

## **SCHEDULE F: OFF-MARKET BUY-SELL BACK/SELL-BUY BACK TRANSACTIONS**

Subject to this Schedule, we, THE ULTIMA INVESTMENTS CYPRUS LIMITED, previously BROKERCREDITSERVICE (CYPRUS) LIMITED, will negotiate a price with you, on request, at which securities may be sold and subsequently bought back on a fixed future date or on demand. From a legal point of view, any transactions under this Schedule will constitute a true sale of assets and will require that you reserve or deposit to your account with us additional cash with a view to securing your obligation to us under this Schedule.

### **1. Risk**

**1.1.** You understand and agree that if and where we buy any securities from you under this Schedule, the full ownership of the Purchased Securities (as defined below) will be transferred to us. You will therefore, be exposed to the risk of our failure to comply with the terms of this Schedule in part or at all. Such failure of ours can result, inter alia, in the inability to return to you Equivalent Securities (as defined below) and the possible loss of corporate benefits accruing thereon. Where we sell securities to you, you will also become exposed to the risk of our failure to pay to you the Sell Back Price (as defined below).

**1.2.** You understand that in addition to the above, the risks inherent in buy-sell back/sell-buy back transactions include the following:

- (i) your rights, including any proprietary rights that you may have had, in Purchased Securities sold to us will be replaced by an unsecured contractual claim of yours against us for delivery of Equivalent Securities subject to the terms of this Schedule;
- (ii) once Purchased Securities have been delivered to us, those securities will not be held by us in accordance with client asset rules set out in Schedule A and/or as applicable to us in accordance with the Applicable Regulations, and thus, any client asset protection rights will not apply (for example, the Purchased Securities will not be segregated from our assets and will not be held by us subject to a trust);
- (iii) in the event of our insolvency or default your claim under this Schedule against us for delivery of Equivalent Securities will not be secured and will be subject to the terms of this Schedule and applicable law and, accordingly, you may not receive such Equivalent Securities or recover the full value of the Purchased Securities (although your exposure may be reduced to the extent that you have liabilities to us which can be set off or netted against or discharged by reference to our obligation to deliver any securities to you);
- (iv) as a result of you ceasing to have a proprietary interest in the Purchased Securities sold to us, you will lose all voting rights that you may have had in the Purchased Securities and we will be entitled to exercise such voting rights in the Purchased Securities in our sole and absolute discretion;
- (v) in the event that we are not able to readily obtain Equivalent Securities to deliver to you at the time required, you may be unable to fulfil your settlement obligations under a hedging or other transaction you have entered into in relation to those Equivalent Securities; and/or a counterparty or other person may exercise a right to buy-in the relevant securities; and/or you may be unable to exercise rights or take other action in relation to those Equivalent Securities;

(vi) in the event that the Cyprus Securities and Exchange Commission, as a resolution authority and/or any other competent authority acting as a competent resolution authority exercises its powers under any relevant resolution regime in relation to us any rights you may have to take any action against us, such as to terminate our agreement, may be subject to a stay by the relevant resolution authority and your claim for delivery of Equivalent Securities or payment of the Sell Back Price may be reduced (in part or in full) or converted into equity or a transfer of assets or liabilities may result in your claim on us, or our claim on you, being transferred to different entities, although you may be protected to the extent that the exercise of resolution powers is restricted by the availability of set-off or netting rights; and

(vii) where you receive or are credited with a payment by reference to dividend, coupon or other income payable in relation to any Purchased Securities, your tax treatment may differ from your tax treatment in respect of the original dividend, coupon or other payment in relation to those Purchased Securities.

**1.3.** If the market value of the Purchased Securities you have sold to us declines, you may be required to deposit more money at short notice. In the extreme event that the Purchased Securities sold decline to zero, you would need to deposit the full initial value of the Purchased Securities in cash to cover the loss. If you are unable to do so, we may be required to sell all or a portion of assets held in your account.

**1.4.** You realise that any and all Securities and Cash balances accumulated in your account as a result of you trading under this Schedule will be subject to the security interests created in our favour and will constitute Secured Assets (as each of the foregoing terms is defined in Schedule A to these Terms). In the event you become unable to make any payments or deliveries under this Schedule, we will be entitled to sell your Securities to recover funds or to apply Cash available in your account to satisfy your Secured Obligations (as defined in Schedule A to these Terms) under this Schedule without prior notice to you.

