

Citibank Europe plc

1 North Wall Quay
Dublin 1
Ireland

T +353 1 622 2000
F +353 1 622 2222

**Citibank, N.A., London Branch**

Citigroup Centre,
Canada Square, Canary Wharf
London E14 5LB United Kingdom

T +44 (0)20 7986 4000
F +44 (0)20 7986 2266

Citigroup Global Markets AG

Reuterweg 16, 60323 Frankfurt am Main
Postanschrift: Postfach 11 03 33, 60038
Frankfurt am Main

T +49 (0) 69 1366 0
F +49 (0) 69 1366 1113

Direct Custody & Clearing – MiFID II/MiFIR Disclosure Notice

As you may be aware, the Markets in Financial Instruments Directive (EU Directive 2014/65) ("**MiFID II**") and the Markets in Financial Instruments Regulation (EU Regulation 600/2014) ("**MiFIR**") are coming into effect from 3 January 2018.

This disclosure has been made available to and is intended for clients of one or more Citi companies or branches in the European Union which qualify as 'investment firms' for the purposes of MiFID II/MiFIR and, in this document, the term "**Citi**" and "**Citibank**" should be taken to refer to any one or all of these companies or branches with whom you contract with under your relevant Services agreement. Such companies or branches include, without limitation, the companies and branches set out at paragraph 3.1 of this disclosure.

The MiFID II/MiFIR regulatory disclosures set out below will take effect on and from 3 January 2018. If you continue to do business with us on or from 3 January 2018, you will be deemed to have accepted the contents of the disclosure.

Capitalised terms used in this document shall, unless specified elsewhere, have the meaning specified in paragraph 2.

Citibank Europe plc

Directors: Breffni Byrne, Susan H. Dean (U.K.), Jim Farrell, Bo J. Hammerich (Sweden), Deepak Jain (U.K.), Mary Lambkin, Barry O'Leary, Ebru Pakcan (Turkey), Cecilia Ronan, Zdenek Turek (Czech Republic).
Registered in Ireland: Registration Number 132781. Registered Office: 1 North Wall Quay, Dublin 1.
Ultimately owned by Citigroup Inc., New York, U.S.A.
Citibank Europe plc is regulated by the Central Bank of Ireland

Citibank, N.A., London Branch

Registered as a branch in the UK at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. Registered number BR001018.
Authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.
Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request.
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
Citibank, N.A. is incorporated with limited liability in the USA. Principal office: 399 Park Avenue, New York, NY 10043

Citigroup Global Markets Deutschland AG

Vorstand: Stefan Wintels (Vorsitzender), Dr. Silvia Carpitella, Thomas Falk, Stefan Hafke, Andreas Hamm, Dr. Jasmin Kölbl-Vogt, Christian Spieler
Vorsitzender des Aufsichtsrats: Hans W. Reich
Sitz der Gesellschaft: Frankfurt am Main, HRB 88301 • USt.-Ident.-Nr.: DE 811285276

1. **INTRODUCTION**

- 1.1 This disclosure sets out important information about Citi and your relationship with us.
- 1.2 This disclosure supplements your existing documentation for the Services we provide to you. In the event of any conflict between the contents of this disclosure and your existing documentation, this disclosure will prevail and the pre-existing documentation will be interpreted accordingly.
- 1.3 This disclosure may be updated on the Citi website and superseded by new versions from time to time. You can access the Citi website at:
http://icg.citi.com/icg/global_markets/uk_terms.jsp.

