

SECTION A: GENERAL TERMS

1. Application and Scope

1.1. These Terms of Business for Professional Clients and Eligible Counterparties ('Terms' or 'Terms of Business') form standard agreement on terms and conditions applicable to the provision of investment and ancillary services and carrying on investment activities ('Services') between BrokerCreditService (Cyprus) Limited whose registered office is at 168 Makarios III Avenue, Geopyxis Center, Office 2, Limassol, Cyprus ('BCS') and any other entity (the 'Client') meeting the requirements provided for in these Terms (the 'Parties').

1.2. BCS is authorised by the Cyprus Securities and Exchange Commission (the 'CySEC') and regulated by the CySEC to provide investment and ancillary services and conduct investment activities under the Investment Services and Activities and Regulated Markets Law of 2007, as amended from time to time (the 'Law'). In these Terms BCS operates within the scope of BCS Cyprus Investment Firm Authorisation no. 048/04, issued by the CySEC on 8th October 2004, and authorisation issued by the CySEC on 17th August 2012 in respect of rendering a service of reception, transmission and execution of client's orders for entering into transactions in foreign currency (Foreign Exchange Spot Trading), as from time to time amended (the 'License'). The English version of the License is available on www.bcscyprus.com.

1.3. These Terms shall take effect as of the date on which BCS commenced rendering Services to the Client. By conducting business with BCS, the Client agrees and accepts these Terms. These Terms will apply to any and all Services and/or transactions, including securities financing transactions which BCS may carry on with or for the Client in accordance with these Terms (the 'Transaction'), subject to the terms of any other agreement relating to any specific business or Transaction between the Client and BCS.

1.4. BCS will notify the Client of any material changes to these Terms by posting updated versions of the Terms on www.bcscyprus.com and unless BCS notifies the Client otherwise, any such amendment shall take effect after 10 (Ten) Business Days (as defined below) from the date of posting updated versions of the Terms, provided that no variation shall affect Transactions executed prior or to the time of such variation.

2. Client Classification

2.1. For the purposes of the Law and based upon the information available to BCS, BCS has classified the Client as a 'professional client' or an 'eligible counterparty'. If the Client is classified as an 'eligible counterparty' in relation to any particular Service(s) and/or Transaction, certain of the statutory and regulatory protections will not apply. The rights in relation to the client classification are set out in the separate notice provided by BCS upon assessment of Client's classification.

2.2. Non-EEA clients warrant that any Transaction entered into with BCS is permissible under their relevant home state legislation.

2.3. By entering into this agreement the Client agrees to immediately inform BCS of any event affecting Client's ability to undertake and discharge its obligations hereunder.

3. Services

3.1. BCS may provide Services to the Client in respect of financial instruments listed on its License, that means receipt and transmission of orders, execution of orders on behalf of the Client, arrangement or making arrangements with a view to Transactions in financial instruments, safekeeping and administration of financial instruments for the account of the Client, including custodianship and related services such as cash/collateral management and provision of such other Services as BCS may agree from time to time provided that certain types of Services, such as investment advice may require additional written arrangements between the Client and BCS. BCS will, when providing Services to the Client, act honestly, fairly and professionally in accordance with the best interests of the Client.

3.2. To the extent that BCS is required by the Law to assess whether a Transaction, Service or product is appropriate for the Client, BCS will, for the purposes of any such appropriateness assessment, rely on the information that have been supplied to BCS by the Client. BCS shall be entitled to assume that in relation to any Transaction, product or Service where specific client instructions have been provided, the Client has the necessary level of knowledge and experience in order to understand the risks involved in the proposed Transaction, product or Service. BCS shall not owe to the Client any duty to advise as to the merits of the risks involved in any of Transactions. The Client shall make its own assessment of the Transaction and exercise its own judgment on the merits of the Transaction. In this regard the Client should note that if BCS merely explains the terms of an instrument or contract or its performance characteristics this does not of itself amount to advice on the merits of a Transaction in the financial instrument or on the legal or tax status or consequences.

3.3. In accordance with the Applicable Regulation and Market Rules (as defined below) BCS will determine whether to effect any Transaction with or for the Client as principal, as agent or partly as principal and partly as agent. The Client agrees to any Transaction may be made by BCS on behalf of the Client but in the name of BCS, in which case BCS will act on behalf of the Client as undisclosed principal. The Client further authorises BCS to act as agent for the Client being either identified or unidentified principal.

3.4. The Client may not engage in any type of Service until expressly authorised by BCS. BCS shall have the right to assign limits on any Transaction which the Client may carry with BCS or through BCS at any time, and, if communicated to the Client, require the Client to reduce Transactions carried with BCS or through BCS and shall also have the right to refuse to accept orders to establish new positions as a result of Client's orders, whether or not such refusal, reduction or limitation is required by Applicable Regulations.

3.5. All investments are subject to risk and the degree of risk is a matter of judgment and cannot be accurately pre-determined. BCS gives no warranty as to the performance or profitability of Client's account with BCS or Client's investments or any part thereof. The specific risk disclosures are set out in the Appendix 1.

3.6. BCS may delegate the performance of any of the Services to such person(s) as it may think fit. BCS may also employ such agents as it selects on such terms as BCS considers appropriate. BCS may, where BCS considers it appropriate, enter into clearing arrangements with clearing brokers or clearing members of a particular exchange. The terms of BCS clearing arrangements with such agents (including any exclusions or limitations of liability) will be binding on the Client and may be directly enforced against the Client by such agents.

3.7. BCS is authorised by the Client to do anything which BCS considers necessary or appropriate either to provide the Services (including but not limited to acting as Client's agent and delegating its authority as Client's agent to another) or to comply with any applicable laws or regulations.

3.8. BCS will not be responsible for the provision of any tax or legal advice in relation to the Services.

3.9. BCS will treat the Client as its client and save as expressly stipulated by the applicable laws or regulations or as BCS may otherwise agree, BCS has no obligation and accepts no liability to any other person for whom the Client may be acting as an agent, intermediary or fiduciary (whether or not the existence or identity of such person has been disclosed to BCS). Where the Client is acting in one of the aforesaid capacities on behalf of another or others, the Client represents warrants and agrees that:

- i. The Client has full power and authority to instruct BCS upon these Terms;
- ii. The Client has no reason to believe that such person(s) will not be able to perform any settlement obligation hereunder;
- iii. The Client has obtained and recorded evidence of the identity of such person(s) or any underlying principal of such person(s);
- iv. The Client will provide BCS with such information as BCS may reasonably require in relation to these Terms, including all information required to comply with all applicable anti-money laundering rules and regulations; and
- v. The Client will be liable to BCS jointly and severally with its principal in respect of all obligations and liabilities arising from Transactions effected on Client's instructions.

3.10. BCS will not be obliged to effect any Transaction nor do anything else which BCS reasonably believes would breach any Applicable Regulation.

4. Applicable Rules and Regulations

4.1. All Transactions shall be subject to:

- i. Laws, rules and regulations of the country where BCS and/or its agents carry out the Transactions under these Terms, as well as any other country's law, regulations and rules affecting Client's rights and liabilities in respect of the Transactions executed under the Terms or related to it (the 'Applicable Regulations');
- ii. Rules, regulations, customs and practices from time to time of any exchanges or other organisation or market, or third party involved in the execution of a Transaction and any exercise by any such exchange or other organisation or market, or third party of any power or authority conferred on it (the 'Market Rules').

4.2. If any Applicable Regulations and Market Rules shall hereafter be adopted or altered by any governmental authority, exchange or self regulatory organization which shall be binding upon BCS and shall affect in any manner or be inconsistent with any of the provisions hereof, the affected provisions of these Terms shall be deemed modified or superseded, as the case may be, by the applicable provisions of such Applicable Regulations and Market Rules and all other provisions of the Terms and provisions so modified shall in all respects continue in full force and effect.

4.3. BCS will use reasonable endeavors to give the Client a notice of alterations and/or adaptations of Applicable Regulations and Market Rules to the extent that BCS has actual knowledge of them in time of notification. BCS may take such actions or omit to take such action it reasonably considers necessary to ensure compliance with Applicable Regulations and Market Rules. BCS shall have no liability to the Client arising from alterations and/or adaptations of Applicable Regulations and Market Rules and its actions undertaken for the compliance with such alterations and/or adaptations.

4.4. The Client acknowledges that business on a market operated by an exchange, as well as its required clearing facility, may from time to time be suspended, restricted, closed or otherwise impeded. Any such action may result in inability of either BCS or the Client to enter into or otherwise effect Transactions. BCS will use reasonable endeavors to notify the Client of exchange impediment to the extent that BCS has actual knowledge of it in time of notification. If an intermediate broker or agent, acting at the direction of, or as a result of exchange impediment takes any actions which affect a Transaction, then BCS may take any action which in its reasonable discretion, considers desirable to correspond with such action or to mitigate any loss incurred as a result of such action. Any such action shall be binding on the Client and the Client shall remain fully liable for all losses resulting in whole or part from such actions and exchange impediments.

5. Order Execution and Client Handling

5.1. BCS shall offer execution pursuant to these Terms in accordance with the provisions of BCS Best Execution Policy. By instructing BCS under these Terms, the Client consents to Transactions being handled in accordance with BCS Best Execution Policy available on www.bcscyprus.com.

5.2. In order to give effect to client instructions, BCS may instruct a broker selected by it in its sole discretion which may be one of BCS Affiliates.

5.3. For the purposes of these Terms 'Affiliate' means in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person, or any entity directly or indirectly under common control with the person.

5.4. BCS accepts full liability for any default by any broker which is one of its Affiliates.

5.5. BCS undertakes to use reasonable care and skill in the appointment and supervision of any other broker and to make available to the Client and take such action on Client's behalf as the Client may reasonably request in relation to any rights BCS has against such broker. Subject to this BCS accepts no liability for any default of any broker, exchange, clearing house, market or depositary.

5.6. BCS may aggregate any order from the Client with the order of any other client and/or BCS Affiliate. Aggregation may operate on some occasions to the Client's disadvantage and on other occasions to the Client's advantage. BCS will not carry out a client order or a Transaction for its own account in aggregation with another client order if it is likely that the aggregation of orders and Transactions will work overall to the disadvantage of any client whose order is to be aggregated. BCS will allocate the proceeds of such orders among the participating clients in a manner which BCS believes to be fair and equitable in accordance with its order allocation policy. If the combined order is not executed at the same price BCS may average the prices paid or received and debit or credit the Client with the average net price. If BCS has aggregated Transactions for own account with one or more client orders BCS will not allocate the related trades in a way that is detrimental to a client. If BCS aggregates a client order with a Transaction for its own account and the aggregated order is partially executed, BCS will allocate the related trades to the Client in priority to BCS.

5.7. Where BCS is unable or considers it undesirable or inappropriate to execute a client order at once or in a single Transaction, BCS may execute it over such period as BCS deems appropriate and may report to the Client an average price for a series of Transactions so executed instead of the actual price of each Transaction.

5.8. BCS may undertake a programmed trade or trades comprising a single Transaction or series of Transactions on Client's behalf. In doing so BCS may act as principal or agent and upon Client's request will notify the Client in which of these capacities BCS is executing the Transaction.

5.9. The Client provides BCS with Client's express consent to execute its orders outside of a regulated market or multilateral trading facility ('MTF') and agrees that whenever the Client places an order with BCS, BCS shall be entitled at its absolute discretion and without reference to the Client, to select the venue for executing Client's order. Unless otherwise agreed by BCS, neither the venue it selects nor the costs or charges BCS may or may not incur in relation to any such Transactions will have any impact on the fees payable by the Client to BCS.

5.10. Where the Client places a client limit order in shares which are admitted to trading on a regulated market and that order is not immediately executed under prevailing market conditions, where the Client has provided consent, BCS may, but will not be required to, make public the order in a manner which is easily accessible to other market participants.

6. Notices, Instructions, Confirmations and other Communications

6.1. The Client or any person notified to BCS as being authorised by the Client may give BCS oral or written orders (instructions) concerning any Transaction or proposed Transaction or any other matter. BCS shall not be bound to act in accordance with the instructions of any person other than the Client including, without limitation, where the Client is acting as agent, any principal. Instructions shall not take effect unless actually received by BCS.

6.2. The Client may utilise, directly or indirectly, applications or electronic services for placing client instructions with BCS.

6.3. BCS shall be entitled to rely upon oral, written or electronic orders which it believes in good faith to have been given by an authorised person and shall be fully protected in acting upon any such instructions. The Client hereby waives any claim that any such orders was not in writing. The Client shall, on request, confirm any oral instructions in writing provided that BCS may accept and act on oral instructions prior to receipt of any written confirmation if they are given by a person who is or BCS believes in good faith to be an authorised person. BCS will have no liability in respect of any acts or omissions pursuant to such instructions if it does not seek or receive such written confirmation.

6.4. BCS and its agents may in their absolute discretion record telephone conversations with the Client or the Client's agents. Such recordings may commence without the provision of a warning tone and the Client agrees it will take all reasonable steps to inform its employees and agents that such recording takes place. BCS and BCS's agents' records of all instructions given by the Client or its agents by telephone shall be conclusive evidence thereof and such records shall be the sole property of BCS.

6.5. BCS shall accept client cash transfer and securities transfer orders, including client instructions for 'delivery versus payment' (DVP) settlement, within the following cut-off times:

EUR, GBP – 11.00 AM UTC (=15.00 MSK), Monday - Friday for value date 'today';

USD, RUR – 12:00 AM UTC (=16:00 MSK), Monday - Friday for value date 'today';

Other currencies -16.00 PM UTC (=20:00 MSK), Monday - Friday for value date 'tomorrow';

Securities transfer orders - local shares T+1, other securities T+2.

6.6. The cut-off times set up for acceptance of client cash transfer and securities transfer orders may be altered by BCS due to public holidays in jurisdictions of the currency of settlement. The cut-off times may be further extended for a reasonable time to accept delivery or payment from third parties engaged by BCS to render the Services to the Client.

6.7. BCS will use reasonable endeavors to execute client cash transfer and securities transfer orders that are received by BCS within the cut-off times as indicated by the Client to BCS.

6.8. BCS shall send the Client statements of account (the 'Account Statement') and/or confirmations of Transactions (the 'Trade Confirmation') and/or publish Account Statements or Trade Confirmations on BCS website, if applicable, on the next Business Day following the trading day for any Transactions that BCS has executed with the Client or for the Client on that trading day, by electronic mail to the e-mail address notified by Client or by such other means agreed between the Client and BCS. BCS agrees to provide the Client with hard copies of Account Statements or Trade Confirmations duly signed and sealed on behalf of BCS within reasonable time after notice is given by the Client requiring to do so. Save as otherwise provided herein, for the purposes of these Terms 'Business Day' means (a) any day other than Saturday, Sunday or a public holiday in the Republic of Cyprus on which commercial banks are open for business in Limassol; and (b) in relation to the payment of any sum, a day other than a Saturday or a Sunday on which banks are open for business in the principal financial centre of the country of which the currency in which the payment is denominated is the official currency.

6.9. All information addressed by BCS to the Client shall be fair, clear and not misleading.

6.10. Trade Confirmations will contain all essential information concerning the execution of the relevant instruction. Account Statements will contain full information on financial instruments and funds held by BCS for the Client and will include, where applicable, the costs associated with the Transactions and Services undertaken on behalf of the Client. More specifically, statements of account will contain:

- i. all the financial instruments or funds held by BCS for the Client at the end of the period covered by the statement, including the financial instruments or funds held by BCS for the Client at a Margin account;
- ii. the extent to which any client financial instruments or Client Funds have been the subject of securities financing transactions (Securities loans under section 18 (2) (i) of the Law or borrowings by BCS of any interest derived from the Clients' Funds held at a bank account with a third party);
- iii. the extent of any benefit that has accrued to the Client by virtue of participation in any securities financing transactions, and the basis on which that benefit has accrued.

6.11. In cases where Client Funds include the proceeds of one or more unsettled Transactions, the information on the Account Statement may be based either on the trade date or the settlement date, provided that the same basis is applied by BCS consistently to all such information in the Account Statement. The base currency for the purposes of Account Statements will be United States Dollars (USD), unless otherwise agreed.

6.12. If BCS has instructed an intermediate or third party broker on Client's behalf, the Trade Confirmation may be a copy of the confirmation sent to BCS or directly to the Client by the intermediate or third party broker. BCS may at the sole option of BCS, incorporate any Trade Confirmation into the relevant Account Statement.

6.13. Account Statements and/ or Trade Confirmations shall, in the absence of manifest error, be conclusive and binding on the Client, unless BCS receives detailed objection from the Client in writing within twenty four hours of dispatch or making such Account Statements and/ or Trade Confirmations available to the Client via BCS website.

6.14. It is responsibility of the Client to inform BCS of any change to Client's email address or the non-receipt of a Trade Confirmation and/or Account Statement.

6.15. Except as otherwise expressly provided in these Terms all correspondence, notices, certificates, margin calls and any other notices and communications will be sent or transmitted to the Client in accordance with Client's communication details to such address as the Client has notified in its account opening documentation. The Client shall immediately notify BCS in writing if there is any change in the information in the account opening documentation as provided at the time of account opening and thereafter, including the information on Client's authorised persons. The Client shall be fully liable and responsible for any and all acts done by a person who is or BCS believes in good faith to be an authorised person.

6.16. All communications will be deemed to have been received by the Client where BCS can demonstrate having sent or transmitted them.

6.17. References in these Terms to 'written' communications and communications 'in writing' include communications made through any electronic system for communication capable of reproducing communication in hard copy form, including email, unless otherwise agreed. The Client hereby acknowledges that the Client has sole responsibility for ensuring that only individuals designated to BCS as persons authorised to operate Client's account(s) with BCS have access to the email address(es) and that to the fullest extent permitted by applicable law BCS shall not be responsible nor liable for any unauthorised use thereof or for any losses sustained by the Client arising from or in connection with the use of the designated email address(es) or BCS' reliance upon and compliance with instructions and other communications received from the designated email address(es) or inaccuracies, errors or omission in electronic messages.

6.18. BCS agrees to report to the CySEC details of any Transaction that it has executed with the Client or on the Client's behalf in a financial instrument admitted to trading on a regulated market (whether or not the transaction was carried out on such a market) pursuant to Article 25 of Directive 2004/39/EC, as from time to time amended.

6.19. Where BCS concludes a Transaction in relation to shares that are admitted to trading on a regulated market and where that Transaction has been executed outside of a regulated market or multi-lateral trading facility, BCS will ensure the details of the Transaction are made public pursuant to Article 28 of Directive 2004/39/EC, as amended from time to time (whether or not the details are published by BCS or by a third party).

6.20. Where the Client and BCS have agreed that at the initiation of either Party the Client and BCS may from time to time enter into Transactions on the standardised terms and conditions, specified in these Terms, BCS shall ensure that the details of any such Transaction and of any modification or termination of the Transaction are reported by BCS in its capacity as a reporting agent to the National Settlement Depository (Russian Federeation) pursuant to Article 51.5 of the Securities Markets Law of the Russian Federation No 39-FZ, as amended, where the Applicable Regulations so require. The Client shall be responsible for all costs and expenses related to disclosure and reporting of Transactions as set out in this Clause. The Client shall immediately deliver to BCS, or as BCS may direct, all certificates and other documents or evidence, including standard reporting forms (duly completed) which BCS may reasonably request to enable BCS or a third party to perform reporting and disclosure obligations pursuant to this Clause. The Client authorises BCS to execute any documents and do any acts and things on the Client's behalf that the Client is required to execute and do under this Clause and/or BCS deems proper or desirable in performing any of the obligations set out in this Clause or by law. The Client ratifies and confirms, and agrees to ratify and confirm, anything that BCS may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in this Clause.

6.21. Where the Client enters into a derivative contract (as set out in points (4) to (10) of Section C of Annex I to Directive 2004/39/EC, as amended), the execution of which does not take place on a regulated market or on a third-country market considered as equivalent to a regulated market as within the meaning of Directive 2004/39/EC, BCS shall ensure that the details of any such derivative contract and of any modification or termination of the contract are reported to a trade repository pursuant to Article 9 of Regulation (EU) No 648/2012 ('EMIR') as from time to time in force. Where BCS agrees to execute a derivative contract on a regulated market, other than a regulated market as within the meaning of Article 4(1)(14) of Directive 2004/39/EC or on a third- country market considered as equivalent to a regulated market in accordance with Article 19(6) of Directive 2004/39/EC (OTC derivative contract), the Clause 6.21.1 to 6.21.10. shall apply.

6.21.1. The Client acknowledges that disclosures made pursuant to paragraph 6.21 may include, without limitation, the disclosure of trade information including the Client's identity (by name, address, corporate affiliation, identifier or otherwise) to any trade repository registered in accordance with Article 55 of EMIR or recognised in accordance with Article 77 of EMIR or one or more systems or services operated by any such trade repository ('TR') and any relevant regulators (including without limitation, the European Securities and Markets Authority and national regulators in the European Union) under EMIR and that such disclosures could result in certain anonymous Transaction and pricing data becoming available to the public. The Client further acknowledges that, for purposes of complying with regulatory reporting obligations, BCS may use a third party service provider to transfer trade information into a TR and that a TR may engage the services of a global trade repository regulated by one or more governmental regulators. The Client also

acknowledges that disclosures made pursuant hereto may be made to recipients in a jurisdiction other than that of the disclosing party or a jurisdiction that may not necessarily provide an equivalent or adequate level of protection for personal data as the Client's home jurisdiction. For the avoidance of doubt, (i) to the extent that applicable non-disclosure, confidentiality, bank secrecy, data privacy or other law imposes non-disclosure requirements on transaction and similar information required or permitted to be disclosed as contemplated herein but permits the Client to waive such requirements by consent, the consent and acknowledgements provided herein shall be a consent by the Client for purposes of such law; (ii) any agreement between the Client and BCS to maintain confidentiality of information contained in these Terms or in any non-disclosure, confidentiality or other agreement shall continue to apply to the extent that such agreement is not inconsistent with the disclosure of information in connection with the reporting requirements as set out herein; and (iii) nothing herein is intended to limit the scope of any other consent to disclosure separately given to BCS by the Client. The Client represents and warrants that any third party to whom it owes a duty of confidence in respect of the information disclosed has consented to the disclosure of that information.

6.21.2. The Client and BCS agree to reconcile portfolios as required by the portfolio reconciliation risk mitigation techniques for OTC derivative transactions set out in Article 11(1)(b) of EMIR as supplemented by Article 13 of Chapter VIII of the Commission Delegated Regulation (EU) No 149/2013 of 19 December 2012 and published on 23 February 2013 in the Official Journal of the European Union.