**1.5.** You agree to carefully consider whether entering into any trades under this Schedule is appropriate for you, taking into consideration your financial resources and other relevant circumstances.

## **2. Initiation, Confirmation and Termination**

**2.1.** On the terms, and subject to the conditions, of this Schedule either you or us may, from time to time, seek to initiate a transaction in which either you or us as seller (**Seller**) will sell to the other party as buyer (**Buyer**) securities (**Purchased Securities**) on the agreed date (**Purchase Date**) against the payment by the Buyer to the Seller of the agreed price (**Purchase Price**) plus Accrued Interest (as set out in clause 2.5 below), with a simultaneous agreement by the Seller to buy back from the Buyer securities equivalent to such Purchased Securities (**Equivalent Securities**) (as defined in clause 2.8 below), at a certain date (**Sell Back Date**) against the payment by the Seller to the Buyer of the agreed price (**Sell Back Price**) plus Accrued Interest (as set out in clause 2.7 below). Each such transaction shall be referred to in this Schedule as a **Transaction** and may be entered into between you and us either orally or in writing.

**2.2.** Upon agreeing to enter into a Transaction, we shall promptly send to you a confirmation thereof (**Confirmation**). In the case of a Transaction initially agreed in hard copy form by executing a single written document that document will by itself constitute a Confirmation and no further confirmation of such Transaction will be required.

**2.3.** A Confirmation shall describe the Purchased Securities (including 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 quoted exclusive of Accrued Interest to the Purchase Date;
- (iii) the Sell Back Date;
- (iv) the pricing rate applicable to the Transaction (**Pricing Rate**);
- (v) a discount expressed in percentage terms, to be applied to the market value of Equivalent Securities (**Haircut**);
- (vi) the Sell Back Price quoted exclusive of Accrued Interest;
- (vii) the value to be used for the purpose of calculation of Maximal Net Exposure as defined in clause 3.5 (**Maximal Transaction Exposure**);
- (viii) the proportion to be used for the purpose of calculation of the Purchase Price under the Repriced Transaction as defined in clause 3.7 (**Margin Ratio**);
- (ix) in respect of each party the details of the settlement account(s) to the Transaction; and (x) any additional terms or conditions of the Transaction, if any.

**2.4.** In respect of any Transaction, the terms of this Schedule, the General Terms and the Confirmation shall together constitute a single, integrated agreement between you and us and conclusive evidence of the terms agreed between you and us for that Transaction. The terms of this Schedule shall be incorporated by reference into any Confirmations. In the event of any conflict between the terms of this Schedule and the General Terms, this Schedule shall prevail. In the event of any conflict between the terms of this Schedule and the Confirmation, the Confirmation shall prevail.

**2.5.** The Seller shall transfer the Purchased Securities to the Buyer or otherwise as the Buyer shall direct in accordance with this Schedule on the Purchase Date specified in the related Confirmation against the payment by the Buyer to the Seller of the Purchase Price plus an amount equal to Accrued Interest (as defined in clause 2.6 below) to the Purchase Date on such Purchased Securities.

**2.6.** In this Schedule, Accrued Interest shall mean all unpaid interest, dividends and other distributions on securities, including distributions, which are a payment or repayment of principal in respect of the relevant securities (**Income**), that has accrued during the period from (and including) the issue date or the last date on which Income is paid in respect of such securities, or in the case of registered securities, the last date by reference to which particular registered holders are identified as being entitled to payment of Income (**Income Payment Date**), whichever is the later, to (but excluding) the date of calculation. For these purposes unpaid Income shall be deemed to accrue on a daily basis from (and including) the issue date or the last Income Payment Date (as the case may be) to (but excluding) the next Income Payment Date or the maturity date (whichever is the earlier).

