

FX DERIVATIVE CONTRACT ADDENDUM

WESTERN UNION INTERNATIONAL BANK GMBH,
UK BRANCH



B U S I N E S S

moving money for better

[BUSINESS.WESTERNUNION.CO.UK](https://business.westernunion.co.uk)

Contents

1. Definitions	2
2. Forward Contracts, Option Contracts and Future Payments Transactions	8
3. EMIR obligations in relation to FX Derivative Contracts	12
4. MiFID	18
5. Investment Advice	19

This FX Derivative Contract addendum (this Addendum) applies to any Forward Contract, Option Contract and/or Future Payments Transaction that the Client enters into with the Company and any Investment Advice that the Company may provide to the Client.

This Addendum supplements and modifies the Standard Terms and Conditions of the Company delivered to the Client and accepted by the Client upon execution of the Application Form. The latest version of the Terms and Conditions can be downloaded from our website (<http://business.westernunion.co.uk>).

In case of any conflict between the Terms and Conditions and this Addendum, this Addendum shall prevail to the extent of the conflict.

Words commencing with a capital letter are defined in clause 1 below, or if not otherwise defined in this Addendum, have the meanings ascribed to them in the Terms and Conditions.

1. Definitions

Advance Payment: A deposit required by the Company to be made by the Client to the Deposit Account in connection with a FX Derivative Contract pursuant to clause 2.1.1 and/or, as applicable, 2.2.1 and otherwise in accordance with the terms of this Addendum.

Agreed Process: Any process agreed between the Company and the Client in respect of a Dispute other than the procedure set out at clause 3.4 of this Addendum.

Buyer: The party specified as such in the related Option Confirmation, being the party that holds the right to exercise the Option Contract.

Call Currency: The currency specified as such in the related Option Confirmation.

Call Currency Amount: The amount of the Call Currency to be purchased on exercise of the Option Contract, as specified in the related Option Confirmation.

Call Option: A transaction which gives the Buyer the right but not the obligation to buy from the Seller, at the Expiration Time, the Call Currency Amount at the Protection Rate.

Close-out Amount: with respect to each FX Derivative Contract, the amount of the losses or costs of the Company that are or would be incurred under then prevailing circumstances (such as, without limitation, any break costs incurred) (expressed as a positive number) or gains of the Company that are or would be realised under then prevailing circumstances (expressed as a negative number) in replacing, or in providing for the Company the economic equivalent of: (a) the material terms of such FX Derivative Contract, including the payments and deliveries by the parties under or in respect of such FX Derivative Contract that would, but for the occurrence of the relevant Termination Date, have been required after that date; and (b) the option rights of the parties in respect of such FX Derivative Contract.

Collateral Addendum: The addendum supplementing and modifying the standard Terms and Conditions of the Company (including this Addendum) and creating security over the Deposit Account.

Common Data: With respect to a Relevant Transaction, the information listed in Table 2 (Common Data) of the Reporting Annex.

Company Exposure: on any day on which a Relevant Derivative Contract is subject to a mark to market revaluation, the amount by which, according to such revaluation, such Relevant Derivative Contract is Out of the Money, as determined in the Company's absolute discretion.

Company Overall Exposure: with respect to all Relevant Derivative Contracts (if more than one has been entered into), on any day on which such Relevant Derivative Contracts are subject to a mark to market revaluation, the result of the netting of the Company Exposure under each such Relevant Derivative Contract in accordance with clause 2.3.3, as determined in the Company's absolute discretion.

Confirmation Delivery Deadline: The end of the Business Day following the Trade Date.

Contract Date: The date on which the Client instructs the Company to enter into a FX Derivative Contract.

Counterparty Data: With respect to a Relevant Transaction and the Client, the information listed in Table 1 (Counterparty Data) of the Reporting Annex.

Customer Profile Document: A form prepared by the Company, filled in, executed and submitted by the Client along with this Addendum containing information about and serving for the purpose of assessment of, amongst other things, the Client's categorisation under MiFID rules, the Client's knowledge and experience in relation to foreign exchange derivative contracts, the Client's business needs and objectives, the Client's risk appetite and the Client's risk bearing capacity based on its financial situation.

Data Delivery Date: Four Business Days prior to the relevant PR Due Date.

Data Reconciliation: A comparison of the Portfolio Data provided by the Company against the Client's own books and records of all outstanding FX Derivative Contracts in order to identify promptly any misunderstandings of Key Terms.

Delivery Window: The period of time prior to the Maturity Date during which the Client may Draw Down on a Forward Contract, if so agreed by the Client and the Company.

Deposit Account: Has the meaning given to that term in the Collateral Addendum.

Derivative Contract: Has the meaning given to that term in Article 2(5) of EMIR.

Dispute: Any dispute between the Company and the Client relating to the recognition of a FX Derivative Contract or the valuation of a FX Derivative Contract or Financial Collateral in respect of which a Dispute Notice has been effectively delivered.

Dispute Date: With respect to a Dispute, the date on which a Dispute Notice is effectively delivered by one party to the other party save that if, with respect to a Dispute, both parties deliver a Dispute Notice, the date on which the first in time of such Dispute Notices is effectively delivered will be the Dispute Date. Each Dispute Notice will be effectively delivered if delivered by facsimile, letter or e-mail to the address or facsimile number most recently provided by the Client or the Company, as the case may be, to the other party.

Dispute Notice: A notice in writing which states that it is a dispute notice for the purposes of clause 3.4 of this Addendum and which sets out in reasonable detail the issue in dispute (including, without limitation, the FX Derivative Contract(s) to which the issue relates).

Draw Down: The partial delivery and/or partial or full settlement of a Forward Contract.

EMIR: Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.

EMIR Supporting Regulation: Any applicable supporting law, rule or regulation in relation to EMIR.

ESMA: The European Securities and Markets Authority established by Regulation (EU) No 1095/2010 of the European Parliament and of the Council.

European Option: An Option Contract that can only be exercised at the Expiration Time.

Excluded Counterparty Data: With respect to a Relevant Transaction and the Client, all data required pursuant to fields 17 to 26 of Table 1 of the Reporting Annex.

Execution Policy: The Company's order execution policy set out in the Financial Services Guide and applied by the Company.

Exercise Date: The date when an Option Contract is exercised.

Expiration Date: The last date on which an Option Contract can be exercised, as specified in the applicable Option Confirmation.

Expiration Time: The last time at which an Option Contract can be exercised, as stated in the applicable Option Confirmation.

Financial Collateral: Has the meaning ascribed to it in the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226), as amended.

Financial Services Guide: A document named as such prepared by the Company and delivered to the Client with this Addendum setting out, amongst other things, a detailed description of issues related to the handling by the Company of any conflict of interest issues, filing complaints, the Company's contact details, manner and language that the Company can be contacted in, categorisation of the Company's clients for the purposes of MiFID, best execution policy, the structure of the Company's remuneration in relation to Services, the applicable deposit protection scheme and the Company's competent financial supervisory authorities.

Force Majeure Event: Any event which occurs due to reasons outside of the Company's control (including, but not limited to, any natural, systems, facilities, technological, political or other cause and whether in respect of a Relevant Trade Repository, WUIB Affiliate, the Company, third party or otherwise) and which cannot be overcome by reasonable diligence and/or without unreasonable expense solely by the Company.