6.21.3. On each Business Day following the date of execution of an OTC derivative contract, BCS will provide the Client with the key terms in relation to all outstanding OTC derivative contracts in a form of an Account Statement, with a scope and level of detail that would be deemed reasonable to BCS. The information to be provided by BCS pursuant to this paragraph will be prepared as at the close of business on the immediately preceding Business Day of, and as specified in writing by, BCS. The key terms shall include, but shall not be limited to the valuation of each OTC derivative contract, the effective date, the scheduled maturity date, any payment or settlement dates, the notional value of the OTC derivative contract and currency of the sale or purchase of an OTC derivative contract ('Derivative Transaction'), the underlying instrument, and any relevant fixed or floating rates of the Derivative Transaction.

6.21.4. On each Business Day immediately following the day specified in paragraph 6.21.3. above, the Client shall perform a comparison of the data provided by BCS against the Client's own books and records of all outstanding Derivative Transactions in OTC derivative contracts in order to identify promptly any misunderstandings of key terms.

6.21.5. If the Client identifies one or more discrepancies which the Client determines, acting reasonably and in good faith, are material to the rights and obligations in respect of one or more Derivative Transaction(s), it will notify BCS in writing as soon as reasonably practicable and the Client and BCS will consult with each other in an attempt to resolve such discrepancies in a timely fashion for so long as such discrepancies remain outstanding, using, without limitation, any applicable updated reconciliation data produced during the period in which such discrepancy remains outstanding.

6.21.6. If the Client does not notify BCS of any discrepancies by 4p.m. CET time on the Business Day following the date on which BCS provided information to the Client, the Client will be deemed to have affirmed such information provided by BCS.

6.21.7. For the purposes of performing all or part of the actions under paragraph 6.21.3. and 6.21.5. BCS may appoint an Affiliate to act as agent, immediately on written notice to the Client.

6.21.8. Each the Client and BCS agrees that they will use the following procedure to identify and resolve any disputes between them arising out of or in connection with Clauses 6.21.3. to 6.21.6. above:

- (i) either Party may identify a dispute by sending to the other Party a notice in writing which states that it is a dispute notice and which sets out in reasonable detail the issue in dispute (including, without limitation, the Derivative Transaction(s) to which the issue relates);
- (ii) on or following the date on which a dispute notice is effectively delivered by one Party to the other Party (or, if, with respect to a dispute, both Parties deliver a dispute notice, the date on which the first in time of such notices is effectively delivered), the Parties will consult in good faith in an attempt to resolve the dispute in a timely manner, including, without limitation, by exchanging any relevant information and determining and applying a resolution method for the dispute; and
- (iii) with respect to any dispute that is not resolved within five business days of the dispute date, refer issues internally to appropriately senior members of staff of such Party or of its adviser or auditor in addition to actions under (ii) immediately above.

6.21.9. Each the Client and BCS agrees that it will have internal procedures and processes in place to record and monitor any dispute for as long as the dispute remains outstanding.

6.21.10. Any action or inaction of BCS pursuant to paragraph 6.21.8. above, shall be without prejudice to any rights or obligations BCS may possess in respect of the Client under any other contractual agreement, by operation of law or otherwise.

6.22. Unless otherwise specifically agreed in writing between the Client and BCS, BCS will be under no obligation to report the details of On-Exchange Derivative Contracts on Client's behalf pursuant to Article 9 of EMIR.

7. Futures and Forwards Delivery, Liquidation Instructions, Exercise of Options

7.1. The Client is required to deposit sufficient funds in case of delivery intentions in case of having long positions in futures and forwards. If neither instructions, funds, nor documents are received, BCS without notice may either liquidate positions in futures and forwards or make or receive delivery on behalf of the Client upon such terms and by such methods which BCS deems feasible.

7.2. The Client agrees to close out or roll over to the next trading day all positions opened on the currency market with the settlement date 'today' before 14:45pm (Moscow Time) so that Client's funds denominated in the settlement currency equal to or exceed Client's liabilities under Transactions of the relevant kind. Where the Client fails to perform pursuant to this Clause BCS may without notice liquidate or replace all or any of the Client's positions and for that purpose, the Client authorises BCS to buy or sell currencies and/or enter into on-exchange swap contracts upon such terms as BCS deems appropriate.

7.3. If at any time the Client fails to deliver to BCS any financial instruments or funds in compliance with contracts previously sold by BCS on behalf of the Client or fails to deliver any financial instruments or funds in compliance with contracts, or BCS shall deem it necessary (whether by reason of the requirements of any exchange, clearing house or otherwise) to replace any financial instruments, contracts or other assets previously delivered by BCS for the Client's account with other financial instruments or assets of like or equivalent kind or amount, the Client authorizes BCS to borrow or to buy any financial instruments or assets necessary to make delivery thereof or to replace any such financial instruments or assets previously delivered and to deliver the same to such other party to whom delivery is to be made. BCS may repay subsequently any borrowing thereof with financial instruments or assets purchased or otherwise acquired for account of the Client. The Client shall pay BCS for any cost, loss and damage from the foregoing (including consequential damages and penalties) which BCS may be required to incur or which BCS may sustain from the Client's inability to borrow or buy any such financial instruments or assets.

7.4. The Client understands that exchanges have established exercise cut-off times for the tender of exercise instructions in relation to options and those options may become worthless in the event that the Client does not deliver instructions by such expiration time. The Client also acknowledges that BCS may establish exercise cut-off times that are earlier than the exercise cut-off times established by the relevant exchanges, and the Client shall have no claims against BCS arising out of the fact that an option was not exercised.

7.5. BCS is authorised, but has no obligation, to exercise any option on behalf of the Client that is 'in the money', where the Client has failed to provide instructions to BCS in a timely fashion, unless otherwise agreed. Where BCS or intermediate brokers do not specify a particular transaction when exercising an option, BCS may allocate in a way that seems to it to be most equitable.

8. Settlement

8.1. All business transacted between the Client and BCS will be carried out in accordance with the standard settlement practices and/or Market Rules of the relevant exchanges and for OTC trading, the standard settlement practices and/or Market Rules of the relevant home market, if applicable, unless agreed otherwise.

8.2. The Client is responsible for the due performance of every Transaction which BCS enters into with or for the Client and shall be responsible for any losses BCS incurs as a result of Client's failure to deliver appropriate settlement instructions to BCS or to the BCS settlement agent.

8.3. By placing the order the Client affirms that it will deliver the financial instruments or appropriate funds on or before the settlement date. For currency markets Client's funds will be deemed to have been made available for settlement 'today' (TOD) if credited to BCS before 14 p.m. (Moscow Time) and the same received by BCS after 14 p.m. (Moscow Time) will be deemed to have been credited 'tomorrow' (TOM).

8.4. If the Client fails to deliver the appropriate funds or financial instruments to BCS on the due date for settlement, BCS reserves the right, as appropriate, to exercise a sell-out of the relevant financial instruments or acquire alternative financial instruments by whatever means BCS determines in its absolute discretion. Where BCS does so, BCS obligation to deliver the financial instruments or pay the purchase price due will cease. The Client shall be responsible for any losses BCS incurs arising out of Client's non-performance or for any actions BCS takes as a result thereof. Where permitted to do so by any Applicable Regulations, BCS may effect a net settlement with or for the Client on its behalf.

8.5. BCS obligation to settle any Transaction, whether it is acting as principal or agent for the Client, is conditional upon the receipt by BCS or its agents on or before the due date for settlement of all necessary documents, financial instruments or funds due to be delivered by the Client or on behalf of the Client including, for the avoidance of doubt, settlement instructions.

8.6. If, in any Transaction BCS delivers financial instruments or funds to the Client or to Client's order at that time or subsequently and, for whatever reason, Client's obligations are not performed simultaneously with or prior to BCS obligations, the Client shall hold on trust for BCS any such financial instruments or funds received from BCS until Client's own obligations are properly discharged.

8.7. BCS can in its sole discretion provisionally credit and debit Client's account on the due date of settlement ('contractual settlement date') regardless of the actual settlement date of the Transaction, including in the case where the settlement of the

Transaction is not considered to be fully completed in Client's or BCS' favor under the Applicable Regulations. BCS can, however, in its absolute discretion, reverse any such provisional debits and credits at any time until Client's obligations to pay or deliver under the relevant Transaction are discharged in full. In case of such a reversal, BCS shall not be liable to the Client in respect of income or any other rights relating to cash funds and/or financial instruments, which would have occurred if settlement had taken place on the contractual settlement date.

8.8. In some securities markets, delivery of financial instruments and payment cannot be made simultaneously. In such markets BCS shall perform delivery of financial instruments or make payment at such time and in such manner as provided in Applicable Regulations, market practice and/or Rules. The Client shall bear the risk that the counterparty to the Transaction may not pay or perform delivery in time or at all.

8.9. If complete settlement of a Transaction fails to take place on or after the contractual settlement date in accordance with the Market Rules and/or Applicable Regulations, whether because of a default by counterparty to that Transaction or otherwise, and the relevant credit and/or debit transaction is reversed by BCS, BCS shall notify the Client thereof.

8.10. BCS may, but is never obligated to, enter into give-up agreements with one or more broker-dealers, as specified by the Client. In respect of each Transaction given up to be cleared to a broker-dealer, BCS will (without prejudice to any claim BCS may have for commission or other payment) cease to be a party to the Transaction and will be released from any obligation to the Client contemplated thereunder from the moment the give-up has been accepted by the relevant broker-dealer.

9. Client Funds

9.1. BCS may settle Transactions on a 'delivery versus payment' basis; in consequence BCS will not hold Client's funds.

9.2. In case BCS holds funds on behalf of the Client ('Client Funds') BCS shall treat such funds in compliance with the Law and CySEC Directives on clients' funds.

9.3. In relation to Client Funds the following provisions shall apply:

- i. When holding Client Funds BCS will make adequate arrangements to safeguard the Client's rights and prevent the use of Client Funds for its own account, except in the case of borrowing by BCS of any interest derived from the Client's Funds held at a bank account with a third party to which the Client hereby expressly consents.
- ii. Unless otherwise agreed, BCS will not pay any interest;
- iii. BCS will keep such records and accounts as are necessary to enable it at any time and without delay to distinguish Client Funds held for one client from assets held for any other client, and from its own funds;
- iv. BCS will maintain its records and accounts in a way that ensures their accuracy, and in particular their correspondence to the funds held for the Client;
- v. BCS will conduct, on a regular basis, reconciliations between its internal accounts and records and those of any third parties by whom Client Funds are held;
- vi. BCS will on receiving any Client Funds, promptly place those funds into one or more accounts, denoted as 'clients' accounts and opened with a central bank, credit institution, a bank authorised in a third country or a qualifying money market fund.

9.4. Where BCS does not deposit Client Funds with a central bank, it will exercise all due skill, care and diligence in the selection, appointment and periodic review of the credit institution, bank or money market fund where the funds are placed and the arrangements for the holding of those funds. In doing so BCS will take into account the expertise and market reputation of such institutions or money market funds with a view to ensuring the protection of Client's rights, as well as any legal or regulatory requirements or market practices related to the holding of Client Funds that could adversely affect Client's rights.

9.5. BCS will take the necessary steps to ensure that Client Funds are held in an account or accounts identified separately from any accounts used to hold funds belonging to BCS.

9.6. BCS may allow another person, such as an exchange, a clearing house or an intermediate broker, to hold or control Client Funds where BCS transfers the Client Funds (a) for the purposes of a Transaction for the Client through or with that person; or (b) to meet Client's obligation to provide collateral for a Transaction (such as an initial, original, variation and maintenance margin requirement for a contingent liability investment).

9.7. BCS may pass Client Funds to an intermediate broker, settlement agent or OTC counterparty located outside the Republic. In such circumstances the legal and regulatory regime applying to such person(s) will be different from that of the Republic and, in the event of failure of such person(s), Client Funds may be treated in a different manner from that which would apply if the money was held by such person(s) in the Republic.

9.8. Where BCS deposits Client Funds with a qualifying money market fund, the units in that money market fund will be held in accordance with the requirements for holding financial instruments belonging to clients. The Client has the right to oppose the placement of its funds in a qualifying money market fund. If the Client does not want BCS to place Client Funds that it holds on Client's behalf into a money market fund, the Client should notify BCS in writing.

9.9. Any Client Funds held by BCS shall be subject to a right of set-off, lien or other security interest as set out in these Terms.

9.10. The Client agrees that BCS may cease to treat Client's money as Client Funds if there has been no movement on Client's balance for six years. BCS shall write to the Client at its last known address informing of BCS intention to no longer treat Client balance as Client Funds and thereafter give the Client 28 days to make a claim.

10. Collateral, Margin, Margin Call and Security Interest

10.1. Except for Transactions that have been fully paid for by the Client, the Client agrees to deposit and maintain in Client's account such funds and/or financial instruments in respect of margined transactions ('Margin') including, without limitation, initial, original, variation and maintenance margin together with any additional Margin in such amounts, at such times and in such form as required by BCS from time to time in its sole discretion. If BCS determines that additional Margin is required, the Client agrees to deposit such additional Margin upon demand (which, for the avoidance of doubt, may be required on an intraday basis). The Client acknowledges that Margin requirements established by BCS may exceed the Margin required of BCS by an exchange.

10.2. For the purpose of securing or otherwise covering the present or future, actual or contingent or prospective obligations owed to BCS and/or its Affiliates under these Terms the Client grants to BCS a continuing first priority security interest, with full title guarantee and free from any adverse interest whatsoever, in Client Custody Securities and/or Client Funds held by BCS for the Client pursuant to these Terms and authorises BCS at any time without notice to the Client to exercise the right to use Client Custody Securities and/or Client Funds constituting financial collateral as BCS own assets, or where cash or financial instruments have been originally credited to an account in the name of BCS or a person acting on its behalf as financial collateral, the Client agrees that legal and beneficial ownership in financial collateral so credited will be considered to be immediately transferred to BCS on terms that when the relevant financial obligations are discharged, BCS will transfer legal and beneficial ownership of equivalent collateral back to the Client. The Client understands and agrees that when cash or financial instruments have been credited or used as financial collateral the assets constituting financial collateral will not be treated as Client Custody Securities or Client Funds whilst under BCS control from the time BCS receives or takes financial collateral to the time when BCS returns equivalent financial collateral to the Client and that the assets constituting equivalent collateral shall be subject to the same terms and arrangements as the original financial collateral. BCS will continue to properly discharge its regulatory duties and will meet future liabilities to repay equivalent financial collateral in accordance with the terms of the applicable arrangements and the relevant Transactions. The Client understands that BCS shall only be obliged, subject to those terms and conditions, to transfer back to the Client equivalent financial collateral and not identical financial collateral. For the avoidance of doubt, any Client assets received by BCS as collateral shall be treated as 'financial collateral' pursuant to the provisions of the EU Directive 2002/47/EC on Financial Collateral Arrangements as applied by the Cyprus Financial Collateral Arrangements Law N. 43(I)/2004 (as amended by law N. 100(I)/2011) and by such Applicable Rules and Regulations. Where BCS exercises the right to use Client Custody Securities or Client Funds provided to BCS by the Client as financial collateral, equivalent financial collateral shall be treated as having been provided at the same time as the original financial collateral was first provided. Each BCS and the Client agrees that when income is paid in relation to any securities which constitute financial collateral and which BCS has used pursuant to Clause 10.10 of this Section, BCS shall, promptly upon actual receipt of such income, pay and deliver to the account of the Client a sum of money or property equivalent to such income provided that any income so paid or delivered shall be subject to the same terms of the arrangements as the original financial collateral. For the avoidance of doubt, the Client understands and acknowledges that BCS will be considered to be the sole beneficial owner of any income distributed on financial collateral, and that any payment made to the Client by BCS pursuant to this Clause will represent the manufactured payment compensating the Client for not receiving the real income to which the Client would have otherwise been entitled had the Client not provided financial collateral to BCS. Any reference in this Clause to income actually received shall be construed exclusively as a reference to the method applied by BCS to determine the exact amount of manufactured payment to be made in favor of the Client pursuant to this Clause. Where any voting rights fall to be exercised in relation to any securities constituting financial collateral each BCS and the Client agrees that BCS shall not be obligated to arrange for voting rights of that kind to be exercised by the Client. The Client acknowledges and agrees that BCS is entitled, but not obligated to exercise those voting rights in any manner BCS deems feasible or appropriate, unless otherwise agreed.

10.3. At BCS sole discretion and upon Client's request BCS may provide the Client with loans in the form of cash or financial instruments with the purpose to deposit and maintain collateral as may be required from time to time, including under derivatives trading terms (such as the terms for the options and futures transactions and others) or otherwise.

10.4. The Client acknowledges and agrees that any order given by it for the purpose of Clause 10.3. above, when there are insufficient funds or financial instruments in Client's account shall be deemed as a loan request. As such, the Client acknowledges and agrees that such request and BCS acceptance and execution thereof using available cash or financial instruments borrowed from BCS shall constitute a legally binding loan agreement between the Client and BCS. The loans provided by BCS in accordance with this

Clause, shall bear interest at the rate determined by BCS at the time of the loan transaction subject to rates provided by banks and agents which BCS chooses at its sole discretion (which are available upon request).

10.5. The Client acknowledges and consents that the loan will be fully payable at the date defined by BCS at its sole discretion. BCS reserves the right to submit the demand for the payment of the debt accrued accordingly at any time and the Client shall pay BCS such debt by the end of the Business Day on which BCS has submitted the demand. If the Client fails to comply with its obligations in accordance and on the dates specified hereunder BCS may liquidate Client's positions and/or sell securities held in Client's account in the amount sufficient to settlement Client's debts without prior notice.

10.6. Unless a Transaction is denominated in another currency, all Margin and any debit or credit made in Client's account shall be in the Base Currency. In the event that the Client enters into any Transactions that are effected in a currency other than Base Currency or in the event that BCS deems it necessary to convert any Margin deposited by the Client, any profit or loss arising as a result of a fluctuation in the exchange rate affecting such currency will be for the Client's account and risk. In connection with a Transaction, BCS may be required to buy or sell foreign currency (spot or forward). The exchange rate that shall apply is the exchange rate determined by BCS at the time of the Transaction, unless otherwise agreed.

10.7. The Client authorises BCS to issue a single or collective margin call to the Client from time to time and agrees to promptly meet all margin calls in such manner as BCS shall designate in its sole discretion.

10.8. BCS shall not be liable to the Client for loss of Margin or failure to return equivalent financial collateral where the loss or failure arises directly or indirectly as a result of bankruptcy, insolvency, liquidation, receivership, custodianship, or assignment for the benefit of creditors or any other similar action or event, occurring in respect of any credit institution, depository, custodian, another intermediary, exchange, market, clearing or settlement organisation, or any other person holding Margin provided to BCS by the Client pursuant to these Terms, unless that person is an Affiliate broker and the loss in question arises directly as a result of BCS or such person's gross negligence, willful misconduct or fraud.

10.9. The Client agrees to execute such further documents and take such further steps as BCS may require perfecting its security interest, exercising any rights or satisfying any Applicable Regulations. The Client shall not without BCS prior written consent substitute any assets which are subject to BCS security interest.

10.10. BCS may, where permitted by Applicable Regulations, sell, alienate or otherwise transfer, lend, pledge, re-pledge, hypothecate or rehypothecate, on any terms, whether for its own account or for the account of third parties, any collateral held in Client's account with BCS. The Client agrees that BCS may grant a security interest over margin or collateral provided by the Client to cover any obligations owed by BCS to an intermediate broker, exchange or market including future, contingent, or prospective obligations arising from time to time, without giving any notice to the Client. Where BCS agrees to benefit the Client in exchange for the right of use any such benefit shall be specifically agreed upon between the Client and BCS in the Client's Fee Schedule or otherwise.

10.11. In the event that BCS liquidates Client's position (or, where the Client is acting as agent on behalf of an underlying client, that underlying client's position), BCS, in its sole discretion, may sell or purchase in the same contract month or initiate new positions in order to establish a spread or straddle which in its judgment may be necessary or advisable to protect existing positions in Client's account. Any sales or purchases hereunder may be made according to BCS judgment and at its discretion on any exchange or other market where such business is then usually transacted or at public auction or at private sale, and BCS may purchase the whole or any part thereof free from any right of redemption. It is understood that, in all cases, a prior demand, call, or notice of the time and place of a sale or purchase shall not be considered a waiver of BCS right to sell or buy without demand or notice as herein provided. The Client at all times shall be liable for the payment of any debit balance upon demand by BCS, and shall be liable for any deficiency remaining in the event of the liquidation thereof in whole or in part by BCS or by the Client. In the event the proceeds realized pursuant to this authorization are insufficient for the payment due to BCS, the Client promptly shall pay, upon demand, the deficit and all unpaid liabilities, together with interest thereon and all costs of collection including reasonable attorneys' fees. The Client agrees (or, where the Client is acting as agent on behalf of an underlying client, that underlying client agrees) to pay all expenses, including attorneys' fees, incurred by BCS to collect any debit balances in client's account or to defend any unsuccessful claim the Client (or, where the Client is acting as agent on behalf of an underlying client, that underlying client) may bring against BCS.

11. Foreign Exchange

11.1. The Client shall be responsible for instructing BCS to convert any monies held by BCS for the Client into other currency as the Client considers necessary to conduct its business in that currency. Where the Client instructs BCS to settle a Transaction in a currency different from the currency of the Transaction the Client authorises BCS to convert the settlement amount and in that case the Client's instruction to settle will serve as a currency conversion instruction. Whenever BCS conducts currency conversions on Client's instructions BCS will do so at such reasonable rate of exchange as it shall select. BCS shall be entitled to charge and retain for its own account a mark-up on the exchange rates for arranging such conversion or shall be entitled to charge the Client fees and

commissions related with currency conversions as may be notified by BCS to the Client. All foreign exchange transacted by BCS on Client's instructions will be carried out in accordance with the standard practices for the relevant currencies unless agreed otherwise.

11.2. BCS may not run negative daily-end balances on Client's cash accounts on the settlement day. The Client agrees that keeping negative daily-end balances on its cash accounts on the settlement day overnight is allowed only in accordance with Clause 3.2 of the Section E: Margin Trading Terms. The Client agrees that under Clause 3.2 of the Section E: Margin Trading Terms BCS is entitled to but shall not in any circumstances be obliged to convert any monies held by BCS for the Client into such other currency as BCS considers necessary or desirable to cover Client's obligations and liabilities in that currency. The exchange rate that shall apply in such cases is the exchange rate determined by BCS at the time of the Transaction. BCS bases its conversion rates on rates provided by banks and agents which it chooses at its sole discretion. The Client understands that any profit or loss arising out of a fluctuation in the exchange rate affecting such currency will be for its own account and risk. The Client understands that a debit balance in one currency cannot be offset against a credit balance in another currency.

