

SPECIFIC TERMS – OPTION TRADING

Specific Terms

These Specific Terms Option Trading (ST Option Trading) complement the General Terms (GT) between KBC Bank (hereafter “KBC”) and the Client having selected option trading as part of the service offering of KBC.

1. Additional representations and warranties of the Client

In addition to the representations and warranties in the GT, the Client hereby represents and warrants that:

- i) It has obtained and will preserve all necessary authorizations and approvals of any governmental or regulatory body required to make use of the services and to enter into Contracts under this ST Option Trading and to perform its obligations under this ST Option and Futures Trading and such Contracts (The term Contract(s) used in this Agreement refers to, as applicable, listed option contracts, and, only to the extent in which KBC has agreed to offer such services, to futures contracts.);
- ii) It will not infringe on any law, regulation, market practice, rule of professional conduct, charter, bylaw, charge or undertaking affecting the Client or any of its assets, nor infringe any court order or judgment of a court or any other official agency, or any other rule applicable to it, and it undertakes to comply with all legal and regulatory obligations, including but not limited to the rules ___ regarding money laundering.
- iii) It and the members of its staff involved in trading contemplated under this ST Option Trading have sufficient knowledge and experience to be able to evaluate the nature, characteristics, risks and merits of the products that are accessible under these ST Option Trading or Contracts the Client could enter into, as well as any Cover and Margin obligations, and it acknowledges that KBC may at all times rely upon such fact;
- iv) It has and will rely on its own judgement in entering into this ST Option Trading and each Contract;
- v) It will act in its own name and for its own account or it will only enter into Contracts as an intermediary on behalf of a customer, upon being duly mandated by such customer to do so;
- vi) Its obligations under this ST Option Trading and each Contract constitute legal, valid and binding obligations, duly enforceable in accordance with their terms (subject to applicable bankruptcy, insolvency, moratorium or similar proceedings affecting creditor’s rights generally.

unless expressly represented otherwise to KBC, it qualifies as a ‘non-financial counterparty’ under Regulation (EU) nr. 648/2012 (“EMIR”) and it is not subject to the clearing obligation pursuant to article 4(1)(a) of the Regulation. The Client will promptly notify KBC of any change in their clearing obligations. Each representation and warranty, shall be deemed to be repeated upon each order for a Contract.

2. Application Scope and Applicable Rules

2.1 Application Scope

The application scope of this Agreement is limited to the trading of option contracts listed on a regulated market which the Parties have agreed and will be provided in the document 'fee schedule'.

Accessibility to options on other regulated markets or products, such as certain types of futures listed on certain regulated markets, require an additional written agreement by KBC. As mentioned above, the term Contract(s) used in this Agreement refers to, as applicable, listed option contracts, and, only to the extent in which KBC has agreed to offer such services, to futures contracts.

2.2 Applicable Rules

The rights and obligations of the Client in relation to any contract shall be governed by the GT, these ST Option Trading as well as the specifications of each Contract, the rules and regulations of the relevant Regulated market where the relevant Contract is listed, as well as by the Clearing Rulebook providing the clearing on the relevant Regulated Market (hereafter the Applicable Rules).

The Client acknowledges that he is familiar with or will, prior to placing any order in relation to a Contract familiarise himself with these Applicable Rules, which will apply, to any order or instruction given by the Client in relation to a Contract.

KBC shall use its best endeavours ('middelenverbintenis/obligation de moyens'), to execute or transmit for execution the orders it receives from the Client in relation to Contracts, to exercise such Contracts and to take all necessary steps for the clearing of such Contracts.

2.3 Client Classification

In respect of the business contemplated under this Agreement, KBC may, where possible and by deviation to the client's classification as a Professional Client for other Services KBC offers to the Client, classify the Client as an Eligible Counterparty. Further information in relation to client classification can be found in the GT. KBC will notify the Client of such different classification.

2.4 Right to refuse orders

Upon adhering to these ST Option Trading, the Client may, but is not obliged to, give instructions in relation to Contracts.