Forward Contract: An agreement entered into between the Client and the Company in which the Client agrees to purchase from (or sell to) the Company a specific amount of funds in one currency and to settle, on an agreed future date, in a corresponding amount of funds in another currency at an agreed fixed exchange rate.

Future Payments Services: The provision by of Future Payments Transactions.

Future Payments Transaction: An agreement entered into between the Client and the Company in which:

- (i) the Company agrees to purchase a specific amount of funds in one currency and to settle on an agreed future date in a specific amount of funds in another currency at an agreed fixed exchange rate, and
- (ii) the Company agrees to transfer the purchased funds to a designated Beneficiary or the Client for an agreed service fee, if applicable.

FX Derivative Contract: A Forward Contract, Option Contract and/or a Future Payments Transaction between the Client and the Company entered into pursuant to this Addendum.

GBP: The lawful currency of the United Kingdom.

Insolvency Event: Means Client: (1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4)(a) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (b) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (a) above and either (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (5) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1) to (7) above (inclusive); or (9) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

Investment Advice: Recommendations made by the Company to the Client in respect of the purchase, sale, exercise of or refraining from purchase, sale or exercise of FX Derivative Contract(s) which are available with the Company and tailored hedging strategies covering combinations of the aforementioned recommendations, in all cases prepared taking into account the Client's individual needs, experience and financial situation.

Key Terms: With respect to a FX Derivative Contract and the Company, the valuation of such FX Derivative Contract and any other relevant details to enable such FX Derivative Contract to be identified, which may include: the transaction date and time, the settlement date, the FX Derivative Contract amount, the exchange rate, the position of the counterparties, and/or any other relevant details of the FX Derivative Contract.

LEI (Legal Entity Identifier): An individual alphanumeric code identifying an entity for the purpose of, amongst other things, reporting obligations under EMIR and EMIR Supporting Regulations issued by a local entity having the status of a Local Operating Unit (LOU).

Losses: All losses, damages, fines, penalties, costs, expenses or other liabilities (including legal and other professional fees).

Margin Call: A deposit, additional to any Advance Payment, required by the Company to be made by the Client to the Deposit Account in connection with a Relevant Derivative Contract. The amount of such deposit shall be determined by the Company in its sole discretion and shall be based on the actual adverse foreign currency fluctuation relative to the Client's original FX Derivative Contract purchase price, or an adverse change in Client's financial standing and/or credit worthiness.

Maturity Date: The date on which a Forward Contract becomes due for delivery and settlement. The Maturity Date must be a business day in all jurisdictions involved in the relevant Forward Contract, including both countries of the currencies involved.

MiFID: The Market in Financial Instruments Directive 2014/65/EU, regulation (EU) No 600/2014 on markets in financial instruments and any national laws and regulations implementing the same in England and Wales and in Austria.

Net Company Exposure: on any day on which a Relevant Derivative Contract is subject to a mark to market revaluation:

- (a) the Company Exposure; less
- (b) the aggregate of:
 - (i) the amount of the Client's OTM Facility (if any); and
 - (ii) all amounts standing to the credit of the Deposit Account (if any), as determined in the Company's absolute discretion.

Net Company Overall Exposure: with respect to all Derivative Contracts (if more than one has been entered into), on any day on which such Relevant Derivative Contracts are subject to a mark to market revaluation:

- (a) the Company Overall Exposure; less
- (b) the aggregate of:
 - (i) the amount of the Client's OTM Facility (if any); and
 - (ii) all amounts standing to the credit of the Deposit Account (if any), as determined in the Company's absolute discretion.

Notice of Exercise: The notice given by the Buyer to the Seller (by telephone or electronic mail) of its intention to exercise the Option Contract.

Not Confirmed Notice: With respect to a Transaction Confirmation Form provided by the Company in respect of a FX Derivative Contract, a notice from the Client to the Company (which may be made in Writing or orally by telephone) stating that the terms of such Transaction Confirmation Form do not accurately reflect the terms of the relevant Instruction, which terms are inaccurate and what such terms should be, in the opinion of the Client. If a Not Confirmed Notice is made by telephone such oral notice has to be confirmed in Writing on the same day otherwise such oral Not Confirmed Notice is deemed not to be delivered to the Company by the Timely Confirmation Deadline.

Option Confirmation: A Transaction Confirmation Form in respect of an Option Contract.

Option Contract or Option: A Call Option or a Put Option;

Option Settlement Amount: The total amount the Client owes the Company pursuant to an Option Contract.

Option Settlement Date: In relation to an Option Contract, the date for settlement of the payment rights and obligations under the Option Contract following the exercise of the option, as specified in the relevant Option Confirmation. The Settlement Date of a European Option is 2 Business Days after the Expiration Date.

OTC Derivative Contract: A Derivative Contract as described in Article 2(7) of EMIR. i.e. a Derivative Contract 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.

OTM Facility: Any Out of the Money exposure limit which the Company may, in its sole discretion, extend to the Client in Writing from time to time and which will allow the Client to enter into Relevant Derivative Contracts within that limit without having to deposit an Advance Payment or Margin Call in the Deposit Account.

Out of the Money: In relation to a Forward Contract or an Option Contract, means that, if a Termination Event were to occur on that date, the Close-out Amount would be a positive number.

Portfolio Data: In relation to a Data Delivery Date, the Key Terms in relation to all FX Derivative Contracts outstanding on the Data Delivery Date, in a form and standard that is capable of being reconciled, with a scope and level of detail that would be reasonable to the Company if it were performing the Data Reconciliation. Unless otherwise agreed between the Client and the Company, the information comprising the Portfolio Data will be prepared as at close of business on the Business Day preceding the Data Delivery Date.

PR Due Date: The 15th of December in each calendar year, provided that if such day does not fall on a Business Day, the PR Due Date shall be the next Business Day. The Company may notify the Client at any time that PR Due Dates shall occur at more frequent intervals.

Premium: The amount that is payable by the Buyer to the Seller on the Premium Payment Date for the Option.

Premium Payment Date: With respect to any Option Contract, the date that is two (2) Business Days after the Trade Date.

Product Disclosure Statement: A document named as such prepared by the Company and delivered to the Client prior to or along with this Addendum setting out, amongst other things, a detailed description of Forwards Contracts, Option Contracts, Future Payments Transactions and other products and Services offered by the Company and the risks that may be applicable to such products and Services.

Protection Rate: The currency exchange rate specified as such in the related Option Confirmation, which is the currency exchange rate at which the Put Currency will be exchanged for the Call Currency if the Option is exercised, as agreed on the Trade Date.

Put Currency: The currency specified as such in the Option Confirmation.

Put Currency Amount: The amount of the Put Currency to be sold on exercise of the Option as specified in the related Option Confirmation.

Put Option: A transaction which gives the Buyer the right but not the obligation to sell to the Seller, at the Expiration Time, the Put Currency Amount at the Protection Rate.

Release Date: The date on which a Future Payments Transaction becomes due for release and settlement. The Release Date must be a business day in all jurisdictions involved in the Future Payments Transaction, including both countries of the currencies involved in the transaction.