2. DEFINITIONS

"**Applicable Regulation**" means the rules and regulation of any Applicable Regulator (including, without limitation, the FCA Rules and the Irish MiFID Regulations 2017), the rules of any relevant exchange and any other laws or regulations applicable to Citi in the provision of Services to you;

"**Applicable Regulator**" means each of the FCA, PRA, CBI, ESMA or any other relevant regulatory authority regulating Citi in any jurisdiction;

"**BaFin**" means the German Federal Financial Supervisory Authority – *Bundesanstalt für Finanzdienstleistungsaufsicht*;

"**CBI**" means the Central Bank of Ireland;

"**Citi Organisation**" means Citigroup, Inc. and any company or other entity of which Citigroup, Inc. is directly or indirectly a shareholder or owner. For the purpose of this disclosure, each branch of Citibank, N.A., Citibank Europe plc or any affiliate will be deemed a separate member of the Citi Organisation;

"**Client**" or "**you**" means the entities listed in the Schedule hereto;

"**Client Money**" has the same meaning as used in the Client Money Rules;

"**Client Money Distribution and Transfer Rules**" means Chapter 7A of the FCA's Client Assets Sourcebook setting out the client money distribution and transfer rules;

"**Client Money Rules**" means Chapter 7 of the FCA's Client Assets Sourcebook setting out the client money rules;

"**Custody Account**" means each account established by the custodian for the client for recording the receipt, safekeeping and maintenance of Securities or other financial assets as agreed by the custodian under the relevant Services agreement;

"**Custody Asset Rules**" means the provisions of the FCA Rules relating to the holding of Financial Instruments or other assets on behalf of clients;

"**ESMA**" means the European Securities and Markets Authority;

"**FCA**" means the UK Financial Conduct Authority;

"**FCA Rules**" means rules contained in the FCA Handbook;

"**Financial Instruments**" has the same meaning as used in MiFID II;

"**Information Statement**" means the information statement provided to you in accordance with Article 15 of the Securities Financing Transaction Regulation;

"**Irish MiFID Regulations 2017**" means the European Union (Markets in Financial Instruments) Regulations 2017 of Ireland (as amended);

"**MiFID II**" means Directive 2014/65/EU on markets in financial instruments;

"MiFID II Delegated Directive" means the Commission Delegated Directive (EU) supplementing MiFID II with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits;

"MiFID II Delegated Regulation" means the Commission Delegated Regulation (EU) supplementing MiFID II as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive;

"MiFIR" means Regulation 600/2014 on markets in financial instruments;

"PRA" means the UK Prudential Regulation Authority or any successor thereto;

"Securities" has the meaning given to it in the relevant Services agreement and where not defined in the relevant Services agreement means any financial asset (other than cash) from time to time held within the control of the custodian for the client under the terms of the relevant Services agreement;

"Securities Financing Transaction" has the meaning given to it in article 1(3) of the MiFID II Delegated Directive;

"Service(s)" means the services provided to you by Citi under the relevant agreement(s) or otherwise as may be requested by you from time to time;

"Third Country" means a jurisdiction which is not a member state of the European Economic Area; and

"Third Party" means any nominee, sub-custodian, settlement system or depository through which we hold Securities.

3. DISCLOSURES

3.1 Citi Entity Information

We are required under Applicable Regulation to provide you with certain information about Citi as set out below.

