Should the hedging of the Client's commitments prove inadequate, and should the Client fail to re-establish the hedge within one trading day, from the time the request is made by the Bank, the latter reserves the right to liquidate the Client's Financial Instruments and cash over which the Bank may be custodian, with the Client having no right to bring liability action against the Bank in this respect.

In the event of failure to established and/or re-establish this provision, the Bank shall be authorised, without prior formal notice, to buyback the securities sold and not delivered or to re-sell the securities purchased and not paid for, at the expense and risk of the Client and to debit the latter's securities account for the corresponding sums. In such circumstances, the Bank may, at its discretion and without prior notice, sell any Financial Instrument or security held in the Client's securities account and carry out any currency exchange transactions necessary to settle the Client's debit positions, with all of the Client's Financial Instruments and cash being allocated in advance to the payment of its commitments/exposure to the Bank.

The Bank shall therefore be entitled to apply, at any time, the revenue from the sale of the Client's securities and the credit balance of its current account and/or sub-accounts to the settlement of debits resulting from the execution of the General Terms or of those relating thereto.

III. Payment and On-line banking services

46. Provision and use of means of payment

46.1 Provision of chequebook

The Client may have a chequebook provided to it, subject to the Bank's agreement. It can collect it from the Bank or have it sent to it by registered mail at its expense and under its sole responsibility. The Client must carefully ensure that it receives and retains its chequebooks.

The Bank reserves the right to refuse to provide cheques by means of a substantiated decision.

The Client may only issue cheques using those provided for that purpose by the Bank.

The Client is required to ensure, at the time of the issue of the cheque, the prior existence of the provision and its availability. The Client must ensure that the provision is maintained and available until the cheque is presented for payment. The withdrawal of the provision after the cheque is issued, with the intention of harming others, exposes the Client to criminal penalties.

The Bank may refuse to pay and reject the cheques presented to it, in particular if the Client's account is in debit or based on the operating of the current account and, for the same reasons, it may order the return of the cheques in the possession of the Client or its authorised representative(s).

The Bank also informs any authorised representatives who are cheque holders, of which it is notified by the Client, that they can no longer issue cheques for the current account that recorded the incident until the situation is rectified.

All costs of any kind that may be incurred due to the rejection of a cheque due to insufficient provision shall be borne by the Client.

The holders of chequebooks issued by the Bank are liable for all consequences that may result from the loss or theft or any illicit or fraudulent use of the cheques provided by the Bank. In particular, the Client must personally ensure that none of the authorised representatives that it appoints is incapacitated in any way that prevents them from issuing cheques.

In any event, the Client must return to the Bank, at the latter's request or on closing the current account, all unused cheques in its possession or the possession of its authorised representative(s).

When questions relating to the capacity of a minor or a protected adult are governed by foreign legislation(s), the Bank must be provided with all useful explanatory material for delimiting and defining the scope of the powers and the identity and exact situation of the minor or protected adult (or its agents or representatives), with regard to the applicable legislation.

The Bank shall refuse to accept for cashing any cheque paid in by the Client that is not made payable to the Client. Cheques with successive endorsements therefore cannot be cashed by the Bank.

The Bank may also decide, at its own discretion, to accept or refuse any cheque submitted for cashing.

46.2 Bank card

The issuing of a bank card will result in the signature of a specific agreement of 'Cardholder Contract', which governs the terms and conditions of use. The Client is informed that the Bank uses external service providers to issue bank cards and that these service providers may amend the terms and conditions of use under the terms and conditions set out in the Cardholder Contract.

For the purposes of issuing the bank card and implementing the associated services, the Bank must communicate any confidential information required by said service.

The Client expressly releases the Bank from all of its obligations in respect of banking confidentiality and the protection of personal data under Monégasque law for the purposes of providing the Client with a bank card, as well as for reasons of the operating of the service provided by external service provider(s), in accordance with the agreements concluded between the Bank and that/those service provider(s).

The Client is informed that bank cards can be counterfeited or duplicated easily, in addition to cases of loss or theft. The Client must therefore ensure that it takes good care of its bank card, so as to avoid any possible theft by a third party, in order to also avoid the risks of falsification or counterfeiting, otherwise it runs the risk of being held liable for negligence.

The Client is also informed that it must avoid revealing their PIN code, or its bank card number itself, when making remote purchases (including via internet, fax or telephone) and it must ensure their withdrawal receipts and any other documents containing its bank card number cannot be accessed by any third parties.

The Client shall assume the consequences of the use of its bank card, provided that it has not made an objection under the terms and conditions set out in the Cardholder Contract. The cardholder is responsible for the use and care of its bank card and PIN code.

47. Stop payment order for means of payment

47.1 Stop payment order in the case of loss or theft of cheque(s) or chequebook(s)

In the event of loss or theft of cheques or chequebooks, the Client must make a stop payment order by any means, as quickly as possible, to the Bank, which must include the reason for the stop payment order and, if possible, the number(s) of the cheque(s) concerned. The stop payment order must make it possible to sufficiently identify the stopped cheque(s) by indicating, apart from the cheque number(s), the relevant account, the amount, the date of issue and the payee.

With regard to the Bank, the stop payment order is legally permitted only in the cases provided for in Article 32 of Order No 1876, of 13 May 1936, on cheques, i.e. cases of loss, theft, fraudulent use of the cheque or insolvency or bankruptcy of the account holder.

Any stop payment order made on other grounds shall render its author liable to the criminal penalties provided for in the Criminal Code of the Principality of Monaco.

Any verbal stop payment order must be immediately confirmed in writing stating the reason for the stop payment order.

When the Bank receives a stop payment order that is not based on one of the reasons mentioned above or when it does not receive written confirmation of a stop payment order based on the said reasons, the Bank shall send the Client a letter indicating the reason why the stop payment order cannot be accepted. As the provision in a cheque is transferred to the bearer as soon as it is issued, the Bank may be required to freeze the provision in the cheque that is the subject of a stop payment order in favour of the legitimate bearer.

The costs relating to stop payment orders for cheques shall be borne by the Client. More generally, all transactions requiring special treatment (lack of signature, stop payment order, inadequate provision), particularly when they result in an operating incident, are invoiced according to the tariff in force.

Except in the cases provided for by law, and provided that it has been diligent and has acted in good faith, the Bank, in its capacity as the Client's authorised representative for the purposes of cashing cheques, shall be held harmless and indemnified by the Client concerning any liability in respect of any third parties in the event of a dispute or challenge on any grounds whatsoever and in particular, but not exclusively, in the event of an anomaly, irregularity, alteration or theft by a third party.

Consequently, the Client undertakes to indemnify the Bank for any principal, interest, costs and incidental expenses whatsoever, including legal fees, that the Bank may incur in the event of a dispute with any third party on respect of any cheque that it may have cashed on behalf of the Client.

Any Client who forges, falsifies or fraudulently endorses a cheque or who knowingly agrees to accept such a cheque, also runs the risk of incurring criminal penalties.

47.2 Stop payment order in the case of bankcard loss or theft

The cardholder is responsible for the care of their bank card. A stop payment order can only be made in the event of loss, theft or fraudulent use of the card or the data linked to its use, or the insolvency or bankruptcy of the cardholder.

The cardholder must report any loss or theft of the bank card as quickly as possible. This report must be made:

- by contacting the Bank's stop payment order centre;
- during the opening hours of the Bank's branches, in particular by telephone, fax or written report provided on site.

Any stop payment order that is not the subject of a report signed by the cardholder, or of any other procedure that has allowed identification of the cardholder, must be confirmed without delay, by a letter hand delivered or sent by registered post, to the branch that holds the account on which the card operates.

In the event of a dispute over the stop payment order, the stop payment order shall be deemed to have been made on the date of receipt of said letter by the Bank.

The Bank may not be held liable for the consequences of a stop payment order made by telephone, fax or telegram that does not originate from the cardholder.

In the event of fraudulent use of the card or the data linked to its use, the cardholder must issue a stop payment order for that reasons and report it within 70 days of the disputed transaction.

In the event of theft or fraudulent use of the card or the data linked to its use, the Bank may request an acknowledgement of receipt for the complaint made before police authorities or a copy thereof.

48. SEPA Direct Debit

SEPA Direct Debit concerns transactions processed within the SEPA area according to the rules set out by the European Payment Council (EPC). The Client can be the debtor (person making payment) or the creditor (person receiving payment) of a direct debit. The following provisions address both situations.

The instruction given by the debtor to authorise the debiting of their Account via direct debit on presentation of orders issued by a creditor is the result of a written mandate transmitted through the creditor's bank. The direct debit mandate is drawn up by the debtor in accordance with the standard template containing all the information required by the EPC.

Each mandate is identified by a unique reference number provided by the creditor and by the creditor's SEPA identification number.

The debtor's bank will reject and may refuse to execute mandates that do not contain all the necessary information or that are not signed by the debtor.

The direct debit mandate may be for a one-off transaction or may be a standing order. In the first case, or in the case of the first transaction in a series, the time limit for interbank presentation of the direct debit is five working days. In the second case, the time limit is two days from the second transaction in the series. When a direct debit service previously accepted by the debtor is replaced, at the creditor's initiative, by another direct debit service, the direct debit mandate, the direct debit authorisation and the stop payment orders made by the debtor before the entry into force of the new direct debit service shall remain valid. By way of derogation from the provisions of Article 1118 of the Civil Code, the Parties agree that a failure on the part of the account holder to dispute a direct debit in favour of the same creditor or their successor shall constitute proof of the existence and validity of the direct debit mandate and the direct debit authorisation.
The direct debit mandate may be withdrawn at any time upon written instruction to the debtor's Bank. The withdrawal will apply only to orders not yet executed.

The Client's attention is drawn to the fact that prior to settlement, the debtor's Bank may be required to reject transfers, either on its own initiative or at the request of the debtor. Furthermore, after the date of settlement, the debtor's bank may make a refund of the amount to the creditor's Bank; such refund may be made at the initiative of the debtor's Bank within five business days of the date of settlement. It may also result from a request made by the debtor within eight weeks of the date on which the debtor's account was debited, where the debtor contests payment on the grounds of an absence of a direct debit authorisation, within thirteen months.

49. On-line banking services

All other transfers, within the limits established between the Client and Bank, with the exception of cheques, may be processed using the On-line Banking Services (the 'On-line Banking Services') provided by the Bank, which allow its Clients direct or indirect access to their Account(s) via the internet, in accordance with the general terms and conditions of the On-line Banking Services (hereinafter referred to as the 'General Terms and Conditions of the On-line Banking Services') and the associated documents governing said Online Banking Services.

In the event that the General Terms and Conditions of the On-line Banking Services differ from the General Terms, the General Terms and Conditions of the On-line Banking Services will take precedence.

Section C – Investment Services and Ancillary Services

I. General provisions applicable to Investment Services and/or Ancillary Services

50. Legal and regulatory framework

The Investment Services and the Ancillary Services offered by the Bank, as described in this Section C, are governed by these General Terms and subject to the law of the Principality of Monaco. These services are provided in Monaco under the supervision of the *Commission de Contrôle des Activités Financières* (Financial Activities Supervisory Commission).

The Investment Services and the Ancillary Services contribute to the fulfilment of investment transactions through which the Client invests funds, irrespective of the form and nature of the investment, with a view to generating a financial profit, including in particular and without limitation:

- the purchase or subscription, and sale, of any financial instrument, on a financial market or over-the-counter, including (i) any debt or capital instrument, (ii) any instrument giving or potentially giving access, directly or indirectly, to the issuer's share capital or voting rights;
- the purchase, subscription or redemption of any structured investment product (notably structured debt securities, warrants, options and other similar products issued by financial institutions or insurance companies);
- the purchase or subscription, and the sale or redemption of any unit or share in any collective investment undertaking or vehicle (whatever its form and including in particular mutual funds, open-ended companies or investment companies, securitisation funds or vehicles, funds of funds etc.) set up in Monaco or in a foreign State and irrespective of the investment strategy and the assets in which they invest;
- investment in any derivative product negotiated over-the-counter or the purchase or sale of any derivative product which is the subject of a contract listed on a market.

Without prejudice to any of its legal or regulatory obligations, the obligations of the Bank in relation to the Investment Services and the Ancillary Services shall exclusively constitute best endeavours obligations. Accordingly, the Bank does not provide any guarantee whatsoever at any time to the Client in relation to the performance of any investment transaction(s) undertaken within the framework of the Investment Services it provides, which inevitably involve risks, notably risks of capital loss. In any event, the Bank reserves the right to refuse to provide the Client with any Investment Service or to enter into any investment transaction, irrespective of the reason for its refusal that the Bank would assess in its sole discretion.

In addition, the Bank shall not be held liable, within the framework of Investment Services and Ancillary Services it provides, for any failures as a result of force majeure or unforeseeable events as defined by Article 1003 of the Monegasque Civil Code. In this regard, the following are deemed to be circumstances of force majeure or unforeseeable events, this list not being exhaustive: social conflict, inclement weather, failures of computers or peripheral equipment, difficulties, obstruction or interruption to the operation of telecommunications or electronic networks, sustained breaks in the energy supply, the failure of IT systems, software or networks of third parties with direct or indirect involvement in the provision of services, and, in general, any other situation beyond the express control of the parties which inhibits the normal performance of these General Terms and more specifically the Investment Services.

51. Information regarding Client's circumstances

Before providing any Investment Service, the Bank will contact the Client to obtain any information it considers necessary relating to its financial circumstances, investment knowledge and experience, and appetite for financial risk. This information will be collected primarily through an information questionnaire, in which the Client will confirm the truth and authenticity of any information provided by signing it, or by any other method deemed appropriate by the Bank. Subsequently, the Bank may contact the Client again to confirm the truth and authenticity of the information already provided through a further information questionnaire or by any other means, or to ask the Client to update the information.

It is expressly agreed, however, that the Bank has no obligation to monitor or update information provided by the Client. Accordingly, the Bank is entitled, at any time, to rely on the latest information in its possession in the form received from the Client, notably for the purpose of complying with any of its other legal or regulatory obligations. Consequently, the Client undertakes to inform the Bank of any changes which may affect its financial circumstances and of any other event which means that information previously provided to the Bank is now incorrect or no longer accurately reflects its circumstances.

52. Client Risk Profile

Prior to the provision of any Investment Service, the Bank will draw up the Client's risk profile (the **'Client Risk Profile'**). This profile is based on the information collected in accordance with clause 51 above and using a methodology devised by the Bank. It reflects, from a general perspective, the Client's capacity for risk-taking in consideration of its financial circumstances and risk tolerance. It will be notified to the Client as soon as possible after the Client has provided the information referred to in clause 51 and may, where applicable, be updated to reflect any change affecting the Client's circumstances either at the Client's request or at the Bank's initiative.

To find out more about the various risk profiles that exist according to the methodology drawn up by the Bank, the Client is invited to refer to any separate document provided by the Bank or to contact its private banker.

As the case may be, the Client may inform the Bank that it wishes to change its Client Risk Profile. The Bank may then decide at its discretion whether or not to accede to the Clients' request to change its Client Risk Profile. In any event, the Risk Profile is only provided for information purposes, in order to assist the Client in its investment decisions and to assess the suitability of the transactions it intends to enter into. The Client remains free to enter into any investment transactions of its choice, including those which, in isolation or collectively, involve a significant level of risk compared to its Client Risk Profile, and under its sole responsibility.

53. Client Classification

For the purpose of providing the Investment Services, the Bank will classify the Client in one of the following categories:

- non-sophisticated investors,
- sophisticated investors, or
- professional investors.

Within this framework, professional investors have access to investment transactions and Investment Services or Ancillary Services which are not offered to other investors. They do not, however, benefit from greater protective measures applicable to other investors, notably in relation to the level of information disclosed prior to entering into any investment transaction, in respect of which they are deemed to understand the risks.

The category in which the Client is classified is determined on the basis of information collected in accordance with clause 51 above and any other information held by the Bank and based on criteria defined by the Bank. The Client will be notified of its classification in writing, either at the same time as it is notified regarding the Client Risk Profile referred to in clause 52 above, or separately.

In certain circumstances, the Client is entitled to ask to be classified in a category other than the category allocated by the Bank, being specified that the Bank nevertheless reserves the right to refuse such a request.

