

Omnibus Accounts for EU

This Appendix forms an integral part of the General Terms of Business (the "**General Terms**") and applies specifically to EU Clients maintaining omnibus accounts with the Company (the "**EU Omnibus Accounts**"). Except as expressly modified or supplemented herein, all matters relating to the Omnibus Account shall be governed by the General Terms. In the event of any inconsistency between this Appendix and the General Terms, the provisions of this Appendix shall prevail solely in relation to the specific matters addressed herein, and the General Terms shall continue to apply in all other respects.

1. Definitions and Interpretation

Unless otherwise defined herein, capitalised terms shall have the meaning given to them in the General Terms. In addition, the following definitions apply for the purposes of this Appendix:

- "**AML/CFT Regulations**" means all applicable laws, regulations, directives, rules, circulars and guidelines relating to the prevention of money laundering and terrorist financing, as amended or replaced from time to time, including without limitation:
 - The Prevention and Suppression of Money Laundering and Terrorist Financing Law of 2007 (Law 188(I)/2007), as amended;
 - Directive (EU) 2015/849 (the Fourth Anti-Money Laundering Directive), Directive (EU) 2018/843 (the Fifth Anti-Money Laundering Directive), and any subsequent EU anti-money laundering directives or regulations;
 - any delegated or implementing acts adopted pursuant thereto;
 - regulatory technical standards, guidelines and recommendations issued by the European Banking Authority (EBA), the European Securities and Markets Authority (ESMA) and/or other competent EU bodies; and
 - directives, circulars, guidance notes and instructions issued by the Cyprus Securities and Exchange Commission (CySEC).

AML/CFT Regulations include obligations relating to customer due diligence, enhanced due diligence, ongoing monitoring, transaction monitoring, record-keeping, internal controls, risk assessment and reporting of suspicious activities to competent authorities, in accordance with Applicable Law.

- "**Beneficial Owner**" means any natural person who ultimately owns or controls the Client/Underlying Client and/ or the natural person on whose behalf a transaction or activity is being conducted and includes at least:
 - (a) in the case of corporate entities:
 - the natural person who ultimately owns or controls a corporate entity through direct or indirect ownership of a sufficient percentage of the shares or voting rights or ownership interest in that corporate entity, including through bearer shareholdings, or through control via other means, other

than a company listed on a regulated market that is subject to disclosure requirements consistent with European Union law or subject to equivalent international standards which ensure adequate transparency of ownership information.

Provided that-

- (a) an indication of direct shareholding shall be a shareholding of 25% plus one share or an ownership interest of more than 25% in the Client held by a natural person; and
- (b) an indication of indirect ownership shall be a shareholding of 25% plus one share or an ownership interest of more than 25% in the Client held by a corporate entity, which is under the control of a natural person, or by multiple corporate entities, which are under the control of the same natural person or persons.
 - the natural person who holds the position of senior managing official if, after having exhausted all possible means and provided there are no grounds for suspicion, no person under subparagraph (i) of the present paragraph is identified, or if there is any doubt that the person identified is the beneficial owner:
Provided that the obliged entity shall keep a record of the actions taken in order to identify the beneficial ownership under subparagraphs (i) and (ii).
- (b) in the case of trusts:
 - the settlor;
 - the trustee or commissioner;
 - the protector, if any;
 - the beneficiary, or where the individual benefiting from the legal arrangement or legal entity have yet to be determined, the class of persons in whose main interest the legal arrangement or entity is set up or operates;
 - any other natural person exercising ultimate control over the trust by means of direct or indirect ownership or by other means.
- (c) in the case of legal entities, such as foundations, and legal arrangements similar to trusts, the natural person holding equivalent or similar positions to the person referred to in paragraph (b).
- **"Client Due Diligence Measures"** shall be subject to the Applicable Regulations that have jurisdiction over either of the Parties to these General Terms in the context of the requirements in terms of Clients due diligence measures to be applied, and comprise of inter alia, the following:
 - (a) identifying the Client and verifying the Client's identity on the basis of documents, data or information obtained from a reliable and independent source;
 - (b) identifying the beneficial owner and taking reasonable measures to verify that person's identity so that the obliged entity is satisfied that it knows who the beneficial owner is, including, as regards legal persons, trusts, companies, foundations, and similar legal arrangements, taking reasonable measures to understand the ownership and control structure of the Client;

- (c) assessing and, as appropriate, obtaining information on the purpose and intended nature of the business relationship;
- (d) conducting ongoing monitoring of the business relationship including scrutiny of transactions undertaken throughout the course of that relationship to ensure that the transactions being conducted are consistent with the obliged entity's knowledge of the Client, the business and risk profile, including where necessary the source of funds and ensuring that the documents, data or information held are kept up-to-date.