KBC has the right to refuse, in its sole discretion, the execution of an order for a Contract or the exercise of a Contract if it reasonably believes that such execution or exercise would provoke or is likely to provoke an Event of Default, if the order exceeds the Limits or for any other reasonable reasons.

KBC may in its sole discretion use the services of any third party in connection with the trading in Contracts or for the exercise or clearing and settlement of such Contracts.

3. Accounts, payments and delivery obligations

- 3.1 All Contracts shall relate to an Account, which KBC opens or holds in its books for the Client and in which the positions and transactions in Contracts are administered.

KBC may convert any balances on the Client's Cash Account(s) at the prevailing exchange rates (plus margin) into such currencies as KBC may consider appropriate for the purpose of executing obligations pursuant to a Contract or to this ST Option Trading .

- 3.2 KBC shall provide the Client with a transaction statement and a statement of Account detailing the Transactions in funds and Financial Instruments relating to the Contracts as often

as required by applicable laws and regulations or more frequently as agreed between the Parties.

4. Orders for Contracts

- 4.1 Orders shall be handed to KBC by the delivery of an Order Notice through any agreed channel. An order is regarded as being placed when the Order Notice has actually been received by KBC.

- 4.2 For each order, the Client is obliged to provide the following information:

- Client's identification;
- Date and hour of the order (local time);
- Relevant Account;
- Number of contracts;
- Contract specifications (option contract, futures contract, type or direction, to the extent such orders are supported on the relevant Exchange, combined orders, exercise price, expiry date or month, premium, cash settlement, automatic exercise);
- Conditions under which the order is to be executed;
- Period of time for which the order is valid.

Should any of this information not be supplied, KBC shall have no obligation to execute or transmit for execution the order placed, without prejudice to its right to do so to the best ability, without incurring any liability as a result thereof.

- 4.3 An order shall be placed on a Business Day. If such day is not an Exchange Business Day, the order shall, in the absence of any other agreement, be carried out on the following Exchange Business Day.

It is the responsibility of the Client to specify the period of time during which an order shall remain valid. Certain rules and restrictions may apply for certain Markets and it is the responsibility of the Client to enquire and/or request information from KBC. In certain cases, the System(s) may propose default period(s) which the Client may either accept or refuse by specifying a period of validity.

The orders for which the time validity has not been specified by the Client or where the time validity is contrary to rules of the Market shall be treated as an unclear order and consequently KBC shall be entitled to refuse such orders, delay the execution or transmission of such orders pending clarification from the Client or endeavour to execute it in the interest of the Client.

- 4.4 The authority of the Client to give orders is subject to Limits which KBC may determine from time to time and in its sole discretion. Internal Limits applicable to orders of the Client may be determined by KBC, including for risk management purposes or to ensure compliance with laws and regulations or Exchange rules. External Limits are disclosed to the Client in the document 'fee schedule' or notified

by any means. The Client undertakes to respect the external Limits that have been disclosed.

KBC may at any time change the Limits with effect immediately upon notification (which may be made orally) to the Client and such notification shall constitute an amendment to Annex 2.

Without prejudice to other cases of rejection of orders, KBC is entitled to refuse or delay orders exceeding the Limits and shall promptly inform the Client of such rejection or delay. KBC is however not under an obligation to verify the order against Limits, or to refuse or delay the order, and the execution of the order does not affect the obligations of the Client in respect of the order and KBC cannot be held liable by the Client for the execution of such order.

- 4.5 At any time prior to the execution of its order, the Client may instruct KBC to withdraw the order (in full or in part) or amend it.

KBC shall exert its best endeavours to execute such instruction to withdraw or amend the order, without however being liable in the event of the original order already having been executed on the Exchange.

The Client acknowledges that certain corporate events in the underlying Financial Instrument may, in accordance with the applicable regulation(s) of the Exchange, the relevant Clearing House or settlement organisation, or the conditions of the issue, have an impact on the conditions and valuation of contracts and outstanding orders in relation thereto, which may amongst others result in the amendment or cancellation of an order, and the Client will, whenever it feels the need to replace the order affected, take the appropriate action in this respect.