Lastly, the classification referred to here is based on principles specific to the Bank, which differ from the classification rules for Clients applicable outside Monaco in certain countries, notably European Union countries having transposed the Markets in Financial Instruments Directive (MiFID) and from any other regulations adopted by the European Union.

To find out more about its classification, the Client is invited to refer to any separate document provided by the Bank or to contact the Bank.

54. Information on risks

The Bank draws the Client's attention to the fact that any investment transaction, notably any transaction carried out on the financial markets, involves significant risks of loss which are inherent in the economic and financial mechanisms which govern the markets, and that such investment transactions are by their nature volatile and unpredictable. By accepting these General Terms, the Client confirms that it is fully aware of the operating conditions of the financial markets on which the orders it transmits are likely to be executed. It acknowledges that the Bank's involvement as Investment Services provider does not imply that it has carried out any assessment of the appropriateness of investing, this being the sole responsibility of the Client, who agrees to bear any resulting losses.

The Bank also draws the Client's attention to the Appendix entitled 'General information on investment transactions and risks', provided upon execution of these General Terms. Unless it has raised a specific issue with the Bank, the Client acknowledges that it has read and understood this Appendix in full.

Lastly, the Bank draws the Client's attention to all the pre-contractual information documentation that could be provided to the Client, either pursuant to any of its regulatory obligations or because it deems it necessary, before any investment transaction is entered into or any Investment Service or Ancillary Service is subscribed to. The Client undertakes to read this documentation carefully and acknowledges and accepts that, unless it has raised a specific question with the Bank, the latter is entitled to rely on the content of this documentation in its dealings with the Client, who is deemed to have read and understood it in full, including, where applicable, when such documentation is provided exclusively in English.

In any event, the Bank reminds the Client that it has an obligation to find out about the risks inherent in any Investment Service or Ancillary Service provided, and/or in any investment transaction concluded with the Bank and that the Client is responsible for seeking in advance any further information, as necessary for it to fully understand the characteristics of any transaction and the inherent risks.

55. Hedging and guarantees

By signing these General Terms, the Client acknowledges that rules exist requiring hedging and guarantees to be set up prior to certain investment transactions being undertaken on the markets, such as those stipulated, where applicable, by the laws and regulations in force in the place where the transactions are carried out, or by the rules specific to any regulated or organised market on which the transaction is undertaken, and the Client undertakes generally to comply with such rules.

The Client further acknowledges and accepts that the Bank may impose additional hedging and guarantee rules, of which it will be informed, where applicable, before any Investment Service or Ancillary Service is provided, or prior to any investment transaction being undertaken, the Bank reserving the right to enhance or extend the minimum hedging and guarantee rules prescribed by the laws and regulations in force or by the specific rules of the market in question.

More generally, the Bank may require a total hedge of the Clients exposure to be put in place at any time, in the form of sums of money or financial securities which will be received in the Client's account and pledged in favour of the Bank, as a guarantee in respect of due execution and payment of any sum arising from any investment transaction undertaken through the Bank as broker, or of any Investment Service or Ancillary Service provided by the Bank, or generally of any of the Client's other obligations to the Bank. Where applicable, the Bank may refuse to continue to provide any Investment Service or Ancillary Service, and may reject any order (in accordance with clause 62 below) which may lead to the already existing hedge being exceeded or in the event that the Client fails to set up the additional hedge requested. Furthermore, if the Client is in default of any of its obligations whatsoever vis a vis the Bank, the latter reserves the right to sell any financial instrument held on Client's account and to unwind or liquidate any investment transaction entered into by the Client, to the exclusive cost of the Client, and to allocate any amount resulting therefrom or any other amount held on the Client's account to the payment of any obligation of the Client owed to the Bank, and to this end, proceed with any foreign exchange operation as may be necessary.

56. Information received from third parties

The Client is informed that the provision of the Investment Services and Ancillary Services is largely based on information or market data originating from a wide variety of public or private sources, to which the Bank has access, and which may have been produced or collated by third parties. Accordingly, the Bank will take any reasonable measures to select these sources of information and data, to ensure that the information and data itself is true and/or accurate and that it can therefore base its own analyses and opinion on such information or data. The Client nevertheless acknowledges and accepts that the Bank is unable to independently verify that this information and data is accurate and complete and that the Bank cannot give the Client any guarantee in this regard. Consequently, the Bank shall not incur any liability in relation to any event resulting from the use of any information or any data originating from a third party which proves to be inaccurate or incomplete.

57. No advice in relation to tax or legal issues

The Bank does not offer any tax or legal advice in connection with the Investment Services. The Client shall be solely liable for determining the specific tax consequences or other legal consequences resulting from the transactions carried out in the course of the Investment Services. The Client is at liberty to instruct its own tax and legal advisors in this regard.

The Client is personally responsible for complying with its tax obligations, notably with regards to the filing of returns.

58. Client representatives

The Investment Services and Ancillary Services are provided to the Client exclusively through the intermediary of its private banker, who is responsible for managing the overall relationship between the Bank and the Client. However, as an exception to the above:

- the investment advice service referred to in clause 64 below is provided to the Client through one or more dedicated investment advisor(s), appointed by the Bank; and
- certain services relating to receipt and transmission of orders and dealing for own account may be provided by different market specialists within the framework of our 'Direct Access' arrangements referred to in title III hereinafter.

59. Conflicts of interest and non-exclusivity

The Client acknowledges and accepts that the Bank, and generally the Barclays Group, may provide various types of service directly or indirectly to any other person, including in particular, within the framework of its corporate and investment banking activities, various services associated with financial instruments or investment transactions which may relate to the Investment Services and Ancillary Services covered by these General Terms. For example, the Barclays Group may notably be involved, in various locations and through various entities, in the issue, distribution, structuring or management of certain financial instruments, acting as arranger, book runner, advisor, or in any other capacity. In these circumstances, the Barclays Group may be required to take decisions or be involved in decision-making relating to these instruments which may, in some cases, be contrary to the Client's interests. However, these decisions are taken completely independently by the parties involved and in compliance with the arrangements for the prevention and management of conflicts of interests adopted by the Barclays Group, in accordance with any applicable statutory or regulatory obligations.

The Client further acknowledges and accepts that the Investment Services and the Ancillary Services covered by these General Terms are not exclusive. Accordingly, the Bank, and the Barclays Group generally, may provide similar or identical Investment Services and Ancillary Services to any other Client, and act for its own account, deploying the same methods and models and using the same information relied upon by the Bank and the Barclays Group for the purposes of the Investment Services and the Ancillary Services offered to the Client in accordance with these General Terms.

60. Tariff

Fees are payable for the Investment Services and the Ancillary Services provided in accordance with these General Terms as provided for in the Bank's brochure on tariffs, which is regularly updated by the Bank, and, where applicable, on the basis of any specific agreements reached between the Bank and the Client.

The Client is further informed that the Bank may receive certain fees or benefits from third parties in relation to the Investment Services and the Ancillary Services provided to the Client, taking notably the form of commission, reimbursement, reduction of charges or any other non-monetary benefit. Such fees or benefits are received in accordance with contracts entered into independently between the Bank and the relevant third parties and are treated as additional revenue for the Bank. In order to prevent any conflict of interests, the Bank has nevertheless implemented procedures required to ensure that it acts with the necessary independence within the framework of the services provided to the Client.

II. Investment Services

61. Discretionary Portfolio Management.

In the Principality of Monaco, the discretionary portfolio management service may be offered to any Client by the Bank, through Barclays Private Asset Management ('**BPAM**'), a Monegasque public limited company having its registered office at 31 avenue de la Costa, MC98000, in Monaco, and part of the Barclays Group of companies.

Where a discretionary portfolio management service is provided, a mandate must be signed in advance between the Client and BPAM, notably defining the investment strategy applicable to the relevant portfolio. The managed portfolio will be kept separate within a dedicated sub-account, forming an integral part of the Client's account with the Bank, but managed exclusively by BPAM, the Client being expressly prohibited from taking part in the management of this sub-account. With the exception of the obligations relating to management of this sub-account contained in the mandate entered into with the Client, BPAM shall not have any obligations or incur any liability vis-à-vis the Client, notably in relation to any event affecting the Client's account or any sub-account other than the sub-account managed by BPAM. Conversely, BPAM shall be exclusively liable for the discretionary management service, the Bank having no obligations in this regard.

To enable the Bank to consider whether it is appropriate to provide the discretionary portfolio management service and to ensure it is provided effectively by BPAM, the Bank may provide BPAM with any information in its possession relating to the Client, notably the information collected in accordance with clause 51 above, as an exception to the provisions of Article L511-33 of the Monetary and Financial Code and Article 308 of the Monegasque Criminal Code, being specified that BPAM will then be required to keep such information in accordance with the same rules of confidentiality and professional secrecy as are applicable to the Bank.

62. Services relating to receipt and transmission of orders, execution of orders and dealing for own account

In this clause, an order means any instruction given to the Bank by a Client for the purposes of entering into an investment transaction. As applicable, orders received from the Client are handled by the Bank for execution purposes as follows:

- a receipt and transmission of order service, in which the Bank will relay the Client's order to another duly authorised investment services provider for execution on a regulated or organised market, or on a multilateral trading facility ('MTF'), an organised trading facility ('OTF'), or through a systematic internaliser system through which such other investment service provider can itself act as counterparty to the order transmitted by the Bank; or
- an order execution service, in which the Bank will itself execute the order on the Client's behalf on a regulated or organised market, or on a multilateral trading facility ('MTF') or an organised trading facility or ('OTF'); or
- a dealing for own-account service in which the Bank invests its own capital and acts directly as counterparty to the order (where applicable through a systematic internaliser system).

Responsibilities – For the purposes of processing any order received from the Client, the Bank acts exclusively within the framework of a receipt and transmission of order service, an order execution service or a dealing for own-account service, to the exclusion of any other service, notably investment advice or discretionary management services.

The Client shall make its own investment decisions, the Bank having no obligation to provide advice in this regard. Accordingly, the Client is hereby informed that the Bank is not required in any circumstances to ensure that the investment transactions fall within the framework of the Client Risk Profile, which has been addressed to the Client in advance solely for information purposes, in accordance with the provisions of article 52 above.

Further, the Bank has no specific obligation to provide information or give warnings where the Client has the necessary experience and knowledge to make its own investment decisions. If this is not the case, the Bank will provide the Client with any relevant information and/or warnings prior to entering into the relevant investment transaction. In any event, any information provided by the Bank in advance or any other communication it makes relating to any investment service or transaction shall not in any circumstances be treated as any form of investment advice, and the Client shall systematically carry out its own analysis, where applicable with the assistance of such professional advisors (financial, tax and/or legal advisors) as it deems necessary.

Where the Bank considers that an investment service or product is not appropriate for the Client, it reserves the right not to proceed with the Client's order or to seek confirmation of the order from the Client. In these circumstances, the Bank shall not be held liable for any loss which may be sustained by the Client as result of failure or delay in execution of such order.

Involvement of an investment service provider as agent – When the Client instructs another investment service provider acting as its agent to manage its investment activity, notably under a discretionary portfolio management mandate, the Client understands and accepts that such service provider is exclusively liable in relation to all obligations to provide information, warnings or advice in relation to any investment transaction to be undertaken. Accordingly, for any investment transaction entered into through the Client's agent as intermediary, the Bank is not required in any circumstances to verify the suitability of the transaction in consideration of the Client's investment objectives, or its appropriateness with regards to the Clients' knowledge and experience of financial matters.

63. Processing of Client's orders

Execution policy – The various procedures adopted by the Bank in dealing with orders received from the Client for execution are set out in a document outlining the Bank's execution policy and vary depending on the investment transaction or relevant type of financial instrument. This policy is drawn up by the Bank with a view to seeking the best possible outcome for the Client on the basis of various criteria (notably the cost incurred by the Client but also the prospects of success or speed of execution). This policy may be amended at any time. For further information on the Bank's execution policy, the Client is invited to contact its private banker.

Method for transmission of orders – The Client may transmit its order during the Bank's opening hours, by post and where applicable by fax and/or telephone if the Client has expressly requested the option of giving instructions using these methods. Where applicable, a Client may also transmit its order through secure electronic messaging systems accepted by the Bank at its sole discretion (such as those regularly used by professionals in the finance sector but excluding all ordinary electronic messaging systems). The Client will be kept informed of new channels for placing orders which are made available. The Client expressly accepts that the recordings stored by the Bank associated with remote transmission methods used, notably telematic or electronic methods, may be used as evidence of orders, notably where such orders have been placed by telephone.

In the event of any doubt regarding the authenticity of an order, the Bank reserves the right to seek confirmation of the order before execution takes place. In these circumstances, the Bank accepts no liability with regard to the delay in processing the order or for any consequences arising from this, which the Client accepts wholly and unreservedly.

Finally, the Client hereby declares that it will not hold the Bank liable in the event of any fraud, forgery or counterfeit affecting any order sent to the Bank by fax, by telephone or electronically. It acknowledges that it has understood the risks involved in these methods of transmission, which are entirely insecure, including the risk of misinterpretation by the Bank, and agrees unreservedly to bear such risks, in respect of which it fully and completely discharges the Bank.

Cancellation of an order – Any order which is correctly transmitted to the Bank is irrevocable in principle. However, after having transmitted an order, the Client may request the cancellation of the order, provided processing has not already been completed or commenced, by notifying the Bank of its decision using the same methods which may be used to transmit an order. Once the cancellation request has been brought to the Bank's attention, the Bank will use its best endeavours to halt any action taken to execute the order, including, where applicable, by sending the request for cancellation to the broker it has instructed to execute the order. The Bank shall not, however, be held liable in any circumstances if the Client's request is unsuccessful and the order is ultimately executed, notably where a certain delay has arisen between the time when the cancellation request reached the Bank and the time when the relevant staff of the Bank effectively became aware of it. The Client is therefore responsible for ensuring that any cancellation request is effectively dealt with by the Bank in a timely manner.

Keep the Client informed – The Bank will inform the Client upon request of the progress with regard to execution of its orders. In the event the order has not been successfully transmitted, the Bank will notify the Client within a maximum 48 hours timeframe.

Unwinding of orders and other payment and delivery obligations of the Client – Following execution of any order received from the Client, all payments of sums of money and the delivery of any financial instruments required, immediately or in future as regards forward investment transactions, will be made by debiting or crediting the Client's account in accordance with the obligations contractually agreed by the Client within the framework of any relevant investment transaction.

Accordingly, the Client undertakes, without prejudice to any other obligations relating to hedging or guarantees contained in these General Terms or in any other existing contractual arrangements between the Bank and the Client, to ensure, from the time it transmits its order, that the securities or sums of money required to meet all payment or delivery obligations it has agreed within the framework of the relevant investment transaction, are made available and maintained.

Consequently, in the event that a sum of money or the financial instruments required to meet a Client's payment or delivery obligation are not made available or are made available at a level which is insufficient to enable any obligation of the Client to be duly executed, the Bank may, without a prior formal demand/notice and exclusively at the Client's expense and risks:

- buy back the financial instruments sold and not yet delivered, or re-sell the financial instruments purchased and not yet paid for, at the Client's risk and expense; and/or
- convert any other sum deposited in any other currency in the Client's account, to the extent necessary and at the market exchange rate, for the purposes of meeting the Client's payment obligation; and/or
- proceed with the purchase on the financial instruments market, to the extent necessary and exclusively at the Client's expense, for the purposes of meeting the Client's delivery obligation.

Further, if the hedge for the Client's commitments proves to be inadequate at any time, and the Client fails to rectify the situation within one business day (in Monaco) of the request presented by the Bank, the Bank reserves the right to unwind any investment transaction for which the Client's obligations in relation to payment of any sum of money and/or delivery of any financial instrument have yet to be fulfilled (whether or not payment or delivery has fallen due), such unwinding taking place exclusively at the Client's risk and expense.

Generally, the Bank may, at its sole discretion, sell any financial instruments held in the Client's account and use the proceeds of this sale, or allocate any sum of money deposited in the Client's account to the fulfilment of any payment or delivery obligation incumbent on the Client in relation to any investment transaction, where applicable by carrying out any foreign exchange transactions, all sums of money held in the Client's account being allocated firstly to payment in relation to the obligations resulting from any investment transactions.