12. Fees and Commissions

12.1. BCS fees in respect of Transactions executed under these Terms will be calculated on a commission basis, collected from the Client on the agreed basis between the Client and BCS or as notified by BCS to the Client from time to time and are set out in the Fees Schedule to the present Terms.

12.2. The Client will be responsible for the payment of any commissions, brokerage fees, transfer fees, registration fees, any applicable duties and taxes, and all other liabilities, charges, costs and expenses payable in connection with Transactions effected or Services provided by BCS or executed on Client's behalf. If the Client instructs BCS to provide a Service or to execute a Transaction not listed on the Fee Schedule BCS may in its sole discretion choose to perform such a Transaction or Service and the Client agrees to pay BCS such a fee as may be notified by BCS to the Client promptly upon receipt of the relevant instruction and any such fee shall thereafter be binding upon BCS and the Client.

12.3. In the course of providing Services to the Client, BCS will pay or receive or share fees, commissions or other non-monetary benefits with or from any other person (including its Affiliates). If relevant, the Client will be notified separately of the details of such arrangements upon request.

12.4. For the avoidance of doubt, the Client shall also pay value added tax and any other relevant tax or imposition at the rates applicable from time to time that relate to such fees and charges. BCS may share fees or charges with a third party and will notify the Client of this prior to commencement of trading.

13. Payments

13.1. The Client agrees to pay any amount due to BCS as they become due regardless of any rights of equity, counterclaim or set-off which the Client may have against BCS, free and clear of, and without withholding or deduction for, any taxes of whatsoever nature, unless the same is required by any applicable laws or rules binding on the Client. In that event, unless otherwise agreed, the Client will pay such additional amounts as will result in the net amounts receivable by BCS (after taking account of such withholding or deduction) being equal to such amounts as would have been received by BCS had no such taxes been required to be withheld or deducted.

13.2. If on any date there are amounts which would otherwise be payable in the same currency both by BCS to the Client and by the Client to BCS, then BCS may aggregate the amounts so payable on such date and only the difference between the two aggregate amounts will be paid by the party owing the larger aggregate amount.

13.3. The Client authorises BCS to debit any of its accounts, whether held by BCS, one of BCS Affiliates or a third party, to pay any amounts due to BCS pursuant to these Terms or any Transaction effected hereunder, including any of BCS fees.

13.4. Where transaction for sale or purchase of securities is executed between the Client and BCS, the securities purchased shall include any dividends and other income or capital distributions which accrue on or after the relevant trade date and the seller of the securities shall account to the buyer for any such entitlements (subject to such entitlements being received by the seller and to any withholding or deduction on account of taxes) when the relevant entitlements have been distributed in the market.

13.5. BCS may deduct or withhold all forms of tax (wherever in the world whenever imposed) from any payment if obliged to do so under Applicable Regulations binding on BCS. In accounting for tax or making deductions or withholdings of tax, BCS may estimate the amounts concerned. Any excess of such estimated amount over the final confirmed liability shall be credited or sent to the Client as soon as practicable after the determination of the final liability.

13.6. Except as otherwise required or determined by the Applicable Regulations or Market Rules, the Client shall be solely responsible for all filings, tax returns and reports on any Transactions which must be made by the Client to any relevant authority, whether governmental or otherwise, and for the payment of all taxes (including without limitation any transfer, withholding or value

added taxes), imports, levies or duties due from the Client on any dividends, principal or interest, or any other liability or payment arising out of or in connection with a Transaction.

13.7. Without prejudice to the Clause 13.6. above the Client agrees that, so long as it has or may have any obligation under these Terms or under any financial collateral arrangement to which it is a party it will deliver to BCS or, in certain cases to such government or taxing authority as BCS reasonably directs any forms, documents or certificates relating to taxation and upon reasonable demand by BCS, any form or document that may be required or reasonably requested in writing in order to allow BCS to make a payment under these Terms without any deduction or withholding for or on account of any tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document would not materially prejudice the legal or commercial position of the Client), with any such form or document to be accurate and completed in a manner reasonably satisfactory to BCS and to be executed and to be delivered with any reasonably required certification, in each case by the date specified by BCS or, if none is specified, as soon as reasonably practicable.

13.8. If BCS receives or recovers any amount in respect of an obligation of the Client in a currency other than that in which such amount was payable, whether pursuant to a judgment of any court or otherwise, the Client shall indemnify BCS and hold BCS harmless from and against any reasonable cost (including costs of conversion) and actual loss suffered by BCS as a result of receiving such amount in a currency other than the currency in which it was due.

14. Interest, Late Settlements

14.1. The Client will be charged interest on any debit balance in any of its accounts and on any and all monies owed by the Client to BCS and on any Client's failure to pay any amount when due and payable to BCS. The Client understands that a debit balance of its account in one currency cannot be offset against a credit balance in another currency on any of its accounts.

14.2. BCS reserve the right to charge interest at a rate of LIBOR +7% per annum or at the effective cost to BCS of borrowing the due amount in the relevant money markets as determined in BCS absolute discretion whichever is higher. Interest accrues daily and is calculated on a compounded basis and is payable as a separate debt.

14.3. In the event of a late delivery of securities to BCS in respect of a Transaction the Client shall pay to BCS interest on an amount equal to the market value of securities which were required to be delivered in the same currency as that amount, for the period from (and including) the originally scheduled date for delivery to (but excluding) the date of actual delivery at a rate of LIBOR +7% per annum or at the effective cost to BCS of borrowing the securities as determined in BCS absolute discretion whichever is higher. The market value referred to above will be determined as of the originally scheduled date for delivery, in good faith and using commercially reasonable procedures. The Client shall be also liable according to the standard settlement practices of the relevant home market and/or Market Rules applicable to the Transaction.

14.4. Interest charges will be debited from Client's account on a daily basis, unless otherwise agreed.

15. Client's Representations and Warranties

15.1. The Client makes the following representations to BCS which representations will be deemed to be repeated on each date on which a Transaction is entered into under these Terms:

15.1.1. It is duly organised and validly existing under the laws of the jurisdiction of its organisation or incorporation and, if relevant under such laws, in good standing.

15.1.2. It has the power to execute these Terms and any other documentation relating to these Terms, to deliver these Terms and any other documentation relating to these Terms that it is required to deliver and to perform its obligations under these Terms and any obligations it has under any financial collateral arrangement to which it is a party and has taken all necessary action to authorise such execution, delivery and performance.

15.1.3. Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets.

15.1.4. All governmental and other consents that are required to have been obtained by it with respect to these Terms or any financial collateral arrangement to which it is a party have been obtained and are in full force and effect and all conditions of any such consents have been complied with.

15.1.5. Its obligations under these Terms and any financial collateral arrangement to which it is a party constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

15.1.6. No Event of Default with respect to it or any of its collateral providers has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under these Terms or any financial collateral arrangement to which it is a party.

15.1.7. There is not pending or, to its knowledge, threatened against it or any of its collateral providers any action, suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator that is likely to affect the legality, validity or enforceability against it of these Terms or any financial collateral arrangement to which it is a party or their ability to perform its obligations under these Terms or such financial collateral arrangement.

15.1.8. It will comply with all laws, rules, regulations and disclosure requirements of any relevant jurisdiction, exchange, market or regulatory authority which applies in respect of BCS, the Client or its investments from time to time.

15.1.9. It will promptly give (or procure to be given) to BCS such information and assistance as BCS may reasonably require to enable it to assist or achieve compliance with any of the obligations mentioned in these Terms in relation to the Services.

15.1.10. All investments to which these Terms apply are and will be so long as these Terms are in force, free from any impediment which would prevent any related Transactions between the Client and BCS or its Affiliates and are beneficially owned by the Client or the person or ultimate beneficiary on whose behalf the Client is acting directly or indirectly.

15.1.11. All applicable information that is furnished in writing by or on behalf of it to BCS as of the date of the information, true, accurate and complete in every material respect.

15.1.12. It is not a US person within the meaning of US income tax laws as in effect from time to time and none of the persons which directly or indirectly own ten percent or more of the Client (being a person other than an individual) is a US person.

15.1.13. All investments or other property supplied by the Client shall, subject to these Terms, at all times be free from any charge, lien, pledge or encumbrance other than one which is routinely imposed by a clearing system in which such investments or property may be held.

16. Events of Default

16.1. The occurrence at any time with respect to the Client or, if applicable, any financial collateral provider of the Client of any of the following events constitutes an event of default (an 'Event of Default'):

16.1.1. Failure by the Client to pay, deliver or perform, when due under these Terms after, in each case, notice of such failure is given to the Client;

16.1.2. The Client disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, these Terms or any Transaction evidenced by a Trade Confirmation or Account Statement, as the case may be (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

16.1.3. Failure by the Client or any financial collateral provider of the Client to comply with or perform any agreement or obligation to be complied with or performed by it in accordance with any financial collateral arrangement if such failure is continuing after any applicable grace period, if any, has elapsed;

16.1.4. The expiration or termination of such financial collateral arrangement or the failing or ceasing of such financial collateral arrangement, or any security interest granted by the Client or its financial collateral provider to BCS pursuant to any financial collateral arrangement, to be in full force and effect for the purpose of these Terms (in each case other than in accordance with its terms) prior to the satisfaction of all obligations of such party under each Transaction to which such financial collateral arrangement relates without the written consent of BCS;

16.1.5. The Client or such financial collateral provider disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such financial collateral arrangement (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

16.1.6. A representation made or repeated or deemed to have been made or repeated by the Client or any financial collateral provider of the Client in these Terms or any financial collateral arrangement proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated;

16.1.7. The Client admits to BCS that it is unable to, or intends not to, perform any of its obligations hereunder or in respect of any Transaction;

16.1.8. The Client fails to perform any other of its obligations hereunder and does not remedy such failure within a specified period after notice is given by BCS requiring to do so;

16.1.9. The occurrence or existence of a default, event of default or other similar condition or event (however described) in respect of the Client or any financial collateral provider of the Client (individually or collectively) under one or more agreements or instruments with BCS or any third party which has resulted in the relevant obligations becoming, or becoming capable at such time of being declared, due and payable under such agreements or instruments before it would otherwise have been due and payable or a default by the Client or any financial collateral provider of the Client (individually or collectively) in making one or more payments or deliveries

under such agreements or instruments on the due date for payment or delivery (after giving effect to any applicable notice requirement or grace period); or

16.1.10. An insolvency event occurs in respect of the Client or any financial collateral provider of the Client. For the purposes of these Terms, each of the following shall constitute an insolvency event:

- i. a person seeks, consents or acquiesces in the commencement of proceedings for its liquidation, bankruptcy or the appointment of a liquidation committee or similar body or official of the relevant person;
- ii. a petition is presented or filed or claim lodged against a person with any court, arbitrazh court or any other body alleging or for the bankruptcy, insolvency, dissolution or liquidation (or any analogous or similar proceedings) of such person in any jurisdiction;
- iii. the institution of supervision, external administration or receivership in respect of a person and/or a temporary administrator, external administrator, receiver or similar officer or a liquidation committee is appointed in respect of a person;
- iv. a meeting of creditors of a person is convened to consider an amicable settlement, or an intent to convene such meeting is stated; or
- v. the financial condition of a person meets the insolvency criteria established by the legislation applicable to that person.

16.2. On and at any time after the occurrence of an Event of Default BCS shall be entitled, without prior notice to the Client, to take any or all of the following actions:

16.2.1. Terminate the agreement to provide the Services and treat any or all outstanding Transactions between the Client and BCS or its Affiliates as having been cancelled or terminated provided that a termination date in respect of all outstanding Transactions will occur at the time immediately preceding the occurrence with respect to of the Client or any financial collateral provider of the Client of an insolvency event;

16.2.2. Sell, alienate or otherwise transfer any or all of the financial instruments which BCS or its Affiliates are holding or are entitled to receive on Client's behalf and to apply the proceeds in or towards satisfaction of any obligation or liability the Client may have to BCS or its Affiliates (including any contingent, future or prospective obligation or liability arising from time to time);

16.2.3. Set off any obligation BCS or its Affiliates owe to the Client, and/or to apply any cash BCS or its Affiliates hold for Client's account, against any obligation or liability the Client may have to BCS or its Affiliates (including any contingent, future or prospective obligation or liability arising from time to time); or

16.2.4. Close out, replace or reverse any Transaction, enter into any other Transaction or take, or refrain from taking, such other action at such time or times and in such manner as, at BCS sole discretion, it or its Affiliates consider necessary or appropriate to cover, reduce or eliminate loss or liability under or in respect of any contracts, positions or commitments of the Client;

16.2.5. Appropriate all or part of the any or all of the financial instruments in or towards discharge of any obligation or liability the Client may have to BCS or its Affiliates (including any contingent, future or prospective obligation or liability arising from time to time). For this purpose, the Client agrees that the value of such appropriated financial instruments shall be equal to the default market value of the financial instruments determined by BCS on or as soon as reasonably practicable after an Event of Default in accordance with sub-paragraph (i) to (iii) below:

If -

- i. on or about a termination date BCS has sold financial instruments which form part of the same issue and are of an identical type and description as Client's financial instruments (regardless as to whether or not such sales or purchases have settled), BCS may elect to treat as the default market value the net proceeds of such sale after deducting all reasonable costs, commissions, fees and expenses incurred in connection therewith (provided that, where financial instruments sold are not identical in amount to Client's financial instruments, BCS may, acting in good faith, either (x) elect to treat such net proceeds of sale divided by the amount of financial instruments sold and multiplied by the amount of Client's financial instruments or (y) elect to treat such net proceeds of sale of financial instruments actually sold as the default market value of that proportion of Client's financial instruments, and, in that case, the default market value of the balance of Client's financial instruments shall be determined separately in accordance with the provisions of this paragraph; or
- ii. on or about the appropriation date BCS has received bid quotations in respect of Client's financial instruments of the relevant description from two or more market makers or regular dealers in the appropriate market in a commercially reasonable size, using pricing methodology which is customary for the relevant type of security (as determined by BCS) BCS may elect to treat as the default market value of such financial instruments the price quoted (or where a price is quoted by two or more market makers, the arithmetic mean of such prices) by each of them for the purchase by the relevant market maker or dealer of Client's financial instruments provided that such price or prices quoted may be adjusted in a commercially reasonable manner by BCS and to reflect accrued but unpaid coupons not reflected in the price or prices quoted in respect of such securities after deducting the transaction costs which would be incurred or reasonably anticipated in connection with such a transaction; or

- iii. if, acting in good faith BCS either –
- A. has endeavored but been unable to sell Client's financial instruments in accordance with sub-paragraph (i) above or to obtain quotations in accordance with sub-paragraph (ii) above (or both); or
 - B. has determined that it would not be commercially reasonable to sell or purchase Client's financial instruments at the prices bid or offered or to obtain such quotations, or that it would not be commercially reasonable to use any quotations which it has obtained under sub-paragraph (ii) above, BCS may treat such as the default market value of the relevant the relevant financial instruments the amount which, in the reasonable opinion of BCS, represents their fair market value, having regard to such pricing sources (including trading prices) and methods (which may include, without limitation, available prices for securities with similar maturities, terms and credit characteristics as Client's financial instruments) as BCS considers appropriate, less all transaction costs which would be incurred or reasonably anticipated in connection with the purchase or sale of such financial instruments.

The Client and BCS have agreed herewith that the method of valuation provided for in this clause shall constitute a commercially reasonable method of valuation.

16.3. Without prejudice and in addition to any general lien, right of set-off or other similar right which BCS or its Affiliates may be entitled to exercise whether by law or otherwise over any of Client's funds or financial instruments, the Client's funds and financial instruments shall be subject to a general lien in favor of BCS or its Affiliates, insofar as there remain any outstanding amounts due or liabilities (whether actual or contingent) outstanding from the Client to BCS or its Affiliates.

17. Termination

17.1. Without prejudice to anything contained in Clause 16, these Terms may be terminated by either Party at any time upon either Party giving to the other a notice of termination. Termination of these Terms pursuant to this Clause shall be:

17.1.1. Without prejudice to the completion of any Transaction or Transactions already initiated and any Transaction or all Transactions outstanding at the time of termination will be settled and delivery made;

17.1.2. Without prejudice to and shall not affect any accrued rights, existing commitments or any contractual provision intended to survive termination; and

17.1.3. Without penalty or other additional payment save that the Client will pay:

- (i) Outstanding fees and charges;
- (ii) Any expenses incurred by BCS in the provision of the Services under the Terms payable by the Client;
- (iii) Any additional expenses incurred by BCS in terminating; and
- (iv) Any losses necessarily realised in settling or concluding outstanding obligations.

17.2. The Client is required to provide BCS with written outward transfer instructions in respects of the assets it holds with BCS as soon as reasonably practicable and where no instruction is received by BCS on or before termination date, the Client will be subject to a fee up to the date of withdrawal. The Client understands that BCS will not be able to transfer Client's balance outward unless moneys held in the Client's account(s) are sufficient to effect a transfer and cover related expenses. The Client acknowledges that no payment or transfer may be made unless all the necessary anti-money laundering checks have been completed. The Client understands that the payment or transfer will be made by BCS to an account in the Client's name and agrees that no interest will be paid to the Client on moneys held by BCS for the Client on or after termination date.

18. Liability and Indemnity

18.1. BCS shall not be liable for any default of any counterparty, bank, custodian, sub-custodian or other entity (apart from one of its Affiliates) which holds money, investments or other documents of title on Client's behalf or with or through whom Transactions on behalf of the Client are conducted.

18.2. BCS will not be liable for loss suffered by the Client in connection with the Services unless such loss directly arises from BCS gross negligence, willful misconduct or fraud.

18.3. Save to the extent BCS may otherwise expressly agree, the Client undertakes to keep BCS, its agents and employees fully and effectually indemnified against all costs, charges, claims, liabilities, fees, expenses, indirect, special, punitive or consequential loss or damage whatsoever incurred by BCS and them pursuant to or in connection with the provision of the Services unless the same arise directly from BCS or their gross negligence, willful misconduct or fraud.

18.4. Neither BCS nor any of its officers shall be liable for any loss arising from any act or omission of any agent or third party (apart from one of BCS Affiliates) who performs Services pursuant to these Terms except to the extent that such loss is caused by willful misconduct, fraud or gross negligence in the selection of such agents or third parties on the part of BCS or its officers.

18.5. In no event shall BCS or any of its officers be liable for any indirect, consequential or special loss, howsoever arising.

18.6. Whilst BCS will endeavor to comply with its obligations in a timely manner, BCS will incur no liability whatsoever for any partial or non-performance of its obligations by reason of any cause beyond BCS reasonable control, including but not limited to any communications, systems or computer failure, market default, suspension, failure or closure, or the imposition or change (including a change of interpretation) of any law or governmental or regulatory requirement and BCS shall not be held liable for any loss the Client may incur as a result thereof.

19. Conflict of Interest and Disclosures

19.1. In accordance with BCS conflict of interest policy BCS has in place arrangements to identify and manage conflicts of interest between itself, including its managers and employees, tied agents, or other relevant persons, as well as any person directly or indirectly linked to them by control, as well as between BCS and its clients or between one client and another, that arise in the course of providing Services.

19.2. Where the organisational or administrative arrangements made by BCS to manage conflicts of interest, are not sufficient to ensure, with reasonable confidence, that risks of damage to the Client interests will be prevented, BCS will clearly disclose the general nature or/and sources of conflicts of interest to the Client before undertaking business on its behalf.

19.3. The disclosure to the Client will be made in a durable medium and include sufficient detail, taking into account the nature of the Client, to enable it to take an informed decision with respect to the Service in the context of which the conflict of interest arises.

19.4. The Client understands that BCS may provide that information on paper or in other durable medium. The Client hereby specifically chooses the provision of the information by means of electronic communications to the Client's e-mail address.

20. Confidentiality

20.1. BCS shall be under no duty to disclose to the Client any information in making any decision or taking any action in connection with the provision of the Services, or to take into account any information or other matters which come to its notice or the notice of any of its employees, directors, agents or associates:

- i. where this would, or BCS reasonably believes that it would, be a breach of any duty of fidelity or confidence to any other person; or
- ii. which comes to the notice of an employee, officer or agent of BCS, but does not come to the actual notice of the account executive or other individual providing the Client with the Service in question.

20.2. The Parties will at all times keep confidential and shall not disclose to a third party any information of a confidential nature acquired in connection with the Terms or the Services, except for information which either of the Parties is bound to disclose under compulsion of law or by request of regulatory agencies or to their respective professional advisers or, in case of BCS, where disclosure to a third party such as an intermediary, exchange or clearing house is necessary in order to facilitate the proper performance of the Services.

21. Data Protection

21.1. The Client acknowledges that BCS may obtain information (including personal data as defined in the Processing of Personal Data (Protection of Individuals) Law 2001, as amended) about the Client or its directors, officers and employees. The Client warrants to BCS that all relevant data subjects whose personal data it has supplied or will supply to BCS in connection with these Terms have given their informed consent for BCS to process, transfer, disclose and retain the personal data in accordance with this Clause 21.

21.2. The Client authorises BCS to process and retain any information as defined in Clause 21.1. above, (whether provided electronically or otherwise) and to disclose any such information (including, without limitation, information relating to Client's Transactions and accounts) either as BCS or any of its relevant Affiliates shall be obliged or requested to under or pursuant to any Applicable Regulations or by any regulatory authority or as may be required to provide the Services.

21.3. The Client agrees that BCS may disclose such information to one of its Affiliates or third party wherever located in the world to the extent necessary for the provision of the Services. The Client expressly consents for this purpose to the transfer of information BCS holds about it to any country including countries outside the European Economic Area (which may not have data protection laws which are commensurate with those in force in the Republic).

22. Complaints

22.1. BCS has established and maintains effective and transparent procedures for the reasonable and prompt handling of complaints or grievances received from its clients.

22.2. If the Client has a complaint about BCS, the Client should raise it in the first instance with its usual BCS contact. If the Client is not satisfied with the response it may communicate with BCS Compliance Officer directly in connection with its grievance or complaint.

23. Miscellaneous

23.1. These Terms are personal to the Client and shall not be capable of assignment or of being transferred by the Client. BCS may assign its rights under these Terms to any of its Affiliates without Client's consent. Upon giving one month's notice, BCS may appoint any appropriate Affiliate to provide the Services in its place and shall then transfer to such appointee all of its rights and obligations under the Terms.

23.2. These Terms supersede any previous agreement between the Parties relating to the subject matter of the Terms.

23.3. All Transactions are entered into by BCS in reliance on the fact that these Terms and all Transactions form a single agreement between the Parties.

23.4. The Client acknowledges and agrees that in conducting business with BCS pursuant to the Terms, the Client does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person other than as expressly set out in the Terms.