**2.7.** Subject to clause 2.8 below, the Buyer shall transfer Equivalent Securities to the Seller or otherwise as the Seller shall direct against the payment by the Seller to the Buyer of:

- (a) in a case where the Sell Back Date is the date originally specified in the related Confirmation, the Sell Back Price originally agreed between the parties with respect to the Transaction in the related Confirmation plus an amount equal to Accrued Interest to the Sell Back Date; and
- (b) in any other case, the Sell Back Price equal to the product of the formula  $(P + AI + D) - IR$ , where:

- (i) **P** means the Purchase Price;
- (ii) **AI** means the amount, equal to Accrued Interest at the Purchase Date, paid under clause 2.5 of this Schedule;
- (iii) **D** means the aggregate amount obtained by daily application of the Pricing Rate for such Transaction (on a 365 (or 366 in case of a leap year) day basis) to the sum of the Purchase Price and Accrued Interest paid on the Purchase Date for such 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; and
- (iv) **IR** means the amount of any Income in respect of the Purchased Securities payable on any Income Payment Date falling between the Purchase Date and the Sell Back Date.

**2.8.** The Buyer shall be deemed to have delivered to the Seller Equivalent Securities with respect to particular Purchased Securities notwithstanding that those Equivalent Securities have been redenominated or that the nominal value of those Equivalent Securities has changed in connection with such redenomination. Where at any time during the period commencing on (and including) the Purchase Date for a Transaction and ending on (but excluding) the Sell Back Date for such Transaction any Purchased Securities have become the subject of a capitalisation issue, conversion, subdivision, consolidation, takeover, rights of pre-emption, or to an event similar to any of the foregoing events or the holders of the Purchased Securities have become entitled to receive or acquire other securities or property, the Buyer shall deliver to the Seller:

- (i) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (ii) in the case of a capitalisation issue, securities together with the securities allotted by way of bonus on the Purchased Securities;
- (iii) in the case of conversion, sub-division or consolidation, securities into which the relevant Purchased Securities have been converted, sub-divided or consolidated;
- (iv) in the case of takeover, a sum of money or securities equivalent to the consideration provided;
- (v) in the case of a rights issue, securities together with the securities allotted on the Purchased Securities;
- (vi) 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; and
- (vii) 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 Purchased Securities resulting from such event.

**2.9.** Where it has been agreed between you and us in relation to any Transaction that we shall, acting as agent, procure the payment of money or the delivery of securities on your behalf, we will do so provided that the securities to be so delivered and/or the money to be so paid have been deposited to your account with us before the date scheduled for such payment or delivery.

**2.10.** Before the Purchase Date with respect to any Transaction, a Transaction may be terminated by oral or written agreement between you and us at the initiation of either party. Upon agreeing to terminate a Transaction hereunder we shall promptly send to you a cancellation notice. Such notice shall be subject

to the terms of this Schedule and the General Terms and shall, in the absence of manifest error, be conclusive and binding on you, unless we receive written detailed objection within forty eight hours of dispatch to you at the correct address. A cancellation notice, once not objected by you shall be conclusive evidence of termination of the Transaction and shall supersede all prior oral statements with respect thereto.

### 3. Margin Maintenance

3.1. If at any time we have a Net Exposure (as determined by us in accordance with clause 3.4 below) to you, we may by notice require that you reserve in, and/or credit to your account with us, as the case may be, cash in definitive currency of an aggregate amount or value at least equal to that Net Exposure.

3.2. A notice under clause 3.1 above may be given orally or in writing and shall be satisfied within the following time periods, unless otherwise agreed:

- (i) by the end of the same business day if notice is given prior to 9 a.m. (UTC); or
- (ii) by the end of the next business day, if notice is given after 9 a.m. (UTC).

3.3. In respect of any and all cash, which we may from time to time require that you reserve in, and/or deposit to your account with us pursuant to clause 3.1 above, you understand and agree that unless and until any and all of your obligations and liabilities to us under this Schedule have been unconditionally and irrevocably paid and discharged in full, you shall not be entitled to sell, assign, charge, pledge, transfer, part with possession of or otherwise dispose of or encumber in any manner (or purport to do so) all or any part of, or any interest in, the cash without our permission and that the cash will be subject to the security interests created in our favour and will constitute Secured Assets (as each of the foregoing terms is defined in Schedule A to these Terms). We may, at your request, in our absolute discretion permit you to deal in or otherwise dispose of any of any such cash, subject to the other provisions of these Terms.