Grouped orders – Where applicable, the Bank may be required to process a Client's order by grouping it with orders transmitted by other Clients, to enable them to be executed together. This aggregation of orders only takes place where the Bank takes the view that it offers equitable treatment of all parties involved (as is the case in particular for multiple orders transmitted to the Bank by a single agent representing several Clients). There is, however, a possibility that it will prove to be disadvantageous to a particular Client. Further, when the Bank aggregates several orders in this way, the grouped orders may not be executed in a single phase. In these circumstances, the resulting overall order will be executed in several stages and an average price will be applied to each Client whose order has been grouped with orders of other Clients in this way, based on this phased execution, for the portion relating to it.

In accordance with the regulations in force, the Bank may also be required to authorise any broker it uses to execute Clients' orders, to group these orders with those of other Clients or with the orders they wish to execute for their own account.

Where a grouped order cannot be processed in full, the Bank will allocate the proceeds of the partial execution of the order in accordance with its allocation procedure. A grouped order which has only been partially processed is therefore generally allocated among all relevant Clients, pro rata to their initial request, unless this is contrary to the specific interests of any of the relevant Clients (notably if the Bank considers the transaction is no longer economically viable, due to weak allocation and in consideration of the transaction fees applied), or this is not possible at a regulatory level, or inequitable.

Purchase (including subscription) or sale order relating to listed securities – When the order relates to securities listed on a regulated or organised market, it must include the following information:

- the sub-account in which the transaction is undertaken;
- the type of the transaction (purchase or sale);
- the name and ISIN code of the financial instrument or security to which the transaction relates;
- the quantity of financial instruments which are to be purchased or sold, or the amount, expressed in the currency in which the financial instrument in respect of which a purchase or sale order has been transmitted to the Bank is denominated; it being understood that, in the latter circumstances, the Bank may purchase or sell a quantity of financial instruments for an amount reasonably rounded up or down from the amount notified by the Client, to ensure that the order, which must in any event relate to a complete number of instruments, can be executed;
- the preferred execution date for the transaction in question or the deadline after which the order shall no longer be executed;
- the price limit for execution (this is called a 'limit order', given that if no price limit for execution is indicated, the order will be executed 'at best limit' meaning that it will be limited either to the opening price if transmitted to the market before opening, or at the best bid (purchase) or best ask (sale) price if transmitted during the trading session); and
- generally, all details required for the order to be duly executed. When the order could be executed on several markets, the Client must confirm which market has been chosen for execution. Any order which does not include the above information will be deemed to be incomplete and may not be executed by the Bank.

The Bank will accept the Client's stock exchange orders as soon as reasonably possible after receipt, and will then take all measures to execute them, on the terms and conditions set out in each order, in accordance with its execution policy. Acceptance of the order does not necessarily mean it will be executed. The order will only be executed if the conditions on the relevant market so permit and if it fulfils all applicable statutory, regulatory and contractual terms and conditions.

Where prices are continuously quoted, in the absence of interruption, orders received without any indication of price during trading hours by the executing broker will be executed at the prevailing market price at the time of execution on the relevant regulated or organised market, (or where applicable, on the relevant MTF or OTF, when this method of execution is used in accordance with the Bank's execution policy). Orders received without any indication of price outside opening hours will be executed at the first available price quoted at the time of opening. With regards to a regulated or organised market, or an MTF or OTF, where prices are not quoted continuously, an order for which no price is indicated will be executed 'at best', that is at the first price quoted after it is received by the Bank or by the service provider executing it, and according to the options available given the market conditions.

In any event, the Bank may reject any order which is unclear or which does not conform to the practices or regulations in force on the markets on which the orders are placed, or which involves transactions which are unusual for the Client in terms of type of order or amount. The Bank will use any method which it deems appropriate to inform the Client in the event that the transmission of orders has been unsuccessful.

In accordance with the rules prescribed in these circumstances by the regulations of the relevant organised or regulated market, or of the relevant MTF or OTF, and with the rules prescribed by the regulations of any supervisory authority for such market, MTF or OTF, an order may be only partially executed. If it has been impossible to execute an order successfully, or if it has been impossible to execute the order fully before its expiry date, the Bank will use its best endeavours to inform the Client, by any appropriate method, as soon as possible. In these circumstances, the order will be deemed to have expired and the Client will be responsible for issuing a new order, as the case may be.

Limit orders transmitted to the Bank during a calendar month which have not been executed or which have been partially executed, will lapse automatically at the end of that calendar month. The Client is responsible for issuing a new order, as the case may be, at the start of the following calendar month. Settlement of the purchase price and delivery of securities will be carried out in accordance with the rules and practices in force in the markets on which the securities are to be subscribed or traded.

In accordance with regulations in force, the Bank does not give any guarantee to the Client in relation to delivery and payment in respect of the financial instruments purchased or sold on its behalf where the order is executed outside a regulated market. The Bank will not assume any *del credere* obligation towards the Client, regardless of which market is involved.

The Client confirms that it has been fully informed of the operating conditions and mechanisms of the markets on which the orders are placed.

Orders relating to units or shares in collective investment undertakings or vehicles distributed to the public – Orders relating to the purchase or sale of units or shares in collective investment undertakings or vehicles which are listed on a market ('Exchange Traded Funds' or 'ETFs') are accepted for execution in accordance with the provisions relating to orders for the purchase and sale of listed securities above and with the Bank's execution policy.

With regards to units or shares in collective investment undertakings and vehicles distributed to the public but which are not listed on a market, subscription or redemption (or buy-back) orders are transmitted to the broker responsible for executing them who will centralise them on a daily basis for the issuer to enable them to be executed. Accordingly, the Client acknowledges and accepts the fact that its orders can only be executed within the limitations of the provisions of the instruments of incorporation of the undertaking or vehicle in question (including notably the rules for calculation of the net asset value and the notice periods applicable specifically to any request for redemption or buy-back for the relevant undertaking or vehicle).

In any event, prior to transmitting any order, the Client is deemed to have read and understood all the instruments of incorporation of the relevant undertaking or vehicle, including any information documents aimed at the public, and to have accepted all terms and conditions, the Bank incurring no liability in this regard.

Orders relating to units or shares in collective investment undertakings or vehicles subject to private placement – The Client's attention is drawn to the fact that the option of subscribing to collective investment undertakings and vehicles which are the subject to private placement is by its nature restricted and reserved to certain categories of investors, determined on the basis of the applicable laws and regulations and of the relevant instruments of incorporation of the undertaking or vehicle. This covers, in particular, private equity funds or hedge funds, which make private investment outside the financial markets or implement alternative investment strategies, which are not correlated with changes in the financial markets and major stock exchange indices, and which inevitably present a high level of risk (notably in terms of liquidity risk).

Unless an express exception is made, the Bank will not accept any order for subscription to a collective investment undertaking or vehicle which is the subject to private placement in which the Bank does not carry out the distribution in agreement with the relevant undertaking or vehicle.

With regards to the subscription of units or shares in collective investment undertakings or vehicles which are the subject to private placement, in which the Bank carries out the distribution, the Bank will send any Client orders to the relevant undertaking or vehicle or to any other designated broker (notably the administrator or management company), which will be solely responsible for determining whether or not the order is accepted, the Bank having no obligations and incurring no liability in this regard. The same applies to any redemption order, the Client expressly acknowledging and accepting the fact that its orders can only be executed within the limitations of the provisions of the instruments of incorporation

of the relevant undertaking or vehicle (notably including the rules for calculation of the net asset value and the notice periods applicable to any request for redemption, in the event that such a request can be made in relation to the relevant undertaking or vehicle).

In any event, prior to transmitting any order, the Client is deemed to have read and understood all the instruments of incorporation of the relevant undertaking or vehicle, including any information documents aimed at the public, and to have accepted all terms and conditions, the Bank incurring no liability in this regard.

Lastly, where applicable and in accordance with the provisions contained in the instruments of incorporation of the relevant undertaking or vehicle, the subscription may be carried out through a nominee, the Bank therefore legally becoming the subscriber to the investment made in the relevant undertaking or vehicle. The Bank will therefore carry the investment made for the Client and register the investment in its account. In these circumstances, or in any circumstances where the Bank acts as intermediary between the Client and the relevant vehicle or undertaking, in the capacity of agent or otherwise, the Bank reserves the right to ask the Client, before the subscription, to make any declarations and to make any undertakings to the Bank which it deems necessary, notably any undertakings relating to the hedging of potential capital calls on the part of the relevant vehicle or undertaking and any authorisation to provide it, or any designated intermediary, with any information relating to the Client, in accordance with the regulatory obligations applicable to this vehicle or undertaking.

Orders relating to transactions on derivative products or forward financial instruments – The Bank offers the Client the option of using a range of derivative products and forward financial instruments for hedging or investment purposes, on various classes of underlying assets (notably equities and exchange rates).

Orders relating to the purchase or sale of derivative products or forward financial instruments covered by a contract listed on a market ('Exchange Traded Derivatives' or 'ETDs', including 'Exchange Traded Options' or 'ETOs'), are accepted for execution in accordance with the provisions relating to purchase and sale orders on the listed securities above and with the Bank's execution policy. However, orders relating to these types of instruments may only be placed provided the Client has entered into a master agreement with the Bank beforehand, specifically defining the rules applicable to these types of products or instruments.

Orders relating to any transaction to be entered into on derivative products or on forward financial instruments traded over the counter between the Client and the Bank are executed in accordance with the Bank's execution policy and within the framework of a proprietary transaction in which the Bank invests its own capital. However, transactions relating to derivative products or forward financial instruments traded over the counter may only be entered into provided the Client has entered into a mater agreement with the Bank beforehand, specifically defining the rules applicable to these types of transactions.

The Bank draws the Client's attention to the fact that the two aforementioned master agreements are only available in the English language. In asking the Bank to execute any transactions on derivative products or forward financial instruments, the Client acknowledges that it has knowledge of this language and understands the terms and conditions set out in these master agreements.

The Bank also draws the Client's attention to the risks inherent in derivative products and financial future forward financial instruments, as set out in the Appendix entitled 'General Information on investment transactions and risks', provided to the Client when these General were signed. In consideration of these risks, in accordance with the principles set out in clause 55 of this Section C and those contained in the master agreements referred to above, the Bank hereby informs the Client that each transaction on derivative products or forward financial instruments may entail hedging or a minimum margin to be put in place, in the form of deposits of sums of money or remittances of securities into the account. Further, the Bank may, for the duration of the transaction on a derivative product or a forward financial instrument, require the Client at any time for additional remittances of sums of money or financial securities to reflect the variation in value of the relevant transaction or instrument. Lastly, it should be noted that sums of money or securities so credited to the Client's account will be pledged in favour of the Bank in accordance with terms of the general pledge of cash and financial instruments to ensure a priority right to the Bank over these sums of money and securities.

The aforementioned master agreements, and the general pledge of cash and financial instruments, set out the circumstances in which the Bank may ask for a minimum margin to be implemented and margins or hedging to be put in place for transactions on derivative products and forward financial instruments entered into by the Client. Any default identified in relation to these transactions, notably as regards the implementation of initial or supplementary margins or hedging, may lead by operation of law to the immediate unwinding of any over the counter transaction or to the transfer of any contract traded on a market, at the exclusive expense of the Client, and to the enforcement of the pledge granted in favour of the Bank.

Structured products – The Bank offers the Client the option of purchasing or selling all types of structured products issued by the Bank or by any other authorised institution which are listed on a market. Orders relating to the purchase or sale of these structured products are accepted for execution in accordance with the above provisions relating to purchase and sale orders on listed securities and with the Bank's execution policy.

Further, the Bank also enables the Client, in appropriate cases, to subscribe to structured products at the time of issue, where the Bank is involved as arranger with other issuers. The features of these products will be discussed between the Bank and the Client accordingly in advance of their issue. The Client acknowledges and accepts that, notwithstanding any pre-contractual information documentation which may be addressed to it by the Bank or on the Bank's letterhead, the issuer is solely liable for the terms and conditions applicable to the product issued and the Client undertakes to read all documentation produced by the issuer (including any prospectus, information document or specific terms), prior to any subscription order. Unless it has raised a specific question, the Client will be irrevocably deemed to have read and understood these documents in full.

64. Investment advice

General principles – The aim of investment advice service (also referred to hereinafter as 'advisory services') provided by the Bank to the Client is to assist the Client with its investment decisions, that is its decisions to enter into (or to refrain from entering into) any specific investment transaction. For these purposes, the Bank provides personalised recommendations, that is explicit recommendations to enter into (or to refrain from entering into) any specific investment transaction, based on an analysis of whether the transaction in question is appropriate in consideration of the investment objectives determined by the Client, and whether it is appropriate in consideration of the Client's financial circumstances and knowledge and experience in financial matters, with regards to the investment objectives defined in advance by the Client (individually a '**Personalised Recommendation**' and collectively '**Personalised Recommendations**'). Accordingly, the investment advice service is based on the analysis by the Bank of the Client's personal circumstances. The Bank shall not be required in any circumstances to provide the investment advice service and the service can only be effectively provided, at the initiative of the Bank or of the Client, subject to the Bank having expressly confirmed in writing to the Client of its intention to provide this service. The Client will be invoiced for advisory services by the Bank, in accordance with the provisions set out in the Bank's brochure on tariffs in force, and/or any conditions specifically agreed between the Bank and the Client.

Implementing advisory services – For the purpose of providing advisory services, Barclays will appoint an 'investment advisor', who will be the only person authorised to provide the Client with any Personalised Recommendation.

Prior to providing advisory services, the Bank will contact the Client in order to define its investment objectives by choosing one of the investment strategies offered by the Bank, which are associated with different levels of risk on the basis of a predefined scale identical to the scale used to define the Client Risk Profile referred to in clause 52 of this Section, or by defining specific objectives within the framework of an ad hoc investment strategy. Accordingly, the Client acknowledges and accepts that the Bank cannot express an opinion on the exact level of risk arising from such specific objectives within the framework of an ad hoc strategy, unlike for the strategies offered by Barclays which are based on internal models.

If the Client so wishes, it may contact its designated investment advisor at Barclays who will use his or her best endeavours to assist the Client in defining its investment objectives and choosing an investment strategy, by explaining the features of the strategies offered by Barclays and the relevant asset allocation principles contained in these strategies. The investment advisor may also assist the Client in determining the amounts likely to be invested within the framework of the investment advice service (where applicable by jointly considering the possibility of investing in accordance with the discretionary management service referred to in clause 61 above). For these purposes, the investment advisor may rely on any information it holds relating to the Client, notably pursuant to clause 51 above.

Without prejudice to the above provisions, the Bank confirms that the Client is exclusively responsible for defining investment objectives, which the Client acknowledges and accepts, and that the Bank is not responsible in any circumstances for assessing the merits of these objectives. Accordingly, the Client is invited to refer in particular to its Client Risk Profile before defining its investment objectives and evaluating the corresponding investment strategy. Where applicable, the Client may choose to opt for investment objectives and an investment strategy in which the risk profile exceeds its Client Risk Profile, notably where it decides to devote only a limited portion of its assets to investment activities covered by the investment advice service and/or where it considers that the assistance it has received through the advisory services justifies exceeding the risk profile. Without prejudice to the above clause, the Bank, which shall incur no liability in relation to the Client's investment objectives and the corresponding risks, nevertheless reserves the right to refuse to provide the investment advice service when it considers that the Client's investment objectives present

a too high level of risk in consideration of its Client Risk Profile. Further, where applicable, if the investment objectives determined by the Client reveal a change in risk appetite, the Bank may request the Client to update its Client Risk Profile accordingly.

Provision of Personalised Recommendations – The investment advisor may provide the Client any Personalised Recommendation that he or she deems useful or appropriate, either (i) at his or her own initiative, notably where he or she believes that it would be in the investor's interest to enter into an investment transaction, in its own right or in consideration of the financial instruments already held in the Client's investment account, after having taken into account any changes affecting market conditions and the economic environment or any other circumstances specific to the Client, or (ii) in response to the Client's request. The Client acknowledges, however, that the provision of Personalised Recommendations by the investment advisor depends on the circumstances and on changes to market conditions and opportunities which may arise and, accordingly, there are no guarantees that a predefined number of recommendations will effectively be provided to the Client.