23.5. No failure to exercise or delay in exercising any right or remedy under the Terms shall constitute a waiver thereof and no single or partial exercise of any right or remedy under the Terms shall preclude or restrict any further exercise of such right or remedy. The rights and remedies contained in the Terms are cumulative and not exclusive of any rights and remedies provided by law.

23.6. If any provision in these Terms shall in whole or in part be held by any court of competent jurisdiction to any extent to be illegal or unenforceable under any enactment or rule of law that provision or part shall to that extent be deemed not to form part of the Terms and the enforceability of the remainder of the Terms shall not be affected thereby.

23.7. Except as expressly recognised herein, nothing in these Terms shall create any fiduciary or equitable duty owed by BCS to the Client. Save as otherwise provided herein, BCS and its Affiliates may have interest in any securities subject to a Transaction or relationships or agreements with or relating to the issuer of securities without being required to disclose any of the same to the Client.

24. Governing Law

24.1. The Terms shall be governed by and construed in accordance with the laws of the Republic of Cyprus.

24.2. Subject to Clause 24.6., all disputes and controversies arising out of, or in connection with, these Terms or Transactions hereunder (including a dispute regarding the existence, validity or termination thereof or the consequences of their nullity) (a 'Dispute'), shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the London Court of International Arbitration (the 'Rules') of the London Court of International Arbitration (the 'LCIA') as in force and effect on the date hereof which are deemed to be incorporated by reference into this Section.

24.3. The arbitral tribunal shall consist of three arbitrators. The claimant(s), irrespective of number, shall nominate jointly one arbitrator; the respondent(s), irrespective of number, shall nominate jointly the second arbitrator; and a third arbitrator, who shall serve as Chairman, shall be appointed by the LCIA (as defined in the Rules of the LCIA) within 15 days of the appointment of the second arbitrator.

24.4. In the event the claimant(s) or the respondent(s) shall fail to nominate an arbitrator within the time limits specified in the LCIA Rules, such arbitrator shall be appointed by the LCIA within 15 days of such failure. In the event that both the claimant(s) and the respondent(s) fail to nominate an arbitrator within the time limits specified in the Rules, all three arbitrators shall be appointed by the LCIA within 15 days of such failure who shall designate one of them as Chairman. If all the parties to an arbitration so agree, there shall be a sole arbitrator appointed by the LCIA within 15 days of such agreement.

24.5. The seat of arbitration shall be London, England and the language of the arbitration shall be English.

24.6. Before an arbitrator has been appointed to determine a Dispute, the respondent(s) may by notice in writing to the claimant(s) require that all Disputes or a specific Dispute be heard by a court of law. If the respondent(s) give(s) such notice, the Dispute to which such notice refers shall be determined in accordance with Clause 24.7. For the avoidance of doubt, neither Party is entitled to refer a dispute to a state court in accordance with Clause 24.7. before it refers the Dispute to arbitration in accordance with Clause 24.2.

24.7. The courts of Cyprus shall have exclusive jurisdiction to decide on any proceedings relating to any Dispute. The Parties agree that the courts of Cyprus are the most appropriate and convenient courts to determine and settle Disputes between them and accordingly no party shall raise any arguments based on forum non conveniens.

24.8. The Client waives generally all immunity it or its assets may otherwise have in any jurisdiction, including immunity in respect of the giving of any relief by way of injunction or order for specific performance or for the recovery of its assets and the issue of any process against its assets for the enforcement of a judgment or, in an action in rem, for the arrest, detention or sale of any of its assets.

SECTION B: NETTING TERMS

1.1 All business transacted between the Client and BCS may be netted. 'Netting' means either reducing or eliminating the amount due to be paid in the same currency or delivered by one Party to the other on the same date or terminating multiple payment or delivery obligations arising from Transactions and replacing them with a single payment or delivery obligation of one Party to the other. The Client agrees that BCS may at its discretion and subject to the conditions set out in the Terms net any Transactions made between the Client and BCS.

1.2 Without prejudice to paragraph 1.1. above, agreement for netting specific Transactions may be reached on or before the netting date by agreeing to the netting details via e-mail or on paper. The Client will be required to execute and deliver the relevant netting confirmations (substantially in the form of Appendix 2 hereto), in which case no netting shall be made unless netting confirmations have been executed.

1.3 Where netting is carried out for money, the sums to be paid to the Client by BCS and to BCS by the Client shall be set off to produce a single amount, if any payable by one Party to the other on the netting date. When netting is carried out for securities, the amount of securities to be delivered to the Client by BCS and of equivalent securities to be delivered to BCS by the Client shall be set off to produce a single amount, if any deliverable by one Party to the other on the netting date. On receiving these payments and/or securities, where applicable, the relevant obligations under Transactions subjected to netting shall be deemed to have been completely discharged and terminated.

1.4 Where the Client and BCS are each simultaneously subject to payment and delivery obligations referred to in paragraph 1.3. above, the obligations shall be performed on a 'DVP' basis.

SECTION C: CUSTODY TERMS

1. Custody

1.1 Where client financial instruments are held or received by BCS, they will be held or received subject to the Law and the relevant CySEC Directives and BCS may agree to act as custodian or to arrange for Client's financial instruments ('Client Custody Securities' or 'Client Securities') to be held in custody. Where BCS does so, BCS will open, or cause to be opened, such accounts as are required to safeguard adequately Client's ownership rights in those financial instruments in the event of BCS insolvency, and to minimise the chance of loss or diminution of those financial instruments.

1.2 BCS has adequate organisational arrangements in place to minimise the risk of misuse, fraud, poor administration, inadequate recordkeeping or negligence in respect of Client Custody Securities. BCS keeps such records and accounts as are necessary to enable it at any time and without delay to distinguish Custody Securities held for one client from assets held for any other client, and from its own assets. BCS maintains its records and accounts in a way that ensures their accuracy, and in particular their correspondence to the Client Custody Securities. BCS conducts, on a regular basis, reconciliations between its internal accounts and records and those of any third parties by whom Client Securities are held.

1.3 The Client hereby authorises BCS to register or arrange the registration of Custody Securities in any name permitted by the Law and the relevant CySEC Directives. Normally, Custody Securities will be held in the name of an eligible nominee. BCS will take the necessary steps to ensure that any Client Securities deposited with a third party, are identifiable separately from the financial instruments belonging to BCS and from financial instruments belonging to that third party, by means of differently titled accounts on the books of the third party or other equivalent measures that achieve the same level of protection. However, where the Custody Securities are subject to the law or market practice outside the Republic and it is in Client's best interests to do so, BCS may register or record Client's Custody Securities in the name of the custodian or BCS name. If Custody Securities are held in BCS name or that of a custodian, the Custody Securities may not be segregated or separately identifiable from BCS financial instruments or those of a custodian and, in the event of a default by BCS or the custodian, may be not as well protected from any claims by BCS creditors.

1.4 If BCS deposits Custody Securities with a person in a non-EEA state, BCS will be subject to the law of that state and Client's rights in relation to those Securities may differ accordingly. If the safekeeping of securities is subject to specific regulation and supervision in a jurisdiction where BCS proposes to deposit Client Securities with a third party, BCS will not deposit those Securities in that jurisdiction with a third party which is not subject to such regulation and supervision.

1.5 BCS will not deposit Custody Securities with a person in a non-EEA state which does not regulate custody activities unless (i) the nature of the financial instrument requires it to be deposited in such a state or (ii) BCS receives a prior written instruction from the Client, in which case the consequences of so doing are entirely at Client's own risk.

1.6 BCS accepts no liability for the default of any nominees, custodians or third parties. When depositing Client Securities into an account or accounts opened with a third party BCS will exercise all due skill, care and diligence in the selection, appointment and periodic review of the third party and of the arrangements for the holding and safekeeping of those Securities. In particular, BCS will take into account the expertise and market reputation of the third party as well as any legal requirements or market practices related to the holding of those Securities that could adversely affect Clients' rights.

1.7 Financial instruments registered or recorded in the name of a nominee will be pooled with those of one or more of BCS other clients. Accordingly, Client's individual entitlements may not be identifiable by separate certificates, physical documents or entries on the register or equivalent electronic records. In the event of an irrecoverable shortfall following any default or failure by the custodian responsible for pooled instruments, the Client may not receive full entitlement and may share in that shortfall pro-rata to its original share of the financial instruments in the pool. When corporate events (such as partial redemptions) affect some but not all of the instruments held in a pooled account, BCS will allocate the instruments so affected to particular clients in such fair and equitable manner as BCS considers appropriate (which may without limitation involve pro rata allocation).

1.8 BCS will claim all amounts of any dividends, interest, payments or analogous sums to which the Client may be entitled in relation to Custody Securities and of which BCS is notified, but BCS shall not be responsible for claiming any entitlement or benefit the Client may have under any applicable taxation treaty or arrangement.

1.9 Where BCS appoints a custodian to hold Custody Securities it may be with one of its Affiliates.

2. Securities Loan

2.1 The Client agrees that BCS may use Custody Securities for the purposes of any Securities Loan to BCS, one of its Affiliates, to another client of BCS, or to a third party. 'Securities Loan' means a loan or borrowing of securities, and includes sale and repurchase transactions, a reverse repurchase transactions, a buy/sell- back, a sell/buy back and a security lending/borrowing. Where BCS agrees to pay interest such interest will be paid as specifically agreed by BCS for that purpose in the Client's Fee Schedule unless otherwise agreed.

2.2 Where BCS arranges a Securities Loan in respect of Client's Custody Securities, title to the Securities lent will be transferred to the borrower, and the Securities returned to the Client will be equivalent but not identical to the Securities lent.

2.3 The Client also agrees that BCS may use its Custody Securities for other purposes, including charging the Custody Securities in favor of a lender which provides funding to BCS, for example in relation to margin lending facilities offered to BCS clients.

2.4 Securities Loans shall be entered into with any of a list of borrowers to whom BCS may choose to lend from time to time, a list of which is available upon request and BCS accepts full liability for the default of such borrowers.

2.5 The Client agrees and acknowledges that BCS may enter into arrangements for securities financing transactions in respect of financial instruments held by BCS on Client's account, or held by BCS on Client's behalf in an omnibus account held by a third party, or otherwise use such financial instruments for own account or for the account of another client.

2.6 Securities Loans shall be documented on market standard documentation. The Client authorises BCS to negotiate and execute such documentation on its behalf. BCS shall require that cash or securities collateral is provided to BCS, for Client's benefit, in respect of each Securities Loan, including where BCS acts as borrower.

3. Corporate Actions and Income Collection

3.1. BCS shall use reasonable endeavors to obtain information concerning the securities which requires discretionary action by the Client including but not limited to subscription rights, bonus issues, stock repurchase plans and rights offering, or legal notices or other material intended to be transmitted to securities holders ('Corporate Actions') and BCS will use reasonable endeavors to give the Client a notice of such Corporate Actions to the extent that BCS has actual knowledge of a Corporate Action in time of notification to the Client.

3.2. Corporate Actions notices dispatched to the Client may have been obtained from sources which BCS does not control and may have been translated or summarized. Although BCS may believe that such sources to be reliable, BCS has no duty to verify the information contained in such notices nor faithfulness of any translation or summary and therefore does not guarantee its accuracy, completeness or timeliness, and BCS shall not be liable to the Client for any loss that may result from relying on such notices.

3.3. Details of the proxy voting Services offered by BCS are available on request only. Neither BCS nor its sub-custodians or nominees shall execute any form of proxy, or give any consent or to take any actions, in relation to any securities except upon client instruction.

3.4. Until BCS receives instructions from the Client to the contrary BCS is authorized to and shall:

3.4.1. present, upon notice to BCS, all securities called for redemption or otherwise matured, and all income and interest coupons and other income items which call for payment upon presentation;

3.4.2. execute certificates and documents as may be required to obtain payment in respect of securities.

3.5. BCS will credit Client's account with income and redemption proceeds only after actual receipts. Neither BCS nor its sub-custodians shall be obliged to institute legal proceedings, file a claim or proof of claim in any insolvency proceeding or take any action with respect to collection of income or redemptions proceeds.

4. Reasonable Care and Indirect Losses

BCS shall use reasonable skill and care in performing its obligations under these Terms and shall look after Client's Securities with the same degree of skill and care as BCS does for its own similar assets in the relevant markets. BCS shall have no liability arising from this Section of the Terms or from any obligations which relate hereto for any indirect, special, punitive or consequential loss or damage.

SECTION D: SYSTEM ACCESS TERMS

1. Systems Access

The terms set out below have the following meanings as used in these Systems Access terms (hereinafter referred to as the "Systems Access Terms"):

'Access Code' means the User Identification Number and Login Password (or either of them);

'Digital Signature' in relation to an electronic record, means an electronic signature of the signatory generated by the transformation of the electronic record using an asymmetric cryptosystem and a hash function such that a person having the initial untransformed electronic record and the signatory's public key can determine –

(a) whether the transformation was generated using the private key that corresponds to the signatory's public key; and

(b) whether the initial electronic record has been altered since the transformation was generated;

'Login Password' means the personal password used in conjunction with the User Identification Number to gain access to Systems Access and/or other Services provided by BCS;

'User Identification Number' means the personal identification of the Client used in conjunction with the Login Password to gain access to Systems Access and/or other Services provided by BCS.

2. General

2.1 BCS may provide any of the Services through a dedicated system ('Systems Access') which means that the Client might authorize BCS to act on computer generated orders/instructions in respect of Services using the Access Code and/or the Digital Signature (as the case may be).

2.2 Systems Access may be a proprietary service offered by BCS or a third party system offered by another broker, vendor or exchange. In the former case BCS grants the Client a limited, non-exclusive, non-transferable right to access to the automatic routing system and services developed by BCS, which permits a user to submit orders/instructions, notices and other communications to BCS which are to be routed electronically to the relevant exchange, desk execution or any other designated person or entity 'PS&S'.

The Client may use the software solely for its own internal business purposes.

2.3 Systems Access shall be used for (1) terminal access(es) for electronic trading, (2) transmission of client orders/instructions, (3) monitoring the activity and positions in Client's account(s) and (3) provision of software and communication links necessary for access.

2.4 Systems Access may be used to transmit, receive and confirm execution of trade orders, subject to prevailing market conditions and applicable legislation and exchange rules and regulations. Access Code and/or the Digital signature may be also used for any orders in respect of any non-trade Transaction.

2.5 BCS may set through the Systems Access various restrictions and/or trading limits for the Client. Any such trading limits may be changed by BCS from time to time in its absolute discretion. BCS will, where reasonably practicable to do so, communicate to the Client any amendments to the trading limits. However, neither BCS nor any of its Affiliates will have any liability to the Client as a consequence of BCS failing to make any such communications to the Client.

2.6 Orders provided by the Client using the Access Code and/or the Digital Signature are valid and conclusively binding on the Client. BCS is not obliged to check the accuracy or authenticity of any such orders which appears (or which BCS believes) to be from the Client.

2.7 Orders provided by the Client via Systems Access shall be treated as if they had been made in writing and signed by the Client.

2.8 Any order, once given, cannot be cancelled or withdrawn without the consent of BCS. The Client shall remain fully responsible for any orders given unless and until the request for cancellation or withdrawal is confirmed by BCS.

2.9. Orders, notices acceptance shall be deemed to be as effective as a written signature performed manually by the Client.

2.10 BCS computer data records, Transaction numbers and/or recordings are, save in the case of manifest error, conclusive evidence of its contents and are binding on the Client. The Client agrees that the computer data records, Transaction number and/or recordings shall be admissible in court as evidence of the existence of the Transactions and communications and of the facts contained therein, to the extent permitted by applicable law.

3. Liability and Indemnity

3.1 The Client accept full responsibility for use and protection of the Access Code and/or Digital signature as well as for any Transaction occurring in an account opened, held or accessed through Access Code and/or Digital signature.

3.2 The Client represents, warrants and agrees that any individual who has possession of any Access Code and/or Digital signature is its duly authorized representative, having the power and authority to legally bind the Client in this manner. Such acceptance shall be deemed to be as effective as a written signature performed manually by the Client.

3.3 The Client shall immediately notify BCS in writing if the Client becomes aware of the following:

3.3.1. Any loss, theft or unauthorized use of its Access Code and/or Digital signature or account number(s); or

3.3.2. Any failure by the Client to receive a message indicating that an order was received and/or executed; or

3.3.3. Any failure by the Client to receive an accurate confirmation of an execution; or

3.3.4. Any receipt of confirmation of an order and/or execution which the Client did not place; or

3.3.5. Any inaccurate information in Client's account balances, positions, or Transaction history.

The use and storage of any information including, without limitation, Access Code and Digital signature, portfolio information, Transaction activity, account balance and any other information or orders available to the Client through its use of System Access is Client's sole risk and responsibility.

3.4. The Client acknowledges that from time to time, and for any reason, System Access may not be operational or otherwise available for Client's use due to servicing, hardware malfunction, software defect, service or transmission interruption or other cause, and the Client agrees to hold BCS harmless from liability or any damage which result from the unavailability of System Access. The Client acknowledges that it has alternative arrangements which will remain in place for the transmission and execution of its orders, by telephone, facsimile transmission, or otherwise, in the event, for any reason, circumstances prevent the transmission and execution of all, or any portion of, Client's orders through System Access. In the event System Access is not operational, the Client agrees to contact its account executive to make alternative order entry arrangements.

3.5 The Client acknowledges that BCS may, in its sole discretion and without notice, restrict, suspend or terminate the Client's access to the PS&S if this is required by any exchange, regulator, court or tribunal or other lawful authority or if this is, in BCS absolute discretion, reasonably necessary.

3.6. The Client may not upload files that contain software or other material protected by intellectual property rights (or by rights of privacy or publicity) unless the Client has received all necessary consents from BCS.

All patents, copyright, trademarks, trade secrets, database rights and all other intellectual property rights of any kind in the PS&S shall remain at all times the sole and exclusive property of BCS, even where information or items have been created or developed specifically by BCS for or at the request of the Client.

3.7 The Client shall have no right or interest in the PS&S, whether by way of license or otherwise, except for the right to access to and nonexclusive license to use the PS&S on these Terms. The Customer specifically agrees that damages for breach of this Clause or of any intellectual property right relating to the PS&S may not be a sufficient remedy and that nothing in the Terms is intended to or does limit BCS right to seek alternative remedies, including an injunction or other equitable remedy.

3.8 The Client may not upload files that contain a virus or corrupted data. The Client may not delete any author attributions, legal notices or proprietary designations or labels. The Client may not use System Access in a manner that adversely affects the availability of its resources to other members. The Client may not download a file that cannot be legally distributed via System Access.

3.9 The Client shall not (and shall not permit any third party to) copy, use, analyze, modify, decompile, disassemble, reverse engineer, translate or convert any software provided to the Client in connection with use of System Access or distribute the software of System Access to any third party.

3.10 The Client agrees to indemnify and hold harmless BCS from and against all claims, demands, proceedings, suits and actions and all losses (direct or indirect), liabilities, costs and expenses (including attorney's fees and disbursements) incurred or suffered by BCS and arising from or relating to Client's use of the Services through System Access.

3.11 The Client is responsible for providing and operating all equipment and software necessary to operate System Access and the Client shall at its own costs or expenses ensure that such equipment and software is compatible with and properly connected to BCS system.

3.12 Save and except due to BCS gross negligence or willful misconduct or that of BCS authorised officers, employees or agents, BCS is not liable for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) from Client's use of the System Access including any loss, damage or expense arising from, but not limited to, any defect, error, fault, mistake or inaccuracy with the System Access, or due to any unavailability of the System Access or any part thereof or any contents or the Services.

3.13 The Client acknowledges that there are risks inherent in using System Access but agrees that the benefits justify these risks and BCS shall not be liable in any way to the Client or to any other person for:

3.13.1. any failure of systems or equipment (whether or not provided by BCS) including telecommunications services and facilities;

3.13.2. acceptance by BCS of any unauthorized orders and instructions which appear (or which BCS believes) to be from the Client;

3.13.3. delays in the implementation of orders and instructions from the Client;

3.13.4. delays in delivery or availability of, or failure to deliver or make available, any part of Services;

3.13.5. delays in dispatch or delivery of, or failure to dispatch or deliver, any notice or information provided or requested System Access or any inaccuracy, error or omission in or from any such notice or in or from any information contained in any such notice;

3.13.6. Client's failure to use System Access in accordance these terms and conditions;

3.13.7. Clients reliance, use or otherwise acting upon any information or materials provided System Access.

SECTION E: MARGIN TRADING TERMS

1. Definitions

The terms set out below have the following meanings as used in these Margin Trading Terms (hereinafter referred to as the 'Margin Terms'):

'Asset' means monetary funds and/or financial instruments.

'Cash Balance' means the net amount of cash in a definite currency in the Client's account and the funds to be received under selling Transactions in such currency due to be settled as of the date the Cash Balance is determined on less:

- 1) the funds to be paid or blocked under Transactions in such currency due to be settled or cleared as of the date the Cash Balance is determined on, and
- 2) any charges to Client's account.

'Client's Purchasing Capacity' means the maximum Margin Position, which the Client can open in respect of the relevant Asset.

'Discounted Collateral' means Eligible Collateral adjusted for Haircuts applicable to Margin Assets as determined and calculated by BCS in accordance with formulae stated in paragraph 6 hereof.

'Discounted Margin Requirement' means Client's consolidated indebtedness calculated and determined by BCS based on Haircuts and formulae provided in paragraph 6 hereof.

'Eligible Collateral' means Margin Assets registered on the Client's Margin Account at a certain moment of time and recognized by BCS as eligible collateral to secure obligations of the Client in respect of margin trading and Margin Positions.

'Haircut' means a haircut determined by BCS for a relevant Asset, or for aggregate of Assets, to adjust for perceived risk when calculating the value of collateral or indebtedness in respect of such Asset. BCS may assign different haircuts for long and short positions in the same security, for positive and negative Cash Balances in the same currency.

'Long' refers to a position or Margin Position resulting from a purchase or other receipt of certain financial instrument and implying Client's entitlement to the financial instrument as registered by BCS on the related Client's account.

'Margin Account' means an account opened by BCS for the Client to perform Margin Transactions.

'Margin Asset' means any Asset that BCS considers as liquid and includes in Margin List assigning respective haircut to facilitate conclusion of Margin Transactions ('margin trading').

'Margin List' means a list of Margin Assets notified to the Client via BCS official website, BCS front-end system or e-mail subject to change by BCS at its own discretion at any time.

'Margin Position' means a position that has been opened as a result of Client's Margin Transaction(s).

'Margin Securities' mean Margin Assets in the form of securities.