3.4. For the purposes of this Schedule we have a Net Exposure with respect to you at any time if: (a) the aggregate of all Sell Back Prices determined pursuant to clause 2.7(b) above and payable by us, less the value of Equivalent Securities deliverable to us under all outstanding Transactions, exceeds (b) the aggregate of all Sell Back Prices determined pursuant to clause 2.7(b) above and payable by you, less the value of Equivalent Securities deliverable to you under all outstanding Transactions; and the amount of the Net Exposure is the amount of the excess.

3.5. You will have to ensure that the Net Exposure we may have to you at any time is below the sum of Maximal Transaction Exposures determined in respect of all outstanding Transactions (**Maximal Net Exposure**). Where our Net Exposure to you at any time exceeds the Maximal Net Exposure, this will constitute an Event of Default (as set out in the General Terms) entitling us to take actions described in clause 14.5 of the General Terms.

3.6. We may agree that any Net Exposure which may arise on the Purchase Date or later shall be eliminated by the repricing of Transactions under clause 3.7 below.

3.7. Where we agree with you that a Transaction is to be repriced under this clause, such repricing shall be effected as follows:

- (i) the Sell Back Date under the relevant Transaction (**Original Transaction**) shall be deemed to occur on the date on which the repricing is to be effected (**Repricing Date**);

- (ii) the parties shall be deemed to have entered into a new Transaction (**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 Sell Back 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; and
- (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 Sell Back 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 clause 3.2 above.

**3.8.** You agree that any valuations under this Schedule will be performed by us based on pricing and valuation information believed by us to be reliable. For the purposes of this Schedule, the basis of all valuations will be as stated in clause 3.9 and 3.10 unless otherwise notified.

**3.9.** The market value of any securities shall be determined by us by reference to such pricing sources as we reasonably consider appropriate provided that if prices for such securities are available on a trading venue or organised market, the price shall be the price of a trade in securities on such venue or market where securities are predominantly traded executed immediately prior to the determination time, and where securities are suspended, or in respect thereof there is a discontinuous source, the price shall be the arithmetic mean of in the case of securities deliverable by us, offer quotations or, in the case of securities deliverable to us, bid quotations obtained in respect of securities of the relevant description from two or more market makers or regular dealers in a comparable size on or about the determination date, adjusted by us in a reasonable manner to reflect accrued but unpaid distributions and to deduct anticipated transaction costs. In respect of securities for which there is no pricing source, the market value shall be such amount, which, in our reasonable opinion, represents the fair value thereof between you and us. The value of any Equivalent Securities shall be equal to the market value of those Equivalent Securities adjusted by Haircut specified in the relevant Confirmation. The value of any cash shall be equal to its nominal value.

**3.10.** Any cash or securities values and any liabilities that may be outstanding at any time under this Schedule will be converted in your reporting currency at a market rate of exchange available to us at the time of conversion.

## **4. Payment and Transfer**

**4.1.** All money payable by one party to the other in respect of any Transaction hereunder 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 applicable to a party making such payment.

**4.2.** All securities to be transferred hereunder (i) shall be fully paid for and there shall be no moneys or liabilities outstanding or payable in respect of such securities or any portion thereof as of the Purchase or Sell Back Date for such securities (ii) shall be suitable for transfer and shall be accompanied by all necessary documents and instructions to procure that all right, title and interest in securities shall pass from one party to the other on delivery of the same with full title guarantee, free from all liens (other than a lien granted to the operator of any settlement system), charges and encumbrances whatsoever, and such other documentation as the transferee may reasonably request, and (iii) if transferred to a settlement system, shall be transferred through the settlement system mutually acceptable to you and us in accordance with the rules and procedures of such settlement system as from time to time in force.

**4.3.** Unless otherwise agreed in writing between you and us, under each Transaction transfer of Purchased Securities by the Seller and payment of Purchase Price and Accrued Interest 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 Sell Back Price and Accrued Interest payable by the Seller against the transfer of such Equivalent Securities shall be made simultaneously.

**4.4.** Subject to and without prejudice to the provisions of clause 4.3, 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 Schedule 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.