

SCHEDULE B: NETTING

1. By netting we mean either reducing or eliminating the amount due to be paid (whether or not in the same currency) or delivered by one party to the other (whether or not on the same date) or terminating multiple payment and/or delivery obligations arising between the parties and replacing them by a single payment and/or delivery obligation owing by one party to the other.
2. Unless we expressly agree otherwise, we may at any time and without prior notice to you set off any of your (or where applicable, your underlying customer's or customers' (as defined in the General Terms) for whom you are acting as agent) liabilities to us against any of our liabilities to you (or where applicable, your underlying customer(s)), whether either liability is present or future, actual or contingent, liquidated or unliquidated, and whether or not either liability arises under these Terms or under any other agreement entered into between you and us or between us and any other person, pursuant to which you and us may from time to time have exposures, contingent liabilities or debts to each other (**Contracts**).
3. The Contracts are any of the following agreements made between you (including, where applicable, on behalf of underlying customer(s) for whom you are acting as agent) and us: the Global Master Repurchase Agreement, Global Master Securities Lending Agreement, General Terms for dealing in securities of BrokerCreditService (Cyprus) Limited, as amended, and/or any other agreement or contract separately agreed between you (including, where applicable, on behalf of underlying customer(s) for whom you are acting as agent) and us to be subject to this Schedule, as these agreements may be supplemented or amended from time to time (and, in the case of any master agreements or umbrella agreements so identified, each transaction thereunder or covered thereby), and any related credit support or security agreements (other than these Terms), and any terms or conditions incorporated by reference into any of the foregoing. You (including, where applicable, on behalf of underlying customer(s) for whom you are acting as agent) agree that in the event of any inconsistency between the terms of any Contract and this Schedule, the terms of this Schedule shall prevail.
4. We shall determine reciprocal liabilities in accordance with the provisions of these Terms and the relevant Contract and shall aggregate all positive amounts and all negative amounts so determined and net such two amounts and only the balance shall become due by the party owing the greater of those amounts (or having the claims valued at the lower amount), to the other party.
5. Any balance due under this Schedule shall be paid or delivered, as the case may be, no later than on the business day following the day on which we notify you of the amount due. Neither party shall be obliged to pay under this Schedule unless the amount payable exceeds the banking fees in respect of making a bank money transfer. You (including, where applicable, on behalf of underlying customer(s) for whom you are acting as agent) hereby authorise us to debit or credit any relevant account maintained by us for you pursuant to these Terms, in order to effect such payment or delivery. Where you (including, where applicable, on behalf of underlying customer(s) for whom you are acting as agent) and we are each simultaneously subject to payment and delivery obligations, the obligations shall be discharged on a delivery-versus-payment basis. Netting, when completed, shall fully and properly discharge and terminate any and all obligations subjected to netting under this Schedule.
6. If the liabilities to be set off are expressed in different currencies, we may convert either liability at a market rate of exchange available to us at the time of conversion, and you (including, where applicable, on behalf of underlying customer(s) for whom you are acting as agent) agree to indemnify us

immediately on demand from and against any loss suffered or incurred as a result of any discrepancy between the rate of exchange used for such conversion and the rate or rates of exchange available to us at the time of receipt of the net sum owed to us by you (or where applicable, your underlying customer(s)). You hereby authorise us to debit any cash account maintained by us for you (including, where applicable, on behalf of underlying customer(s) for whom you are acting as agent) pursuant to these Terms, in order to effect payment under this clause.

7. If any obligation to deliver securities owed to you (or where applicable, your underlying customer(s)) by us under or in connection with these Terms or any Contract, has to be replaced for the purposes of this Schedule by an obligation to pay market value of those securities, then market value with respect to those securities shall be the price for such securities obtained from a source selected by us in our sole and absolute discretion; provided that if prices for such securities are available on a trading venue or organised market, the price shall be the closing price on such venue or market where securities are predominantly traded on a trading day immediately preceding the day of set-off, and where securities are suspended, or in respect thereof there is no source or a discontinuous source, the price shall be the arithmetic mean of the offer quotations in respect of securities of the relevant description obtained from two or more market makers or regular dealers in a comparable size on or about the date of determination, adjusted by us in a reasonable manner to reflect accrued but unpaid distributions and to deduct anticipated transaction costs, or where no such quotations can be obtained, such amount which, in our reasonable discretion, represents fair value of securities between you and us.

8. We are not obliged to exercise our rights under this Schedule, but if the rights are exercised, we shall promptly notify you of the set-off that has been made. We will not exercise any right pursuant to this Schedule with respect to any Contract unless an event of default has occurred or is continuing under that Contract (as defined therein).

9. We shall maintain accounts evidencing the amounts owed to us by you (or where applicable, your underlying customer(s)), in accordance with our usual practice. Entries in those accounts shall be conclusive evidence of the existence and amount of your obligations as recorded in them. If we issue any certificate, determination or notification of a rate or any amount payable under this Schedule, it shall be (in the absence of manifest error) conclusive evidence of the matter to which it relates.

10. If the exercise of any right pursuant to this Schedule shall be avoided or set aside by a court or shall be restrained, stayed or enjoined under the Applicable Regulations, then the obligations in respect thereof shall be reinstated, or in the event of restraint, stay or injunction, preserved in the amounts as of the date of restraint, stay or injunction between us, on the one hand, and you (and where applicable, your underlying customer(s)), on the other, until such time as such restraint or injunction shall no longer prohibit exercise of such right.