'Margin Transaction' means a sale or purchase Transaction involving borrowing of an Asset from BCS where Eligible Collateral is provided as security for the loan, or any other Transaction with similar arrangements and/or implications.

'Overnight Loan' means a Transaction in the form of a loan granted by BCS to the Client for one (1) business day which shall be repaid or redelivered by the Client within one (1) business day from the loan disbursement or delivery date.

'Overnight REPO', 'Overnight Reverse REPO' and 'Overnight Currency Swap' means respectively REPO, Reverse REPO and Currency Swap Transaction with a term of one (1) business day where the first part shall be settled on the trade date and the second part shall be settled on the next business day.

'Overnight Securities Lending' and 'Overnight Securities Borrowing' means respectively Securities Lending and Securities Borrowing Transaction with a fixed term of one (1) business day where the Client is obliged to take delivery of lent securities or to return borrowed securities in exchange for cash collateral by the end of the business day following the day of lending or borrowing the securities.

'Position' means the amount of entitlement or obligations of the Client in respect of certain financial instrument, registered by BCS on the Client's Margin Account.

'Securities Borrowing' refers to a Transaction when the Client borrows securities from BCS in exchange for cash collateral to fulfill Client's obligation to deliver such securities.

'Securities Lending' refers to a Transaction when securities from the Client's account are lent to BCS in exchange for cash collateral to fulfill Client's obligation to cover negative Cash Balance in definite currency in the Client's account.

'Short' refers to a position or Margin Position resulting from a sale or other disposal of certain financial instrument and implying Client's obligation to deliver and/or return the financial instrument.

2. General

2.1. The Client understands that trading on Margin Account involves borrowing of Assets. When the Client trades on Margin Account with BCS, an intraday credit allowance from BCS is used by the Client. This intraday credit allowance is to be used to purchase or sell Assets in the amount that may considerably exceed the value of Client's account with BCS.

2.2. The Client also understands that while margin trading may give a greater opportunity for profit, it is also of a higher degree of risk. The Client agrees to carefully consider whether trading on margin is suitable for the Client, taking into consideration its financial resources, objectives and other relevant circumstances.

2.3. Unless otherwise agreed by BCS, the Client may submit orders for entering into Margin Transactions only in respect of Margin Assets. The Margin List(s) shall be notified to the Client via BCS official website, BCS front-end system or e-mail and can be modified by BCS at its own discretion at any time. BCS shall notify the Client on any changes in the Margin List(s) by placing the updated Margin List on its official website, adjusting front-end system information, or, if an individual Margin List is agreed with the Client, by sending relevant e-mail notification containing the updated Margin List to the Client. BCS does not accept as Eligible Collateral the Assets for which the Client has submitted a withdrawal request that has been accepted by BCS. BCS reserves the right to refuse to offer loans in and/or against security of certain Assets due to concentration, price, market volatility or other risks. All Margin Account loans are to be fully returned without notice.

2.4. BCS shall apply risk-management to Margin Account. Unless otherwise agreed by BCS, Margin Account risk-management shall involve continuous Margin Account monitoring and controlling Client's Margin status based on the ratio of Discounted Collateral to Discounted Margin Requirement ('margin ratio') as defined herewith.

2.5. Based on the value of margin ratio calculated in accordance with paragraph 6 hereof, BCS shall assign Margin status to the Client. Margin status defines and reflects the level of risk associated by BCS with the Client and/or Client's Margin Account and may result in certain limitations and/or consequences initiated by BCS and obligatory for the Client. Margin status ranges are defined as follows:

- a) 'Active' which means the Client may submit orders to enter into Margin Transactions;
- b) 'Restricted' which means the Client may submit to BCS orders and/or instructions to the extent that such orders and/or instructions are aimed at reduction of Margin Positions and/or increasing margin ratio;
- c) 'Margin Call' which means BCS shall have an immediate right to send a margin call notice to the Client, and such margin call shall be satisfied by the Client as required by BCS; failure to satisfy margin call requirements shall result in BCS' immediate right to change Client's and/or any Client's account Margin status to 'Liquidation';
- d) 'Liquidation' which means BCS is entitled to liquidate any and all Client's Margin Positions and take any other actions as considered appropriate by BCS for risk-management of Client's accounts and protection of BCS other clients and own interests.

3. Requirements and roll-over procedures in respect of Margin Positions

3.1 The Client shall close all Margin Positions on its Margin Account(s) with BCS and roll over all short positions and negative Cash Balances by the end of the settlement day as determined in the relevant Market Rules and by applicable settlement deadlines. The Client understands that keeping such positions overnight is not allowed under the present Margin Terms. BCS shall not be obliged to check or have regard to any assumption made or expressed by the Client as to the effect of any trade on Client's existing or overall positions with and/or outside of BCS. BCS shall have no regard to Client's comments that any order the Client places is aimed at a trade to close all or part of Client's open position. BCS will treat all trades as a 'buy' or a 'sell' regardless of whether the trade has the effect of opening a new position or closing an existing one. It is the responsibility of the Client to be aware of all Client's positions and to ensure the latter comply with Margin Terms at all times.

3.2 The Client agrees to close out or roll over to the next trading day any short Margin Positions. The Client understands that keeping negative Cash Balance ('indebtedness') overnight is not allowed. The Client acknowledges and agrees that failure to perform pursuant to this paragraph shall represent an instruction from the Client to BCS to enter into a legally binding Overnight REPO, Overnight Reverse Repo, Overnight Securities Lending, Overnight Securities Borrowing, Overnight Currency Swap or Overnight Loan Transactions ('Roll-Over Transactions'). The Client agrees that BCS will be entitled to apply processes, haircuts and closing prices or FX rates as BCS in its sole discretion considers appropriate. Roll-Over Transactions will be subject to a fee accruing daily at the annualised rate and on the basis agreed between the Client and BCS from time to time. Failing separate agreement, actual/360 day count convention will apply.

3.3 To roll over Client's indebtedness in securities, appropriate quantity of the securities shall be bought in the first part and sold in the second part of Overnight Reverse REPO at the buy and sell prices based on the trade date closing price for the security and with interest charged by BCS separately or included into the price of the second part of the Overnight Reverse REPO.

3.4 To roll over Client's cash indebtedness by means of Overnight REPO, appropriate quantity of securities shall be sold in the first part and bought in the second part of the Overnight REPO at the sell and buy prices based on the trade date closing price for the

security with interest charged by BCS separately or included into the price of the second part of the Overnight REPO. BCS reserves the right to decide which securities in the account of the Client are to be used for the Overnight REPO and will normally select the most liquid securities according to the prevailing market conditions.

3.5 To roll over cash indebtedness by means of Overnight Currency Swap, appropriate amount of cash available in certain currency shall be sold in the first part and bought in the second part of the Overnight Currency Swap versus the currency of the indebtedness at sell and buy FX rates based on the trade date closing FX rates or the Central Bank of Russian Federation official FX rates and with interest charged by BCS separately or included into the price of the second part of the Overnight Currency Swap.

3.6 To roll over Client's indebtedness by means of Overnight Loan, appropriate amount of cash or quantity of securities shall be recorded as an overnight loan (negative balance) on the Client's account with interest charged by BCS by the loan repayment or redelivery date.

3.7 To roll over Client's cash indebtedness by means of Overnight Securities Lending, appropriate quantity of securities shall be lent in the Overnight Securities Lending Transaction and the cash collateral received from BCS thereby shall be used to cover the debit cash balance in the Client's account. BCS reserves the right to decide which securities in the account of the Client shall be used for the Overnight Securities Lending Transactions and will normally select the most liquid securities according to the prevailing market conditions. To roll over Client's indebtedness in securities by means of Overnight Securities Borrowing, appropriate quantity of securities shall be borrowed from BCS in exchange for cash collateral.

3.8 BCS may pay interest on positive cash balances remained on the Client's Margin Account following all Roll-Over Transactions settlement if relevant interest rates have been specifically agreed by BCS in the Client's Fee Schedule for that purpose. Interest calculation shall be performed by BCS based on its internal procedures. The interest rate payable can be changed at BCS sole discretion at any time without prior notice to the Client.

3.9 Where the term of a short Margin Position or securities loan extends over the record date for any dividends, other income or distributions ('the income') in respect of any securities borrowed by the Client from BCS, the Client shall, within two days upon receipt of the income, pay or deliver to BCS a sum of money and/or property equivalent to (and in the same currency as) the type and amount of such income as distributed by the issuer in respect of such securities. For the avoidance of doubt, unless otherwise agreed between the Client and BCS, references in this paragraph to the amount of any income distributed by the issuer of any loaned securities shall be to an amount paid or delivered without withholding or deducting any amount for or on account of any taxes or duties even if payment or delivery of such income is subject to such a withholding or deduction.

3.10 BCS may adjust the procedures for rolling over indebtedness and related calculations at its sole discretion without prior notice to the Client.

4. Interest charges Computation, Fees and Commissions

4.1 Interest charges shall apply to the value of Transactions executed to roll over indebtedness based on interest rates advised to the Client by BCS in the Fee Schedule by a notice which includes e-mail, delivery by hand or mail. With regard to cash indebtedness roll-overs, related currency margin interest rate stipulated in the Fee Schedule shall apply, or, if margin interest rate is not mentioned for the currency explicitly, the default margin interest rate shall apply. With regard to securities indebtedness roll-overs, margin interest rate stipulated in the Fee Schedule for related security, group or primary market of securities shall apply, or, if explicit margin interest rate is not mentioned thereby, margin interest rate for the security denomination currency shall apply as defined herewith. The Client understands that the interest rate may be adjusted automatically and without Client's consent. However, if a margin interest rate changes for any reason the Client will receive a notice at least seven (7) calendar days prior to the change.

4.2 Unless otherwise agreed by the Parties, the Client will be charged interest for Roll-Over Transactions on a daily basis, for each calendar day of the term of the Roll-Over Transaction. The Client understands and agrees that every time BCS rolls over Client's indebtedness in cash or securities by means of a Roll-Over Transaction the interest will be debited to the Client's account on or after the trade date.

4.3 If Client's indebtedness is rolled over by means of a repo transaction, interest charge shall be calculated as a product of cash value of securities in the first part of the repo transaction and applicable margin interest rate, adjusted for the repo term under Actual/360 day count convention. Repo transaction interest charge shall be added to the amount of the second part of Overnight REPO, deducted from the amount of the second part of the Overnight Reverse REPO or charged separately by BCS.

4.4 If Client's indebtedness is rolled over by means of currency swap, interest charge shall be calculated as a product of amount of currency of indebtedness in the first part of the currency swap and applicable margin interest rate, adjusted for the currency swap term under Actual/360 day count convention. Currency swap interest charge shall be added to the amount of currency of indebtedness in the second part of the currency swap or charged separately by BCS.

4.5 If Client's indebtedness is rolled over by means of Securities Lending or Securities Borrowing Transaction, interest charge shall be calculated as a product of related cash collateral or borrowed securities value and margin interest rate as applicable. Interest

charges shall be deducted from the amount of cash collateral returned by BCS to the Client under the Overnight Securities Borrowing Transactions, added to the amount of cash collateral the Client returns to BCS under the Overnight Securities Lending Transactions or charged by BCS separately. All interest charges are to be calculated under Actual/360 day count convention.

4.6 It should be noted that repo and securities lending and borrowing Transactions executed by BCS for the Client may affect aggregated amount of securities (including depositary receipts) on the Client's accounts with BCS. The Client shall reimburse BCS for any fees charged for total quantity of securities on BCS accounts recorded by its clearing agents, within Euroclear System, calculated proportionally on the basis of quantity of Client's securities and disregarding securities repoed, loaned or borrowed by BCS for the Client under paragraph 3 'Requirements and roll-over procedures in respect of Margin Positions' of this Section E of the Terms, as the case may be.

5. Order Execution

5.1. Unless otherwise agreed by the Parties, to activate Margin Account for the purposes of entering into Margin Transactions the Client shall transfer to BCS certain amount of monetary funds, securities or any other assets acceptable by BCS as Eligible Collateral. All funds and financial instruments transferred by the Client or otherwise credited to the Client's Margin Account with BCS, including those unrecognized as Eligible Collateral, shall be considered under security financial collateral arrangement to secure performance of Client's obligations under Transactions and under the Terms in general.

5.2. To execute Margin Transaction the Client shall submit relevant order to BCS by any acceptable communication means for submitting orders set out in the Terms.

5.3. Any order received from the Client shall be checked by BCS with respect to the requirements set by BCS, and, subject to order compliance with the said requirements, shall be transmitted for execution. However, BCS may decline any Client's order for entering into Margin Transaction, notwithstanding its compliance with the formal requirements of BCS, without giving any reason.

5.4. If execution of Client's order results in necessity for the Client to borrow an Asset to pay or deliver under the relevant Transaction, BCS shall debit Margin Account for the Assets paid or delivered and, if applicable, credit Margin Account for the Assets bought or received. As a result, negative Cash Balance or short Margin Position in related Margin Asset shall appear or grow in absolute value implying Client's emerged or increased indebtedness.

5.5. Unless otherwise decided by BCS for risk-management purposes due to specifics of Margin Account arrangement and/or Client's Margin status, the Client shall be entitled at any time to close any Margin Position in full or in part, i.e. to discharge in full or in part its Margin Account indebtedness by entering into Transactions and/or by means of transferring Assets to BCS for further credit to Client's Margin Account, and BCS shall accept related orders for execution.

5.6. The Client is obligated to control its Margin status and comply with the requirements set forth in the Terms. Specifically, the Client shall maintain Active Margin status in respect of all Margin Accounts of the Client with BCS.

5.7. BCS continuously controls valuations of Margin Positions and Margin status of the Client and, in case Client fails to fulfill its obligations under the Terms, may limit Client's trading activity at its discretion, liquidate Client's Margin Positions in full or in part and take any other actions as considered appropriate by BCS for risk-management purposes and to protect BCS other clients' and own interests.

5.8. BCS is entitled to unilaterally change Haircuts and/or the Margin List by notifying the Client one (1) business day prior to the change, unless such notification is considered impractical or delayed due to certain market conditions or other risk related considerations of BCS. If any such change results in Client's Margin status deterioration, the Client shall take actions to restore Client's Margin status so that it becomes Active.

5.9. Possibility to withdraw Assets from Margin Account is dependent on Client's Margin status assigned by BCS. Withdrawal of Assets by the Client is possible only in case and to the extent the Client's Margin status is 'Active' and if there are no other reasons preventing the withdrawal as determined by BCS. For the avoidance of doubt, if Client's margin status is 'Restricted', 'Margin Call' or 'Liquidation' then the Client is not entitled to withdraw Assets from any of Client's accounts with BCS.

5.10. The amount of Assets available for withdrawal by the Client is limited by the amount of Available Margin as defined herein below. Unless otherwise agreed by BCS, the Client shall not be entitled to withdraw Assets blocked to ensure settlement and/or clearing of Transactions, payment of commissions, fees, interest and other expenses or obligations related to the Services rendered to and arrangements made for the Client under the Terms. Unless otherwise agreed by BCS, the Client can only withdraw actually available on Client's account financial instruments or cash, i.e. BCS is not obliged to arrange funding or lending for execution of Client's withdrawal instructions and where BCS consents to such funding or lending the Client shall pay to BCS interest charges on related indebtedness and any additional commissions as may be separately agreed between the Client and BCS from time to time.

6. Margin Account parameters and characteristics

Unless otherwise agreed with BCS, the amount of Eligible Collateral requested by BCS with regard to Margin Account shall be calculated taking into consideration all sales and purchase Transactions entered into and not yet settled as at related moment of time based on the following formulae and logic:

Margin ratio ('R') shall be determined by BCS based on the following formula:

$$R = \frac{DC}{|MR|}, \text{ where}$$

DC is Discounted Collateral calculated as to below;

MR is Discounted Margin Requirement calculated as to below.

Margin status shall be assigned to the Client by BCS based on the relationship between margin ratio ranges and margin statuses presented in the table below and notified to the Client thereafter via BCS official website, BCS front-end system or e-mail subject to change at any time, unless otherwise agreed. The Margin ratio ranges and related parameters ('the thresholds') may differ on a client-by-client basis. By conducting business with BCS subject to the given thresholds, the Client agrees and accepts the thresholds, which will become legally binding on the Client and will apply to all Margin Transactions that BCS conducts with the Client or on the Client's behalf. BCS reserves the right to amend the below thresholds at any time by giving notice to the Client prior to change.

Margin status	Margin ratio ranges	
	Standard	Aggressive
Active	$R > 1$	$R > 1$
Restricted	$0.95 < R \leq 1$	$0.98 < R \leq 1$
Margin Call	$0.9 < R \leq 0.95$	$0.97 < R \leq 0.98$
Liquidation	$R \leq 0.9$	$R \leq 0.97$

Discounted Collateral shall be calculated by BCS based on the following formulae:

$$DC = \sum_i^{Margin\ Securities} DiscLong_i + Positive(\sum_j^{All\ Currencies} DiscCurr_j), \text{ where}$$

$DiscLong_i$ is risk-adjusted evaluation of collateral (long position) in i^{th} Margin Security, which is calculated as follows:

$$DiscLong_i = Long_i * (1 - HC_i^{Long}), \text{ where}$$

$Long_i$ is market value of the long position in the i^{th} Margin Security calculated as follows:

$$Long_i = Positive(a_i) * LPrice_i, \text{ where}$$

a_i is quantity of the i^{th} Margin Securities in the long position;

$LPrice_i$ is the price of the last transaction or, if that is not available, the bid price, or, if that is not available, the closing price of the previous trading session, in the respect of the i^{th} Margin Security;

HC_i^{Long} is the Haircut determined by BCS for collateral (long positions) in the i^{th} Margin Security;

$DiscCurr_j$ is risk-adjusted evaluation of collateral or indebtedness in j^{th} currency calculated as follows:

$$DiscCurr_j = Negative(Curr_j * (1 + HC_j)) + Positive(Curr_j * (1 - HC_j)), \text{ where}$$

$Curr_j$ is the Cash Balance in the j^{th} currency;

HC_j is relevant Haircut determined by BCS for collateral and/or indebtedness in the j^{th} currency;

$Positive(x) = \max\{x; 0\}$;

$Negative(x) = \min\{x; 0\}$.

Discounted Margin Requirement shall be calculated by BCS based on the following formulae:

$$MR = \sum_i^{All\ Securities} DiscShort_i + Negative(\sum_j^{All\ Currencies} DiscCurr_j), \text{ where}$$

$DiscShort_i$ is risk-adjusted evaluation of indebtedness (short position) in the i^{th} Margin Security calculated as follows:

$$DiscShort_i = Short_i(1 + HC_i^{Short}), \text{ where}$$

$Short_i$ is non-positive¹ market value of the short position in the i^{th} Margin Security calculated as follows:

$$Short_i = Negative(b_i) * SPrice_i, \text{ where}$$

b_i is quantity of the i^{th} Margin Securities in the short position (represented by negative value);

$SPrice_i$ is the price of the last transaction or, if that is not available, the offer price, or, if that is not available, the closing price of the previous trading session, in respect of the i^{th} Margin Security;

¹ Here and after all characteristics related to values of short positions and negative balances (indebtedness) are negative.

HC_{Short}^{i} is the Haircut determined by BCS for indebtedness (short positions) in the i^{th} Margin Security.

Available Margin ('AM') is evaluation of the part of Margin Account Eligible Collateral that has not been blocked to secure fulfillment of orders, Margin Transactions or other obligations of the Client, and therefore can be used as Eligible Collateral for new Client's orders to enter into Margin Transactions and/or to open and maintain Margin Positions.

Available Margin is calculated as follows:

$$AM = DC - |MR|, MR \leq 0$$

Purchasing Capacity for the i^{th} Margin Security ('PC_i') is calculated as follows:

$$PC_i = AM / HC_i - Blocked, \text{ where}$$

HC_i is applicable Haircut determined by BCS in respect of i^{th} Margin Security;

Blocked is consolidated value of assets (funds and financial instruments) blocked by BCS in respect of unexecuted orders and/or unsettled or incomplete transactions.

Maximum amount of loan ('Loan_max') which can be granted for the i^{th} Margin Security used as collateral is calculated as follows:

$$\text{Loan_max} = PC_i - AM$$

BCS may apply any other Margin Account limitations as considered necessary by BCS for risk-management purposes.

7. Margin Calls and Liquidations

7.1. When the Client reaches 'Margin Call' level BCS is entitled to request the Client to transfer Eligible Collateral to recover Client's Margin status to 'Active' level and the Client shall comply with the request.

7.2. The request to transfer Eligible Collateral shall be sent to the Client by any means of communication provided by the Terms for exchange of messages. In addition to the primary means of communication BCS may use at its own discretion any additional means of communication.

7.3. The fact of sending the request to transfer Eligible Collateral shall be registered by BCS. The fact of sending the request shall be considered a sufficient ground for the Client to take measures necessary to adjust the value of the margin ratio so that margin status becomes Active. Absence of confirmation of receipt of the request by the Client and/or denial to receive the notification shall not be considered a valid ground for non-execution of obligations to transfer Eligible Collateral or for breach of terms of their execution.

7.4. The request to transfer Eligible Collateral may specify the time for its execution, and failing such specification the Client shall transfer Eligible Collateral so that the same is received by BCS by 6 p.m. (Moscow time) on the day following the day of a request. Where aggressive thresholds apply to the Client as those specified in clause 6 above, time for execution of a margin call will be shortened and failing immediate notice and undertaking from the Client to fully and timely fulfill the margin call, BCS will have the right to liquidate any of Client's Positions subject to paragraph 7.5 – 7.9 below.

7.5. If BCS' request to transfer Eligible Collateral is not fully and timely fulfilled by the Client and the margin ratio remains in Liquidation range, the Client shall be assigned with margin status 'Liquidation'. In case Client's margin status is 'Liquidation', BCS shall have the right to liquidate without notice to the Client any of Client's Positions, perform any Transactions for Margin Account choosing Assets for that purpose at its own discretion, in the amount and to the extent necessary for Margin Account indebtedness to decrease, for margin ratio to increase and/or for Client's margin status to become 'Active'.

7.6. Actions directed to the liquidation of Client's Positions may include acquisition or realization of Assets at market prices, as the case may be.

7.7. BCS shall not be liable for any losses and/or damages suffered by the Client as a result of any action or inaction on behalf of BCS under the terms of this Section, including liquidation of Client's Positions.

7.8. The Client shall reimburse BCS for all expenses incurred by BCS with regard to liquidation of Client's Positions. BCS shall be entitled to retain the amounts of such expenses from the assets received as a result of acquisition and/or realization of any Client's Assets.

7.9. If, following complete liquidation of Client's Positions, there is indebtedness remaining on Client's account, such indebtedness, including accrued commissions, interest and other charges, shall be covered by the Client by means of transfer of assets in the appropriate amount to the account of BCS.