- 3.1.1 **Citibank, N.A.** is registered in the United States of America with RSSD ID number 476810 and holds charter no. 1461 issued by the Office of the Comptroller of the Currency. Citibank, N.A.'s principal place of business is 388 Greenwich Street, New York, NY 10013, United States of America. Its registered office is at 701 East 60th Street, North Sioux Falls, South Dakota 57104, United States of America. Citibank, N.A.'s primary federal regulator is the Office of the Comptroller of the Currency.
- 3.1.2 **Citibank, N.A., London Branch**, is a branch of Citibank, N.A. which is authorised and regulated by the Office of the Comptroller of the Currency of the United States of America with UK company number FC001835. It is authorised in the United Kingdom by the PRA and subject to regulation by the FCA and limited regulation by the PRA. It appears on the UK's financial services register with firm reference number 124704. Citibank, N.A., London Branch is registered as a branch with UK establishment number BR001018. Its UK establishment office address is Citigroup Centre, Canada Square, London E14 5LB.
- 3.1.3 **Citibank Europe plc** is registered in Ireland with company registration number 132781. It is regulated by the CBI under the reference number C26553 and supervised by the European Central Bank. Its registered office is at 1 North Wall Quay, Dublin 1, Ireland.
- 3.1.4 **Citibank Europe plc, UK branch** is a branch of Citibank Europe plc with UK company number FC032763. It is authorised in the United Kingdom by the PRA and subject to limited regulation by the FCA and PRA. It appears on the UK's financial services register with firm reference number 211646. Citibank Europe plc, UK branch is registered in the UK as a branch with UK establishment number BR017844. Its UK establishment office address is Citigroup Centre, Canada Square, London E14 5LB. Details about the extent of our authorisation and regulation by the PRA, and regulation by the FCA are available from us on request.
- 3.1.5 Each of Citibank, N.A., London and Citibank Europe plc, UK branch form part of the same UK VAT group, with group registration number GB 429 6256 29.
- 3.1.6 **Citibank Europe plc, Bulgaria Branch** is a branch of Citibank Europe plc. It is authorised in Bulgaria and subject to regulation by the Bulgarian National Bank and the Financial Supervision Commission. It appears on the Bulgarian Commercial Register with UIC number 202861597. Its registered office is at Serdika Offices, 10th Floor, 48 Sitnyakovo Blvd., Sofia 1505, Bulgaria.

- 3.1.7 **Citibank Europe plc, organizační složka** is a branch of Citibank Europe plc. It is authorised in the Czech Republic and subject to regulation by the Czech National Bank. It appears on the Czech financial register of the Municipal Court in Prague, Section A, Insert 59288 with Czech registration number 28198131. Its registered office is at Bucharova 2641/14, 158 02 Prague 5, Stodůlky, Czech Republic.
- 3.1.8 **Citibank Europe plc, Greece Branch** is a branch of Citibank Europe plc with Greek registry number 136957160001. It is authorised in Greece and subject to regulation by The Bank of Greece and the Hellenic Capital Markets Commission. Its registered office is at Greece Branch, Othonos 8, Athens, 10557, Greece.
- 3.1.9 **Citibank Europe plc, Hungarian Branch Office** is a branch of Citibank Europe plc with Hungarian company register number 01-17-000560. It is authorised in Hungary and subject to regulation by the National Bank of Hungary with identifier number 22574361. Its registered office is at 1051 Budapest, Bank Center, Szabadság tér 7.
- 3.1.10 **Citibank Europe plc, Luxembourg Branch** is a branch of Citibank Europe plc with Luxembourg companies register number B 200204. It is authorised in Luxembourg and supervised by the Commission de Surveillance du Secteur Financier. It appears on the Commission de Surveillance du Secteur Financier register with company number B00000395. Its registered office is at 31, Z.A. Bourmicht, 8070 Bertrange, Grand Duchy of Luxembourg.
- 3.1.11 **Citibank Europe plc, Netherlands Branch** is a branch of Citibank Europe plc and registered under number 64729206 with the Trade Register of the Chamber of Commerce Amsterdam. It is authorised and supervised in the Netherlands by the Dutch Central Bank (*De Nederlandsche Bank*). Its registered office is at Schiphol Boulevard 257, WTC Tower D, 1118 BH, Luchthaven Schiphol, the Netherlands.
- 3.1.12 **Citibank Europe plc, Sucursal em Portugal** is a branch of Citibank Europe plc. It is authorised in Portugal by Banco de Portugal and subject to regulation by the Comissão do Mercado de Valores Mobiliários and Banco de Portugal. It appears on the Portuguese commercial register with Portuguese registration number 980542790. Its registered office is Edifício Fundação, Rua Barata Salgueiro, N° 30 - 5°, 1269-056 Lisbon, Portugal.
- 3.1.13 **Citibank Europe plc, Romania Branch** is a branch of Citibank Europe plc. It is authorised in Romania and subject to regulation by the National Bank of Romania and the Romanian Financial Supervisory Authority. It appears on the Romanian Trade Register within the Bucharest Court of Law with registration number J40/21058 and Sole Registration number 24882493. It appears in the Romanian Register of Credit Institutions with registration number RB-PJS-40-065, and in the register of the Romanian National Securities commission with registration number PJM01SICM/400004. Its registered office is at Calea Victoriei 145 Sector 1, Bucharest, Romania.