When performing the measures referred to in points (a) and (b) above, the Parties shall also verify that any person purporting to act on behalf of the Client is so authorized and identify and verify the identity of that person.

- **"Control"** means possessing, directly or indirectly, the power to direct, or cause the direction of, the management and policies of another person, whether through ownership of voting securities or partnership interests, representation on its board of directors or similar governing body, by contract or otherwise.
- **"Economic Profile Information"** means details and information including, but not limited to the following:
 - (a) the purpose and the reason for requesting the establishment of a business relationship;
 - (b) the anticipated account turnover, the nature of the transactions, the expected origin of incoming funds to be credited in the account and the expected destination of outgoing transfers/ payments;
- the Client's size of wealth and annual income and the clear description of the main business/ professional activities/operations.
- **"Intellectual Property Rights"** means pending or granted patents, trademarks, service marks, trade names, registered and unregistered designs, trade or business names, copyright (including, but not limited to, rights in software), and any applications for any of the aforesaid, database rights, design rights, know-how, trade secrets, rights in confidential information and any other intellectual property rights whatsoever irrespective of whether such intellectual property rights have been registered or not which may subsist in any part of the world.
- **"Market Abuse Regulation"** or **"MAR"** means Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse, as amended from time to time, together with any implementing or delegated acts, regulatory technical standards, guidelines, circulars or instructions issued pursuant thereto, including without limitation those issued by the European Securities and Markets Authority (ESMA) and/or the Cyprus Securities and Exchange Commission (CySEC), as well as any national implementing or supplementary legislation applicable in the Republic of Cyprus relating to the prevention, detection, reporting and sanctioning of insider dealing, unlawful disclosure of inside information and market manipulation.
- **"Politically Exposed Person"** or **"PEP"** means a natural person who is or who has been entrusted with prominent public functions in the Republic or in another

country, an immediate close relative of such person as well as a person known to be a close associate of such person:

Provided that, for the purpose of the present definition, 'prominent public function' means any of the following public functions:

- (a) heads of State, heads of government, ministers, and deputy or assistant ministers;
- (b) members of parliament or of similar legislative bodies;
- (c) members of the governing bodies of political parties;
- (d) members of supreme courts, constitutional courts, or of other high-level judicial bodies, the decisions of which are not subject to further appeal, except in exceptional circumstances;
- (e) members of courts of auditors or of the boards of central banks;
- (f) ambassadors, chargés d'affaires, and high-ranking officers in the armed forces;
- (g) members of the administrative, management, or supervisory bodies of State-owned enterprises;
- (h) directors, deputy directors, and members of the board or equivalent function of an international organization;
- (i) mayor.

Provided further that no public function referred to in points (a) to (i) shall be understood as covering middle-ranking or more junior officials;

Provided furthermore that "close relatives of a politically exposed person" includes the following:

- (a) the spouse, or a person considered to be equivalent to a spouse, of a politically exposed person;
- (b) the children and their spouses, or persons considered to be equivalent to a spouse, of a politically exposed person;
- (c) the parents of a politically exposed person.

Provided even furthermore that 'persons known to be close associates of a politically exposed person' means natural person:

- (a) who is known to have joint beneficial ownership of legal entities or legal arrangements, or any other close business relations, with a politically exposed person;
 - (b) who has sole beneficial ownership of a legal entity or legal arrangement which is known to have been set up for the de facto benefit of a politically exposed person.
- **"Sanctions Regulations"** Sanctions Regulations" means all applicable laws, regulations, decisions and restrictive measures relating to economic, financial or trade sanctions, as amended from time to time, including those adopted by the European Union, the United States (including OFAC), the United Nations Security Council, and any applicable implementing legislation in the Republic of Cyprus, as well as relevant guidance or instructions issued by CySEC or other competent authorities.