Relevant Derivative Contract: Has the meaning given to it in clause 2.3.1 of this Addendum.

Relevant Trade Repository: In respect of a Relevant Transaction, the Trade Repository selected by the Company from time to time for such Relevant Transaction and notified to the Client or, where no Trade Repository is available to record the details of such Relevant Transaction and where the Reporting Obligation requires, ESMA. WUIB hereby notifies the Client that the Relevant Trade Repository will be DTCC Derivatives Repository Limited until WUIB notifies Client otherwise.

Relevant Transaction: Any Derivative Contract between the Company and the Client, each acting as principal and not as agent for any other person, that is subject to the Reporting Obligation.

Report: The data reported by the Company on the Client's behalf to the Relevant Trade Repository pursuant to the Reporting Obligation.

Reporting Annex: Means (i) the Annex to the Commission Delegated Regulation (EU) No 148/2013 of 19 December 2012; and (ii) the Annex to the Commission Implementing Regulation (EU) No 1247/2012 of 19 December 2012.

Reporting Deadline: In respect of a Relevant Transaction, the deadline for reporting the Relevant Transaction, as specified in Article 9 of EMIR.

Reporting Obligation: The obligation to report details of Derivative Contracts that are concluded, modified or terminated to a Trade Repository or ESMA in accordance with Article 9 of EMIR.

Reporting Requirements: Has the meaning given to it in clause 3.5.1(a) of this Addendum.

Required Data: (a) the Counterparty Data (other than the Excluded Counterparty Data) in relation to the Client; and
(b) the Common Data.

Seller: The party specified as such on the relevant Option Confirmation. **Statement of Advice:** Has the meaning given to it in clause 5.2.3. **Termination Amount:** An amount equal to:

- (a) the sum of:
 - (i) the aggregate of the Termination Currency Equivalent of the Close-out Amounts (whether positive or negative) determined by the Company for the outstanding FX Derivative Contracts; and
 - (ii) the Termination Currency Equivalent of the Unpaid Amounts owing to the Company by the Client; less
- (b) the Termination Currency Equivalent of the Unpaid Amounts owing by the Company to the Client (excluding, for the avoidance of doubt, any amounts standing to the credit of the Deposit Account).

Termination Currency: GBP, unless otherwise agreed by the Client and the Company in writing.

Termination Currency Equivalent: In respect of any amount denominated in the Termination Currency, such Termination Currency amount and, in respect of any amount denominated in a currency other than the Termination Currency (the "Other Currency"), the amount in the Termination Currency determined by the Company as being required to purchase such amount of such Other Currency as at the relevant Termination Date or, if the relevant Close-out Amount is determined as of a later date, that later date, with the Termination Currency at the rate equal to the spot rate of exchange of the foreign exchange agent (selected as provided below) for the purchase of such Other Currency with the Termination Currency at or about 11.00 a.m. in London on such date as would be customary for the determination of such a rate for the purchase of such Other Currency for value on the relevant Termination Date or that later date. The foreign exchange agent will be located in London and be selected by the Company in good faith.

Termination Date: The date defined as such in clause 2.5.1.

Third Party Service Provider: A third party including, without limitation, a WUIB Affiliate, appointed by the Company to submit Required Data by the Reporting Deadline to a Relevant Trade Repository.

Timely Confirmation Deadline: The close of business in London on the second Business Day following the Trade Date.

Trade Date: The date on which the FX Derivative Contract is entered into by the Client and the Company.

Trade Repository or TR: Any entity registered as a trade repository in accordance with Article 55 of EMIR or recognized as a trade repository in accordance with Article 77 of EMIR.

Unpaid Amounts: All amounts that have become payable by one party to the other under the Terms and Conditions (as supplemented by this Addendum) on or prior to the Termination Date and which remain unpaid as at the Termination Date (ignoring, for such purposes, clause 2.5.3 and, for the avoidance of doubt, not including any Termination Amount).

WUIB Affiliate: means any affiliate (being a member of the WUBS Group) of the Company.

2. Forward Contracts, Option Contracts and Future Payments Transactions

2.1 Forward Contracts

2.1.1 The Client may request the Company to enter into a Forward Contract with the Client by delivering an Instruction.

The Company will enter into a Forward Contract provided that, save as expressly contemplated by any OTM Facility, the Client promptly, but not later than by an agreed date, deposits an Advance Payment in the Deposit Account equal to an agreed percentage of the nominal value of the Settlement Amount resulting from the Instruction. The Client agrees to perform the Forward Contract entered into in conformity with its provisions, including those concerning the Maturity Date and the Settlement Amount.

2.1.2 The Company shall only be obliged to perform a Forward Contract once the Company has received from the Client the outstanding balance of the Settlement Amount and any other sums that the Client owes the Company.

2.1.3 Once the Company has received the Settlement Amount for a Forward Contract, together with any other sums that the Client may owe the Company, the Company will deliver the currency and amount due to the Client in respect of such Forward Contract into the Client's Holding Balance or to a Beneficiary in accordance with the Client's Instruction(s).

2.1.4 If specifically so agreed between the Client and the Company, the Client may Draw Down against a Forward Contract during an agreed Delivery Window; provided, however, the Company has received settlement in immediately available funds corresponding to the amount of the Draw Down. Notwithstanding any Draw Down, the Client shall be required to provide the full Settlement Amount (or any remaining balance) to the Company in immediately available funds in connection with a Forward Contract on or before the end of the Maturity Date.

2.2 Option Contracts

2.2.1 The Client may request the Company to enter into an Option Contract with the Client by delivering an Instruction. The Company will enter into an Option Contract provided that, save as expressly contemplated by any OTM Facility, the Client promptly, but no later than by an agreed date, deposits an Advance Payment in the Deposit Account equal to an agreed percentage of the nominal value of the Option Contract.

2.2.2 The Client must, where applicable, pay to the Company the Premium in immediately available funds during business hours on the Premium Payment Date in accordance with the Company's instructions. The Premium is non-refundable. If the Client fails to pay the Premium in full on the Premium Payment Date, the Company is not obliged to accept exercise or other Instructions as advised by the Client in relation to the Option Contract and may terminate the Option Contract and, without prejudice to any other rights and remedies available to the Company, recover all losses, costs and expenses incurred by the Company in connection with the Option Contract.

2.2.3 Exercise

- (a) Where the Client holds the right to exercise an Option Contract at the Expiration Time on the Expiration Date and if it would be in the Client's best interest (as determined by the Company in its sole discretion) to exercise such Option Contract, such Option Contract shall (unless the Client otherwise instructs the Company by telephone or by email) be deemed to be exercised on the Expiration Date at the Expiration Time, without the need for the Client to serve a Notice of Exercise on the Company.
- (b) Where the Client holds the right to exercise an Option Contract and such Option Contract is not deemed to be exercised pursuant to clause 2.2.3(a) of this Addendum, the Client may exercise such Option Contract by giving a Notice of Exercise to the Company on the Expiration Date, not later than the Expiration Time.
- (c) Where the Company holds the right to exercise an Option Contract at the Expiration Time on the Expiration Date, such Option Contract shall be deemed to be exercised on the Expiration Date at the Expiration Time without the need for the Company to serve a Notice of Exercise on the Client, unless the Company notifies the Client in writing prior to such Expiration Date that it does not wish to exercise such Option Contract.