- 3.1.14 **Citibank Europe plc, pobočka zahraničnej banky** is a branch of Citibank Europe plc. It is authorised in Slovakia and subject to regulation by the National Bank of Slovakia. It appears on the Commercial Register of District Court Bratislava I, Section Po, Insert No. 1662/B with registration number 36 861 260. Its registered office is at Dvořákovo nábrežie 8, 811 02 Bratislava, Slovak Republic.
- 3.1.15 **Citibank Europe plc, Sucursal en España** is a branch of Citibank Europe plc. It is authorised in Spain by Banco de España and subject to regulation by Banco de España with identification code ES1474. It was created by virtue of the notarial deed n° 2036 of Mr. José Angel Jiménez Sanchiz the 20th of October 2015, incorporated at the Madrid Mercantile Registry, and bears the Spanish fiscal number no. W0073078H. Its registered office is at José Ortega Y Gasset, 29, 28006 Madrid, Spain.
- 3.1.16 **Citibank Europe plc, Sweden Branch** is a branch of Citibank Europe plc. It is authorised in Sweden and subject to regulation by the Finansinspektionen. It appears on the Swedish company register with Corporate ID number 516406-0997. Its office is at Birger Jarlsgatan 6, Stockholm, Sweden and its registered address is at Box 14422, SE 111 84 Stockholm, Sweden.
- 3.1.17 **Citigroup Global Markets Deutschland AG** is authorised in Germany by the BaFin and supervised by BaFin, Deutsche Bundesbank and the European Central Bank. It appears in the commercial register of the Local Court of Frankfurt with registration number HRB 88301 and the database of BaFin with ID number 100120. Its registered office is at Frankfurter Welle, Reuterweg 16, 60323 Frankfurt, Germany.
- 3.1.18 Details about the extent of our regulation by the relevant competent authority are available from us on request.
- 3.1.19 Contact address of competent authorities (as applicable) as at the date of this disclosure:

PRA: Prudential Regulation Authority, 20 Moorgate, London EC2R 6DA, United Kingdom.

FCA: Financial Conduct Authority, 25 The North Colonnade, London E14 5HS, United Kingdom.

CBI: Central Bank of Ireland, PO Box 559, Dublin 1, Ireland.

Office of the Comptroller of the Currency: 400 7th Street, SW, Washington, DC 20219, United States of America.

European Central Bank: 60640 Frankfurt am Main, Germany.

Bulgarian National Bank: 1 Knyaz Alexander I Sq., 1000 Sofia, Bulgaria.

Bulgarian Financial Supervision Commission: 1000 Sofia, 16 Budapeshta Str.

Czech National Bank: Na Příkopě 28, 115 03 Praha 1.

Dutch Central Bank: Westeinde 1, 1017 ZN Amsterdam, the Netherlands

Netherlands Authority for the Financial Markets: Vijzelgracht 50,1017 HS Amsterdam, the Netherlands.

The Bank of Greece: 21 E. Venizelos Avenue, GR 102 50 Athens.

Hellenic Capital Market Commission: 1 Kolokotroni & Stadiou Str., 105 62 Athens, Greece.

Magyar Nemzeti Bank (National Bank of Hungary), mailing address: 1850 Budapest, customer service: 1013 Budapest, Krisztina krt. 39.

Commission de Surveillance du Secteur Financier: L-2991 Luxembourg.

Banco de Portugal: R. Do Comércio, 148, 1100-150 Lisboa.