Further, it is expressly agreed that correspondence from the Bank to the Client which does not come from an investment advisor, and any correspondence (including but not limited to correspondence relating to general or specific market analyses or opinions, even if it comes from an investment advisor) which does not relate explicitly to the opportunity to enter into or to refrain from entering into a specific investment transaction, shall not in any circumstances be deemed to be a Personalised Recommendation provided by the Bank to the Client. Accordingly, the Bank shall not incur any liability in relation to the investment advice service for any decision to enter into a specific investment transaction made following such correspondence, the Client being exclusively liable for contacting the investment advisor(s) designated by the Bank to obtain any Personalised Recommendation following such correspondence.

The Client's attention is expressly drawn to the fact that market conditions and the economic environment are inherently volatile and can change rapidly. Accordingly, the Client is informed that the Personalised Recommendations are based on the market conditions and circumstances prevailing at the time when they are sent, and that such Personalised Recommendations may no longer be appropriate, or may even become detrimental, at a later stage. The Client is solely responsible for implementing them and, where applicable, for sending instructions to the Bank in a timely manner, through the agreed communication channels, to ensure that the investment decisions can be executed on time.

The Bank's methodological approach – The Bank draws the Client's attention to the fact that advisory services are provided on the basis of models developed by the Bank which encompass a wide range of financial instruments and investment products, in various classes of assets, and are approved in advance and reviewed regularly by the Bank. The Client acknowledges and accepts that these financial instruments and investment products may change over time and that the Bank's capacity to provide it with the investment advice service may be affected accordingly, when an instrument or product is not monitored by the Bank, or when the Client wishes to implement specific investment objectives in accordance with an ad hoc strategy which is not modelled by the Bank.

Investment review – The investment advisor will undertake a full review of the Client's circumstances once a year, in consideration of its investment objectives. In addition to this annual review, the Client may contact its investment advisor to review all or part of its investment strategy whenever necessary. However, it must be understood that the investment advice service does not include any monitoring obligation on the Bank's part in relation to the overall evolution of the Client's account or the specific evolution of any particular investment transaction entered into by the Client on the account. The Client accepts that it remains solely responsible for monitoring the account.

Investment decisions and liability – The Client acknowledges and accepts that, within the framework of the investment advice service:

- Personalised Recommendations in relation to investments provided to the Client are only one aspect to be considered, intended to assist the Client with its investment decisions, the Client remaining in any event solely responsible for managing its account (including in relation to placing any orders and instructions) and making its investment decisions at its entire discretion and responsibility, including deciding whether or not to follow any personalised investment recommendation it receives or deciding on its own to undertake any investment transaction, where it is not covered by a Personalised Recommendation, in which case the transaction exclusively constitutes a service covered by clause 62 of this Section;
- it must provide its instructions in relation to any investment transaction in accordance with the procedures set out in clauses 62 and 63 of this Section.

The Bank accepts no liability in the event of any loss suffered by the Client if the Personalised Recommendations have been unable to be provided to it in time, either because the Client was not contactable or could not be contacted rapidly, or because the Client did not consider the Bank's correspondence and proposals or react to them in a timely manner. In such circumstances, the Bank will not undertake any transaction in the absence of instructions.

In any event, in accordance with the framework set out in clause 50 of this Section, the Client is reminded that the Bank is only bound by a best endeavours obligation in relation to the investment advice service and accordingly, no guarantee is given to the effect that the Client will effectively achieve its investment objectives. Accordingly, and except in the event of gross negligence or wilful misconduct attributable to the Bank, the Bank shall incur no liability in relation to any losses which may be sustained by the Client as a result of any investment transaction entered into within the framework of the investment advice service provided. In any event, the Bank shall not be held liable for any indirect loss alleged by the Client, including in particular any loss of profit or investment opportunity.

The parties agree that in the event the Bank is found to be contractually liable by a last-instance decision of a competent court in Monaco which constitutes res judicata, as a result of one or more Personalised Recommendations, the Client expressly agrees and acknowledges that the parties have mutually agreed that the compensation owed to the Client by the Bank shall not exceed ten percent (10%) of the total value, expressed in euros, of the transaction(s) deemed to be in dispute on the date of issue of the Personalised Recommendation(s).

Finally, the Client hereby declares that it will not hold the Bank liable in the event of any fraud, forgery or counterfeit affecting any order sent to the Bank by fax, by telephone or electronically. It acknowledges that it has understood the risks involved in these methods of transmission, which are entirely insecure, including the risk of misinterpretation by the Bank, and agrees unreservedly to bear such risks, in respect of which it provides a full and complete discharge to the Bank.

Termination – The Bank may decide to terminate the provision of investment advice service at any time, by a simple notice sent to the Client in writing. This termination shall take effect following a period of five working days from receipt of the notice by the Client.

III. Ancillary Services

In addition to the Investment Services referred to in title II of this Section, the Bank may offer the Client the Ancillary Services described below, in order to assist the Client in its investment transactions.

65. Disclosure of market information

The Bank may disclose to the Client, in a form and at the intervals decided by the Bank, any market information which it considers to be likely of interest to the Client on the basis of information collected notably in accordance with clause 51 of this Section, in the form of various publications and reports (on a paper or electronic medium), or at organised events which the Client may be invited to attend. The Bank will decide, at its sole discretion, to send (or stop sending) any publication to the Client, or to invite it to a particular event, the Client being at liberty to refuse any publication or refuse to participate to any event.

The Bank is, in any event, at liberty to halt any publication regularly sent to the Client, or to change its form or subject matter.

66. Ideas for investment transactions

Within the framework of the correspondence referred to in clause 65, or autonomously, at the Bank's initiative or in reply to any request made by the Client, the Bank may communicate to the Client any general ideas relating to an investment transaction which it considers likely to present a financial interest.

Any idea will by its nature be based exclusively on the intrinsic features of the investment transaction under consideration, and on a review of the economic circumstances and of the financial or market environment. These ideas for investment transactions will not in any circumstances include an analysis of the Client's personal circumstances. Accordingly, the ideas do not constitute a Personalised Recommendation as defined in clause 64 of this Section and may not be construed as such by the Client who must contact its investment advisor to evaluate the risks and whether the idea is appropriate and in its interests in consideration of its personal circumstances.

67. Direct Access

Subject to eligibility criteria which it will determine, at its sole discretion, the Bank may offer the Client membership of its Direct Access service enabling the Client to enter into direct contact with the Bank's specialists responsible for the execution of orders, and accordingly:

- Seek any market information which the Client deems relevant and determine any appropriate execution strategy in view of the market conditions, in real time;
- Generally discuss any investment opportunity at the Client's initiative or in connection with any idea communicated in accordance with clause 66 above, notably as regards any new issue of financial instruments (in relation either to equities or debt securities).

The Client is reminded, however, that the Bank does not have any obligation in any circumstances to provide the Direct Access service, notably where it believes that this service is not suitable for the Client in consideration of its experience and knowledge of financial and investment matters. Moreover, any correspondence sent to the Client in accordance with this service, notably any correspondence relating to market information or ideas for investment transactions shall remain subject to the strict framework set out in clauses 65 and 66 above and shall not be treated as any form of investment advice. Lastly, it should be noted that, when the Client gives any specific instruction relating to the method of execution of its order, the Bank will follow this instruction and will not apply its execution policy referred to in clause 63 above.

68. Access to institutional research

Subject to eligibility criteria which it will determine, at its sole discretion, the Bank may offer the Client access to some or all of the institutional research publications of the Barclays Group. Access will be subject to specific terms and conditions and may give rise to additional invoicing. For any information, the Client is invited to contact the Bank.

69. Direct Investment Group

Subject to eligibility criteria which it will determine, at its sole discretion, the Bank may offer the Client membership of the Barclays Direct Investment Group. Access will be subject to specific terms and conditions which the Client must approve in advance and may give rise to additional invoicing. For any information, the Client is invited to contact the Bank. The Barclays Direct Investment Group is a supplementary service, enabling certain Clients to discuss investment opportunities directly with the representatives of the Barclays Group divisions or other investors. The Bank's role is limited in this situation to introducing the Client to such other divisions or investors.

70. Payment and delivery service

In certain circumstances, the Bank may offer the Client the services:

- either of arranging, from an account opened with another banking institution, the payment of any sum of money or the delivery of any financial instrument in respect of an order which the Client has placed with the Bank;
- or, conversely, of arranging, from an account opened by the Client with the Bank, the payment of any sum of money or the delivery of any financial instrument in respect of an order which the Client has placed with another investment service provider.

In both situations, the service will be subject to additional terms and conditions which must be agreed in advance between the Client and the Bank.

71. Principles relating to liability

Even if they contribute to the performance of investment transactions, where applicable the Ancillary Services identified above, and any other additional services, shall only constitute one aspect to be considered prior to entering into an investment transaction. The provision of these Ancillary Services shall not in any circumstances reflect any intention of the Bank to provide an investment advice service, the terms and conditions of which are exclusively defined in clause 64 of this Section, and therefore the Client shall not in any circumstances invoke the provision of advisory services (or any negligence in the provision of such services) in relation to the services referred to in this title III. It should also be noted that the decision to provide any Ancillary Service is exclusively a matter for the Bank, which may decide to terminate the same at any time (subject to any termination provision in the supplementary terms and conditions specific to each of the Ancillary Services, as the case may be).

The Client's attention is again drawn to the fact that market conditions and the economic environment are inherently volatile and can change rapidly. Accordingly, the Client is invited to consider any market information or any idea for investment provided to it promptly, the Bank having no monitoring or updating obligations in this regard and the Client being solely liable for any action it undertakes belatedly on the basis of any information or idea thus communicated.

Lastly, in accordance with the framework set out in clause 50 of this Section, the Client is reminded that the Bank is only bound by a best endeavours obligation in relation to the Ancillary Services and accordingly, no guarantee is provided in relation to the outcome of the investment transactions entered into following or as a result of the provision of an Ancillary Service. Accordingly, except in the event of gross negligence or wilful misconduct attributable to the Bank, the Bank shall incur no liability in relation to any losses which may be sustained by the Client as a result of any investment transaction and, in any event, the Bank shall not be held liable for any indirect losses invoked by the Client, including in relation to any loss of profit or investment opportunity.

Appendices to the General Terms

Barclays Bank Plc (Monaco)

Appendix – General information on investment transactions and risks

The purpose of this Appendix is to provide general information on the main investment transactions together with associated risks that may be carried within the framework of the Investment Services and Ancillary Services offered by the Bank in accordance with Section C of the General Terms of Barclays Bank PLC, Monaco.

As such, this Annex does not attempt to provide an exhaustive description of all the risks associated with all investment transactions or of all of their characteristics. The Bank therefore reminds all investors or potential investors that it is their responsibility, in the first instance, and prior to the conclusion of any investment transaction, to ensure that they have (i) fully understood the nature and degree of risk involved, (ii) reviewed and understood all the specific documents relating to the transaction and that, consequently, the conclusion of that transaction is appropriate having regard to (i) their assets and liabilities, (ii) their experience with and knowledge of financial matters, and (iii) their investment objectives. In that context, the Bank reiterates that it remains at the disposal of any investor at any time to provide any additional information and answer any questions.

I. General risks associated with the purchase and sale of listed financial instruments

Variability of the price of a listed financial instrument

The price of a financial instrument listed on a market (i.e. any regulated or organised market, or any 'multilateral trading facility' ('MTF'), or 'organised trading facility' ('OTF')) is by its nature volatile and may rise and fall significantly. This natural variability is attributable to various factors.

A different risk depending on the nature of the financial instrument: equity securities and debt securities – Traditionally, a distinction is made between:

- equity securities, by which the investor becomes the holder of a fraction of the share capital of the issuing company, of which he becomes a partner (the most common equity securities are shares); and
- debt securities, by which the investor simply becomes a creditor of the company (the most common debt securities are bonds, but also treasury bills or certificates of deposit for securities with a short maturity).

When investing in equity securities, e.g. shares, the investor participates fully in the economic risk of the issuing company. The price of such equity securities is therefore highly dependent on the economic, financial and commercial performance of the company and reflects investors' average expectations regarding that performance. This is why the price of an equity security is rarely in line with its nominal value. When that performance exceeds investors' initial expectations, the price of the security is likely to develop favourably, offering the investor the prospect of a capital gain. Moreover, the investor has the right to share in the profits of the company and as such may receive dividends from such profits. On the other hand, when the economic, commercial and financial performance of the company is not favourable, the issuing company may decide to reduce the amount of dividends that it distributes, or even decide not to distribute any dividends at all, and the price of the capital security is likely to fall, sometimes very significantly.

When investing in debt securities, e.g. bonds, the investor simply becomes a creditor of the company or entity that issued the securities. In that context, he or she has the right to periodically receive the interest provided for by the terms and conditions applicable to the issue of the security concerned, as well as to be repaid the principal amount loaned. This right is defined on the date of issue of the debt security concerned and is therefore not dependent on the development of the economic, financial and commercial performance of the issuing company or entity, subject, however, to the materialisation of the risk of default of the issuer (more details on this in paragraph 1.2 below).

Equity securities therefore offer prospects of making a gain which are greater than that offered by debt securities and are potentially unlimited, in the form of dividend distributions or capital gains when the price of the security increases, reflecting the good economic, financial and business performance of the entity that issued the securities. On the other hand, they do not offer any predictability whatsoever as to the regularity of possible dividend distributions, which are decided by the issuing entity on a case-by-case basis, and the investor is never assured of being able to resell the equity securities at a price at least equal to that at which he or she bought them. Conversely, debt securities offer weaker

prospects of making a gain, but generally have stable characteristics that make it possible to anticipate the amount of interest to be distributed over time, in addition to the repayment of the principal on maturity, and they ensure relative stability in terms of their resale price (subject to the risk of default of the issuer and the interest rate risk, as explained in greater detail below).

As a result, for one and the same issuer, equity securities (shares) are generally considered to be riskier than debt securities (bonds). Their price is therefore more volatile by nature.

However, the investor's attention is drawn to the fact that he or she should become fully acquainted with the nature and mechanisms of any financial instrument in which he or she invests. Certain instruments in the form of debt securities may be subject to a redemption option in the form of shares or other equity securities. In this case, the investor will receive, instead of cash redemption on maturity of the security, shares of the same issuer, and the risk associated with an investment in such a debt security is de facto similar to that resulting from an investment in equity securities.

Other instruments constructed as debt securities may involve means of calculating interest and repaying the nominal amount in the form of derivatives for which the payment of interest or the repayment depends on fluctuations in one or more underlying assets, such that the actual payment of interest and repayment of the nominal amount of the security is not guaranteed. In this respect, it is recommended that the investor refer in particular to the explanations provided in the following section, which specifically deals with structured products.

Finally, the investor's attention is drawn to the existence of debt securities that pay a particularly high interest rate in view of market conditions, reflecting the very significant risks associated with such instruments, in particular the risk of default of the issuer, as explained in greater detail below. Such instruments de facto expose the investor to a level of risk closer to that normally associated with equity securities than that associated with debt securities.

The risk of default of the issuer – Prior to any investment in listed financial instruments, it is fundamentally important to assess the financial standing of the issuing companies and/or entities and their economic and commercial outlook, taking into account the characteristics of the sectors in which they operate. At any time, default on the part of an issuer (or failure to pay, i.e. its inability to meet its outstanding financial obligations) may lead to a situation of bankruptcy, in which equity or debt securities previously issued will potentially lose all their value. The perception of that risk by the investment community necessarily influences the price of any financial instrument.

The risk of default of an issuer can be independently assessed by a rating agency, expressing on a predefined scale the likelihood of an issuer of financial instruments defaulting, or the likelihood that payments expected under a particular financial instrument will not be made. The ratings thus assigned by the rating agencies are based on their own analyses and can be a useful aspect for consideration in any investment decision. However, they do not offer any guarantee as to an issuer's ability to meet its financial obligations.

In the case of bonds and other debt securities in particular, the risk of default of the issuer must also generally be reflected in the value of the interest paid to the investor. The greater the risk, the higher the interest payable by the issuer. Prior to any investment decision, it is therefore recommended that the investor assess the interest rate paid by the security in question, in comparison with that generally paid by issuers whose risk is deemed to be the lowest, in particular the securities issued by the governments of the major economic powers.