2.2.4 Barrier events and cuts

Each Option Contract that the Company enters into with the Client is covered with one of a number of banks/brokers, and as such, all determinations and calculations of barrier events and cuts shall be made by the Company in its sole discretion. The Company does not independently determine whether a barrier event or cut has occurred. If the Company's counterparty bank/broker informs the Company that a barrier event or cut has occurred, the Company will inform the Client of such barrier event or cut occurring. In general, each counterparty bank/broker deems there to have been a barrier event or cut in accordance with their own methodology and criteria, which may include when a transaction occurs in the spot market on their systems that meets certain criteria and/or may include determining in accordance with third party indication services (i.e. Reuters or Bloomberg).

- 2.2.5** Subject to clause 2.2.6 of this Addendum, following the exercise of an Option Contract(s) under clause 2.2.3 of this Addendum, each party must pay the currency and amount due to the other party on the Option Settlement Date. Following such settlement, the Option Contract is discharged and all rights and obligations under the Option Contract are terminated.
- 2.2.6** Once the Option Settlement Amount has been received by the Company, together with any other sums that the Client may owe the Company, the Company will deliver the currency and amount due to the Client with respect to such Option Contract into the Client's Holding Balance or to the Client to the account the details of which the Client notifies the Company of at least two (2) Business Days before the Option Settlement Date or to a Beneficiary in accordance with the Client's Instruction.
- 2.2.7** The Client may at any time during the term (the period from the Trade Date to the Expiration Time) notify the Company by telephone or by email that the Client intends to surrender or close the Option Contract, provided that the total amount of the Premium payable (if any) has been received by the Company in immediately available funds. Any notice of surrender or closure must be received by the Company before the Expiration Time. The Company will establish the close-out strike rate and total Premium and notify the Client of the same. Upon the Client's acceptance of the close-out strike rate and total Premium, the Company will follow the Client's instruction to surrender or close the Option Contract. The net premium difference (as determined by the Company in its absolute discretion), less any administration costs incurred by the Company, will be passed onto the Client.
- 2.2.8** Unless the Option is surrendered or exercised in accordance with this clause 2.2, the Option Contract(s) will lapse at the Expiration Time. Neither the Company nor the Client is required to notify the other of the lapse of the Option Contract.

2.3 Provisions applicable to Forward Contracts and Option Contracts

2.3.1 The Company may, in its sole discretion, limit:

- 2.3.1.1** the aggregate value of all Forward Contracts and/or Option Contracts entered into by a Client (Relevant Derivative Contracts) to a predetermined maximum notional amount that will be expressed in GBP; and/or
- 2.3.1.2** the maximum term of any Relevant Derivative Contract (i.e. the period between entering into the Relevant Derivative Contract and its Maturity Date or Expiration Date, as applicable).
- 2.3.2** During the term of each Relevant Derivative Contract (i.e. any time until the Maturity Date or the Expiration Date, as applicable), the Company may carry out mark to market revaluation of such Relevant Derivative Contract on a daily basis (or more often in times of exchange rate volatility or other unusual market conditions). If, at any time, as a result of the mark to market revaluation, the Net Company Exposure under any of the Client's Relevant Derivative Contracts is a positive number, then the Company may, in its absolute discretion and subject to clause 2.3.3 below, seek from the Client and the Client agrees to deposit in the Deposit Account, within two (2) Business Days of such request, an additional amount by way of a Margin Call.
- 2.3.3** If the Client has two or more outstanding Relevant Derivative Contracts, at any time that the Company carries out a mark to market revaluation pursuant to clause 2.3.2, the Company will carry out such a revaluation for each outstanding Relevant Derivative Contract individually and the Company Exposure under each Relevant Derivative Contract will be netted with the Company Exposure under each of the other outstanding Relevant Derivative Contracts to establish the Company Overall Exposure for all the Client's outstanding Relevant Derivative Contracts, which shall be used by the Company to determine the Net Company Overall Exposure. If, at any time, the Client has two or more Relevant Derivative Contracts outstanding, the Company may require a Margin Call to be deposited in the Deposit Account only if the Net Company Overall Exposure at such time is a positive number.

- 2.3.4** For the avoidance of doubt, the Company may call upon the Client to make additional deposits in the Deposit Account by way of Margin Call on multiple occasions, provided that on each such occasion the Net Company Exposure (or, if the Client has two or more outstanding Relevant Derivative Contracts, the Net Company Overall Exposure) is a positive number.
- 2.3.5** Advance Payments and Margin Calls are provided by way of transfer of deposit of funds in the Deposit Account, within two (2) Business Days of a request by the Company for such an Advance Payment or Margin Call to be so deposited, and constitute Financial Collateral collateralising the Client's obligations to the Company under the Terms and Conditions (as supplemented by this Addendum). On each day on which the Client transfers cash to the Deposit Account by way of Advance Payment or Margin Call pursuant to this Addendum, it shall be deemed to represent that it is the sole owner of or otherwise has the right to transfer such cash, free and clear of any security interest, lien, encumbrance or other restriction. Nothing in this Addendum is intended to create in favour of the Company or any other party any mortgage, charge, lien, pledge, encumbrance or other security interest.
- 2.3.6** If the Client fails to comply with any of its obligations set out in this clause 2.3 or those contained in the provisions of any Relevant Derivative Contract, the Client will indemnify the Company in full for all the losses, costs, charges or expenses that the Company incurs, including those related to the settlement or continuation of any contract that the Company has entered into with other parties in order to cover/balance the Company's risk exposure resulting from a Relevant Derivative Contract executed with the Client.
- 2.3.7** Prior to the end of the Security Period (as defined in the Collateral Addendum):
- 2.3.7.1** the Client is not permitted to withdraw any amount standing to the credit of the Deposit Account without the prior written consent of the Company (to be given or withheld in the absolute and sole discretion of the Company);
- 2.3.7.2** Western Union International Bank GmbH, UK Branch, in its capacity as the account bank at which the Deposit Account is held, shall not permit any such withdrawal unless the consent of the Company is so provided; and
- 2.3.7.3** the Client may request the Company to provide its consent to a withdrawal from the Deposit Account only if it believes that the Net Company Overall Exposure at the relevant time is a negative number, whereupon if the Company determines (in its sole and absolute discretion) that the Net Company Overall Exposure is a negative number at such time, the Company may, but shall not be obliged to, consent to a withdrawal from the Deposit Account in such amount as shall be agreed between the Client and the Company.