Comissão do Mercado de Valores Mobiliários: Rua Laura Alves, nº. 4, Apartado 14258, 1064-003 Lisboa.

National Bank of Romania: 25 Lipscani Street, Bucharest 3, postal code 030031, Bucharest, Romania.

Romanian Financial Supervisory Authority: 15 Splaiul Independentei Street, District 5, postal code 050092, Bucharest, Romania

National Bank of Slovakia: Imricha Karvaša 1, 813 25 Bratislava 1, Slovak Republic.

Banco de España: c/ Alcalá 50, 2800, Madrid, Spain.

Swedish Finansinspektionen: Box 7821, 103 97 Stockholm.

BaFin: Graurheindorfer Straße 108, 53117 Bonn, Germany.

Národná banka Slovenska: Imricha Karvaša 1, 813 25 Bratislava.

3.2 Communications

Unless otherwise provided for in the relevant Services agreement or as notified to you from time to time, communications to us may be sent to the attention of the Company Secretary at the address set forth below.

Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

Attention: Company Secretary

Telephone: +44 207 500 5000

Facsimile: +44 207 508 9112

Email: citi.isdcc.comms@citi.com

3.3 Policies and Procedures

3.3.1 Where we are required under Applicable Regulation to make available our policies and procedures or summaries of our policies and procedures, we will make these available at http://icg.citi.com/icg/global_markets/uk_terms.jsp or such other website as is notified to you. Where we are required to update our policies and procedures for MiFID II / MiFIR, our updated policies and procedures, or summaries thereof, will be available on the relevant website from 3 January 2018.

3.3.2 All policies and procedures, or summaries thereof, may be updated and superseded by new versions from time to time, which shall be made available on the relevant website.

3.4 Reports or Statements on the Performance of the Service

We will provide reports or statements on the Services provided to you under the relevant Services agreement at least quarterly or as required under Applicable Regulation. The content, frequency and timing of such reports will be as agreed between us from time to time.

3.5 Conflicts of Interest

We have policies and procedures to identify, consider and manage potential conflicts of interest and protect the integrity of our relationships with our clients. Citi company personnel are required to comply with such policies and procedures and may not do anything directly or indirectly that is prohibited thereunder. Our conflicts of interest policy or a summary of this policy is available and updated through the website listed in Section 3.3 of this disclosure notice or such other website as is notified to you.

3.6 Costs and Charges

3.6.1 You will be responsible for our fees and charges, in amounts as agreed between us from time to time. We shall provide you in good time with appropriate information with regard to all costs and related charges (including our fees) in accordance with Applicable Regulations.

3.6.2 To the fullest extent permissible under Applicable Regulations, you agree to a limited application of the detailed information requirements on costs and associated charges contained in the Article 50 of the MiFID II Delegated Regulation and any other Application Regulation.

3.7 Client Classification

- 3.7.1 For the purposes of the Applicable Regulations and based upon the information available to us, you have been classified as a professional client, as notified to you separately in writing. You must notify us immediately of any change of circumstances that could affect your classification.
- 3.7.2 You have a right to request re-classification. If you are classified as an eligible counterparty, certain of the regulatory protections applicable to a professional client will not apply, including protections resulting from the requirements in relation to: (a) acting in accordance with a client's best interests; (b) ensuring that information we address to clients or potential clients is fair, clear and not misleading; (c) assessing the appropriateness of services or products proposed to clients or requested by clients; (d) taking all sufficient steps for obtaining the best possible result for the execution of client orders; (e) implementing procedures providing for the prompt, fair, and expeditious execution of client orders relative to the orders of our other clients or our trading interests; (f) restricting and disclosing the giving and receiving of any fee, commission or non-monetary benefit in connection with the provision of an investment service or an ancillary service; and (g) when an investment service is offered together with another service or product as part of a package or as a condition for the same agreement or package, informing the client whether it is possible to buy the different components separately.
- 3.7.3 If you are a per se professional client and if certain criteria are met, and if we agree, you may elect to be classified as an eligible counterparty.
- 3.7.4 Although professional clients and eligible counterparties may request to be classified as retail clients, we will not accept requests for reclassification as a retail client (unless we are required by Applicable Regulation to accept such requests) and may not be able to continue to conduct business with you upon receipt of such a request.