The interest rate risk – The expected return on any financial instrument – and consequently also its price – is highly dependent on changes in interest rates related to the financial flows resulting from the instrument in question (dividends, interest, repayment of the nominal value, etc.). Overall, a rise in interest rates, or an anticipated rise in forward interest rates, will have a negative impact on the price of the instrument in question and, vice versa, a fall in rates will have a favourable impact. This phenomenon applies to debt securities in particular, especially those that pay fixed interest rates. The phenomenon is also amplified when the residual maturity of the security (i.e. the time remaining between the date of purchase and the maturity date of the security) is long, as the price tends to converge with the nominal value as that period of time reduces.

Thus, the investor must take into account the purchase price and the resale price to estimate the return on his investment in a given financial instrument, in addition to the face value of the security, which only represents the amount paid at maturity. The investor must also take into account, where applicable, its maturity date (also referred to as 'maturity'), on which the nominal amount of the security is to be repaid. The reason for this is that an investor who needs to sell a security before its maturity will inevitably have a return different from that which was expected when buying a security that he thought he would keep until maturity. It is therefore important for the investor to anticipate when he may need to monetise his investment and resell his securities if necessary.

The general market risk – For both equity securities (in particular shares) and debt securities (in particular bonds), the investor is recommended to take into consideration – in addition to the specific risk associated with any particular issuer (in particular the risk of default explained above) – the more general market risk, the overall fluctuations of which may affect the variability of the price of a particular security. This is because, irrespective of factors specific to a particular issuer, the price of a security reflects more general economic and market conditions as perceived by the investor community. Thus, beyond the specific characteristics and economic, financial and commercial performance of the issuer concerned, the price of the financial instruments that it issues will inevitably be influenced by more general trends, positively in the case of upward trends and negatively in the case of downward trends.

In that context, the investor is recommended, in particular, to look at the developments in the major market indices on which the security is listed or to sectoral indices. In the case of debt securities, the investor is recommended, in particular, to refer to the overall development of interest rates, which, in addition to their mechanical influence on their yield and the price of the instrument in question, also reflect fundamental trends across all economic sectors.

Liquidity risk

The degree of liquidity of a financial instrument is assessed according to the greater or lesser ease with which it can be sold, within a short period of time, at the expected price, and for cash. A good level of liquidity reflects a certain match between supply and demand: potential buyers easily find a seller, and vice versa. On the other hand, a low level of liquidity, linked to the absence of investors who could act as a counterparty in any purchase or sale of financial instruments, may adversely affect the price of the instrument in question.

Liquidity depends primarily on the characteristics of the market on which the financial instrument is traded. Generally speaking, financial instruments traded on a regulated or organised market offer greater liquidity, since the purpose of such markets is precisely to reconcile supply and demand. In addition, the prices recorded on them are more reliable indicators of the effective value of financial instruments. Conversely, financial instruments that are not traded on a regulated or organised market and can only be traded over the counter present a high liquidity risk owing to the lack of a mechanism to centralise and match investors' orders to buy and sell instruments.

However, the admission of an instrument to trading on a regulated or organised market is by no means a guarantee of its liquidity, as some markets may be more or less difficult to access and, for some instruments, it should be borne in mind that the sale of securities traded on organised markets which are difficult to access, in particular when they are in distant countries, may cause the investor difficulties in liquidating his securities by incurring additional costs in some cases.

Currency risk

If the value of a financial instrument and the cash flows generated by it (such as dividends, interest or repayment of capital) are expressed in a currency other than the investor's reference currency, the assessment of the overall risk of the investment must take into account the fluctuation in exchange rates between the reference currency and the foreign currency in which the investment is expressed. The impact of the exchange rate can thus amplify any losses incurred.

The investor should consider that exchange rates for the currencies of many countries, particularly developing countries, are highly volatile and that changes in those rates can significantly affect the outcome of the investment.

Other general risk factors

Concentration risk and diversification – The investor's attention is drawn to the fact that the risks associated with any investment in financial instruments are increased when such financial instruments are issued by a reduced number of issuing companies or entities. In such cases, irrespective of general economic or market circumstances, any event specifically affecting one of those companies or issuing entities will affect the value of all the financial instruments issued by it and, consequently, may significantly affect the value of the investment portfolio as a whole if those instruments represent a substantial part of that portfolio. This is referred to as concentration risk.

In order to mitigate this risk, it is recommended that the investor consider diversification strategies by using financial instruments issued by a sufficient number of issuing companies or entities, so that changes in the value of his investment portfolio are not excessively dependent on the fate of one of those companies or entities.

Hedging and guarantees – Investors must become acquainted with the hedging and guarantee mechanisms provided by the Bank or by the markets on which they buy or sell financial instruments, and ensure, prior to any investment decision, that they will be able to cope with any subsequent settlement or delivery obligation of financial instruments, and with any request for the provision of cover, collateral or margin, whatever its form. If they are not able to do so, investors will be exposed to the early sale of the financial instruments and will not be able to claim the return initially expected.

Investors must also become acquainted with the level of measures capable of ensuring the protection of any sums of money or securities deposited as hedging or guarantees, or simply for safekeeping, with any bank, financial intermediary or depository involved in the investment transactions that they carry out. In this respect, investors must in particular take into consideration the possible difficulties that they may encounter in recovering their deposited monies and securities, in particular in the event of bankruptcy or insolvency of those intermediaries and depositories, as such recovery cannot be guaranteed and depends on the laws and regulations in force in the country where the intermediaries and depositories concerned are established.

Commissions and other charges – Before carrying out any investment transaction, the investor should become fully acquainted with the commissions, fees and other charges generated by the transaction and payable to any intermediary involved in its execution. The investor should always bear in mind that such commissions, fees and charges will be deducted from the gains generated by the investment transaction concerned or may be added to losses incurred, adversely affecting the expected return on the transaction.

Regulatory risk – The execution of transactions for the purchase or sale of financial instruments on a market is subject to the rules of the law of the country in which that market is established and to the regulations adopted by that market. The level of investor protection may vary from one country to the next, as not all countries offer an equivalent level of protection. The investor must furthermore be aware that only the supervisory authorities of the country concerned are competent to ensure the supervision of transactions carried out on the markets or through a system established on their territory, and cannot rely exclusively on the rules of protection applicable in the countries where the Bank has its registered office or branches. Investors must therefore become acquainted with the rules applicable in the countries where the transactions initiated by them are likely to be executed.

Operational risk – The execution of orders to buy or sell financial instruments relies heavily on the use of computerised electronic systems operated by the markets, the trading systems on which the orders are executed, and their participants (whether it is a trading system for the actual execution of the orders or also for the recording and subsequent clearing and settlement of the orders). Similarly, the transmission of an order to participants in a market or trading system with a view to its execution also relies on electronic and computerised routing systems.

As with all automated procedures, the systems described above may be subject to temporary stoppages or malfunctions, and the possibility for the investor to be compensated for losses resulting directly or indirectly from them may be affected or compromised by contractual limitations on the liability of system providers or by the market rules of the system concerned. The investor should be aware of this.

Emerging markets risk – Financial instruments issued by companies or entities established in emerging countries are generally considered to be more risky due to the instability of the political structures and economic fabric of those countries. The risk of default of the issuer is therefore greater. The regulatory risk is also particularly high in these countries, where the body of legislation and regulations often offers a lower level of protection to investors. Finally, the exchange rate risk is particularly relevant, especially on account of inflation, which can greatly affect the national currencies of these countries.

II. Risks associated with investments in derivative financial instruments

Derivative financial instruments (or forward financial instruments, or even more commonly derivatives) are contracts in which the parties undertake mutually to exchange certain assets and/or make certain payments, at one or more future dates, in specified or determinable proportions, according to movements affecting the price, value or level of one or more underlying reference assets (generally referred to as the underlying assets or simply as the 'underlying'), until final maturity. Underlyings can take various forms, for example interest rates (in the case of interest rate swaps, forward rate agreements or interest rate options), equity, equity baskets or indices (in the case of equity swaps, equity options, equity baskets and indices), foreign exchange rates (in the case of foreign-currency swaps or foreign-currency options), commodities, etc.

At any given time, the value of a derivative instrument depends directly on changes in the value of the underlying reference asset.

Derivative financial instruments are characterised by a very high level of risk and are complex to assess. It is recommended that investors ensure that they fully understand all the risks and possible financial consequences, which they must consider to be appropriate having regard to their financial capabilities and reasonable in relation to their investment objectives, before investing in a derivative financial instrument. Investors must also ensure, in advance, that they have sufficient liquidity to cover any losses that may result from this type of financial instrument.

The essential characteristics of the most common derivative financial instruments, as well as the risks inevitably associated with them, are described below.

General characteristics

Form – Derivative financial instruments may take the form of standardised contracts traded on a market, or contracts entered into over the counter between two parties (a bank, or an investment service provider, and its client). Standard contracts have the advantage of greater liquidity and can generally be bought or sold more easily. In addition, their performance is generally guaranteed by cover and collateral mechanisms against the default of one of the parties, managed under the responsibility of the undertaking that manages the market on which the contract is traded and of the banks and investment services providers that are members of that market. Over-the-counter contracts have the advantage of greater flexibility: they can be tailored to any request by an investor in virtually infinite combinations. On the other hand, they do not necessarily benefit from the same hedging and guarantee mechanisms against the default of one party, leaving each party exposed to the risk of default of the other party, nor do they benefit from the same level of liquidity.

Value of a derivative financial instrument – As with any other financial instrument, the value of a derivative financial instrument is variable by nature and can change in very significant proportions. In very simplified terms, the value of the instrument at a given moment represents the amount to be paid by one party, and to be received by the other, in order to withdraw before the contractual maturity of the instrument.

In the case of an instrument subject to a contract traded on a market, that amount is determined by the market, where supply and demand for the same contract meet. In the case of a derivative financial instrument that is the subject of an over-the-counter contract, no such market exists and each stakeholder determines the value of the derivative instrument in question on the basis of complex mathematical models, making it possible to value each cash flow or each delivery of assets to be made under the contract, taking into account expectations regarding the future value of those financial assets and the future level of the underlying reference assets on the basis of which those cash flows are determined. The same instrument may therefore be valued differently by several stakeholders.

The value of an instrument will inevitably be positive for one party, reflecting the expected profit, and negative for the other party, reflecting the expected loss, at the point at which it is determined, according to market and stakeholder expectations.

In any event, the value of a derivative financial instrument is always extremely volatile and only reflects a view at a specific point in time and is not necessarily representative of the profit or loss that will actually be established when the instrument matures.

Closing a position resulting from a derivative financial instrument – A derivative financial instrument, like any contract with a fixed term, must in principle be executed until its final contractual maturity. However, the economic exposure and resulting risks of a derivative financial instrument can be eliminated in various ways depending on the nature of the instrument, in particular by transferring the contract to the market on which it is traded, or by entering into another contract with exactly the same characteristics but in the opposite direction, so that all payment or delivery obligations under the first contract are neutralised by the second contract: the investor then receives under the second contract what he or she has to pay or deliver under the first contract and vice versa. A position may also be closed by terminating the contract early, provided that this possibility is provided for in the contract or is the subject of a specific agreement. In the case of an instrument traded over the counter, such early termination can take place only with the consent of the other party, except in the event of default of one of the parties.

If the value of the instrument in question is positive for the party wishing to exit from its commitment, it can expect to receive an amount determined in accordance with that value (subject to the effect of any buying or selling commission or margin) and, if that value is negative, it must expect to have to pay at least the same amount (plus any commission and transaction margin) to exit from its commitment, as the final form of the amount to be paid or received may vary depending on the method of settlement chosen (contract transfer price, early termination fee, premium on conclusion of a reverse transaction, etc.). In the case of an instrument traded over the counter, the determination of the amount to be paid or received is a key element when seeking an early termination agreement and such an agreement may be difficult to obtain in the case of tailor-made instruments that are not subject to a liquid market where their value can be easily determined.

In any event, the investor must consider that the unwinding of a derivative financial instrument before its maturity can be very complex and expensive and give rise to significant losses, in particular on account of the high level of volatility affecting the value of this type of instrument.

Hedging and collateral, margin requirements – All derivative financial instruments generally give rise, during the term of the contract, to the provision of collateral in the form of cash and financial instruments, the value of which is used to guarantee the obligations entered into under the derivative financial instrument in question (generally referred to as 'margins'). In general, the sums of money and financial instruments thus provided must in principle have a value which at

all times is at least equal to the value of the derivative instrument in question (or even higher in most cases, in particular due to the effect of weightings applied to the value of the cash and financial instruments provided as collateral and/or to the derivative instrument itself). In most cases, a margin is initially required upon the conclusion of the transaction (referred to as the minimum margin) and must be supplemented as the value of the derivative instrument changes (known as variation margin).

In the case of derivative instruments in the form of contracts traded on a market, the rules for establishing the margin are determined by the market concerned. For over-the-counter instruments, they are generally determined by the investment service provider or the Bank and set out in the contractual documentation relating to the transaction.

If the investor does not provide the required margins, the Bank generally reserves the right to unwind the relevant derivative(s) at the client's expense exclusively.

Investors must therefore be aware of this before concluding any transaction and ensure that they will always have sufficient liquidity to meet margin requirements or unwind any derivative instrument if necessary.

Leverage – The high degree of risk associated with derivative financial instruments is attributable, in particular, to the high degree of leverage generated by this type of transaction. The amount of capital initially committed for each transaction (in particular in the context of minimum margins) is generally low compared to the amounts of the financial flows to be settled or the value of the assets likely to be delivered in the context of the transaction, which are calculated by reference to what are referred to as 'notional' amounts or quantities provided for contractually. Investors are therefore exposed to economic risks far greater than the amounts that they originally committed to the transaction. The expression 'leverage' is a good illustration of this amplification phenomenon: the risk exposure resulting from a financial instrument is thus much greater than that which would have resulted from a direct investment in the underlying asset. The gains are potentially multiplied, but so are the losses. In practice, slight movement in the value of the underlying asset can have a significant impact on the value of the transaction, the related margin requirements and therefore the capital ultimately exposed in the transaction. If market movements are unfavourable, the investor may be called upon to provide further margins and commit increasing amounts to the transaction within a very short period of time. Alternatively, the transaction may be terminated early and the investor may be required to pay an amount equal to the value of the transaction upon termination, forfeiting all amounts already committed as margin.

Shorting – Any transaction involving a forward sale of underlying assets involves an increased level of risk if the seller does not have the underlying assets that it has undertaken to deliver on the date of conclusion of the transaction, since it will be required, where applicable and at the maturity of the transaction, to acquire those assets at a price potentially higher than that at which it sells them in the context of the transaction.

Risks relating to the underlying – The proper execution of any derivative financial instrument is highly dependent on the availability of the underlying reference asset(s) on which the instrument in question is based. In a certain number of cases, those reference assets may be permanently affected, temporarily unavailable or may even disappear altogether, in particular as a result of regulatory changes or in situations where the regular operating of financial markets is seriously disrupted, which may lead market authorities to tightly control trading in the underlying, suspend all or part of the listings or even close the market on which the underlying reference asset is traded (for example in situations of serious crisis following operational difficulties or political or economic events affecting the country in which the market is established). The investor must therefore be aware of the market rules or contractual provisions applicable to this type of situation and accept the resulting risks, including the risk of financial loss if the performance of the reciprocal obligations of the parties to the derivative instrument in question must be suspended, if the instrument must be permanently unwound or if it is otherwise impossible to unwind an instrument because of any event affecting the underlying reference asset on which it is based.

Combined transactions and exotic derivatives – A combined transaction is understood to refer to the conclusion of two or more derivative financial instruments that have the same underlying and similar characteristics (in particular in terms of maturity), but differ from each other at least in the direction of the transaction (buy/sell), with the aim of implementing a single strategy, aimed at deriving a profit from developments in the underlying while simultaneously attempting to minimise losses in the event of an unfavourable development in the value of the underlying. As the possible combinations are many and varied, the Bank is unable to describe the risks associated with these transactions on a case-by-case basis in the context of this Appendix. Investors will therefore have to make sure that they become fully acquainted with the risks associated with combined transactions before entering into this type of contract and will have to understand what their net risks are, bearing in mind that the risks cannot in any case be completely neutralised and may vary significantly as a result of the closing of an option even just within the combination.