SECTION F: TERMS FOR OTC PURCHASE AND SALE OF RUSSIAN SECURITIES ²

1. Definitions

'Buyer' means for any Transaction, the Client or BCS acting as a buyer of the Securities as specified in the related Trade Confirmation;

'Buyer's Nominee' means the person designated as such in the Trade Confirmation;

'Company' means the legal entity or collective investment undertaking, incorporated (set-up or formed) and validly existing under the laws of the Russian Federation, the Securities of which are the subject of the Transaction as specified in the related Trade Confirmation;

'Purchase Price' means the price per share of one Security multiplied by the number of Securities to be purchased under the agreement as specified in the related Trade Confirmation;

'Registrar' means a registrar or a custody (depository) company regulated by the Federal Financial Markets Service (or its successor) providing recording of transfer of title to the respective Securities in accordance to Applicable Regulations;

'Registration Date' means the day on which the transfer of Securities from the Seller to the Buyer is registered by Registrar in accordance to Applicable Regulations;

'Registration Fee' means the fee paid to the Registrar in order to affect the re-registration of Securities in the name of the Buyer or the Buyer's Nominee;

'Registration Period' means the period for registering the transfer of the Securities from the Seller to the Buyer. Unless otherwise agreed and stipulated in a Trade Confirmation, if a Registrar is in Moscow, the Registration Period will be as soon as practicable but not later than 6 Business Days from the signing of the related Trade Confirmation for any Transaction; if a Registrar is located outside Moscow, as soon as practicable but not later than 8 Business Days from the signing of the related Trade Confirmation for any Transaction; if the Securities subject to transfer are debt securities, the Registration Period will be as soon as practicable but not later than 4 Business Days;

'Registry Confirmation' means any original confirmations, or an acceptable reproduction, issued by the Registrar confirming to the reasonable satisfaction of the Buyer or its representative that the Securities have been registered in the name of the Buyer or the Buyer's Nominee;

'Securities' mean, for purpose of this Section F, securities of the Russian Company that are the subject of the purchase and sale Transaction as specified in the related Trade Confirmation;

'Seller' means for any Transaction, the seller of the Securities as specified in the related Trade Confirmation;

'Seller's Nominee' means the person designated as such in the Trade Confirmation;

'Trade Confirmation' means the confirmation which sets forth the terms and conditions for a purchase and sale of Securities;

'Trade Date' means, in relation to any Transaction, the date on which the Buyer and the Seller orally agree upon the terms and conditions of a purchase and sale of Securities.

2. General

2.1. Subject to the Terms of this Section, the Buyer and the Seller may from time to time enter into transactions in which the Seller agrees to sell to the Buyer Securities as defined below against the payment of the Purchase Price by the Buyer to the Seller ('Transaction'). A Transaction may be entered into orally or in writing at the initiation of either Buyer or Seller.

2.2. The terms of this Section shall be incorporated by reference into any Trade Confirmation.

2.3. In respect of any Transaction, the terms of this Section, the Terms of Business and the Trade Confirmation shall together constitute a single, integrated agreement between the parties.

2.4. In the event of any conflict between the terms of this Section and the Terms of Business, this Section shall prevail. In the event of any conflict between the terms of this Section and the Trade Confirmation, the Trade Confirmation shall prevail.

3. Trade Confirmations. Transfer of Ownership

3.1. Promptly after the Trade Date for any Transaction, BCS shall send to the Client a Trade Confirmation for the Transaction. If the Client fails to object to or request a correction of a Trade Confirmation sent by BCS within twenty four (24) hours upon dispatch thereof, that Trade Confirmation shall be deemed accepted by the Client and such failure shall not affect the validity or enforceability of that Trade Confirmation for the Transaction. The Client shall not be entitled to claim the Transaction void and refuse to perform its obligations there under on the grounds, that it has not received the Trade Confirmation due to any reasons whatsoever. A Trade

² The terms of this Section are applicable to OTC trading in Russian securities. This Section may also govern, by analogy, any agreement on OTC purchase and sale of securities in other jurisdictions (such as Ukrainian and others), where applicable.

Confirmation (or an amended Trade Confirmation, as the case may be), once not objected by the Client shall be conclusive evidence of the related Transaction and shall supersede all prior oral statements with respect hereto. BCS may at the sole option of BCS, incorporate any Trade Confirmation into the relevant Client's Account Statement.

3.2. If the Securities are required to be re-registered at the Registrar in the name of the Buyer or the Buyer's Nominee, the ownership rights (both legal and beneficial title) to the Securities shall be transferred to the Buyer on the Registration Date.

4. Obligations of the Parties

4.1. The Client shall be obliged to:

4.1.1. On the Trade Date provide BCS, in writing, with any information necessary to facilitate its preparation of the Trade Confirmation.

4.1.2. At request, (a) provide BCS with the signed Trade Confirmation, and (b) in case the Securities are required to be re-registered at the Registrar in the name of the Buyer or the Buyer's Nominee, provide BCS with all documentation reasonably necessary on Client's part to ensure the re-registration of the transfer of the Securities.

4.2. BCS shall be obliged to provide the Client with all documentation reasonably necessary on the part BCS to ensure the re-registration of the transfer of the Securities, by facsimile.

4.3. Unless otherwise agreed and stipulated in a Trade Confirmation, the Seller shall be obliged to:

4.3.1. In case the Securities are required to be re-registered at the Registrar in the name of the Buyer or the Buyer's Nominee, ensure that the Securities are re-registered by the Registrar within the Registration Period in the name of the Buyer or the Buyer's Nominee in full conformity with the laws of the Russian Federation and the charter (investment management articles, rules or regulations) of the Company, if applicable.

4.3.2. Notify the Buyer within 2 days of receipt by the Seller of any notice or information pertaining to:

- Any dividends, other income or capital distributions accruing to the Securities; or
- Any voting rights attaching to the Securities on or after the Trade Date.

4.3.3. In the case of dividends and other income and capital distributions, transfer any amount received to the Buyer within 5 Business Days upon receipt it by the Seller.

4.3.4. In the case of voting rights, use its reasonable efforts to exercise any voting rights attaching to the Securities as directed in writing by the Buyer, provided that such exercise does not adversely affect, or conflict with, any exercise of voting rights by the Seller in connection with Securities held by the Seller for its own account or for the account of others.

4.3.5. Undertake to comply with any legal or regulatory requirements necessary under applicable Russian law to carry out the Transaction.

4.4. Unless otherwise agreed and stipulated in a Trade Confirmation, the Buyer shall be obliged to:

4.4.1. Undertake all necessary and proper acts to assist the Seller in completing the Transaction.

4.4.2. Undertake to comply with any legal or regulatory requirements necessary under applicable Russian law to carry out the Transaction.

4.5. Unless otherwise agreed and stipulated in a Trade Confirmation, the Registration Fee and all related expenses incurred in connection with the re-registration of the Securities in the name of the Buyer or the Buyer's Nominee shall be borne by the Seller.

5. Payments

5.1. DVP will be standard for all trades unless otherwise agreed between the parties at the time of the trade.

5.2. If the parties agree for 'free of payment' (FOP) the Buyer will pay the Purchase Price within 2 Business Days from the day it or its Nominee receives Registry Confirmation showing the Securities registered in accordance with the provisions of subparagraph 4.3.1.

5.3. Amount to be paid under the terms of this Section shall be paid by bank transfer to the relevant account set out at the Trade Confirmation or otherwise notified by the transferee reasonably in advance.

6. Representation and Warranties

6.1. In conjunction with the representations under the Terms of Business, the Seller hereby represents and warrants that, in relation to a Transaction in which it is the Seller and the Securities relating thereto:

6.1.1. it may lawfully sell the Securities to the Buyer;

6.1.2. it is on the Trade Date and shall, immediately prior to the registration of the Securities in the name of the Buyer (or the Buyer's Nominee), be entitled to sell all the Securities, free from third party interests, encumbrances and pledges of any kind;

6.1.3. the Securities are fully paid for and there are no moneys or liabilities outstanding or payable in respect of such Securities; and

6.1.4. payment by the Buyer for the Securities to the account specified by the Seller in the Trade Confirmation complies with all Applicable Regulations.

6.2. In conjunction with the representations under the Terms of Business, the Buyer hereby represents and warrants that, in relation to a Transaction in which it is the Buyer and the Securities relating thereto:

6.2.1. It may lawfully purchase the Securities from the Seller;

6.2.2. It has made its own independent investigation and appraisal of the Securities, the Company and of the risks of entering into such Transaction; and

6.2.3. It has not relied on any representation or warranty of the Seller in deciding whether to enter into the Transaction (other than those set out in the Terms of Business and the terms of this Section);

6.3. The representations contained herein shall be deemed to be repeated by each party (as the case may be) on each date on which a Transaction of the Securities subject to the terms of this Section is entered into.

7. Termination

7.1. If the Securities are required to be re-registered at the Registrar in the name of the Buyer or the Buyer's Nominee and the Securities have not been re-registered in the name of the Buyer or the Buyer's Nominee in accordance with subparagraph 4.3.1 within 30 calendar days after the Registration Period, the Buyer shall have the right any time thereafter to terminate the Transaction upon written notice to the Seller (which termination shall be effective on the date of the notice). If the Buyer exercises its right to terminate the Transaction in accordance with this paragraph, the Seller shall return to the Buyer any amount paid (if already paid) no later than 2 Business Days after such termination. Termination shall be without prejudice to the right to damages or other accrued rights or existing commitments of either party. In the event that the Seller has not received the Purchase Price by the end of the Business Day after the day on which payment is due, the Seller may at any time thereafter terminate the Transaction by written notice to the Buyer (which termination shall be effective 2 Business Days after the date of receipt by the Buyer of such notice). Upon such termination, the Buyer shall take all such action as the Seller may reasonably request for the purpose of the re-registering the Securities in the Seller's (or the Seller's Nominee's) name as soon as reasonably practicable. Termination shall be without prejudice to the right to damages or other accrued rights or existing commitments of either party including rights under paragraph 5.

SECTION G: AGENCY TERMS

1. Application and Scope

1.1 The Terms of this Section set out the terms and conditions on which BCS will provide the Services referred to in the Terms of Business to the Client where the Client is acting as agent for another person (an Underlying Customer). Where the Client is acting for its own account these Agency Terms shall not apply.

1.2 Upon request, BCS may, in respect of each Underlying Customer, establish and maintain one or more separate sub-accounts. For the purpose of this Section, 'Underlying Customer' shall mean any underlying customer of the Client agreed by BCS from time to time on behalf of which the Client is to enter as agent into Transactions with BCS; and where an Underlying Customer does not constitute a single legal person, means the trustees, individuals or other persons who are the primary representatives of the organization, trust or fund on whose behalf they are dealing.

The Client will be required to provide BCS with information necessary to settle the related Transactions BCS enters into as a result of Client's order.

The Client undertakes, as agent for the relevant Underlying Customer and on its own behalf, in respect of each instruction given, to specify the sub-account to which the relevant instruction relates.

1.3 Unless BCS agrees otherwise in writing, BCS shall treat the Client alone as BCS customer and BCS shall not treat any Underlying Customer as BCS customer.

1.4 BCS shall, subject to these Terms, administer sub-accounts which BCS reasonably believes relate to different Underlying Customers separately. BCS shall not exercise any power to consolidate accounts or set off amounts owing between sub-accounts relating to different Underlying Customers.

The Client agree to forward to an Underlying Customer any documentation in relation to such customer that BCS is required to provide under the Law or Applicable Regulations and which BCS makes available to the Client for that purpose.

2. Advice Limitations

The Client, as agent for the Underlying Customers and on its own behalf, retains full responsibility for making all investment decisions with respect to any Underlying Customer. BCS will not be responsible for judging the merits or suitability of any Transaction to be entered into on behalf of an Underlying Customer. Unless otherwise required under Applicable Regulations, BCS shall have no responsibility for the Client's or any Underlying Customer's compliance with any laws or rules governing or affecting Client's conduct or that of any Underlying Customer, or for Client's or any Underlying Customer's compliance with any laws or rules governing or affecting Transactions.

3. Representations, Warranties and Covenants

3.1 As agent for each Underlying Customer and on its own behalf, the Client represent and warrant to BCS as of the date of the Terms of this Section come into effect and as of the date of each Transaction, that:

- (a) the Client and its Underlying Customer each have all necessary authority, powers, consents, licenses and authorizations and have taken all necessary action to enable the Client lawfully enter into and perform the Terms of this Section, the Terms of Business and each Transaction and to grant the security interests and powers referred to in the Terms of this Section and the Terms of Business;
- (b) the person(s) entering into the Terms of this Section and each Transaction under it have been duly authorized to do so;
- (c) the Terms of this Section, the Terms of Business and each Transaction and the obligations created under each of them are binding upon, and are enforceable against, the Client and its Underlying Customer in accordance with their terms and do not and will not violate the terms of any regulation, order, charge or agreement by which the Client or its Underlying Customer is bound;
- (d) the Client and its Underlying Customer (individually and collectively) are permitted under its constitution and any applicable law or regulation and are financially able to sustain any loss which may result from Transactions, and that entering into Transactions is a suitable investment vehicle for the Underlying Customer;
- (e) the relevant Underlying Customer owns, with full title guarantee, all investments, collateral deposited with, transferred to BCS or charged in BCS favor, by the Client acting as agent for the Underlying Customer and such investments, collateral are free from any prior mortgage, charge, lien or other encumbrance whatsoever and neither the Client acting as agent for the relevant Underlying Customer, nor the Underlying Customer itself, will further pledge or charge such investments, collateral or grant any lien over them while it is pledged or charged to BCS except with BCS prior written consent; and
- (f) any information which the Client provides or has provided to BCS in respect of the Client or its Underlying Customer is accurate and not misleading in any material respect.

3.2 The Client, as agent for each Underlying Customer and on its own behalf, covenants to BCS that the Client will:

- (a) ensure at all times that the Client and its Underlying Customer obtain and comply with the terms of and do all that is necessary to maintain in full force and effect all authority, powers, consents, licenses and authorizations referred to above;
- (b) execute as agent for an Underlying Customer where the Client is duly authorized to do so;
- (c) immediately notify BCS if the Client ceases to act for any Underlying Customer or if the basis upon which the Client acts on behalf of an Underlying Customer alters to an extent which would affect the Terms of Business or any Transaction made thereunder; and immediately notify BCS in writing if at any time any of the warranties, representations or undertakings in this Section are or become or are found to be incorrect or misleading in any respect.

4. Anti-money laundering

- 4.1 The Client represents, warrants and undertakes that the Client is now and will be at all material times in the future in compliance with all Applicable Regulations concerning money-laundering. BCS is required to follow the Applicable Regulations concerning money laundering relating to the identification of Underlying Customers unless either of the following 4.2 or 4.3 applies, and if satisfactory evidence of identity has not been obtained by BCS within a reasonable time period, BCS reserves the right to cease to deal with the Client.
- 4.2 If the Client is a regulated credit or financial institution in the European Economic Area or a third country which according to a decision of the Advisory Authority for Combating Money Laundering Offences and Terrorist Financing it has been determined that applies requirements equivalent to those laid down in the European Union Directive (2005/60/EC), BCS shall deal with the Client on the understanding that the Client is complying with EU regulations (and/or the local equivalent) concerning money laundering and that evidence of the identification of any of its Underlying Clients will have been obtained, recorded and maintained under procedures maintained by the Client.
- 4.3 If the Client is a regulated credit or financial institution in a country or territory which is not mentioned in subparagraph 4.2 above, BCS reserves the right not to deal with the Client until BCS obtains satisfactory evidence of the measures, systems and procedures implemented by the Client for the prevention of money laundering and terrorist financing and the identification of the Client's Underlying Customers similar to those laid down in the European Union Directive (2005/60/EC) and/or the local equivalents.

5. Liability, Indemnity and Discharge

- 5.1 Notwithstanding that the Client may act as agent on behalf of its Underlying Customer, the Client is responsible for the due performance of every Transaction which BCS enters into as a result of Client's orders to BCS.
- 5.2 The Client shall indemnify and hold BCS harmless from and against all liabilities, costs, damages, losses, expenses judgments, suits, actions, proceedings, claims of any kind of nature whatsoever resulting from or arising out of claims raised by Client's Underlying Customers in relation to any Transaction effected by the Client as agent.
- 5.3 Where under any term any payment or other performance (including the delivery of securities or any other property) is due from BCS, it shall be a discharge of BCS obligation to make such payment or performance to the Client notwithstanding that Client's Underlying Customer shall be interested (whether beneficially or otherwise) in such payment or performance.

SECTION H: TERMS FOR OTC REPURCHASE TRANSACTIONS

1. Definitions

'Base Currency' means US dollars;

'Business Day' means:

- i. in relation to the settlement of a Transaction or delivery of Securities under this Section through a settlement system, a day on which that settlement system is open for business;
- ii. in relation to the settlement of a Transaction or delivery of Securities under this Section otherwise than through a settlement system, a day on which banks are open for business in the place where the relevant Securities are to be delivered and, if different, the place in which the relevant payment is to be made;
- iii. in relation to the payment of any amount under this Section not falling within (i) or (ii) above, a day other than a Saturday or a Sunday on which banks are open for business in the principal financial centre of the country of which the currency in which the payment is denominated is the official currency and, if different, in the place where any account designated by the parties for the making or receipt of the payment is situated (or, in the case of a payment in euro, a day on which TARGET2 operates); and
- iv. in all other cases, any day other than Saturday, Sunday or a public holiday in the Republic of Cyprus on which commercial banks are open for business.

'Buyer' means for any Transaction, the Client or BCS acting as a buyer of the Securities as specified in the related Trade Confirmation;

'Cash Margin' means a cash sum paid or to be paid to the Buyer or the Seller in accordance with paragraph 4;

'Contractual Currency' means the currency of the Purchase Price;

'Equivalent Margin Securities' mean Securities equivalent to Securities previously transferred as Margin Securities;

'Equivalent Securities' mean, with respect to a Transaction, Securities equivalent to Purchased Securities under that Transaction;

'Equivalent' or 'equivalent to' in relation to any Securities means Securities (i) of the same issuer; (ii) part of the same issue; and (iii) of an identical type, nominal value, description and (except where otherwise stated) amount as those original Securities. Securities will be equivalent to other Securities notwithstanding that those Securities have been redenominated or that the nominal value of those Securities has changed in connection with such redenomination. Where Securities have been partly paid, converted, subdivided or consolidated or have become the subject of a takeover or the holders of Securities have become entitled to receive or acquire other Securities or other property or the Securities have become subject to any similar event other than a Distribution, the expression 'equivalent to' shall have the following meanings:

- i. in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- ii. in the case of a call on partly paid securities, securities equivalent to the paid-up securities; provided that, in the case of Equivalent Securities, Seller or, in the case of Equivalent Margin Securities, the party which transferred the relevant Margin Securities shall have paid to the other party a sum of money equal to the sum due in respect of the call;
- iii. in the case of a capitalisation issue, securities equivalent to the relevant Securities together with the securities allotted by way of bonus thereon;
- iv. in the case of conversion, sub-division or consolidation, securities equivalent to the securities into which the relevant Securities have been converted, sub-divided or consolidated; provided that, if appropriate, notice has been given in accordance with subparagraph 5.3. of this Section;
- v. in the case of takeover, a sum of money or securities equivalent to the consideration or alternative consideration of which notice has been given in accordance with subparagraph 5.3. of this Section;
- vi. in the case of a rights issue, securities equivalent to the relevant Securities together with the securities allotted thereon; provided that notice has been given to the other party in accordance with subparagraph 5.3. of this Section;
- vii. in the event that income in the form of securities, or a certificate which may at a future date be exchanged for securities or an entitlement to acquire securities is distributed, securities equivalent to the relevant Securities together with securities or a certificate or an entitlement equivalent to those allotted; provided that notice has been given in accordance with subparagraph 5.3. of this Section;
- viii. in the case of any event similar to any of the foregoing, Securities equivalent to (as defined in the provisions of this definition) the original Securities together with or replaced by a sum of money or Securities or other property equivalent to (as so defined) that received in respect of such Securities resulting from such event;

'Income' means, with respect to any Security at any time, all interest, dividends or other distributions thereon, including distributions which are a payment or repayment of principal in respect of the relevant securities or, in case of equity Securities, a payment of redemption proceeds in respect of the relevant securities ('Distribution(s)');

'Income Payment Date' means, with respect to any Securities, the date on which Income is paid in respect of such Securities or, in the case of registered Securities, the date by reference to which particular registered holders are identified as being entitled to payment of Income;

'Margin Percentage' means, with respect to any Margin Securities or Equivalent Margin Securities, the percentage, if any, agreed by the parties acting in a commercially reasonable manner;

'Margin Ratio' means, with respect to a Transaction, the Market Value of the Purchased Securities at the time when the Transaction was entered into divided by the Purchase Price (and so that, where a Transaction relates to Securities of different descriptions and the Purchase Price is apportioned by the parties among Purchased Securities of each such description, a separate Margin Ratio shall apply in respect of Securities of each such description), or such other proportion as the parties may agree with respect to that Transaction;

'Margin Securities' mean, in relation to a Margin Transfer, Securities of the type and value (having applied Margin Percentage, if any) reasonably acceptable to the party calling for such Margin Transfer;

'Margin Transfer' means any or any combination of, the payment or repayment of Cash Margin and the transfer of Margin Securities or Equivalent Margin Securities;

'Market Value' means with respect to any Securities as of any time on any date, the price for such Securities (after having applied the Margin Percentage, if any, in the case of Margin Securities) at such time on such date obtained from a generally recognised source agreed by the parties or as otherwise agreed by the parties (and where different prices are obtained for different delivery dates, the price so obtainable for the earliest available such delivery date) having regard to market practice for valuing Securities of the type in question plus the aggregate amount of Income which, as at such date, has accrued but not yet been paid in respect of the Securities to the extent not included in such price as of such date, and for these purposes any sum in a currency other than the Contractual Currency for the Transaction in question shall be converted into such Contractual Currency at the Spot Rate prevailing at the time of the determination. Unless otherwise agreed, the pricing source for calculation of Market Value shall be the relevant page on Bloomberg or, if that page is not published for the relevant day, the relevant page on Reuters, or, if that page is not published for the relevant day, as determined by BCS in good faith;

'Maximal Net Exposure' means the sum of Maximal Transaction Exposures determined in respect of all outstanding Transactions. For this purpose any amounts not denominated in the Base Currency shall be converted into the Base Currency at the Spot Rate prevailing at the relevant time;

'Maximal Transaction Exposure' means, with respect to any Transaction, the value defined in the relevant Trade Confirmation for the purpose of calculation of Maximal Net Exposure;