3.8 Inducements

Where permitted under Applicable Regulation, we may provide any monetary benefit or non-monetary benefit to, or receive any monetary benefit or non-monetary benefit from, any member of the Citi Organisation or other third party (including a person acting on their behalf) in respect of the Services provided. Details of the nature and amount of any such monetary benefit or non-monetary benefit shall be disclosed to you only if and as required under Applicable Regulations. In carrying on our business, we may provide to, and receive from members of the Citi Organisation and other third parties minor non-monetary benefits. Our inducements policy or a summary of this policy is available and updated through the website listed in Section 3.3 of this disclosure notice or such other website as is notified to you.

3.9 Complaints Handling

- 3.9.1 Information regarding the process to be followed when handling a complaint, our complaints handling policy or a summary of this policy and contact details of our complaints management function are available on request and at the

website listed in Section 3.3 of this disclosure notice or such other website as is notified to you.

- 3.9.2 If you are an eligible complainant (as defined in the FCA Rules) you may have the right to refer your complaint to the Financial Ombudsman Service. The Financial Ombudsman is a free and independent statutory dispute resolution scheme for financial services. Details of who are eligible complainants can be obtained from the Financial Ombudsman Service. The Financial Ombudsman Service's website is at www.financial-ombudsman.org.uk and they can be contacted at:

The Financial Ombudsman Service
Exchange Tower
London E14 9SR

Email: complaint.info@financial-ombudsman.org.uk

Telephone: 0800 0234 567 or 0300 1239 123

In respect of Citibank Europe plc if you are an eligible consumer (as defined in section 57BA of the Central Bank Act 1942) you may have the right to refer your complaint to the Irish Financial Services Ombudsman. The Irish Financial Services Ombudsman is a free and independent statutory dispute resolution scheme for financial services. Details of who are eligible consumers can be obtained from the Irish Financial Services Ombudsman's website at www.financialombudsman.ie and they can be contacted at:

The Financial Services Ombudsman
3rd Floor
Lincoln House
Lincoln Place
Dublin 2
D02 VH29
Ireland

- 3.9.3 For all other jurisdictions, please contact the relevant regulator as set out in paragraph 3.1 above.

3.10 **Reporting**

Where we or our agents or delegates and/or a third party execute an order with, for or in relation to you, or provide Services to you, we, our agents or delegates and/or the third party may be required under Applicable Regulation to make information regarding the order and its execution, your positions or the Services provided to you (which may include information about you) public or available or to report such information to a competent authority and/or other person. You are separately responsible for ensuring that you comply with any obligations applicable to you under Applicable Regulations to make public, provide or report information regarding your orders and their execution or your positions. For the avoidance of doubt, without separate written agreement, we do not undertake to make public, provide or report

such information on your behalf or in a manner that seeks to satisfy any obligations applicable to you.

3.11 Information about Financial Instruments and Investment Strategies

3.11.1 Investing in Financial Instruments involves a degree of risk and some Financial Instruments are more risky than others. Prices can fall as well as rise and there is a risk you may lose some or all of your investment in a Financial Instrument. Before deciding to transact in any Financial Instrument generally, and in any particular case, you will have assessed the risks inherent in those Financial Instruments and in any related services and strategies which include but are not limited to the following: credit risk; market risk; and the impact of positive and negative market conditions; liquidity risk; risks relating to volatility; limitations on the available market; impediments or restrictions on divestment (including possible exit methods and their consequences, possible constraints on and the estimated timeframe for sale); interest rate risk; tax risk; foreign exchange risk; business risk; operational risk; issuer risk; insolvency risk and related events such as bail-in; stabilisation risk; dividend risk; regulatory risk; legal risk; risks relating to leverage; margin requirements or similar obligations; the risks of "over the counter" trading, as opposed to on-exchange trading (such as the nature of clearing house "guarantees", transparency of prices and ability to close out positions); and whether you may assume, as the result of the investment, financial commitments or other additional obligations, including contingent liabilities additional to the cost of acquiring the investment.