Exotic derivatives are derivative financial instruments for which the payment or delivery obligations are subject to multiple terms and conditions and incorporate complex calculation formulae and may involve a variety of combinations of multiple underlyings. As a result, they have risk structures that are more difficult to understand than ordinary derivatives. As the possibilities are practically unlimited, it is impossible to provide a detailed explanation of the risks specific to each case in this Appendix. Investors should therefore ensure that they are aware of the risks involved before buying or selling exotic derivatives.

Options

Definitions – An option is a contract by which, in return for payment of the option contract price (the premium), the purchaser of an option acquires the right, but not the obligation, to buy (buy option or 'call') or sell (sell option or 'put') to the issuer (the seller) of the option, a given quantity (contractual quantity) of a given asset (underlying or base asset) at a predetermined price (exercise price or 'strike' price) during a given period or on a specified date (expiry date). In return for the premium, the issuer (seller) of an option undertakes to deliver to the buyer (call option) or to receive from the buyer (put option) the underlying at the strike price during or at the end of a given period.

Options may relate to various types of underlying, such as, for example, financial securities (such as shares, bonds, raw materials or precious metals), currencies, interest rates, indices, other derivative financial instruments, etc.

Classification of options according to the market price of the underlying – The options are generally referred to as:

- '*in the money*': A call option has an intrinsic value, i.e. it is 'in the money' when the market price of the underlying is higher than the strike price. A put option is 'in the money' when the market price of the underlying is below the strike price;
- '*out of the money*': A call option is 'out of the money' when the market price of the underlying is lower than the strike price. A put option is 'out of the money' when the market price of the underlying is higher than the strike price;
- '*at the money*': If the market price of the underlying is equal to the strike price, the option is 'at the money'.

Classification of options according to the point in time at which they are exercised – The options are generally referred to as:

- '*American' options*: An 'American' option is an option that can be exercised at any time between the opening of the contract and expiration. This rule may be subject to certain restrictions in the case of exotic options (see below);
- '*European' options*: A 'European' option is an option which, irrespective of whether it is exchange-traded, can be exercised only at expiration.

Classification according to the method of settlement at the time of exercise: options with physical delivery or cash settlement – When exercising his/her option, the buyer of a call option with 'physical delivery' is entitled to delivery of the underlying against payment of the strike price. Conversely, when exercising his/her option, the buyer of a put option is entitled to require the seller to take delivery of the underlying against payment of the strike price. For cash-settled options, only the difference between the strike price and the market price of the underlying will be paid, provided that the option is in the money.

Classification according to the type of option – The term 'option' is a generic term that encompasses various types of option. Its use, however, remains unclear in practice, insofar as it is also used to designate specific types of options. Here are a number of examples:

- *Standardised and exchange-traded options*: Exchange-traded options are standardised contracts that are traded on a market in accordance with the rules and customs prevailing on that market. They are offered for purchase and sale through professional and authorised investment service providers. The market is considered to be transparent and liquid, such that the early closing of open positions is generally not a problem.
- *Over-the-counter ('OTC') options*: OTC options are traded over the counter between a buyer and a seller outside any regulated or organised market, under bilateral contracts. The terms and conditions of these contracts can be freely determined between the buyer and the seller so as to meet their specific needs. In fact, the adjustment possibilities are practically unlimited. However, due to the individualised configuration of these options, there is no market as such. In addition to the assumptions provided for in the contract and at the outset, the early closing of a position therefore requires the consent of the other party.
- *Warrant certificates*: A warrant is a financial security which incorporates an option and is generally traded on a regulated or organised market.

Certain risks associated with options – The following illustrates certain risks associated with the purchase of an option:

– Purchase or sale of call and put options:
The buyer of a call option pays the seller the option premium and, in return, acquires the right to buy from it (at any time or at expiry, depending on the type of option) the quantity of underlying asset provided for in the contract, at a price fixed in advance (strike). If the price of the underlying asset rises, the gain realised is proportional to the increase in the price of the underlying asset, above the strike price, and is potentially unlimited. If the price of the underlying asset falls below the strike price, the option will not be exercised and the buyer's loss is limited to the amount of the premium paid at the time of purchase. Conversely, for the seller, the premium initially received represents the maximum gain from the contract, and the losses are potentially unlimited if the option is exercised.

The buyer of a put option pays the seller the premium and, in return, acquires the right to sell to it (at any time or at expiry, depending on the type of option) the quantity of underlying asset provided for in the contract, at a fixed strike price. If the price of the underlying asset rises above the strike price, the option will not be exercised and the buyer's loss is limited to the amount of the premium paid at the time of purchase. If the price of the underlying asset falls, the gain from it rises in proportion to that fall in the price of the asset, below the strike price. Conversely, for the seller, the premium initially received represents the maximum gain from the contract, and the losses may potentially be significant if the option is exercised and it must buy the underlying asset at a strike price greater than its real value.

– Variability of the value of an option:
As with any other financial instrument, the value of an option (representing the amount that the seller would have to pay to terminate it, or the amount at which the buyer could sell his or her rights under the option) is variable by nature and can change in very significant proportions. This price is generally determined according to complex mathematical models incorporating numerous factors, in particular those relating to the volatility of the underlying asset (i.e. its greater or lesser propensity to be subject to variations in value of greater or lesser amplitude).

Overall, in an environment that is stable with regard to all of those factors, the price of an option varies according to:

- the intrinsic value of the option, which reflects the greater or lesser profit of the seller of the option, or absence of profit, if the option were to be exercised immediately, increases favourably, that is to say when the price of the underlying increases above the strike price, in the case of a call option, or falls below the strike price, in the case of a put option; and
- the 'time value', which measures the probability that, between now and the expiry of the option, the movement in the value of the underlying asset will be such that the intrinsic value of an out-of-the-money option (i.e. zero) becomes positive or that the intrinsic value of an in-the-money option will increase.

Thus, for the buyer of the option, the value of the option is always zero or positive, depending on the probability of the option being exercised in his favour. This is because the intrinsic value of the option is necessarily either zero (when the option is 'out of the money' or 'at the money') or positive when the option is 'in the money', whereas the time value is always positive, even if it heads towards zero as the option's date of exercise draws near. On the other hand, for the seller of the option, his or her maximum gain corresponds to the premium initially received, and the value of the option is necessarily either zero (reflecting the fact that the option is unlikely to be exercised) or negative (reflecting the fact that it may be exercised to his or her detriment).

– Counterparty risk related to OTC options:
Unlike derivatives traded on a regulated or organised market, which are subject to hedging and guarantee mechanisms under the responsibility of the market operator and the professional intermediaries operating on those markets, OTC options, like all other OTC derivatives, directly expose each party to the risk of default by the other party. If one of the parties is bankrupt, the option will most likely be terminated, depriving the other party of the opportunity to exercise its rights and benefit from all the expected gains of the option. Any premium paid to the bankrupt party will not be refunded and the option will be terminated without compensation, irrespective of its value at the time of termination.

– Other risks related to the sale of options:
A distinction is generally made between covered and naked call options. In the case of a covered call option, the seller of the option, who has undertaken to deliver the underlying assets against payment of the strike price, already owns them at the time the option is entered into. In the case of a naked call option, the seller of the option does not hold those assets and is therefore 'naked' or 'uncovered'. In both cases, if the market price of the underlying exceeds the strike price and the option is exercised, the economic loss incurred by the seller is

theoretically the same. Nevertheless, in order to honour his or her delivery commitment at maturity, the naked seller will have to obtain the quantity of underlying assets that he has to deliver on the markets and at market price (or settle the corresponding differential) when exercising the option, obliging him or her to mobilise what may be a very significant amount of liquidity. In this respect, it should be noted that during periods in which market conditions are very stressed, the price of the underlying can change very quickly and the amounts to be paid for the purchase of the underlying can even exceed the amounts that had previously been reserved as margin or collateral. The risk of the naked option seller is therefore greater. This phenomenon is sometimes referred to as leverage, reflecting the fact that the actual economic exposure to the price movements of the underlying is much greater than the capital committed to the transaction, particularly in terms of margin requirements. In other words, by committing relatively little cash, the seller of an option can realise a significant gain from the premiums received but is also potentially at risk for amounts that greatly exceed that gain and the capital initially committed.

Finally, it should be noted that the risk of a seller of an 'American' option, which can be exercised at any time before its expiry date, is also particularly high. This is because the buyer of the option is all the more likely to exercise it as the exercise window is by definition very wide. The option is therefore at risk of being exercised under market conditions that are the most unfavourable to the seller, and the seller must again be fully aware that his or her losses may be greater than the amount of the margins and collateral provided at the time the option was concluded or during its lifetime.

– Exotic options:
'Exotic options' are call or put options the exercise conditions of which are subject to additional conditions, such as knock-out barriers (the option can no longer be exercised if the price of the underlying reference asset exceeds a certain level above the strike price), multipliers or accumulation formulas that affect the quantity of underlying to be delivered or the strike price. These instruments, even if they take the form of a single contract, actually encompass several option mechanisms which they combine and the associated risk results from this combination, which the investor must analyse in depth before making any investment decision.

Forward/Futures transactions

Forward/future transactions (or 'forward/future contracts') are transactions in which one party (the seller) undertakes to transfer to the other party (the buyer) on a future maturity date a certain quantity of an underlying asset against payment of a pre-agreed price. Unlike options, they do not involve a decision as to whether or not to exercise them, as contractual obligations entered into in the context of forward/future transactions must be performed in any event.

Forward/future transactions should be entered into only by investors who have properly assessed these risks and who have sufficient liquidity to cover any losses that they may cause.

The main characteristics are summarised below.

Variety of types of transaction and underlying – As with options, these transactions may take the form of a standardised contract traded on a market (generally referred to as a 'futures') or a transaction traded over-the-counter on a bilateral basis ('forwards'). The nature of the underlying asset to which the transaction relates can also vary considerably (financial securities, commodities, interest rates, indices, other derivative instruments, etc.). Similarly, forward/futures transactions may give rise at maturity to physical settlement (requiring the actual delivery of the financial asset) or purely financial settlement (with a simple payment of the amount representing the difference between the real value of the underlying asset at maturity and the price actually agreed at the outset).

Principal risks associated with forward/futures transactions – Unlike options, where only the seller is at risk after having received the option premium, both parties to a forward/futures transaction are potentially exposed as follows until the expiry of the transaction:

– the seller runs the risk of having to dispose of the underlying asset at a pre-agreed price which turns out to be lower than the market price on the expiry date;
– the buyer, conversely, runs the risk of having to buy it at a pre-agreed price which turns out to be higher than the market price on the expiry date.

That said, however, the more general risks resulting from a forward/future transaction are those already explained in relation to any derivative financial instrument in paragraph 1 above, and illustrated in greater detail in relation to options in paragraph 2 above, in particular the risks relating to the high degree of variability of the value of the instrument, the leverage effect, or the need to provide margin to cover the obligations resulting from any forward/futures transaction.

III. Risks associated with structured products

General information – Structured products are investment products issued by financial institutions and which combine two or more financial instruments (including derivative financial instruments). Although they generally take the form of a debt security, their essential characteristics are in fact very different, as the combination of several financial instruments within the same product makes it possible to target very specific risk/return profiles that are distinct from those that usually characterise debt securities.

Each structured product has its own risk profile, resulting from this combination, which can sometimes mitigate the risk specific to each instrument composing the product, but can also amplify it. It is therefore of utmost importance that the investor is aware of the risk profile of these products before acquiring them.

Generally speaking, structured products are not listed on a market. In most cases, however, the issuing bank guarantees a permanent secondary market and thus offers investors an opportunity to liquidate their investment under certain conditions.

The mechanic of structured products is illustrated in greater detail below using the example of capital-guaranteed structured products.

Capital-guaranteed structured products – Capital-guaranteed structured products combine two financial instruments, namely a bond and an option, as follows:

– 'Bond' component: The bond component offers the investor the possibility of guaranteeing the repayment of the capital initially invested, or part of it, thus enabling him to limit his risk of financial loss. At maturity, irrespective of the fate of the optional component, the investor will receive an agreed amount.

  Economically, this amount consists of a proportion of the capital initially invested in the product, plus interest accrued over the life of the structured product. This amount is not necessarily equal to the total capital initially invested and investors must always ensure that they look into the matter in detail, prior to any investment, in order to understand what that guaranteed amount is and what it consists of. This is because the capital-guaranteed component relates to the guaranteed price and not to the price paid at the time of issue or, if applicable, the purchase price on a secondary market. Expressed as a percentage of the capital invested, the capital-guaranteed component is reduced if the purchase price or the price paid at the time of issue is higher than the nominal value and is increased if the purchase price is lower than the nominal value. The reason for this is that, in practice, the guaranteed amount may not only be lower than the amount initially subscribed at the time of issue of the structured product in question, but also lower than the amount paid by the investor when he or she acquires a structured product already issued on the secondary market. Furthermore, the investor must always consider that such amount is guaranteed only on the condition that the product is held until its final maturity. If the investor has to monetise his or her investment prematurely, he or she will probably lose, particularly in the context of a redemption or repurchase request to the issuer, the gain from this capital-guaranteed component, at least partially.

– 'Optional' component: Through the optional component, the investor is associated, via a long position on one or more options, to the movement of one or more underlying assets (shares, commodities, interest rates, etc.) and can hope to realise a gain, which, however, is in no way guaranteed. The optional component thus determines the way in which and the extent to which the investor participates in the performance of the underlying assets. In order to realise a gain, the option (or options) making up the optional component must be in-the-money upon expiry of the product.

  Thus, if upon expiry of the option or options making up the optional component, the market price of the underlying(s) is/are equal to or lower than the corresponding strike price(s), the optional component will not generate any profit and only the guaranteed part of the capital will be paid to the investor. The risk incurred by the latter is therefore a total loss of value of the optional component, a loss which corresponds to the difference between the price paid for the subscription of the product, or for its purchase on the secondary market, and the amount of the guaranteed capital.

  In the opposite case, the investor may draw a profit from the optional component, in accordance with the terms and conditions provided for by the structured product in question, which can vary and provide for linear, progressive, degressive or fixed participation in the gains realised through the optional component, for example:

  • In the case of capital-guaranteed structured products with unlimited earning potential, the buyer potentially participates without limitation in the performance of the underlying assets, but his or her percentage share of the gains realised may depend on, amongst other things, the degree to which the capital is guaranteed;

- In the case of capital-guaranteed derivatives for which the potential for gains is restricted, the buyer participates in the profits of the optional component only up to a certain point, and when the performance of the underlying exceeds a ceiling value, he is no longer remunerated (due to so-called barrier option mechanisms) but his participation in the gains as a percentage is generally higher than that to which he would otherwise be entitled as long as the ceiling is not reached;
- In other cases, the optional component allows for the payment of gains to the investor on certain fixed dates up until final maturity if the value of the underlying asset(s) is within a predefined range (the optional component therefore consists of what is referred to as a 'range option'). For these products, the investor must therefore not only consider the development of the underlying assets, but also have precise expectations of possible price fluctuations during the lifetime of the product.

Risks – Beyond the risks specific to each structured product, which must be analysed in detail before any investment, in particular as regards the optional component, the investor's attention must be drawn to a few key aspects:

- Like any other financial instrument, the value of a structured product is highly volatile, particularly in view of the optional component. If the investor wishes to liquidate or sell the product before the contractual maturity date, he runs the risk of doing so under unfavourable conditions, particularly if the value of the underlying reference asset(s) falls below the strike price(s) provided for by the optional component, which is de facto 'out-of-the-money' and worthless. In addition, the value associated with the bond component of the product may itself be decreased by an unfavourable change in interest rates, as in the case of a debt security. In this case, the investor will incur a loss.
- The investor is fully exposed to the risk of default by the issuer, both in relation to the bond component and to the optional component, and his investment may lose all its value if that issuer defaults on payment.

IV. Collective investment undertakings

'Collective investment undertakings' are different types of entities which offer to collect funds from several investors with a view to managing and investing them through the undertaking concerned. These entities can take different forms: mutual funds (which organise co-ownership between investors in managed assets), companies, partnerships, trusts, etc. Depending on the entity, the type of investment also takes different forms (units, shares, various rights, etc.).