'Net Margin' provided to a party at any time, means the excess (if any) at that time of (i) the sum of the amount of Cash Margin paid to that party (including accrued interest on such Cash Margin which has not been paid to the other party) and the Market Value of Margin Securities transferred to that party under subparagraph 4.1. (excluding any Cash Margin which has been repaid to the other party and any Margin Securities in respect of which Equivalent Margin Securities have been transferred or a cash equivalent has been paid to the other party) over (ii) the sum of the amount of Cash Margin paid to the other party (including accrued interest on such Cash Margin which has not been paid by the other party) and the Market Value of Margin Securities transferred to the other party under subparagraph 4.1. (excluding any Cash Margin which has been repaid by the other party and any Margin Securities in respect of which Equivalent Margin Securities have been transferred or a cash equivalent has been paid by the other party) and for this purpose any amounts not denominated in the Base Currency shall be converted into the Base Currency at the Spot Rate prevailing at the time of the determination;

'Net Paying Securities' mean Securities which are of a kind such that, were they to be the subject of a Transaction to which paragraph 5 applies, any payment made by the Buyer under paragraph 5 would be one in respect of which either the Buyer would or might be required to make a withholding or deduction for or on account of taxes or duties or the Seller might be required to make or account for a payment for or on account of taxes or duties (in each case other than tax on overall net income) by reference to such payment;

'Price Differential' means, with respect to any Transaction as of any date, the aggregate amount obtained by daily application of the Pricing Rate for such Transaction to the Purchase Price for such Transaction (on a 360 day, 365 day or other day basis in accordance with the applicable market convention, unless otherwise agreed between the parties for the Transaction) for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the date of calculation or, if earlier, the Repurchase Date;

'Pricing Rate' means, with respect to any Transaction, the per annum percentage rate for calculation of the Price Differential agreed to by the Buyer and the Seller in relation to that Transaction;

'Purchase Date' means, with respect to any Transaction, the date on which Purchased Securities are to be sold by the Seller to the Buyer in relation to that Transaction;

'Purchase Price' means on the Purchase Date, the price for which Purchased Securities are sold or are to be sold by the Seller to the Buyer;

'Purchased Securities' mean, with respect to any Transaction, the Securities sold or to be sold by the Seller to the Buyer under that Transaction, and any New Purchased Securities transferred by the Seller to the Buyer under paragraph 8 in respect of that Transaction;

'Repurchase Date' means, with respect to any Transaction, the date on which the Buyer is to sell Equivalent Securities to the Seller in relation to that Transaction;

'Repurchase Price' means, with respect to any Transaction and as of any date, the sum of the Purchase Price and the Price Differential as of such date;

'Securities' mean financial instruments, including shares or stock in the share capital of a corporation, whether ordinary shares or preference shares or other kinds of shares or stock ('equity Securities' or 'equities'), that are the subject of the purchase and sale Transaction as specified in the related Trade Confirmation;

'Seller' means for any Transaction, the seller of the Securities as specified in the related Trade Confirmation;

'Spot Rate', where an amount in one currency is to be converted into a second currency on any date, unless the parties otherwise agree, means the latest available spot rate of exchange obtained by reference to a pricing source or quoted by a bank, in each case agreed by the parties (or in the absence of such agreement, specified by the Buyer), in the London inter-bank market for the purchase of the second currency with the first currency on the day on which the calculation is to be made or, if that day is not a day on which banks are open for business in London, the spot rate of exchange quoted at close of business in London on the immediately preceding day in London on which such a quotation was available;

'TARGET2' means the Second Generation Trans-European Automated Real-time Gross Settlement Express Transfer System, or any other system that replaces it;

'Term' means, with respect to any Transaction, the interval of time commencing with the Purchase Date and ending with the Repurchase Date;

'Termination', with respect to any Transaction, refers to the requirement with respect to such Transaction for the Buyer to sell Equivalent Securities against payment by the Seller of the Repurchase Price in accordance with subparagraph 3.8., and reference to a Transaction having a 'fixed term' or being 'terminable upon demand' shall be construed accordingly;

'Transaction' means a repurchase transaction;

'Transaction Exposure' means, with respect to any Transaction at any time during the period from the Purchase Date to the Repurchase Date (or, if later, the date on which Equivalent Securities are delivered to the Seller or the Transaction is terminated due to an Event of Default), the amount 'E' determined as a result of formula $E = R - V$, where:

R = the Repurchase Price at such time;

V = the Adjusted Value of Equivalent Securities at such time or, where a Transaction relates to Securities of more than one description or to which different haircuts apply, the sum of the Adjusted Values of the Securities of each such description.

For this purpose the 'Adjusted Value' of any Securities is their value determined on the basis of the formula:

$V = MV * (1 - H) = MV / MR$, where:

MV = the Market Value of Equivalent Securities at such time;

H = the 'haircut' for the relevant Securities, if any, as agreed by the parties from time to time, being a discount from the Market Value of the Securities;

MR = the applicable Margin Ratio;

If E is greater than zero, the Buyer has a Transaction Exposure equal to E and if E is less than zero, the Seller has a Transaction Exposure equal to the absolute value of E.

2. General

2.1. Subject to the terms of this Section, the Buyer and the Seller shall be considered to have entered into a binding oral or written agreement, whereby the Seller agrees to sell to the Buyer Securities against the payment of the Purchase Price by the Buyer to the Seller, with a simultaneous agreement by the Buyer to sell to the Seller Equivalent Securities, at a certain date or on demand against the payment of the Repurchase Price by the Seller to the Buyer, when they agree on the material terms of the Transaction.

2.2. The terms of this Section shall be incorporated by reference into any Trade Confirmations.

2.3. In respect of any Transaction, the Term of this Section, the Terms of Business and the Trade Confirmation shall together constitute a single, integrated agreement between the parties.

2.4. In the event of any conflict between the terms of this Section and the Terms of Business, this Section shall prevail. In the event of any conflict between the terms of this Section and the Trade Confirmation, the Trade Confirmation shall prevail.

3. Initiation, Confirmation and Termination

3.1. A Transaction may be entered into orally or in writing at the initiation of either Buyer or Seller.

3.2. Upon agreeing to enter into a Transaction hereunder BCS shall promptly send to the Client a written confirmation of such Transaction (a 'Trade Confirmation'). If the Client fails to object to or request a correction of a Trade Confirmation sent by BCS within twenty four (24) hours after delivery thereof, that Trade Confirmation shall be deemed accepted by the Client and such failure shall not affect the validity or enforceability of that Trade Confirmation for the Transaction. The Client shall not be entitled to claim the Transaction void and refuse to perform its obligations thereunder on the grounds, that it has not received the Trade Confirmation due to any reasons whatsoever. BCS may at the sole option of BCS, incorporate any Trade Confirmation into the relevant Client's Account Statement.

3.3. The Trade Confirmation shall describe the Purchased Securities (including CUSIP or ISIN or other identifying number or numbers, if any), identify the Buyer and the Seller and set forth –

- i. the Purchase Date;
- ii. the Purchase Price;
- iii. the Repurchase Date, unless the Transaction is to be terminable on demand (in which case the Trade Confirmation shall state that it is terminable on demand);
- iv. the Pricing Rate applicable to the Transaction;
- v. the Margin Ratio or Haircut;
- vi. the Maximal Transaction Exposure;
- vii. in respect of each party the details of the settlement account(s) to the Transaction;
- viii. any additional terms or conditions of the Transaction;
- ix. and may be in the form to which the parties agree.

3.4. The Trade Confirmation relating to a Transaction shall, together with the terms of this Section and the Terms of Business, constitute prima facie evidence of the terms agreed between the Buyer and the Seller for that Transaction. In the event of any conflict between the terms of this Section and the Terms of Business, this Section shall prevail. In the event of any conflict between the terms of this Section and the Trade Confirmation, the Trade Confirmation shall prevail.

3.5. On the Purchase Date for a Transaction, the Seller shall transfer the Purchased Securities to the Buyer or its agent against the payment of the Purchase Price by the Buyer in accordance with subparagraph 6.4.

3.6. Termination of a Transaction will be effected, in the case of on demand Transactions, on the date specified for Termination in such demand, and, in the case of fixed term Transactions, on the date fixed for Termination.

3.7. In the case of on demand Transactions, demand for Termination shall be made by the Buyer or the Seller, by telephone or otherwise, and shall provide for Termination to occur after not less than the minimum period as is customarily required for the settlement or delivery of money or Equivalent Securities of the relevant kind.

3.8. On the Repurchase Date, the Buyer shall transfer to the Seller or its agent Equivalent Securities against the payment of the Repurchase Price by the Seller (less any amount then payable and unpaid by the Buyer to the Seller pursuant to paragraph 5).

3.9. Where the parties have agreed that BCS shall, acting as agent for the Client, transfer Equivalent Securities or pay the Repurchase Price, BCS obligation to settle any such Transaction shall be conditional upon receipt by BCS or its agents on or before the Termination date of the Equivalent Securities or the Repurchase Price to be so paid or delivered. By entering into any Transaction where the Client's account with BCS has been specified as a settlement account in the relevant Trade Confirmation, the Client undertakes to deliver to that settlement account on or before the Repurchase Date the Securities or funds in the amount sufficient to settle and terminate the relevant Transaction.

4. Margin Maintenance

4.1. If at any time either party has a Net Exposure (as defined in subparagraph 4.3. below) in respect of the other party it may by notice to the other party require the other party to make a Margin Transfer to it of an aggregate amount or value at least equal to that Net Exposure.

4.2. A notice under subparagraph 4.1. above may be given orally or in writing.

4.3. For the purposes of this Section a party has a Net Exposure in respect of the other party if the aggregate of all the first party's Transaction Exposures plus any amount payable to the first party under paragraph 5 but unpaid less the amount of any Net Margin provided to the first party exceeds the aggregate of all the other party's Transaction Exposures plus any amount payable to the other party under paragraph 5 but unpaid less the amount of any Net Margin provided to the other party; and the amount of the Net Exposure is the amount of the excess. For this purpose any amounts not denominated in the Base Currency shall be converted into the Base Currency at the Spot Rate prevailing at the relevant time.

4.4. To the extent that a party calling for a Margin Transfer has previously paid Cash Margin which has not been repaid or delivered Margin Securities in respect of which Equivalent Margin Securities have not been delivered to it or cash amount equivalent to Equivalent Margin Securities has not been paid, that party shall be entitled to require that such Margin Transfer be satisfied first by the repayment of such Cash Margin or the delivery of Equivalent Margin Securities but, subject to this, the composition of a Margin Transfer shall be at the option of the party making such Margin Transfer. Notwithstanding the above, BCS is entitled, when calling for a Margin Transfer, to require from the Client to satisfy the Margin Transfer by payment of Cash Margin.

4.5. Any Cash Margin transferred shall be in the Base Currency or such other currency as the parties may agree.

4.6. A payment of Cash Margin shall give rise to a debt owing from the party receiving such payment to the party making such payment. Such debt shall bear interest payable at such times, as may be agreed between the parties, and shall be repayable subject to the terms of this Section. Interest rate on Cash Margin in respect of the relevant currency shall be as follows, unless agreed between the parties otherwise in writing prior to the payment of the relevant Cash Margin:

(a) For USD, the interest rate will be the rate per annum equal to the overnight Federal Funds Effective Rate for each day cash is held by the transferee as reported, against close of business date, under column EFF on Bloomberg Page 'FEDL01'.

(b) For EUR, the interest rate will be the rate per annum equal to the overnight rate as published by the European Central Bank and reported on Bloomberg page 'EONIA Index', for each day cash is held by the transferee.

(c) For GBP, the SONIA rate appearing opposite SONIO/N as reported on Bloomberg page 'SONIO Index', on such day if it is a London banking day, otherwise on the London banking day immediately preceding such day.

(d) For RUB and other currencies not mentioned above in this subparagraph, the interest rate as may be determined by BCS at its sole discretion from time to time.

4.7. Where the Seller or the Buyer becomes obliged under subparagraph 4.1. above to make a Margin Transfer, it shall transfer Cash Margin or Margin Securities or Equivalent Margin Securities within the following time periods, unless otherwise agreed:

(a) by the end of the same Business Day if notice is given prior to noon, i.e. 12 PM (Moscow time); or

(b) by the end of the next Business Day, if notice is given after noon, i.e. 12 PM (Moscow time);

4.8. Where a party (the 'Transferor') becomes obliged to transfer Equivalent Margin Securities and, having made all reasonable efforts to do so, is, for any reason relating to the Securities or the clearing system through which the Securities are to be transferred, unable to transfer Equivalent Margin Securities then the Transferor shall immediately but not later than within the time period specified in subparagraph 4.7. above, pay to the other party Cash Margin at least equal to the Market Value of such Equivalent Margin Securities.

4.9. The parties may agree that any Net Exposure which may arise shall be eliminated not by Margin Transfers under the preceding provisions of this paragraph but by the repricing of Transactions under subparagraph 4.10. below, the adjustment of Transactions under subparagraph 4.11. below or a combination of both these methods.

4.10. Where the parties agree that a Transaction is to be repriced under this subparagraph, such repricing shall be effected as follows:

- i. the Repurchase Date under the relevant Transaction (the 'Original Transaction') shall be deemed to occur on the date on which the repricing is to be effected (the 'Repricing Date');
- ii. the parties shall be deemed to have entered into a new Transaction (the 'Repriced Transaction') on the terms set out in (iii) to (vi) below;
- iii. the Purchased Securities under the Repriced Transaction shall be Securities equivalent to the Purchased Securities under the Original Transaction;
- iv. the Purchase Date under the Repriced Transaction shall be the Repricing Date;
- v. the Purchase Price under the Repriced Transaction shall be such amount as shall, when multiplied by the Margin Ratio applicable to the Original Transaction, be equal to the Market Value of such Securities on the Repricing Date;
- vi. the Repurchase Date, the Pricing Rate, the Margin Ratio and, subject as aforesaid, the other terms of the Repriced Transaction shall be identical to those of the Original Transaction;
- vii. the obligations of the parties with respect to the delivery of the Purchased Securities and the payment of the Purchase Price under the Repriced Transaction shall be set off against their obligations with respect to the delivery of Equivalent Securities and payment of the Repurchase Price under the Original Transaction and accordingly only a net cash sum shall be paid by one party to the other. Such net cash sum shall be paid within the minimum period specified in subparagraph 4.7. above.

4.11. The adjustment of a Transaction (the 'Original Transaction') under this subparagraph shall be effected by the parties agreeing that on the date on which the adjustment is to be made (the 'Adjustment Date') the Original Transaction shall be terminated and they shall enter into a new Transaction (the 'Replacement Transaction') in accordance with the following provisions:

- i. the Original Transaction shall be terminated on the Adjustment Date on such terms as the parties shall agree on or before the Adjustment Date;

- ii. the Purchased Securities under the Replacement Transaction shall be such Securities as the parties shall agree on or before the Adjustment Date (being Securities the aggregate Market Value of which at the Adjustment Date is substantially equal to the Repurchase Price under the Original Transaction at the Adjustment Date multiplied by the Margin Ratio applicable to the Original Transaction);
- iii. the Purchase Date under the Replacement Transaction shall be the Adjustment Date;
- iv. the other terms of the Replacement Transaction shall be such as the parties shall agree on or before the Adjustment Date; and
- v. the obligations of the parties with respect to payment and delivery of Securities on the Adjustment Date under the Original Transaction and the Replacement Transaction shall be settled in accordance with paragraph 6 within the minimum period specified in subparagraph 4.7. above.

4.12. If at any time the Net Exposure of BCS in respect of the Client is in excess of Maximal Net Exposure, Clause 16.2. of the Section A of the Terms shall apply.

5. Income Payments and Corporate Actions

5.1. Unless otherwise agreed –

- a. where: (i) the Term of a particular Transaction extends over an Income Payment Date in respect of any Securities subject to that Transaction; or (ii) an Income Payment Date in respect of any such Securities occurs after the Repurchase Date but before Equivalent Securities have been delivered to the Seller or, if earlier, the occurrence of the termination of the Transaction due to an Event of Default then the Buyer shall on the date such Income is paid by the issuer transfer to or credit to the account of the Seller an amount equal to (and in the same currency as) the amount paid by the issuer;
 - b. where Margin Securities are transferred from one party ('the first party') to the other party ('the second party') and an Income Payment Date in respect of such Securities occurs before Equivalent Margin Securities are transferred or a Cash Margin at least equal to the Market Value of such Equivalent Margin Securities is paid by the second party to the first party, the second party shall on the date such income is paid by the issuer transfer to or credit to the account of the first party an amount equal to (and in the same currency as) the amount paid by the issuer;
- and for the avoidance of doubt references in this paragraph to the amount of any Income paid by the issuer of any Securities shall be to an amount paid without any withholding or deduction for or on account of taxes or duties notwithstanding that a payment of such Income made in certain circumstances may be subject to such a withholding or deduction.

5.2. Unless otherwise agreed –

- a. where the Purchased Securities the subject of a Transaction consist of or include equities in respect of which an Income Payment Date would, but for this provision, occur during the Term of such Transaction, Seller shall seek to effect a substitution of such equities in accordance with subparagraph 8.1. before the Notice Date referred to in subparagraph 5.3., but if such a substitution has not been effected by that date then Termination of such Transaction shall, provided that Seller has notified Buyer of such Termination in accordance with subparagraph 5.3., occur on, and, accordingly, the Repurchase Date of such Transaction shall fall on, the Business Day immediately preceding such Income Payment Date.
- b. except to the extent that Equivalent Margin Securities in respect of the relevant Margin Securities have already been transferred or a Cash Equivalent Amount has already been paid, where one party (the 'transferor') has transferred Margin Securities which are equities to the other (the 'transferee') then, on the Business Day preceding the next Income Payment Date in respect of such Margin Securities, the transferee shall transfer to the transferor Equivalent Margin Securities in respect of such Margin Securities in exchange for new Margin Securities as if such transfers were made pursuant to a request under paragraph 8.4. to which the transferee had agreed; provided that (i) the transferor has given notice to the transferee in accordance with subparagraph 5.3. of the application of this subparagraph 5.2.(b) and (ii) the transferor has provided reasonable details to the transferee of the Margin Securities in question, the relevant Income Payment Date and the new Margin Securities to be exchanged for such Equivalent Margin Securities and the transferee has indicated to the transferor that such new Margin Securities are acceptable to it.

5.3. Any notice given pursuant to subparagraph 5.2. above shall not be valid unless given so as to be effective, at the latest, one hour before the close of business on the last Business Day (the 'Notice Date') on which the recipient would customarily be required to initiate settlement of the securities to be transferred by it pursuant to such notice in order for settlement to take place on the Business Day immediately preceding the relevant Income Payment Date. Nothing in subparagraph 5.2. shall prejudice any entitlement of either party to terminate a Transaction in any other manner permitted by this Section.

5.4. Unless otherwise agreed between the parties, where (notwithstanding, and without prejudice to, subparagraph 5.2. and 5.3. above) Equivalent Securities in respect of Purchased Securities which are equities or, as the case may be, Equivalent Margin Securities or a Cash Equivalent Amount in respect of Margin Securities which are equities have not been transferred, or paid, as the

case may be, by Buyer to Seller or the transferee to the transferor prior to an Income Payment Date in respect of such Securities, then subparagraph 5.1. above shall not apply (if it otherwise would) in respect of such Securities, and the Buyer shall or, as the case may be, the transferee shall, on the date Income is paid by the issuer of those Securities, transfer to or credit to the account of Seller or, as the case may be, the transferor -

- a. an amount equal to (and in the same currency as) so much of such Income attributable to such Securities as Buyer or the transferee is (if it is the holder of such Securities on such Income Payment Date) or would have been (if it had been the holder of such Securities on such Income Payment Date) paid in cash by the issuer to the holder; and
- b. an amount equal to such amount, if any, in respect of tax or tax benefit as Buyer or the transferee is (if it is the holder of such Securities on such Income Payment Date) or would have been (if it had been the holder of such Securities on such Income Payment Date) entitled to claim or recover in cash from the issuer's jurisdiction in respect of such Income payment;

provided that, unless otherwise agreed between the parties, if Buyer or, as the case may be, the transferee has failed to make reasonable efforts to transfer the relevant Equivalent Securities or Equivalent Margin Securities prior to such Income Payment Date in circumstances where the proviso to subparagraph 5.2.(a) above or, as the case may be, subparagraph 5.2.(b) has been satisfied or where an Income Payment Date occurs after the Repurchase Date but before Equivalent Securities have been delivered to the Seller or, if earlier, the occurrence of an early Termination date or the termination of the Transaction under Clause 16.1.1. of the Section A of the Terms, then, instead of transferring or crediting the amount referred to in subparagraphs (a) and (b) of this subparagraph 5.4., Buyer or, as the case may be, the transferee shall indemnify Seller or, as the case may be, the transferor in respect of any cost, loss (including for the avoidance of doubt the amount of Income that would have been paid to Seller or, as the case may be, the transferor if it had been the holder of such Securities on such Income Payment Date) or damage (excluding, for the avoidance of doubt, any consequential loss or damage) suffered by such person which it would not have suffered had the relevant Equivalent Securities or Equivalent Margin Securities been transferred prior to such Income Payment Date.

5.5. Where Buyer or, as the case may be, the transferee is required by law to make any transfer or credit pursuant to subparagraphs (a) or (b) of subparagraph 5.4. above subject to withholding or deduction of taxes or duties, and as a result would, but for this subparagraph, be required to pay additional amounts under subparagraph 6.2. of this Section, unless otherwise agreed between the parties, it shall only be obliged to pay such additional amounts to the extent that it could, in the relevant circumstances, have avoided, satisfied or off-set the relevant obligation to withhold or deduct (or to account for the tax withheld or deducted) by utilising any available tax credit in respect of the relevant Securities (or transactions relating to them).

5.6. In relation to Purchased Securities or Margin Securities which are equities (and in respect of which Equivalent Securities or, as the case may be, Equivalent Margin Securities have not been transferred or a Cash Margin paid pursuant to subparagraph 4.8. above) Buyer, in the case of Purchased Securities, or the transferee, in the case of Margin Securities, shall notify the other party, within a reasonable time after the date on which a holder of such Securities would in the normal course have received such notice from the issuer, of any notice issued by the issuer of such Securities to the holders of such Securities relating to any proposed conversion, subdivision, consolidation, takeover, pre-emption, option or other similar right or event affecting such Securities or of any Income payment declared in respect of such Securities. Whether or not such notice is received from the first party, the other party may –

- a. where the relevant Securities are Purchased Securities, cause the Transaction to be terminated in accordance with subparagraphs 3.6. to 3.8. of this Section as if the Transaction were an on demand Transaction or, where the relevant Securities are Margin Securities, request that Equivalent Margin Securities be transferred in respect of such Securities to subparagraph 8.4. of this Section; and/or (as appropriate);
- b. within a reasonable time before the latest time for the exercise of the right or option give written notice to the first party that on redelivery of Equivalent Securities or Equivalent Margin Securities, as the case may be, it wishes to receive Equivalent Securities or Equivalent Margin Securities in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice; provided that if any sum is required to be paid by a holder of the securities to the issuer or any other person in order to exercise such rights, the other party shall pay to the first party an amount equal to such sum.