2.4 Future Payments Transactions

- 2.4.1** The Client may authorise the Company to enter into a Future Payments Transaction by delivering an Instruction. The Company may, in its sole discretion limit the provision of Future Payments Services to the Client to a predetermined notional amount that will be expressed in GBP. The Company will advise the Client of any limit that applies before the Company enters into a Future Payments Transaction with the Client.
- 2.4.2** The Client must deliver the Settlement Amount to the Company in the same currency as the currency specified by the Client in the Client's Request to the Company to enter into a Future Payments Transaction.
- 2.4.3** Once the Settlement Amount has been received by the Company, the Company will release the payment in accordance with the Client's Request. The Company may charge the Client a fee for transfer of the funds to the designated Beneficiary or to the Client, as specified in the Fee Schedule.
- 2.4.4** In the event that the Client desires to change the Release Date of the Future Payments Transaction, or any portion thereof, before the Release Date, the Client may do so subject to the Company's express agreement; provided, however, that the maximum length of any extension to the Release Date shall not exceed ninety (90) days after the Contract Date of the Future Payments Transaction unless the Company, in its sole discretion, extends the term of the Future Payments Transaction.
- 2.4.5** The Client may amend its release instructions prior to the Release Date by submitting an Instruction to the Client not to release the full amount of the funds on the Release Date. In such case, the Client may instruct the Company to immediately resell the excess funds at the current market exchange rate that the Company agrees with the Client or otherwise the Company will place the balance of the excess funds in a Holding Balance.

2.5 Provisions applicable to Forward Contracts, Option Contracts and Future Payments Transactions

2.5.1 If:

- 2.5.1.1** the Client fails to deposit in the Deposit Account an Advance Payment or Margin Call as required by the Company in relation to a Relevant Derivative Contract on the relevant agreed date (in the case of an Advance Payment) or within two (2) Business Days of the Company's request for a Margin Call (in the case of a Margin Call); or
 - 2.5.1.2** the Client communicates to the Company an intent not to deposit an Advance Payment or Margin Call in the Deposit Account as required by the Company in relation to a Relevant Derivative Contract; or
 - 2.5.1.3** the Client defaults, or communicates its intention to default, on any of the Client's obligations under the Terms and Conditions (as supplemented by this Addendum), other than its obligation to deposit an Advance Payment or a Margin Call in the Deposit Account; or
 - 2.5.1.4** the Client disputes the validity or existence of a Forward Contract, Option Contract or Future Payments Transaction;
 - 2.5.1.5** the Client defaults, or communicates its intention to default on any of the Client's obligations in:
 - (i) the terms and conditions of any member of the WUBS Group to which the Client has agreed to be bound; and/or
 - (ii) any agreement between the Client and any member of the WUBS Group, other than (in either case) the Terms and Conditions or this Addendum; or
 - 2.5.1.6** the Client is subject to a Change of Control; or
 - 2.5.1.7** an Insolvency Event occurs with respect to the Client, the Company may, by notice to the Client, declare that the provisions of this clause 2.5 will apply (a "Close-Out Notice"). Such Close-Out Notice shall specify which of the above events has occurred and shall designate a day not earlier than the day such notice is effective as the "Termination Date".
- 2.5.2** On the Termination Date, all outstanding FX Derivative Contracts and all transactions thereunder will be terminated.
- 2.5.3** From the Termination Date and notwithstanding any other provision hereof, no further payments or deliveries will be required to be made by the Company or the Client to the other with respect thereto, save for payment of the Termination Amount in accordance with this clause 2.5.
- 2.5.4** In connection with termination of the FX Derivative Contracts in accordance with this clause 2.5 and for the purposes of determining the Termination Amount, the Company will determine:
- 2.5.4.1** the Close-out Amount with respect to each such FX Derivative Contract;
 - 2.5.4.2** any Unpaid Amounts owing by the Client to the Company; and
 - 2.5.4.3** any Unpaid Amounts owing by the Company to the Client (excluding, for the avoidance of doubt, any amount standing to the credit of the Deposit Account).
- 2.5.5** The Company may determine a Close-out Amount for any group of FX Derivative Contracts or any individual FX Derivative Contract but, in the aggregate, for not less than all outstanding FX Derivative Contracts. Each Close-out Amount will be determined as of the Termination Date or, if that would not be commercially reasonable, as of such date or dates following the Termination Date as would be commercially reasonable. Unpaid Amounts in respect of a FX Derivative Contract and any amount standing to the credit of the Deposit Account shall be excluded in all determinations of Close-out Amounts.
- 2.5.6** On the basis of the Close-out Amount(s) and Unpaid Amount(s) determined pursuant to this clause 2.5, the Company shall determine the Termination Amount and shall notify such amount to the Client.
- 2.5.7** If the Termination Amount shall be payable on the date notified by the Company to the Client in writing and:
- 2.5.7.1** if it is a positive number, shall be paid by the Client to the Company; and
 - 2.5.7.2** if it is a negative number, the absolute value thereof shall be paid by the Company to the Client.

3. EMIR obligations in relation to FX Derivative Contracts

3.1 Representations in relation to the Client's status under EMIR

3.1.1 The Client is deemed to represent to the Company on the date of receipt of this Addendum and on each subsequent date on which the Client submits Instructions to the Company, that:

- (a) The Client is either:
 - (i) a non-financial counterparty (as such term is defined in EMIR); or
 - (ii) an entity established outside the European Union that, to the best of its knowledge and belief, having given due and proper consideration to its status, would constitute a non-financial counterparty (as such term is defined in EMIR) if it were established in the European Union; and
- (b) the Client is not subject to the clearing obligation pursuant to EMIR (or, if the Client is an entity referred to under clause 3.1.1(a)(ii) above, would not be subject to the clearing obligation if it were established in the European Union) in respect of the FX Derivative Contracts outstanding between the Client and the Company. For the purposes of this subparagraph (b) of this representation, it is assumed that the FX Derivative Contracts are of a type that have been declared to be subject to the clearing obligation in accordance with Article 5 of EMIR and are subject to the clearing obligation in accordance with Article 4 of EMIR (whether or not in fact this is the case), and that any transitional provisions in EMIR are ignored.

3.1.2 Should the Client's status under EMIR change, such that the Client is no longer able to give the representation in clause 3.1.1(b) above, the Client shall immediately notify the Company of such change in status and with effect from such date and on each subsequent date on which the Client submits Instructions to the Company, the Client shall be deemed to make only the representation in clause 3.1.1(a) above.

3.1.3 Should the Client be unable to give the representation in clause 3.1.1(b) above on the date of receipt of this Addendum, the Client shall notify the Company upon receipt of this Addendum. Provided the Client has given such notification, the Client shall be deemed to make only the representation in clause 3.1.1(a) above on the date of receipt of this Addendum and on each subsequent date on which the Client submits Instructions to the Company.

3.1.4 To the extent clause 3.1.2 or 3.1.3 above applies to the Client, the Client may notify the Company should the Client's status under EMIR change after the date of this Addendum such that the Client is able to give the representation in clause 3.1.1(b) above and with effect from such date and on each subsequent date on which the Client submits Instructions to the Company, the Client shall be deemed to make the representation in clauses 3.1.1(a) and 3.1.1(b) above.

3.1.5 In circumstances where the Client give a notification under clause 3.1.2, 3.1.3 or 3.1.4, the Company may notify the Client of a new PR Due Date.

3.2 Timely Confirmation

3.2.1 The terms of each FX Derivative Contract shall be confirmed in the Transaction Confirmation Form delivered by the Company to the Client.

3.2.2 The Company will deliver a Transaction Confirmation Form in respect of each FX Derivative Contract to the Client as soon as possible and at the latest by the Confirmation Delivery Deadline.