There is a wide variety of collective investment undertakings and, therefore, it is recommended that the investor be particularly attentive to the following aspects:

- The proposed investment strategy and the types of financial instruments (or assets) in which the undertaking is likely to invest, on which the risk taken by the investor will be directly dependent;
- The legal and regulatory environment of the country in which the collective investment undertaking is established, as not all countries offer the same degree of protection to investors; and
- The conditions under which investors may liquidate and monetise their investment, by requesting redemption of their units, rights or shares in the undertaking, or by selling them over the counter or on a market, it being understood that, in practice, certain undertakings, by virtue of their nature or structure, or their management objectives, oblige investors to hold the investment for a relatively long period of time, in the absence of an efficient mechanism for redeeming or transferring the units, rights or shares, and at the risk of incurring significant exit costs and expenses, or even significant losses if they do not exit.

Generally speaking, by pooling significant resources from different investors, collective investment undertakings make it possible to achieve a level of diversification higher than that which a single investor could expect, while seeking to contain management costs.

However, this advantage must be put into perspective. While some undertakings implement a high degree of diversification (in terms of the nature of the financial instruments used or the number of issuers, as well as the business sectors or geographical areas concerned), others offer more specialised or concentrated management strategies.

In any event, before subscribing to any collective investment undertaking, investors must consult all the applicable documentation (depending on the specific case and on the form of the undertaking: its rules and regulations, information memorandum, prospectus, articles of association, partnership contract, etc.) to assess the proposed management strategy and the risks that it entails and to determine whether that strategy is suitable for their investment objectives. Investors must also consider the duration of their investment and ascertain the conditions under which they will be able to recover their funds in view of the time needed to implement that strategy in order for it to be able to generate the expected profits, and the liquidity conditions specific to each undertaking allowing investors to monetise their investments.

In the specific case of investments in hedge funds or private equity funds, investors should also refer to the explanations provided below.

V. Hedge funds

The term 'hedge fund' refers to collective investment undertakings which use specific management methods and whose objective is to achieve absolute performance, i.e. performance that is independent and uncorrelated with major upward and downward trends in the financial markets.

The definition of hedge fund is not fixed, as it calls for a range of different strategies, which are dynamic or even aggressive, or conservative, and for cutting-edge and complex techniques.

For the most part, hedge fund methods are based on futures markets and derivative financial instruments, with all the risks already outlined in this Appendix, or on any other financial instrument that makes it possible to combine or alternate long or short positions in different asset classes: bonds, equities, commodities, etc. Such instruments may experience significant fluctuations in value, and therefore carry a significant risk of loss for the fund. Short selling and arbitrage (relative value) techniques are very common.

Hedge funds are operated either through the direct intervention of alternative funds on futures markets or by means of sub-funds of funds (also known as 'feeder funds', whose assets are themselves essentially invested in one or more hedge funds).

Hedge funds involve risks primarily associated with the investment strategies that characterise them, particularly when they are aggressive. Alternative investments are also characterised by reduced liquidity and may therefore require a certain amount of time before the investment can be monetised. Generally speaking, alternative investment fund managers are lightly regulated and generally exempted from the numerous provisions applicable to publicly traded collective investment schemes subject to authorisation in the area of investor protection (in particular those aimed at ensuring liquidity or redemption of units in funds at any time, preventing certain conflicts of interest, ensuring a fair price for units in funds, ensuring effective dissemination of information to investors, etc.).

The use of highly leveraged instruments and execution of complex transactions is very common, to an extent far greater than that typical of traditional collective investment schemes subject to authorisation.

The investment strategies used are often very complex and the uninformed investor is at risk of failing to identify strategic reorientations which could lead to a significant increase in risk, or of identifying them inadequately or too late.

Finally, liquidity risk is particularly present, as there is neither a stock exchange nor a secondary market on which units in hedge funds can be sold. In practice, it may be difficult, if not impossible, to liquidate such an investment and to close an existing position or determine its value.

VI. Private equity investment

The term 'private equity investment' refers to a particular type of investment generally made through a collective investment undertaking (or 'private equity fund') which uses investors' subscriptions to make its own investments in private companies which are neither listed on a market nor publicly traded.

This type of investment, aimed at generating a performance independent of major market developments, as in the case of hedge funds, is by nature similarly risky, irrespective of the degree of care taken to select companies in which the fund will invest, in particular for the following reasons:

Typically, the companies in which the fund invests are often new companies, offering growth potential that is attractive but by no means guaranteed, as the investment is made at the very beginning of their development, at a stage where their economic and commercial project is still in the construction phase;

The success of that project can be very risky and depends on numerous economic factors (ability to find financing, environment of heightened competition) and/or human factors (strong dependence on the management team at the origin of the project, technological challenges, ability to attract talent to the company);

Companies are not listed on a market and are therefore not constrained by the disclosure requirements generally imposed on listed companies, which makes it difficult to access reliable and truthful information in the process of selecting which investments to make; and

Because the selection of the companies and projects in which the fund will invest requires a thorough knowledge of and extensive experience with the sectors in which those companies operate, private equity funds are generally not very diversified, as each professional fund manager of such funds operates solely in his or her field of specialisation.

In any case, investors must take into consideration the fact that their investment will be unavailable for a long period of time, during which they will not be able to dispose of their capital, or will be able to dispose of it only in a restricted manner, and that they will be able to receive dividends only once the companies in which the fund has invested are finally able to generate profits, which necessarily takes a long time, irrespective of what their project is.

This is why, in principle, investors cannot recover their investment before the maturity of the fund.

Investors must also appreciate the fact that there is no secondary market on which they could resell their investment, even over-the-counter. In this respect, their attention is drawn to the fact that private equity funds also operate a rigorous investor selection process, both with regard to their obligations to verify the origin of the funds (in the context of anti-money laundering and anti-terrorist financing systems) and with regard to the financial capacity of investors to meet their commitments to the fund and to provide it with the amounts to which the investor has initially committed. Under these conditions, and since such funds are completely private investment vehicles, any transfer of the investment to a new investor is necessarily subject to various formalities and due diligence, sometimes time-consuming and costly, and ultimately remains subject to the fund's approval (even in the case of succession).

Investment in private equity must therefore be considered as a type of investment which is extremely risky – as it may lead to a total loss of the capital invested – and is necessarily focused on the long term. Finally, the skills and experience of the professional fund manager in relation to the sectors in which the fund will invest and his understanding of the issues at play in those sectors are critical to the success of the fund.

VII. Short selling

Short selling is an investment technique designed to take advantage of an anticipated fall in the price of a share or financial security. For the investor, it consists in borrowing securities from a bank or an investment service provider in order to sell them before the anticipated fall, it being understood that the securities will then have to be repurchased (at a lower price if the investor's downside expectations materialise) before the maturity of the transaction for borrowing the securities, in order to be returned to the bank. This technique is known as 'short selling'.

From a legal perspective, the lending of securities is carried out by means of a securities lending agreement under which the bank transfers, on a temporary basis, full ownership of the securities, in return for an undertaking by the borrower to return the securities either on a predefined date and the payment of a fee based on the value of the securities loaned.

In order to protect itself against counterparty risk (i.e. the risk that the borrower will not return the securities lent), the bank generally requires the borrower to provide collateral, by delivering financial instruments or cash, the value of which is used to guarantee the borrower's obligation to return the securities and must cover at all times the market value of the securities lent.

It is important to note that, if the securities lending agreement provides for a transfer of ownership of the securities from the lender to the borrower in legal terms, the borrower generally undertakes to pay the lender all interest and dividends received during the term of the agreement and also undertakes to follow the lender's instructions regarding the exercise of any rights attached to the securities loaned. The lender thus retains all the income that may be attached to the security, while the borrower can only benefit from the decline in the value of the security during the term of the agreement.

The investor can thus expect to make a profit corresponding to the difference between the price at which he or she sells the securities that he or she had previously borrowed and the price at which he or she repurchases them in order to be able to return them to the lender. Accordingly, the investor can theoretically earn a maximum of 100% of the value of the securities that he or she has sold (if the value of the security has 'fallen' to zero at maturity, mainly as a result of bankruptcy). On the other hand, his or her losses are theoretically infinite, since there is no limit to the rise in a security's value on the market. In any event, the investor may lose all or more of the value of the securities sold short.

Short selling is therefore a very risky investment technique by nature. This risk is all the greater given that:

- Experience shows that, in general, in the medium to long term, equities have an upward trend. The short selling of equities therefore consists in speculating against the overall market trend;
- Even if an investor's expectation of a fall is economically justified, and the security may be considered to be "overvalued" at the time when the investor executes the transaction, it may take longer than expected for that expectation to materialise. In such cases, in order to maintain his or her position, the investor will have to continue to pay interest to the lender of the securities and is exposed to margin calls, which may significantly affect the return on the transaction – or even force the lender to close the position if the investor can no longer meet his or her obligations – and may give rise to significant losses;

– If the price of a security ultimately rises, contrary to initial expectations, and many investors engaged in short selling transactions are simultaneously trying to hedge their positions, this will amplify the upward trend of the security. Some professional investors may try to take advantage of this, further reinforcing the upward trend. This phenomenon referred to as a 'short squeeze' can cause significant losses in a very short period of time.

Finally, it should be noted that, in view of the amplification effects, both upward and downward, which can be generated by excessive short selling positions on a given market, market authorities have developed over time numerous regulations aimed at limiting the use of this investment technique, or even prohibiting it under certain conditions. As a result, it may be virtually difficult, or impossible, to carry out a short sale transaction.

VIII. Degree of risk associated with the investment advisory service or discretionary management service.

Investors may wish to engage the services of a bank or investment service provider to manage their financial assets. In so doing, they benefit from the know-how of a professional, particularly when it comes to selecting the investment transactions to be made by them and seeking a certain balance between the prospects of financial gains and the risks incurred, thanks to diversification.

The assistance of a professional may take the form of an advisory mandate by which the investor makes his own investment decisions after having benefited from the recommendations of a professional, or a discretionary management mandate by which the professional makes all the investment decisions on behalf of the investor.

In both situations, the investor must understand that there is no guarantee of results. All investment transactions entered into under an advisory mandate or discretionary management mandate remain, in themselves, transactions exposing the investor to all the risks explained in this Appendix.

Moreover, investors must carry out a careful appraisal to determine the profile that they wish to have applied to the management of their financial assets and they must define their investment objectives in consideration of the risks that they are prepared to take. Generally speaking, a low-risk strategy will not be able to generate significant gains, as the prospects for financial gains increase in line with the risks associated with the investment strategy implemented. Contrariwise, greater prospects for gains necessarily entail increased risk-taking and, in the event of unfavourable movements, potentially significant losses. The investor must also take into account the time horizon specific to each investment strategy, as the implementation of a strategy necessarily requires a relatively long period of time before it can be expected to produce the expected results. Investors must assess the resulting risk, having regard, in particular, to their overall financial capacity and their liquidity requirements.

Appendix – EMIR

This EMIR Appendix, which forms an integral part of the General Terms of Barclays Bank plc, Monaco branch (the 'Bank'), aims at reflecting the Over the Counter Derivatives, Central Counterparties and Trade Repositories (Amendment, etc., and Transitional Provision) (EU Exit) Regulations 2019 and The Over the Counter Derivatives, Central Counterparties and Trade Repositories (EU Exit) (No.2), (together, 'UK EMIR').

UK EMIR Obligations

On the date of the execution (the 'Effective Date') of the General Terms, the Bank proposes to (i) confirm any uncleared OTC derivative contracts entered into by the Bank with the Client, (ii) reconcile the key trade terms of uncleared OTC derivative contracts, (iii) identify, record, monitor and resolve disputes relating to uncleared OTC derivative contracts and (iv) report the details of any derivative contract concluded with the Client on the terms set out below.

For the purpose of these General Terms, when a discretionary manager acts on the Client's behalf, the Bank may act in all respects under these General Terms with the Client's discretionary manager.

On and from the Effective Date, the General Terms supersede any previous arrangement on timely confirmation, portfolio reconciliation, and dispute resolution of uncleared over the counter derivative contracts, which will cease to have effect.

To the extent that there is any conflict between the General Terms and the terms of any other document or agreement, including any confirmation, between the Bank and the Client, the General Terms shall prevail unless the terms of such other document or agreement expressly refer to the General Terms being overridden in the case of any conflict.

All terms used in this EMIR Appendix to the General Terms of Business and not otherwise defined herein, shall have the same meaning as in the UK EMIR regulation and any delegated or implementing acts made under UK EMIR.

For the purposes of this Appendix:

- 'business day' shall be interpreted to mean any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London and in any place or places specified in the relevant confirmation evidencing an uncleared OTC derivative contract or, if not so specified, any place determined by or as agreed with the Bank;
- 'uncleared OTC derivative contract' is an OTC derivative contract which is not cleared by a CCP. As defined under UK EMIR, a 'CCP' means a legal person that interposes itself between the counterparties to the contracts traded on one or more financial markets, becoming the buyer to every seller and the seller to every buyer;
- 'derivative contract' (specifically in relation to reporting), shall have the meaning as defined under UK EMIR, which includes OTC derivative contracts and exchange traded derivatives; and
- 'reportable transactions' (specifically in relation to reporting), are transactions in derivative contracts executed or concluded between the Bank and the Client.

UK EMIR Confirmation of OTC derivatives

Where the Bank enters into an uncleared OTC derivative contract with the Client on or after the Effective Date:

(i) the Bank will send the Client a confirmation setting out or incorporating by reference or otherwise all the terms of the contract as soon as reasonably practicable before the relevant confirmation deadline as set out below (the 'Confirmation Deadline') and use reasonable efforts to send the Client such confirmation by the relevant Confirmation Deadline;

(ii) the Client must notify the Bank, as soon as possible and in any event by the later of the Confirmation Deadline or the end of the 2nd business day after the Bank send the Client the confirmation, if the Client does not agree to the confirmation and notifies the Bank of the reasons for the Client's disagreement;

(iii) the Client will be deemed to have agreed to the confirmation if the Bank has not received notification of the Client's disagreement by the later of the Confirmation Deadline or the end of the 2nd business day after the Bank sends the Client the confirmation.

The confirmation the Bank send to the Client may be in the form of, but is not limited to, a term sheet, contract note or related master agreement confirmation.

The Confirmation Deadline referred to above will be:

(i) the end of the first business day following the date of execution if you are a financial counterparty or a non-financial counterparty referred to in UK EMIR; or

(ii) the end of the second business day following the date of execution if you are a non-financial counterparty below the threshold referred to in article 10 of UK EMIR ('NFC – ')

UK EMIR Portfolio Reconciliation

Where the Bank enters into an uncleared OTC derivative contract with the Client:

(i) the Bank will send the Client its records of the key trade terms of the uncleared OTC derivative contracts between the Bank and the Client, with at least the frequency set out below;

(ii) the Client must notify the Bank, as soon as possible and in any event within 10 business days upon the Client's receipt of the records, if the Client identifies any material discrepancies between the Bank's records and the Client's own records, and the Bank will attempt to resolve such discrepancies with the Client;

(iii) the Client will be deemed to have agreed to the records sent by the Bank if the Bank has not received notification from the Client identifying discrepancies referred to above by the end of the 10th business day following the Client's receipt of the records and the key trade terms of the uncleared OTC derivative contracts will be deemed reconciled.

The Bank will send the Client records of the key trade terms of the uncleared OTC derivative contracts between the Client and the Bank:

(i) for a financial counterparty or a non-financial counterparty referred to in UK EMIR:

- each business day if there are more than 500 uncleared OTC derivative contracts between us;
- once per week if there are between 51 and 499 uncleared OTC derivative contracts between us during the week;
- once per quarter if there are 50 or fewer uncleared OTC derivative contracts between us during the quarter;

(ii) for a NFC –

- once per quarter if there are more than 100 uncleared OTC derivative contracts between the Client and the Bank; or
- once per year if there are 100 or fewer uncleared OTC derivative contracts between the Client and the Bank.

UK EMIR Dispute Resolution

If the Client or the Bank identifies a dispute in relation to an uncleared OTC derivative contract or the valuation of such contract or collateral, the Client's relationship manager/private banker will contact the Client, and vice versa, explaining that a dispute exists and (where necessary) setting out in reasonable detail the issue in dispute.

The Bank and the Client (to the extent the Client is an entity established in the United Kingdom or in the European Union (the 'EU')) will have internal procedures and processes in place to (i) record at least the length of time for which the dispute remains outstanding, the counterparty and the amount disputed, and (ii) monitor the dispute for as long as it remains outstanding.