5.7. Subject as otherwise provided in this Section or as otherwise agreed between the parties, where the Income paid or distributed by the issuer of Purchased Securities or Margin Securities is not in the form of money but is in the form of other property, the obligation of a party under paragraph 5 to pay to the other party an amount equal to the amount paid by the issuer shall be construed as an obligation to transfer property equivalent to that distributed by the issuer.

5.8. Where any voting rights fall to be exercised in relation to any Purchased Securities or Margin Securities which are equities and in respect of which Equivalent Securities or, as the case may be, Equivalent Margin Securities have not been transferred or a Cash Margin has not been paid pursuant to subparagraph 4.8. above, neither Buyer, in the case of Purchased Securities, nor the transferee, in the case of Margin Securities, shall have any obligation to arrange for voting rights of that kind to be exercised in accordance with

the instructions of the other party in relation to such Purchased Securities or Margin Securities, unless otherwise agreed between the parties.

6. Payment and Transfer

6.1. Unless otherwise agreed, all money paid hereunder shall be in immediately available freely convertible funds of the relevant currency. All Securities to be transferred hereunder (i) shall be in suitable form for transfer and shall be accompanied by duly executed instruments of transfer or assignment in blank (where required for transfer) and such other documentation as the transferee may reasonably request, or (ii) shall be transferred through any agreed book entry or other securities clearance system or (iii) shall be transferred by any other method mutually acceptable to the Seller and the Buyer.

6.2. Unless otherwise agreed, all money payable by one party to the other in respect of any Transaction shall be paid free and clear of, and without withholding or deduction for, any taxes or duties of whatsoever nature imposed, levied, collected, withheld or assessed by any authority having power to tax, unless the withholding or deduction of such taxes or duties is required by law. In that event, unless otherwise agreed, the paying party shall pay such additional amounts as will result in the net amounts receivable by the other party (after taking account of such withholding or deduction) being equal to such amounts as would have been received by it had no such taxes or duties been required to be withheld or deducted.

6.3. Seller shall promptly pay and account for any transfer or similar duties or taxes chargeable in connection with the transfer of Purchased Securities which are equities and any Equivalent Securities in respect thereof and shall reimburse to Buyer the amount of any liability incurred by it as a result of Seller's failure to do so. Where Margin Securities which are equities are transferred by one party to the other, the transferor (the first party) shall promptly pay and account for any transfer or similar duties or taxes chargeable in connection with such transfer as well as in connection with any subsequent transfer by the transferee (the second party) of Equivalent Margin Securities in respect thereof to the first party and shall reimburse to the second party the amount of any liability incurred by the second party as a result of the first party's failure to do so.

6.4. Unless otherwise agreed in writing between the parties, under each Transaction transfer of Purchased Securities by the Seller and payment of Purchase Price by the Buyer against the transfer of such Purchased Securities shall be made simultaneously and transfer of Equivalent Securities by the Buyer and payment of Repurchase Price payable by the Seller against the transfer of such Equivalent Securities shall be made simultaneously.

6.5. Subject to and without prejudice to the provisions of subparagraph 6.4., either party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities and money waive in relation to any Transaction its rights under this Section to receive simultaneous transfer and/or payment provided that transfer and/or payment shall, notwithstanding such waiver, be made on the same day and provided also that no such waiver in respect of one Transaction shall affect or bind it in respect of any other Transaction.

6.6. Unless otherwise agreed, where any Purchased Securities, Equivalent Securities, Margin Securities or Equivalent Margin Securities which are equities are transferred through a settlement system which automatically generates a mandatory payment or delivery, or a mandatory obligation to pay or deliver, against the transfer of such Securities, then –

- a. such automatically generated payment, delivery or obligation shall be treated as a payment or delivery by the transferee to the transferor, and except to the extent that it is applied to discharge an obligation of the transferee to effect a payment or delivery, such payment or delivery, or obligation to pay or deliver, shall be deemed to be a Margin Transfer made by the transferee; and
- b. unless the parties shall have agreed otherwise, the party receiving such Margin Transfer shall cause to be made to the other party for value the same day either, where such Margin Transfer is a payment, an irrevocable payment in the amount of such Margin Transfer or, where such Margin Transfer is a delivery, an irrevocable delivery of Securities (or other property, as the case may be) equivalent thereto.

6.7. The parties shall execute and deliver all necessary documents and take all necessary steps to procure that all right, title and interest in any Purchased Securities, any Equivalent Securities, any Margin Securities and any Equivalent Margin Securities shall pass to the party to which transfer is being made upon transfer of the same in accordance with this Section free from all liens (other than a lien granted to the operator of the clearance system through which the Securities are transferred), claims, charges and encumbrances. Notwithstanding the use of expressions such as 'Repurchase Date', 'Repurchase Price', 'margin', 'Net Margin', 'Margin Ratio' and 'substitution', which are used to reflect terminology used in the market for transactions of the kind provided for in this Section, all right, title and interest in and to Securities and money transferred or paid under this Section shall pass to the transferee upon transfer or payment, the obligation of the party receiving Purchased Securities or Margin Securities being an obligation to transfer Equivalent Securities or Equivalent Margin Securities.

6.8. Time shall be of the essence in this Section.

6.9. Subject to Clause 16 of the Section A of the Terms, all amounts in the same currency payable by each party to the other under any Transaction or otherwise under this Section on the same date shall be combined in a single calculation of a net sum payable by one party to the other and the obligation to pay that sum shall be the only obligation of either party in respect of those amounts.

6.10. Subject to Clause 16 of the Section A of the Terms, all Securities of the same issue, denomination, currency and series, transferable by each party to the other under any Transaction or hereunder on the same date shall be combined in a single calculation of a net quantity of Securities transferable by one party to the other and the obligation to transfer the net quantity of Securities shall be the only obligation of either party in respect of the Securities so transferable and receivable.

7. Contractual Currency

7.1. All the payments made in respect of the Purchase Price or the Repurchase Price of any Transaction shall be made in the Contractual Currency. Notwithstanding the foregoing, the payee of any money may, at its option, accept tender thereof in any other currency, provided, however, that, to the extent permitted by applicable law, the obligation of the payer to pay such money will be discharged only to the extent of the amount of the Contractual Currency that such payee may, consistent with normal banking procedures, purchase with such other currency (after deduction of any premium and costs of exchange) for delivery within the customary delivery period for spot transactions in respect of the relevant currency.

7.2. If for any reason the amount in the Contractual Currency received by a party, including amounts received after conversion of any recovery under any judgment or order expressed in a currency other than the Contractual Currency, falls short of the amount in the Contractual Currency due and payable, the party required to make the payment will, as a separate and independent obligation, to the extent permitted by applicable law, immediately transfer such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall.

7.3. If for any reason the amount in the Contractual Currency received by a party exceeds the amount of the Contractual Currency due and payable, the party receiving the transfer will refund promptly the amount of such excess.

8. Substitution

8.1. A Transaction may at any time between the Purchase Date and Repurchase Date, if the Seller so requests and the Buyer so agrees, be varied by the transfer by the Buyer to the Seller of Securities equivalent to the Purchased Securities, or to such of the Purchased Securities as shall be agreed, in exchange for the transfer by the Seller to the Buyer of other Securities of such amount and description as shall be agreed ('New Purchased Securities') (being Securities having a Market Value at the date of the variation at least equal to the Market Value of the Equivalent Securities transferred to the Seller).

8.2. Any variation under subparagraph 8.1. above shall be effected, subject to subparagraph 6.5., by the simultaneous transfer of the Equivalent Securities and New Purchased Securities concerned.

8.3. A Transaction which is varied under subparagraph 8.1. above shall thereafter continue in effect as though the Purchased Securities under that Transaction consisted of or included the New Purchased Securities instead of the Securities in respect of which Equivalent Securities have been transferred to Seller.

8.4. Where either party has transferred Margin Securities to the other party it may at any time before Equivalent Margin Securities are transferred to it under paragraph 4 request the other party to transfer Equivalent Margin Securities to it in exchange for the transfer to the other party of new Margin Securities having a Market Value at the time at which the exchange is agreed at least equal to that of such Equivalent Margin Securities. If the other party agrees to the request, the exchange shall be effected, subject to subparagraph 6.5., by the simultaneous transfer of the Equivalent Margin Securities and new Margin Securities concerned. Where either or both of such transfers is or are effected through a settlement system in circumstances which under the rules and procedures of that settlement system give rise to a payment by or for the account of one party to or for the account of the other party, the parties shall cause such payment or payments to be made outside that settlement system, for value the same day as the payments made through that settlement system, as shall ensure that the exchange of Equivalent Margin Securities and new Margin Securities effected under this subparagraph does not give rise to any net payment of cash by either party to the other.

SECTION I: FINANCIAL COLLATERAL ARRANGEMENTS

[APPLICATION OF THIS SECTION I IS CONDITIONAL UPON THE WRITTEN ARRANGEMENTS BEING SEPARATELY AGREED BETWEEN THE CLIENT AND BCS]

SECTION J: TERMS FOR OTC PURCHASE AND SALE OF NON-RUSSIAN SECURITIES

1. Definitions

'Clearing Agency' means Clearstream (Clearstream Banking, S.A.) or Euroclear (Euroclear Bank S.A./N.V.) or DTC (The Depository Trust Company) or CREST (CREST Depository Limited) or their respective successors;

'Contractual Currency' has the meaning specified in subparagraph 5.1.;

'Delivery Date' means, with respect to any Transaction, the date on which Securities are to be delivered by Seller to Buyer;

'DVP' means delivery versus payment settlement where cash payment must be made simultaneously with the delivery of the security.

'Income' means, with respect to any Security at any time, all interest, dividends or other distributions thereon, but excluding distributions which are a payment or repayment of principal in respect of the relevant Securities;

'Income Payment Date' means, with respect to any Securities, the date on which Income is paid in respect of such Securities;

'Payment Date' means, with respect to any Transaction, the date, on which the Purchase Price is to be paid by the Buyer to the Seller;

'Purchase Price' means the price at which Securities are sold or are to be sold by the Seller to the Buyer;

'Record Date' means, in the case of registered Securities, the date by reference to which particular registered holders are identified as being entitled to payment of Income or exercise of any other rights attached to Securities from time to time;

'Securities' mean any shares, bonds, and other transferable securities that may be settled with a Clearing Agency, purchased by the Buyer from the Seller according to this Section;

'Settlement Date' means, with respect to any Transaction, the date, on which Securities are to be delivered by the Seller to the Buyer in relation to that Transaction, and/or the date, on which the Purchase Price is to be paid by the Buyer to the Seller;

'Trade Confirmation' has the meaning specified in subparagraph 2.2.;

'Trade Date' means, in relation to any Transaction, the date on which the Buyer and the Seller agree upon the terms and conditions of a purchase and sale of Securities;

'Transaction Costs' have the meaning specified in subparagraph 4.6.;

References in these Terms to 'written' communications and communications 'in writing' include communications made through any electronic system for communication capable of reproducing communication in hard copy form, including email, unless otherwise agreed.

2. General

2.1. Subject to the Terms of this Section, the Buyer and the Seller may from time to time enter into Transactions in which the Seller agrees to sell to the Buyer Securities as defined below against the payment of the Purchase Price by the Buyer to the Seller ('Transaction'). A Transaction may be entered into orally or in writing at the initiation of either Buyer or Seller.

2.2. Upon agreeing to enter into a Transaction hereunder BCS shall promptly send to the Client a written confirmation of such Transaction (a 'Trade Confirmation'). If the Client fails to object to or request a correction of a Trade Confirmation sent by BCS within twenty four (24) hours upon dispatch, that Trade Confirmation shall be deemed accepted by the Client and such failure shall not affect the validity or enforceability of that Trade Confirmation for the Transaction. The Client shall not be entitled to claim the Transaction void and refuse to perform its obligations thereunder on the grounds, that it has not received the Trade Confirmation due to any reasons whatsoever. A Trade Confirmation (or an amended Trade Confirmation, as the case may be), once not objected by the Client shall be conclusive evidence of the related Transaction and shall supersede all prior oral statements with respect hereto. BCS may at the sole option of BCS, incorporate any Trade Confirmation into the relevant Client's Account Statement.

2.3. Trade Confirmation shall identify Buyer and Seller and contain the following information:

- (i) the Securities (including CUSIP or ISIN or other identifying number or numbers, if any) and quantity thereof;
- (ii) the Trade Date;
- (iii) the Purchase Price;
- (iv) the Payment Date and Delivery Date. Should the said dates be the same, the Transaction shall be settled DVP, unless otherwise expressly agreed between the parties in the Trade Confirmation;
- (v) the details of the bank/custody account(s) of the parties; and
- (vi) any additional terms or conditions of the Transaction, if any.

2.4. A Trade Confirmation shall, together with this Section and the Terms of Business, constitute a prima facie evidence of the terms agreed between Buyer and Seller for that Transaction, unless objection is made with respect to the Trade Confirmation in accordance with subparagraph 2.2. of this Section.

2.5. In respect of any Transaction, the terms of this Section, the Terms of Business and the Trade Confirmation shall together constitute a single, integrated agreement between the parties. In the event of any conflict between the terms of this Section and the Terms of Business, this Section shall prevail. In the event of any conflict between the terms of this Section and the Trade

Confirmation, the Trade Confirmation shall prevail. Accordingly, each party agrees (i) to perform all of its obligations in respect of each Transaction hereunder, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions hereunder, and (ii) that payments, deliveries and other transfers made by either of them in respect of any Transaction shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Transactions hereunder.

2.6. The Seller shall procure the delivery of Securities or deliver such Securities to the Buyer or its agent on the Delivery Date in accordance with the terms of this Section and the relevant Trade Confirmation. The Securities shall be fully paid for and there shall be no moneys or liabilities outstanding or payable in respect of such Securities as of the Trade Date for such Securities. The parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in any Securities shall pass from the Seller to the Buyer subject to the terms and conditions set out in this Section, on delivery of the same in accordance with this Section with full title guarantee, free from all liens (other than a lien granted to the operator of the clearance system through which the Securities are transferred), charges and encumbrances. In the case of Securities title to which is registered in a computer-based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time.

2.7. The Buyer shall transfer the full amount of the Purchase Price to the Seller on the Payment Date. The Purchase Price for debt Securities shall include, where appropriate, accrued coupon yield determined in accordance with the offering memorandum or a similar Securities' offering document, unless otherwise agreed.

2.8. DVP will be standard for all Transactions unless otherwise agreed between BCS and the Client in the Trade Confirmation. Delivery and payment shall be made simultaneously on the third day following the Trade Date (and if not a Business Day on the next following Business Day), however, the Client and BCS may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities and money agree to transfer funds and the Securities not simultaneously and the delivery and payment are to be made and credited at the relevant Settlement Dates specified in the Trade Confirmation. In case of non-DVP settlement, should the Buyer fail to pay the Purchase Price or the Seller fail to transfer the Securities on the Settlement Date scheduled for such payment or transfer, the non-defaulting party may hold performance until the obligations of the other party under the Transaction are fully discharged and may claim interest in accordance with paragraph 6 hereof.

3. Income Payment and Corporate Actions

3.1. Unless otherwise agreed between the parties in writing,

- (i) where the period from and including the Trade Date to and excluding the Settlement Date of a particular Transaction extends over a Record Date and the Income Payment Date is beyond such a period, in respect of any Securities subject to that Transaction, the Seller shall on the date such Income is paid by the issuer or on such other date as the parties may from time to time agree pay or deliver to the Buyer such some of money or property as is agreed between the parties or, failing such agreement, a sum of money or property equivalent to (and in the same currency as) the type and amount of such Income received; provided that
- (ii) where Income is paid in relation to any Securities before the relevant Delivery Date such Income will not be transferred from the Seller to the Buyer until the Delivery Date; and
- (iii) for the avoidance of doubt, BCS shall not be liable for any withholding or deduction for or on account of taxes or duties made by the issuer or a paying agent notwithstanding that a payment of such Income made directly to the Client could be free of any withholding or deduction.

3.2. The Seller's obligation to transfer Income to the Buyer arises upon actual receipt of such Income provided that the Seller has used reasonable endeavors to receive the Income. The Seller is not obligated to enforce the payment of Income.

3.3. In case of non-DVP settlement the Seller shall notify the Buyer in writing within a reasonable time after the date on which a holder of such Securities would in the normal course have received such notice from the issuer, of any notice issued by the issuer of such Securities to the holders of such Securities relating to the rights attached thereto on or after the Trade Date and before the Settlement Date, including of any proposed conversion, sub-division, consolidation, takeover, pre-emption, option or other similar right or event affecting such Securities or of any Income payment declared in respect of such Securities. Where, the period from and including the Trade Date to and excluding the Settlement Date of a particular Transaction extends over a Record Date in respect of any voting rights the Seller shall be obligated to arrange for voting rights of that kind to be exercised in accordance with the instructions of the Buyer in relation to the Securities, unless otherwise agreed. Where, the period from and including the Trade Date to and excluding the Settlement Date of a particular Transaction extends over a Record Date in respect of any rights relating to conversion, sub-division, consolidation, pre-emption, rights arising under a takeover offer, rights to receive securities or a certificate which may at a future date be exchanged for securities or other rights, including those requiring election by the holder for the time being of such Securities, then the Buyer may within a reasonable time before the relevant Record Date give written notice to the Seller

it wishes to receive Securities in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.

4. Payment and Transfer

4.1. All money payable by one party to the other in respect of any Transaction shall be paid in immediately available freely convertible funds of the relevant currency free and clear of, and without withholding or deduction for, any taxes or duties of whatsoever nature imposed, levied, collected, withheld or assessed by any authority having power to tax, unless the withholding or deduction of such taxes or duties is required by law.

4.2. All Securities to be transferred hereunder (i) shall be in suitable form for transfer and shall be accompanied by duly executed instruments of transfer or assignment in blank (where required for transfer) and such other documentation as the transferee may reasonably request, or (ii) shall be transferred through the book entry system of the Clearing Agency, or (iii) shall be transferred through any other agreed securities clearance system or (iv) shall be transferred by any other method mutually acceptable to the Seller and the Buyer.

4.3. Performance shall be deemed satisfied if the Seller, instead of the initial Securities purchased by the Buyer, delivers:

- (i) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (ii) in the case of a call on partly paid securities, securities equivalent to the paid-up securities provided that the Buyer shall have paid to the Seller a sum of money equal to the sum due in respect of the call;
- (iii) in the case of a capitalisation issue, Securities together with the securities allotted by way of bonus thereon;
- (iv) in the case of conversion, sub-division or consolidation, securities into which the relevant Securities have been converted, sub-divided or consolidated; provided that, if appropriate, notice has been given in accordance with subparagraph 3.3. above;
- (v) in the case of takeover, a sum of money or securities equivalent to the consideration or alternative consideration of which notice has been given in accordance with subparagraph 3.3. above;
- (vi) in the case of a rights issue, Securities together with the securities allotted thereon; provided that notice has been given to the other party in accordance with subparagraph 3.3. above;
- (vii) in the event that income in the form of securities, or a certificate which may at a future date be exchanged for securities or an entitlement to acquire securities is distributed, Securities together with securities or a certificate or an entitlement equivalent to those allotted; provided that notice has been given in accordance with subparagraph 3.3. above;
- (viii) in the case of any event similar to any of the foregoing, Securities together with or replaced by a sum of money or Securities or other property equivalent to (as so defined) that received in respect of such Securities resulting from such event.

4.4. The Seller represents that the Securities are duly and fully paid for and there are no liabilities due or payable in respect of the Securities or any portion thereof at the Delivery Date except for the obligation to sell these to the Buyer, and at the moment of registration of the Securities in the name of the Buyer or its agent, the Seller is the sole owner of the Securities and has good and valid title in the Securities, free of any claim, charge, security, lien (other than a lien granted to the operator of the clearance system through which the Securities are transferred), power of sale and/or any encumbrances whatsoever and the Seller has full and undoubted right to dispose of the Securities, including, without any limitations, sell, transfer or deliver to the Buyer on the terms and conditions of this Section and the Transaction.

4.5. Time shall be of essence in this Section.

4.6. All costs and expenses incurred by the party and paid to a bank, custodian, depository or registrar in connection with performance of such party's obligation to pay money or deliver the Securities (the 'Transaction Costs'), cannot be charged by that party from another subject to exceptional cases specified herein.

5. Currency of Payments

5.1. All the payments made in respect of or connection with the Transaction shall be made in the currency of the Purchase Price (the 'Contractual Currency'). Notwithstanding the foregoing, the payee of any money may, at its option, accept tender thereof in any other currency, provided, however, that, to the extent permitted by applicable law, the obligation of the payer to pay such money will be discharged only to the extent of the amount of the Contractual Currency that such payee may, consistent with normal banking procedures, purchase with such other currency (after deduction of any premium and costs of exchange).

5.2. If for any reason the amount in the Contractual Currency received by a party, including amounts received after conversion of any recovery under any judgment or order expressed in a currency other than the Contractual Currency, falls short of the amount in the Contractual Currency due and payable, the party required to make the payment will, as a separate and independent obligation, to

the extent permitted by applicable law, immediately transfer such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall.

5.3. If for any reason the amount in the Contractual Currency received by a party exceeds the amount of the Contractual Currency due and payable to the extent such amount is in excess of normal banking expenses relating to funds transfers, the party receiving the transfer will refund promptly the amount of such excess and the banking costs shall be paid by the other party.

6. Interest

6.1. If any sum of money payable hereunder or under any Transaction is not paid when due or any amount of Securities deliverable hereunder or under any Transaction is not transferred when due, or a party holds money due and payable to the other party without any reasonable grounds, interest shall accrue on the unpaid sum or the Purchase Price of the Securities as a separate debt, and

- (i) should the currency of the amount due be US Dollars or the Securities due are denominated in US Dollars, at the annual rate calculated as LIBOR + 5%; or
- (ii) should the currency of the amount due be Euro or the Securities due are denominated in Euro, at the annual rate calculated as EONIA + 5%; or
- (iii) should the currency of the amount due be not US Dollar or Euro, at the annual rate 18% of the unpaid sum under Actual/360 day count convention.