3.2.3 If the Client agrees that the Option Confirmation corresponds with its Instruction, then the Client should sign the Option Confirmation and return it to the Company by email by the Timely Confirmation Deadline.

3.2.4 The parties agree that in respect of each:

3.2.4.1 Forward Contract and Future Payment Transaction, if the Company delivers a Transaction Confirmation Form to the Client by the Confirmation Delivery Deadline and the Client does not deliver to the Company a Not Confirmed Notice by the Timely Confirmation Deadline, the Client agrees to the terms of the Transaction Confirmation Form and confirms the Transaction Confirmation Form at the Timely Confirmation Deadline; and

3.2.4.2 Option Contract if the Company delivers a Transaction Confirmation Form to the Client by the Confirmation Delivery Deadline and the Client does not deliver to the Company;

- (a) a signed Option Confirmation; and/or
- (b) a Not Confirmed Notice, by the Timely Confirmation Deadline, the Client agrees to the terms of the Option Confirmation and confirms the Option Confirmation at the Timely Confirmation Deadline.

3.2.5 If the Client delivers a Not Confirmed Notice to the Company by the Timely Confirmation Deadline, the Client and the Company will use reasonable efforts, acting in good faith and a commercially reasonable manner, to attempt to resolve the difference and agree a modified Transaction Confirmation Form in respect of the FX Derivative Contract as soon as possible.

3.3 Portfolio Reconciliation

3.3.1 The Client and the Company agree to reconcile FX Derivative Contracts portfolios as required under EMIR.

3.3.2 On each Data Delivery Date, the Company will provide Portfolio Data to the Client.

3.3.3 On each PR Due Date, the Client will perform a Data Reconciliation.

3.3.4 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 of the Client and the Company in respect of one or more FX Derivative Contracts, the Client will notify the Company in Writing as soon as reasonably practicable and the Client and the Company 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.

3.3.5 The parties agree that if the Client does not notify the Company that the Portfolio Data contains discrepancies by close of business London time on the Business Day following the later of the PR Due Date and the date on which the Company provided such Portfolio Data to the Client, the Client affirms such Portfolio Data.

3.4 Dispute Resolution

3.4.1 The Client and the Company agree that they will use the following procedure to identify and resolve Disputes between each other:

- (a) each party may identify a Dispute by sending a Dispute Notice to the other party;
- (b) on or following the Dispute Date, the parties will consult in good faith in an attempt to resolve the Dispute in a timely manner including, without limitation, by identifying and using any Agreed Process which can be applied to the subject of the Dispute or, where no such Agreed Process exists or parties agree that such Agreed Process would be unsuitable, determining and applying a resolution method for such Dispute; and
- (c) parties shall refer any Dispute that is not resolved within five Business Days of the Dispute Date internally to appropriately senior members of staff.

3.4.2 The parties agree that with respect to differences in the valuation of Financial Collateral or a FX Derivative Contract, a difference between the lower valuation and the higher valuation of less than ten (10) per cent of the higher valuation shall not be deemed a discrepancy that gives rise to a Dispute.

3.4.3 The right of both parties to approach competent courts is not affected.

3.5 General Reporting and Disclosure Obligations under EMIR

3.5.1 Each party hereby consents to the disclosure of information:

- (a) to the extent required or permitted under, or made in accordance with, the provisions of EMIR and EMIR Supporting Regulation which mandate reporting and/or retention of transaction and similar information or to the extent required or permitted under, or made in accordance with, any order or directive in relation to (and including) EMIR and EMIR Supporting Regulation regarding reporting and/or retention of transaction and similar information issued by any authority or body or agency in accordance with which the other party is required or accustomed to act (Reporting Requirements); or
- (b) to and between the other party's head office, branches or affiliates, or any persons or entities who provide services to such other party or its head office, branches or affiliates, in each case, in connection with such Reporting Requirements.

3.5.2 Each party acknowledges that pursuant to EMIR and EMIR Supporting Regulation, regulators require reporting of trade data to increase market transparency and enable regulators to monitor systemic risk to ensure safeguards are implemented globally.

3.5.3 Each party further acknowledges that disclosures made pursuant hereto may include, without limitation, the disclosure of trade information including a party's identity (by name, address, corporate affiliation, identifier or otherwise) to any Relevant Trade Repository or one or more systems or services operated by any such Relevant Trade Repository and any relevant regulators (including without limitation, the European Securities and Markets Authority and national regulators in the European Union) under EMIR and EMIR Supporting Regulation and that such disclosures could result in certain anonymous transaction and pricing data becoming available to the public. Each party further acknowledges that, for purposes of complying with regulatory reporting obligations, a party may use a third party service provider to transfer trade information into a Relevant Trade Repository and that a Relevant Trade Repository may engage the services of a global trade repository regulated by one or more governmental regulators. Each party 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 counterparty's home jurisdiction. For the avoidance of doubt,

- (i) to the extent that applicable nondisclosure, 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 a party to waive such requirements by consent, the consent and acknowledgements provided herein shall be a consent by each party for purposes of such law;
- (ii) any agreement between the parties to maintain confidentiality of information contained in this agreement 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 by each party to the other party.

3.5.4 The Client acknowledges that the Company is required, or may be requested, under EMIR to report to its national competent authority:

- (a) any FX Derivative Contracts the Transaction Confirmation Forms in respect of which are outstanding for more than five Business Days after the expiry of the relevant confirmation deadline imposed by EMIR; and
- (b) any Dispute relating to a FX Derivative Contract, its valuation, or the exchange of Financial Collateral for an amount or a value higher than EUR 15 million and outstanding for at least fifteen Business Days, and, accordingly, the Client consents to such disclosure.

3.5.5 The Client acknowledges that for the purposes of making any report under clause 3.5.4(a) above, the Company shall assume that the most stringent confirmation deadlines under EMIR are applicable to the Client.

3.5A LEI

3.5A.1 Except as otherwise agreed by the Company in Writing, the Client shall obtain and maintain, at its own expense, a LEI issued by a Local Operating Unit of the Global Legal Entity Identifier System and shall provide such LEI to the Company.

3.5.A.2 The Client acknowledges that its LEI may be provided by the Company, or a Third Party Service Provider, to the Relevant Trade Repository.

3.6 Reporting the Required Data under EMIR

3.6.1 The Client hereby instructs and authorises the Company to report the Required Data to the Relevant Trade Repository.

3.6.2 Subject to clause 3.7 below, the Company will report the Required Data to the Relevant Trade Repository by the Reporting Deadline in accordance with the Reporting Obligation.

3.6.3 The Client will not report or arrange the reporting of the Required Data to a Trade Repository and will notify the Company immediately if the Client has reported or arranged the reporting of the Required Data to a Trade Repository contrary to this clause 3.6.3.

3.6.4 In respect of each Relevant Transaction, the Company will determine in its sole and absolute discretion whether the Reporting Obligation has arisen, the characterisation of the Relevant Transaction and the Common Data. If unique reference(s) need to be generated for inclusion in the Required Data, the Client agrees that the Company may generate such unique references.