Both the Client and the Bank will attempt to resolve the dispute in a timely manner, including, without limitation, by exchanging any relevant information and using any relevant dispute resolution procedure as agreed between the Client and the Bank.

If the dispute is not resolved within 5 business days either of the Client or the Bank being informed of the dispute, each of the Client or the Bank will refer the disputed issue internally to appropriate senior members of staff or otherwise escalate the disputed issue.

UK EMIR Reporting

1. Where the Bank concludes a derivative contract with the Client:

(i) the Client agrees that the common data contained in UK EMIR report, which are details pertaining to the derivative contract concluded between the Client and the Bank, will be the data that the Bank will generate for all reportable transactions;

(ii) the Client authorises the Bank to generate and use a trade specific reference, known as a Unique Trade Identifier 'UTI', for reportable transactions. The UTI will be used to assist with the reconciliation of the common data.

2. If the Client is classified as NFC- and unless the Client elects otherwise, then the Bank is obliged to report on Client's behalf OTC derivative contracts entered into with the Client to an authorised Trade Repository no later than the business day following the transaction.

   In order for the Bank to successfully report on Client's behalf, the Client must accurately complete the EMIR Classification Section of the Bank's account opening form and notify the Bank immediately of any changes to the information provided by the Client. Should the Client fail to provide the Bank with accurate information the Bank will not be able to report on Client's behalf.

   The Client must provide the Bank with a valid and up to date Legal Entity Identifier. If the Client does not provide the Bank with this then the Bank will not be able to report on Client's behalf and the Bank may also cease trading derivative contracts with the Client until the latter provides the Bank with a valid and up to date Legal Entity Identifier.

3. If the Client is NFC- and prefers that the Bank does not report on its behalf, the Client must select the appropriate option in its account opening form. By choosing this option the Client acknowledges that the Bank will not be responsible to report on its behalf OTC derivative contracts entered into with the Client and that the Client will be responsible to report all such OTC derivative contracts to regulators via an authorised Trade Repository no later than the business day following the transaction.

UK EMIR Representation

The Client represents and warrants on the Effective Date (and such representation and warranty will be deemed to be repeated by the Client each time the Client enters into an uncleared OTC derivative contract with the Bank) that the Client is not:

(i) a financial counterparty;

(ii) a non-financial counterparty referred to in article 10 of UK EMIR; or

(iii) an entity established outside United Kingdom or the EU which would have been a financial counterparty or non-financial counterparty referred to in Article 10 of UK EMIR if the Client had been established in the United Kingdom or in the EU.

Appendix – Bank Resolution and Preventive Measures

The following provisions apply to any deposits on an account opened with Barclays Bank Plc, and to any liabilities Barclays Bank Plc owes to you, that are governed by a law other than the law of England and Wales (hereinafter the '**In-scope Liabilities**').

However, these provisions shall not apply to:

(a) the deposits you hold with us that are covered by the Deposit Insurance and Resolution Fund (*Fonds de Garantie des Dépôts et de Résolution*);

(b) any deposits or other liabilities we owe you (other than under a debt instrument) created on or before 31 December 2015 (unless the agreement governing that deposit or amount we owe you is or was subject to a material amendment after 31 July 2016);

(c) any liability under a debt instrument issued on or before 18 February 2015 (unless that instrument is or was subject to a material amendment after 31 July 2016);

(d) any liability we owe you by virtue of holding assets which we have undertaken to hold on your behalf, for example any liability we owe as a result of failing to return those assets to you;

(e) certain liabilities which we owe you if they are secured (to the extent they are excluded by relevant laws and regulations); or

(f) any other liability excluded by relevant laws and regulations.

You acknowledge and accept that any in-scope liability owed to you by Barclays Bank Plc may be subject to the exercise of a 'bail-in power' by the Bank of England, which power includes, in certain circumstances, the ability to cancel, reduce, transfer, amend and/or convert certain deposits and other liabilities owed by banks to their counterparties.

In circumstances where the Bank of England may exercise a bail-in power:

(a) the deposit or other liability we owe you may be cancelled, reduced or converted into another form (such as ordinary shares, or other instruments of ownership issued to you) by the Bank of England; and/or

(b) the relevant agreement which governs the deposit, or under which we owe you a liability, may be cancelled or varied to give effect to the exercise of the Bank of England's powers.

In any event, you agree to be bound by any such cancellation, reduction, conversion or variation.

Besides, in the event a resolution measure is adopted by the Bank of England, within the framework of the regulation relating to bank resolution, you acknowledge and agree that you may only avail yourself of any early termination right under any agreement entered into between you and us, in accordance with the terms and conditions provided for in the aforementioned regulation, as if such agreement was governed by English law.

If any provision in any agreement we have with you conflicts with the provisions of this Appendix, then the provisions of this Appendix will prevail.

Appendix – Central Depositories and Financial Markets Infrastructure

1. Introduction

The purpose of this Appendix is to disclose the levels of protection associated with the different levels of segregation that we provide in respect of securities that we hold directly for Clients with Central Securities Depositories within the EEA and Switzerland (**CSDs**), including a description of the main legal implications of the respective levels of segregation offered and information on the insolvency law applicable. This disclosure is required under Article 38(6) of the Central Securities Depositories Regulation (**CSDR**) (in relation to CSDs in the EEA) and Article 73 of the Swiss Financial Markets Infrastructure Act (**FMIA**) (in relation to CSDs in Switzerland).

Under CSDR, the CSDs of which we are a direct participant (see glossary) have their own disclosure obligations and we include links to those disclosures in this document.

This Appendix is not intended to constitute legal or other advice and should not be relied upon as such. Clients should seek their own legal advice if they require any guidance on the matters discussed in this document.

2. Background

In our own books and records, we record each Client's individual entitlement to securities that we hold for that Client in a separate Client account. We also open accounts with CSDs in our own (or in our nominee's) name in which we hold Clients' securities. We currently make two types of accounts with CSDs available to Clients: Individual Client Segregated Accounts (**ISAs**) and Omnibus Client Segregated Accounts (**OSAs**).

An ISA is used to hold the securities of a single Client and therefore the Clients' securities are held separately from the securities of other Clients and our own proprietary securities.

An OSA is used to hold the securities of a number of Clients on a collective basis. However, we do not hold our own proprietary securities in OSAs.

Barclays normal practice will be to utilize OSA account structures. Should you wish to use an ISA, please contact your Private Banker. Please note that use of an ISA may change Barclays fees and expenses incurred in the performance of its obligations under the Agreement and Barclays may pass these increased fees and expenses back to you.

3. Main legal implications of levels of segregation

Clients' legal entitlement to the securities that we hold for them directly with CSDs would not be affected by our insolvency, whether those securities were held in ISAs or OSAs.

The distribution of the securities in practice on an insolvency would depend on a number of factors, the most relevant of which are discussed below.

Application of English insolvency law

Were we to become insolvent, our insolvency proceedings would take place in England and be governed by English insolvency law.

Under English insolvency law, securities that we held on behalf of Clients would not form part of our estate on insolvency for distribution to creditors, provided that they remained the property of the Clients[1]. Rather, they would be deliverable to Clients in accordance with each Client's proprietary interests in the securities.

As a result, it would not be necessary for Clients to make a claim in our insolvency as a general unsecured creditor in respect of those securities. Securities that we held on behalf of Clients would also not be subject to any bail-in process (see glossary), which may be applied to us if we were to become subject to resolution proceedings (see glossary).

Accordingly, where we hold securities in custody for Clients and those securities are considered the property of those Clients rather than our own property, they should be protected on our insolvency or resolution. This applies whether the securities are held in an OSA or an ISA.

[1] When a client has sold, transferred or otherwise disposed of its legal entitlement to securities that we hold for the client (for example, under a right to use or title transfer collateral arrangement), the securities will no longer be the property of the client.

Nature of Clients' interests

Although our Clients' securities are registered in our name at the relevant CSD, we hold them on behalf of our Clients, who are considered as a matter of law to have a beneficial proprietary interest in those securities. This is in addition to any contractual right a Client may have against us to have the securities delivered to them.

This applies both in the case of ISAs and OSAs. However, the nature of Clients' interests in ISAs and OSAs is different. In relation to an ISA, each Client is beneficially entitled to all of the securities held in the ISA. In the case of an OSA, as the securities are held collectively in a single account, each Client is normally considered to have a beneficial interest in all of the securities in the account proportionate to its holding of securities.

Our books and records constitute evidence of our Clients' beneficial interests in the securities. The ability to rely on such evidence would be particularly important on insolvency. In the case of either an ISA or an OSA, an insolvency practitioner may require a full reconciliation of the books and records in respect of all securities accounts prior to the release of any securities from those accounts.

We are subject to the Client asset rules of the UK Financial Conduct Authority (**CASS Rules**), which contain strict and detailed requirements as to the maintenance of accurate books and records and the reconciliation of our records against those of the CSDs with which accounts are held. We are also subject to regular audits in respect of our compliance with those rules. As long as books and records are maintained in accordance with the CASS Rules, Clients should receive the same level of protection from both ISAs and OSAs.

Shortfalls

If there were a shortfall between the number of securities that we are obliged to deliver to Clients and the number of securities that we hold on their behalf in either an ISA or an OSA, this could result in fewer securities than Clients are entitled to being returned to them on our insolvency. The way in which a shortfall could arise would be different as between ISAs and OSAs (see further below).

How a shortfall may arise:

A shortfall could arise for a number of reasons including as a result of administrative error, intraday movements or counterparty default following the exercise of rights of re-use. If agreed with the relevant Clients, a shortfall may also arise in the case of an OSA as a result of securities belonging to one Client being used by another Client for intra-day settlement purposes.

Where we have been requested to settle a transaction for a Client and that Client has insufficient securities held with us to carry out that settlement, we generally have two options:

(i) in the case of both an ISA and an OSA, to only carry out the settlement once the Client has delivered to us the securities needed to meet the settlement obligation; or

(ii) in the case of an OSA, to make use of other securities held in that account to carry out settlement subject to an obligation on the part of the relevant Client to make good that shortfall and subject to any relevant Client consents required.

Where option (ii) is used, this increases the risks to Clients holding securities in the OSA as it makes it more likely that a shortfall in the account could arise as a result of the relevant Client failing to meet its obligation to reimburse the OSA for the securities used.

In the case of an ISA, only option (i) above would be available, which would prevent the use of securities in that account for other Clients and therefore any resulting shortfall. However, it also increases the risk of settlement failure which in turn may incur additional buy in costs or penalties and/or may delay settlement as we would be unable to settle where there are insufficient securities in the account.

Where Clients' securities are held in an OSA, we will use option (ii) in accordance with agreed contractual terms.

Treatment of a shortfall

In the case of an ISA, the whole of any shortfall on that ISA would be attributable to the Client for whom the account is held and would not be shared with other Clients for whom we hold securities. Similarly, the Client would not be exposed to a shortfall on an account held for another Client or Clients.

In the case of an OSA, the shortfall would be shared among the Clients with an interest in the securities held in the OSA (see further below). Therefore, a Client may be exposed to a shortfall even where securities have been lost in circumstances which are completely unrelated to that Client.

The risk of a shortfall arising is, however, mitigated as a result of our obligation under the CASS Rules in certain situations to set aside our own cash or securities to cover shortfalls identified during the process of reconciling our records with those of the CSDs with which securities are held.

If a shortfall arose and was not covered in accordance with the CASS Rules, Clients may have a claim against us for any loss suffered. If we were to become insolvent prior to covering a shortfall, Clients would rank as general unsecured creditors for any amounts owing to them in connection with such a claim. Clients would therefore be exposed to the risks of our insolvency, including the risk that they may not be able to recover all or part of any amounts claimed.

In these circumstances, Clients could be exposed to the risk of loss on our insolvency. If securities were held in an ISA, the entire loss would be borne by the Client for whom the relevant account was held. If securities were held in an OSA, the loss would be allocated between the Clients with an interest in that account.

In order to calculate Clients' shares of any shortfall in respect of an OSA, each Client's entitlement to securities held within that account would need to be established as a matter of law and fact based on our books and records. Any shortfall in a particular security held in an OSA would then be allocated among all Clients with an interest in that security in the account. It is likely that this allocation would be made rateably between Clients with an interest in that security in the OSA, although arguments could be made that in certain circumstances a shortfall in a particular security in an OSA should be attributed to a particular Client or Clients. It may therefore be a time consuming process to confirm each Client's entitlement. This could give rise to delays in returning securities and initial uncertainty for a Client as to its actual entitlement on an insolvency. Ascertaining Clients' entitlements could also give rise to the expense of litigation, which could be paid out of Clients' securities.

Security interests

Security interest granted to third party:

Security interests granted over Clients' securities could have a different impact in the case of ISAs and OSAs.

Where a Client purported to grant a security interest over its interest in securities held in an OSA and the security interest was asserted against the CSD with which the account was held, there could be a delay in the return of securities to all Clients holding securities in the relevant account, including those Clients who had not granted a security interest, and a possible shortfall in the account.

However, in practice, we would expect that the beneficiary of a security interest over a Client's securities would perfect its security by notifying us rather than the relevant CSD and would seek to enforce the security against us rather than against such CSD, with which it had no relationship. We would also expect CSDs to refuse to recognise a claim asserted by anyone other than ourselves as account holder.

Security interest granted to CSD:

Where the CSD benefits from a security interest over securities held for a Client, there could be a delay in the return of securities to a Client (and a possible shortfall) in the event that we failed to satisfy our obligations to the CSD and the security interest was enforced. This applies whether the securities are held in an ISA or an OSA. However, in practice, we would expect that a CSD would first seek recourse to any securities held in our own proprietary accounts to satisfy our obligations and only then make use of securities in Client accounts. We would also expect a CSD to enforce its security rateably across Client accounts held with it.

Furthermore, the CASS Rules restrict the situations in which we may grant a security interest over securities held in a Client account.

4. CSD disclosures

Set out below are links to the disclosures made by the CSDs in which we are participants:

https://www.clearstream.com/clearstream-en/strategy-and-initiatives/asset-safety/csdr-article-38-disclosure

These disclosures have been provided by the relevant CSDs. We have not investigated or performed due diligence on the disclosures and Clients rely on the CSD disclosures at their own risk.

Glossary

'Bail-in' refers to the process under the Banking Act 2009 applicable to failing UK banks and investment firms under which the firm's liabilities to Clients may be modified, for example by being written down or converted into equity.

'Central Securities Depository' or 'CSD' is an entity which records legal entitlements to dematerialised securities and operates a system for the settlement of transactions in those securities.

'Central Securities Depositories Regulation' or 'CSDR' refers to EU Regulation 909/2014 which sets out rules applicable to CSDs and their participants.

'Direct participant' means an entity that holds securities in an account with a CSD and is responsible for settling transactions in securities that take place within a CSD. A direct participant should be distinguished from an indirect participant, which is an entity, such as a global custodian, which appoints a direct participant to hold securities for it with a CSD.

'EEA' means the European Economic Area

'Financial Markets Infrastructure Act' or 'FMIA' refers to FinfraG (Finanzmarktinfrastrukturgesetz), a Swiss law which sets out rules applicable to CSDs and their participants.

'Resolution proceedings' are proceedings for the resolution of failing UK banks and investment firms under the Banking Act 2009.

Acceptance of the General Terms

The Client acknowledges that it has been provided with and read the General Terms of Barclays Bank Plc (Monaco), together with the Appendices, in one of the two languages that these documents are made available, i.e. French or English.

The Client acknowledges that the version of the General Terms of Barclays Bank Plc (Monaco) signed by it in the language of its choice, which the Client fully understands and is familiar with, shall be binding upon the parties.

The Client further acknowledges that it has been provided with and read a copy of the Schedule of Fees and Charges of Barclays Bank Plc (Monaco) currently in force together with the list of negative interest rates by currency.

The Client confirms that it has read all these documents and fully understands them, and undertakes upon execution to accept them in their entirety.

Monaco, on D D / M M / Y Y Y Y

Signature(s) of the Account holder and/or Joint-account holders and/or Authorised signatories

First Account holder/Authorised signatory

Last name, first name

Signature. Please handwrite 'Read and approved' before signing below

Second Account holder/Authorised signatory

Last name, first name

Signature. Please handwrite 'Read and approved' before signing below

Third Account holder/Authorised signatory

Last name, first name

Signature. Please handwrite 'Read and approved' before signing below

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