Sanctions Regulations include obligations relating to identification, screening,

monitoring, restriction, suspension or prohibition of transactions or relationships involving sanctioned persons, entities, countries or sectors..

- **"Shell Bank"** means a credit institution or financial institution, or an institution that carries out activities equivalent to those carried out by credit institutions and financial institutions, incorporated in a jurisdiction in which it has no physical presence, involving meaningful mind and management, and which is unaffiliated with a regulated financial group.
- **"Underlying Client"** means any ultimate investor or account beneficiary on whose behalf the Client (acting as an intermediary) is executing transactions or holding Funds or Securities. This includes any person or entity for whom the Client acts and who is not themselves a direct Client of the Company under these General Terms (i.e. they have no direct contractual relationship with the Company).
- **"Underlying Client Information"** means any data relating to Underlying Clients, including without limitation, names, addresses, email addresses, Economic Profile Information, and any and all other information relating to such Underlying Clients and/or transactions with the Client.

2. Services

Under this Appendix, the Company provides Investment Services as defined by the General Terms subject to particular conditions as described in this Section below.

The Client expressly acknowledges and agrees that:

- the contractual relationship exists solely between the Company and the Client;
- no contractual, fiduciary or other relationship exists between the Company and any Underlying Clients of the Client;
- all funds and securities held by the Company under these General Terms are held in the name of the Client and not in the name of the Client's Underlying Clients.

The Services shall be provided in accordance with Applicable Regulations and prevailing market practices. The Company reserves the right to modify, restrict or reduce the scope of the Services where required to ensure compliance with Applicable Regulations.

For the purposes of this Appendix, the Company deals solely with the Client as account holder and contractual counterparty and does not act as agent, trustee or fiduciary of any Underlying Client. Nothing in this Appendix shall prejudice the legal characterization of any Investment Service provided by the Company under Applicable Regulations or the Company's applicable execution arrangements and policies.

The Company may, acting reasonably, determine that an emergency or exceptional market condition exists, including but not limited to market suspension or closure, extreme market volatility or system disruptions. In such circumstances, the Company may take reasonable actions in accordance with the General Terms, including the closure of open Transactions.

3. Fees and Charges

In consideration for the Services, the Client shall pay the fees and charges as set out in the applicable fee schedule published by the Company and incorporated by reference into the General Terms, as amended from time to time.

4. General Representations and Undertakings

The Company and the Client each represent and warrant, on a continuing basis, that:

- they shall make their best efforts to comply at all times with all Applicable Regulations applicable to their respective activities, including without limitation AML/CFT, Sanctions and Market Abuse;
- the performance of their respective obligations under the General Terms does not violate any applicable law, regulation, charter document or contractual restriction binding upon them;
- they are duly organised, validly existing and authorised under the laws of their respective jurisdictions;
- all necessary corporate approvals and authorisations have been obtained for the entry into and performance of the General Terms; and
- any information and documentation provided is true, accurate, complete and not misleading.

Each party undertakes not to infringe any Intellectual Property Rights of the other party or any third party and to notify the other party promptly if it becomes aware of any suspected infringement.

5. Obligations and Responsibilities of the Company

The Company shall:

- provide the Services with due care, skill and diligence and in accordance with the General Terms and Applicable Regulations;
- perform the Services in compliance with all regulatory and supervisory requirements applicable to the Company;
- comply with lawful instructions of the Client relating to the performance of the Services, provided such instructions are consistent with the General Terms and Applicable Regulations;
- use commercially reasonable efforts to provide technical support related to the Services.

6. Monitoring and AML Controls

For the purposes of ongoing monitoring, the Company may request from the Client information and details relating to Transactions, Economic Profile Information, KYC and other documents obtained in frame of due diligence performed by the Client for its Underlying Clients, and AML measures applied by the Client, including where suspicions of unusual or suspicious activity arise.

Ongoing monitoring may be performed on a periodic and sample basis or in the form of ad-hoc requests, taking into account, inter alia, transaction size, AML risk, market abuse risk, and changes in Applicable Regulations. Where adverse findings are identified, the Company may take appropriate measures in accordance with Applicable Regulations, including requesting additional information, suspending Transactions, and terminating the relationship.