3.7 Conditions Precedent to Reporting under EMIR

- 3.7.1** The Client agrees that the Client will deliver to the Company the information required by the Company (in form and substance satisfactory to the Company) in time for the Company to comply with the Company's obligations under clause 3.6 above and the delivery of such information shall be a condition precedent to the performance of the Company's obligations under clause 3.6 above.
- 3.7.2** Data provided pursuant to clause 3.7.1 above shall be provided in such format and via such communication channel as the Company may specify to the Client from time to time by reasonable notice.
- 3.7.3** The Client agrees to provide or complete such documentation and perform such acts as the Company requires in connection with the performance by the Company of its obligations under clause 3.6 above.
- 3.7.4** The Client acknowledges that the Company is under no obligation to verify any information provided by the Client under clause 3.7.1 above and that the Company may include such information in Reports unless notified to the contrary by the Client.
- 3.7.5** It is a condition precedent to the Company's obligations under clause 3.6 above that the Company has received all fees payable by the Client to the Company and that the Client is not in breach of any provision of the Terms and Conditions and/or this Addendum. The Company will inform the Client accordingly if the Company believes the Client is in such a breach preventing the Company from performing its reporting obligations as per clause 3.6 above. The Company may waive such condition precedent in its sole and absolute discretion.

3.8 Use of Third Parties in relation to Reporting Obligations under EMIR

The parties agree that the Company may utilise the services of a Third Party Service Provider to facilitate the submission of Required Data or other performance by the Company of its obligations in relation to the Reporting Obligation under this Addendum (including but not limited to any platform, system, interface or other technology developed by such Third Party Service Provider for such purpose).

3.9 Representations and Acknowledgements in relation to Reporting Obligations under EMIR

- 3.9.1** On each occasion on which the Client delivers information to the Company in relation to any Reporting Obligations, the Client represents to the Company that the information the Client delivers is, at the time of delivery, true, accurate and complete in every respect.
- 3.9.2** The Client acknowledges and agrees that, notwithstanding the Company's services described in clause 3.6 of this Addendum, the Client remains responsible under Article 9 of EMIR for reporting the Relevant Transactions.
- 3.9.3** The Client acknowledges and agrees and represents and warrants that the Company is not providing any advice or opinion to the Client with respect to the interpretation of EMIR and that the Client is responsible for conducting its own investigation, analysis and evaluation of the Reporting Obligation and any information or communication from the Company under or in connection with the Reporting Obligation.
- 3.9.4** The Client acknowledges and agrees that, if the Client wishes to retrieve reports directly from the Relevant Trade Repository, the Client shall register with the Relevant Trade Repository.
- 3.9.5** The Client acknowledges and agrees and represents and warrants that:
- (a) each Relevant Transaction shall be considered directly linked to the Client's commercial activity or the Client's treasury financing pursuant to field 15 of Table 1 of the Reporting Annex; and
 - (b) the Client shall be considered to be the beneficiary of each Relevant Transaction for the purposes of field 11 of Table 1 of the Reporting Annex.
- 3.9.6** The Client acknowledges and agrees that the Company may, in its sole and absolute discretion, choose to report all or part of the Excluded Counterparty Data to the Relevant Trade Repository, but that the Company shall be under no obligation to do so.

3.10 Liability in relation to Reporting Obligations under EMIR

- 3.10.1** The Company shall, at all times, perform its obligations and exercise its discretion with respect to any provisions applicable to Reporting Obligations with reasonable care, provided that the Company shall not be required to do or cause to be done anything which:
- (i) is not permitted or is otherwise contrary to or inconsistent with the operating procedures of any Third Party Service Provider or the Relevant Trade Repository (including any decision by a Third Party Service Provider or the Relevant Trade Repository not to permit the Company to submit Required Data in accordance with the terms hereof); or
 - (ii) is contrary to any law, rule or regulation or the Company is otherwise prevented from doing so by any law, rule or regulation.
- 3.10.2** Notwithstanding any other provision hereof but subject to the remaining provisions of this clause 3.10, the Company shall not have any liability to the Client for:
- (a) any Losses arising directly from, or in connection with:
 - (i) the Company's provision of, or the Client's use of, the services agreed to be provided by the Company in relation to Reporting Obligations under this Addendum;
 - (ii) any acts, omissions or failures of any third party, including but not limited to any Third Party Service Provider or the Relevant Trade Repository (including any decision by a Third Party Service Provider or the Relevant Trade Repository not to permit the Company to submit Required Data via the Third Party Service Provider or to the Relevant Trade Repository on the Client's behalf);
 - (iii) performance of the Company's obligations or exercise of the rights in relation to Reporting Obligations (including, without limitation, the Company's rights under clause 3.6.4 of this Addendum and/or the use by the Company of a platform, system, interface or other technology provided by any Third Party Service Provider);
 - (iv) the failure of any platform, system, interface or other technology, including any internal platform, system, interface or other technology, which the Company uses or intends to use in the performance of its obligations or exercise of the Company's rights in relation to Reporting Obligations under this Addendum; or
 - (v) a third party accessing or intercepting any of the Client's information or data, except to the extent that such Losses are caused by the Company intentionally; or
 - (b) any indirect or consequential loss or damage or for any direct or indirect loss of business, profits, anticipated savings or goodwill except to the extent that such loss or damage are caused by the Company intentionally.
- 3.10.3** The parties agree that this clause 3.10 represents a fair and equitable position. Nothing herein will exclude or limit any duty or liability which may not be excluded or limited under applicable law or regulation.
- 3.10.4** The Client agrees to indemnify and hold the Company harmless for any Losses incurred by the Company in connection with the performance of the Company's obligations in relation to Reporting Obligations hereunder unless such Losses are caused by the Company's gross negligence or intentional misconduct.
- 3.11 Force Majeure in relation to Reporting Obligations under EMIR**
- If the Company is prevented, hindered or delayed from or in performing any of the Company's obligations in relation to Reporting Obligations hereunder as a result of a Force Majeure Event, such obligation(s) shall be suspended for so long as that Force Majeure Event continues.
- 3.12 Correction of Errors in relation to Reporting Obligations under EMIR**
- 3.12.1** If the Client identifies an error in any information previously provided to the Company which is material to the Reporting Obligation, the Client will notify the Company as soon as reasonably practicable and both parties will use reasonable efforts to resolve such error.
- 3.12.2** Any information provided to a Trade Repository for the purposes of complying with the Reporting Obligation is provided without prejudice to any present or future dispute between the parties in relation to the information provided. Any failure or delay in exercising any right, power or privilege hereunder in respect of the provisions related to Reporting Obligations will not be presumed to operate as a waiver in respect of any dispute between the parties and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise of that right, power or privilege or the exercise of any other right, power or privilege in respect of any dispute between the parties.

3.13 Changes to the Reporting Obligation under EMIR

The Client agrees that should the Company notify the Client of any guidance or information given by ESMA or another regulatory body, or any change in operational requirements (including the requirements of the Relevant Trade Repository) which the Company considers will affect the Reporting Obligation and the corresponding terms of this Addendum, the Client shall be bound by any amendment to this Addendum made in order to address such guidance or information, in accordance with procedure for amendments set out in section 17.2 of the Terms and Conditions.