3.11.2 You should also read any relevant documentation, for example term sheets, and offering memoranda, which may highlight a non-exhaustive set of additional risks particular to the Financial Instruments. You should not rely on such highlighted risks as being the only risks in relation to a financial instrument.

3.11.3 We may provide Services in respect of Financial Instruments for which the identified target market for those Financial Instruments is limited to professional clients as well as those for which the target market for those Financial Instruments is professional and retail clients.

3.12 Safeguarding Client Securities

3.12.1 Our liability to you is as set out in the Services agreement, entered into between you and us, as may have been amended, modified or supplemented from time to time.

3.12.2 Holding Securities with a Third Party

(a) Subject to the terms of the Services agreement, your Securities may be held by us with a Third Party which is (a) an affiliate of Citi or (b) not an affiliate of Citi.

(b) Where we arrange for your Securities to be held in a Third Country there may be different settlement, legal and regulatory requirements

and different practices for the separate identification of Securities from those that would have applied if such accounts were held in the UK or other EU or EEA member state.

- (c) We may deposit your Securities with a Third Party in a country that does not regulate the holding and safekeeping of Financial Instruments for the account of another person as permitted by Applicable Regulation. Unless requested by you in writing, we will only arrange for such Securities to be deposited with such a Third Party where the nature of the Securities, or the Services provided in connection with such Securities requires that they be so deposited.
- (d) In the event of the insolvency or any other analogous proceedings of a Third Party holding your Securities, we may only have an unsecured claim against the Third Party on your behalf and subject to the terms of the Services agreement, you may be exposed to the risk that the Securities, cash or any other property received by us from the Third Party is insufficient to satisfy your claim and the claims of all other relevant clients.
- (e) Where we deposit your Securities with a Third Party, such Securities may be pooled with those belonging to other of our clients. Where we do this, your individual client entitlements may not be separately identifiable by separate certificates, other physical documents of title or equivalent electronic record and so, in the event of an irreconcilable shortfall after our insolvency, clients whose assets have been pooled may share in that shortfall in proportion to their original assets in the pool. Any entitlements or other benefits arising in respect of pooled assets will be allocated pro rata to each client whose assets are so pooled.

3.12.3 Registration or Recording of Securities

- (a) Where we hold registrable Securities for you, normally such Securities will be held in your name or in the name of an eligible nominee. However, where Securities are subject to the law or market practice of a Third Country and where permitted by Applicable Regulation, we may register or record your Securities in our name or in the name of a Third Party.
- (b) Where we hold registrable Securities for you with a Third Party, if your Securities are held in our name or the name of a Third Party, such Securities may not be segregated from our assets or those of the Third Party and in the event of a default by us or the Third Party, may not be as well protected from claims of our creditors or those of the Third Party (in comparison to if your Securities had been segregated from our own assets or those of the Third Party).

3.12.4 Lien or other Security Interests

- (a) The existence and terms of any lien or other security interest which we have, or may have, over your Securities are set out in the relevant Services agreement.
- (b) Where Securities recorded as being held in your Custody Account are deposited into an account with a Third Party, such Third Party may have a security interest or lien over such Securities, to the extent we are permitted to grant such rights by Applicable Regulation.
- (c) We will not grant a security interest or lien enabling a Third Party to dispose of your Securities in order to recover debts that do not relate to you or the business transacted by us with or on behalf of you unless we are required to do so by Applicable Regulation. If your Securities are disposed of to recover debts unrelated to you, we may only have an unsecured claim against the Third Party on your behalf, and you will be exposed to the risk that the Securities, cash or any other property received by us from the Third Party are insufficient to satisfy your claim.