The Client acknowledges that the Underlying Clients of the Client shall not have any direct access to accounts maintained with the Company.

7. Obligations and Representations of the Client

The Client undertakes, represents and warrants that it shall:

1. Compliance with Applicable Regulations

- comply at all times with all Applicable Regulations applicable to the Services,

including AML/CFT, Sanctions Regulations, Market Abuse, and any other national or foreign laws, decrees, regulations, standards, or orders of competent authorities (including courts or tribunals) applicable to the Client or its Underlying Clients up to the ultimate legal and beneficial owner.

2. **Use of the Omnibus Account**

- ensure that any Omnibus Account maintained with the Company is used solely for the assets and transactions of its Underlying Clients. The Client shall not commingle or process proprietary transactions or assets relating to its own funds or accounts through such Omnibus Account. Any accounts maintained by the Client for its own proprietary investment activities must be established and operated separately from Omnibus Accounts used on behalf of Underlying Clients.

3. **AML/CFT, Sanctions, and Market Abuse Measures**

- maintain and apply adequate AML/CFT policies, procedures, and internal controls in relation to its Underlying Clients;
- perform Client Due Diligence Measures, enhanced due diligence where required, source of funds and wealth verification, sanctions screening, ongoing transaction monitoring, and other measures in accordance with applicable AML regulations;

- Has in place measures and controls to identify suspicious transactions, maintain procedures for the reporting of suspicious transactions, including to authorities where required;

- establish, maintain, and apply appropriate policies, procedures, and controls designed to prevent, detect, and report insider dealing, unlawful disclosure of inside information, and market manipulation in accordance with MAR;

- ensure that its Underlying Clients, employees, officers, and agents are prohibited from engaging in any activity that may constitute market abuse under MAR;

- promptly notify the Company if it becomes aware of any suspicious orders, transactions, or behaviour relating to Financial Instruments executed or to be executed through the Company which may give rise to a suspicion of breach of MAR;

- maintain appropriate records of customer identification and transactions for a minimum of five (5) years, and

- provide training to relevant staff.

4. **Provision of Information and Cooperation**

- promptly provide the Company, upon request, with all information, documentation, and data reasonably required for the provision of the Services and for the Company's compliance with its regulatory obligations;

- ensure that all information and documentation provided to the Company is complete and accurate, and immediately notify the Company in writing if it ceases to be so;

- cooperate fully and in a timely manner with the Company in connection with ongoing monitoring of the EU Omnibus Account relationship and compliance with the Company's requirements.

5. **Actions in Case of Non-Compliance or Suspicion**

- if the Client fails to provide the required information or documentation, or if the Company becomes aware that (i) the Client or any of its Underlying Clients up to the ultimate legal and beneficial owner, and/or (ii) securities and/or cash held with the Company are suspected to be linked to money laundering, terrorist financing, or operations targeted under Sanctions, the Company may take necessary actions, including temporary disconnection of communication channels, blocking of Accounts and relevant assets, suspension of all services, or any other measures as set out in the Terms and Conditions;

- the Company may suspend or block Instructions requiring further manual investigation for compliance purposes (including AML or Sanctions compliance).

Instructions may then be released for processing or cancelled; the Company shall not be liable for any loss or damage resulting from delays or cancellations.

6.

8. Termination

For the avoidance of doubt, the Omnibus Account does not constitute a separate contractual relationship. The Client may maintain different types of accounts in accordance with applicable laws and may close an Omnibus Account without terminating the entire contractual relationship with the Company. Termination or closure of the Omnibus Account shall not, by itself, constitute termination of the Agreement, unless otherwise provided in the General Terms..

All pending transactions and open positions under the Omnibus Account shall be handled in accordance with paragraph 38.2–38.7 of the General Terms. The provisions of paragraph 38.5 and 38.6 regarding accrued rights, obligations, fees, and any pending amounts shall fully apply to the Omnibus Account.

In addition to the grounds set out in paragraph 38.4 of the General Terms, the Company may terminate the contractual relationship with immediate effect where continuation of the Omnibus Account would expose the Company to operational, legal, or regulatory risk.

All other provisions regarding termination, account closure, transfer of assets, or handling of frozen or unclaimed assets shall be governed exclusively by paragraph 38 of the General Terms.