3.14 Fees applicable to Reporting Obligations under EMIR

- 3.14.1** The Client shall pay such fees (if any) in respect of the services provided by the Company hereunder in relation to Reporting Obligation as shall be notified by the Company to the Client in advance from time to time.
- 3.14.2** In the event the Client does not accept or pay the fees referred to in clause 3.14.1, the Company will not be responsible for providing services to the Client in relation to the Reporting Obligation as described in this Addendum in respect of all or certain FX Derivative Contracts the details of which the Company will notify to the Client.

3.15 Third Party Rights

The parties acknowledge and agree that nothing in this Addendum shall exclude any rights that WUIB Affiliates are granted hereunder.

3.16 Termination of services related to Reporting Obligations under EMIR

- 3.16.1** Notwithstanding other provisions hereof, clauses 2.5 to 2.15 of this Addendum may be disapplied by the Company or the Client by giving, in the Company's case, no less than one calendar week's written notice, and, in the Client's case, no less than 90 days written notice, in each case to the other party in accordance with the notice provisions set out at clause 17.1 and 18.4 of the Standard Terms and Conditions.
- 3.16.2** The provisions of clause 2.10, above as well as this clause 2.16.2 shall survive such disapplication and this Addendum shall continue in full force and effect.

4. MiFID

4.1 Information obligations under MiFID

- 4.1.1** Detailed information on: (i) who the Company is; (ii) any potential sources of conflict of interests and how the Company handles any potential conflicts of interest; (iii) the Company's Execution Policy; (iv) the Services the Company offers and the risks associated with the Services; (v) the manner and language in which the Company can be contacted; (vi) the deposit protection scheme the Client is subject to when dealing with the Company; (vii) how the Client can make a complaint and how the Company handles Clients' complaints; (viii) the Company's competent financial supervisory authorities; (ix) how the Company categorise its clients under MiFID and how we inform the Client about the category assigned to the Client; and (x) how the Company structures its remuneration, is available in the Company's Financial Services Guide and the Company's Product Disclosure Statements.
- 4.1.2** The Financial Services Guide and Product Disclosure Statements may be subject to amendments from time to time. Up to date versions of the Financial Services Guide and the Product Disclosure Statements are available on our website at <http://business.westernunion.co.uk>.

4.2 Consent to OTC transactions

- 4.2.1** The Client expressly agrees that the Company executes OTC Derivative Contracts with the Client on the Company's own account and on the Company's own behalf and that all the Client's Instructions are executed with the Company outside a regulated market or multilateral trading system.
- 4.2.2** The Client understands and agrees that all the prices and rates quoted by the Company are exclusively quoted prices and the Company's rates. They not always correspond to otherwise available prices and rates in the market, particularly to prices on markets which are used as reference. The Client acknowledges the fact that the Client's Instruction given to the Company can only be executed with the Company.
- 4.2.3** The Client confirms that the Client has reviewed, understood and accepted information provided in the Product Disclosure Statement and Financial Services Guide, including the Company's Execution Policy.
- 4.2.4** If the Client expressly wishes its Instruction to be executed on specific conditions (so-called "customer instruction"), the Company will carry out the Client's wish only if the Company accepts this request. A customer instruction to carry out an Instruction in deviation from the Company's Execution Policy will prevent the Company, with regard to the elements covered by such Instruction, from taking the measures laid down and implemented in the Execution Policy to achieve the best possible result in the execution of Instructions.

5. Investment Advice

5.1 General

- 5.1.1** The Company is authorised to provide the Client with Investment Advice.
- 5.1.2** The Client's personal needs and situation shall be established based on information the Client provides to the Company including information contained in the Customer Profile Document. The Company will not be able to provide the Client with Investment Advisory Services unless the Client has provided the Company with all information required under the Customer Profile Document.
- 5.1.3** The Client acknowledges that the Company may rely on and treat any information provided to the Company in the Customer Profile Document or otherwise as true, accurate and up to date until the Client informs the Company that any information so provided is no longer true, accurate or up to date.

5.2 How the Company provides Investment Advice

- 5.2.1** The Company may provide the Client with Investment Advice either at the Client's own initiative or at the Company's initiative. The Company may also refuse to provide the Client with Investment Advice requested by the Client for any reason without justification.
- 5.2.2** The Company provides Investment Advice on a non-independent basis and only advises in relation to products the Company issues.
- 5.2.3** The Company may provide the Client with Investment Advice either in written or in oral form. If in written form, Investment Advice shall be provided in a Statement of Advice. If in an oral form, each piece of Investment Advice will be followed by a Statement of Advice documenting the Investment Advice provided to the Client in oral form.
- 5.2.4** A statement of advice is a document prepared for the Client by the Company covering, amongst other things:
- (i) Investment Advice;
 - (ii) a merit justification of the Investment Advice;
 - (iii) information about the sources used to prepare the Investment Advice; and
 - (iv) information about the period of time the Investment Advice remains valid (Statement of Advice).
- 5.2.5** If for any reason Investment Advice provided to the Client in oral form is not properly reflected in a Statement of Advice or if the Client has not received a Statement of Advice following being provided with oral Investment Advice, the Client may contact the Company and request a Statement of Advice correctly reflecting the oral Investment Advice previously given to the Client to be delivered.
- 5.2.6** The Company does not provide ongoing periodic statements of the suitability of the financial instruments recommended to the Client.

5.3 No fees payable for Investment Advice

The Company does not charge fees for the Investment Advice provided to the Client.

5.4 Responsibility for taking investment decisions

- 5.4.1** The Client is not obliged to follow any Investment Advice the Company provides to the Client.
- 5.4.2** The Client acknowledges that the Client is exclusively responsible for taking its investment decisions and for any consequences of its investment decisions irrespectively of whether the Client has followed the Company's Investment Advice or not.
- 5.4.3** The Company is not liable for any consequences of the Client's investment decisions whether taken as a result of the Company's Investment Advice or not unless these consequences are due to the Company's gross negligence or willful misconduct when providing Investment Advice to the Client.
- 5.4.4** Subject to any mandatory provisions of law to the contrary the Client should not disclose the Investment Advice the Company has provided to the Client to any third party without the Company's prior consent.



B U S I N E S S

For further information, please contact:

client.support@westernunion.com

0800 096 0172*

www.business.westernunion.co.uk

© 2019 Western Union Holdings, Inc. All rights reserved.

Western Union Business Solutions is a business unit of the Western Union Company and provides services in the UK through Western Union's wholly-owned subsidiary, Western Union International Bank GmbH, UK Branch (WUIB). WUIB (Branch Address: 131 Finsbury Pavement, London, EC2A 1NT) is a branch of Western Union International Bank GmbH (registered in Austria, company number FN256184t, VAT Number ATU61347377, with its registered office at Schubertring 11, 1010 Vienna, Austria), which is licensed by the Austria Financial Market Authority (Österreichische Finanzmarktaufsicht). WUIB is subject to limited regulation by the UK Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of WUIB's regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from WUIB on request.

*The cost of your call will vary depending on your network provider and it is likely that calls from mobile phones will cost considerably more. We strongly recommend that you check with your network provider for potential costs.