3.13 Services provided by FCA Regulated Custodians in relation to cash held as banker and shortfalls

3.13.1 Cash held as banker

Unless otherwise notified to you, money held for you in an account with us will be held by us as banker and not as trustee in accordance with the Client Money Rules. As a result, in the event of Citi's insolvency (or analogous event), the Client Money Distribution and Transfer Rules will not apply to such money, and you will not be entitled to share in any distribution under such Client Money Distribution and Transfer Rules.

3.13.2 Shortfalls

- (a) Where, in the circumstances contemplated in the paragraph below, we hold money for you in accordance with the Client Money Rules, we hold such money as trustee and not as banker. In such case, in the event of our insolvency (or analogous event), the Client Money Rules will apply and you will be entitled to share in any relevant distribution under the Client Money Distribution and Transfer Rules.
- (b) Where we choose to hold an amount of our money to cover a shortfall (as such term is used in the Custody Asset Rules being, in summary, any amount by which Securities held by us in the course of our Services falls short of our obligations to you), we will hold that amount for you in accordance with the Client Money Rules ("**Cover Amount**") until the shortfall is resolved (unless otherwise agreed). Where the relevant shortfall reduces or is otherwise resolved, the Cover Amount (or the portion thereof in excess of the relevant shortfall) shall become immediately due and payable to us and will cease to be Client Money

held for you. In the event of termination of the Services, payment to you of any such money covering a shortfall will fully discharge our obligation to return the Securities which were the subject of that shortfall to you.

3.14 Best Execution

We maintain a policy which sets out in what circumstances, and when applicable, how we will comply with an obligation to take all sufficient steps to obtain the best possible results for our clients when executing their orders or transmitting their orders to other entities for execution. This policy or a summary of this policy is available and updated through the website listed in Section 3.3 of this disclosure notice or such other website as is notified to you. The policy does not apply if you have been classified as an eligible counterparty.

3.15 Title Transfer Collateral Arrangements

3.15.1 Where you provide cash collateral to Citi under a title transfer collateral agreement:

- (a) If you enter into an Exchange Traded Services Agreement, Exchange Traded Services Schedule, General Clearing Member Services Agreement, Auto-Collateralisation Access Agreement, Global Master Repo Agreement for self-collateralising repos, or other agreement which provides for cash to be transferred to us by way of a title transfer collateral arrangement, you acknowledge that in the event of our insolvency or analogous proceedings you will be a general creditor and such cash may not be available to be paid to you. When we agree to accept cash as collateral you shall transfer to us full ownership so that all right, title and interest in and to such cash will pass to us outright. Such collateral will not be held in accordance with the Client Money Rules.
- (b) Where you have transferred collateral to us by way of title transfer collateral arrangement, our obligation to return collateral to you shall be satisfied by delivery to you of equivalent collateral (being collateral of the same type, nominal value, description and amount).

3.15.2 Where you provide Securities under a title transfer collateral arrangement:

- (a) We hereby draw your attention to the Information Statement provided to you disclosing the risks involved and the effect of title transfer collateral arrangements on your Securities.

3.16 Recording of Communications

Telephone conversations and electronic communications between you and us that result or may result in transactions in Financial Instruments will be recorded in accordance with Applicable Regulation. A copy of the recording of such conversations and communications will be available on request for a time period which is in accordance with Applicable Regulation.

3.17 **Appropriateness**

If you are a professional client, to the extent we are required by Applicable Regulation to assess whether a proposed transaction is appropriate for you, we are entitled to assume that you have the necessary experience and knowledge in order to understand the risks involved in respect of the Services provided. Additionally, we will, for the purposes of any such appropriateness assessment, rely on the information that you have supplied to us without independent verification and you represent and warrant that such information is true, accurate and complete.