- 4.6 KBC accepts no liability for the incorrect or faulty execution of orders with special instructions which are not standard on the relevant Exchange.

5. Purchase and sale slips

KBC shall provide the Client with a statement regarding the purchase or sale of every executed order according to the nature of the Transactions with the data required by laws and regulations, including:

- Client's identification;
- Intermediary's identification;
- Relevant Accounts;
- Contractual specifications (unit price, buy/sell or nature if other);
- Volume/quantity;
- Conditions under which the order is executed (day and time of execution);
- Rate of exchange (if applicable);
- Total consideration with commissions and expenses charged;
- Responsibilities of Client and details in respect of clearing and reporting.

In the event the Client disagrees with the terms of the Transaction as set out in the statement it shall notify in writing to KBC that it contests such terms within 24 hours from reception of the statement, failing which the terms shall be deemed accepted. The reasons for the contestation must be indicated in the notification.

6. Exercise and Assignment of contracts, expiration of contracts

- 6.1 If a Contract is exercised on an Exchange for the Client, KBC shall subject to the conditions of this

Agreement and in application of the Applicable Rules take all necessary steps towards the Exchange authority and/or the relevant Clearing House in connection with the clearing of such Contracts.

- 6.2 The rules and regulations of the some Exchanges or of the relevant Clearing House may determine that a default automatic exercise applies to option Contracts which are 'in the money' on expiration date. The Client may disapply the automatic exercise by giving KBC an instruction to such ends. Such notice should be received by KBC no later than 3 p.m., Brussels Time, on the last day for the relevant option Contracts. If such date is not a Business day, the Client shall inform KBC in the same manner, at the latest at 3 p.m., Brussels time, on the immediately preceding Business Day.

If the Client wishes (i) to exercise an American style option Contract prior to the last Business Day on which such option Contract is traded on the relevant Exchange, the Client has to inform KBC by means of an Exercise Notice which KBC has to receive on a Business Day, at the latest at 3 p.m., Brussels time, to be effective.

KBC is entitled to execute each Exercise Notice of which it may reasonably assume that it has been given by the Client without being obliged first to verify the identity or authority of the person giving the Exercise Notice.

The Exercise Notice has to contain the following information:

- Client's identification;
- Relevant Account;
- Volume (number of option Contracts to be exercised);
- Contract specifications (type, class, exercise price, expiry date).

Should any of this information not be supplied or not timely be supplied, KBC shall have no obligation to execute the exercise notice, without prejudice to its right to do so to the best ability, without incurring any liability as a result.

- 6.3 If an option Contract is exercised by the Client, KBC will, without prejudice to the other provisions of this Agreement, receive and deliver or pay and receive, as the case may be, the exercise price and the Financial Instruments to or from the Client's Account:
- i) Exercised call option Contracts/put option Contracts on Financial Instruments give rise to purchase/sales Transactions of the underlying Financial Instruments, which will be settled by KBC in accordance with Exchange Regulations.
 - ii) In the event of exercised option Contracts whereby net cash settlement is required, KBC will pay or debit the net settlement amount to or from the relevant Cash Account.
- 6.4 If an option Contract is exercised whereby the Client is assigned as a seller or a buyer, KBC will, subject to the conditions of these ST Option Trading, take all necessary steps towards the relevant Clearing House in connection with the clearing thereof.

Consequently, KBC shall, in accordance with the Exchange Regulations:

- i) in the event of a call option Contract: deliver the underlying Financial Instrument to the relevant Clearing House and credit the exercise price to the Cash Account of the Client. If the underlying Financial Instruments were delivered to KBC by way of Cover or Margin, KBC is entitled to use such underlying Financial Instruments to meet its obligations towards the relevant Clearing House or towards any third party designated by applicable Exchange Regulations.

If the Financial Instruments are not available, KBC is entitled to buy the underlying Financial Instruments for the account of the Client and deliver them to the relevant Clearing House or to any third party designated by applicable Exchange Regulations.

- ii) in the event of a put option Contract: pay the exercise price to the relevant Clearing House or towards any third party designated by applicable Exchange Regulations by debiting the Cash Account of the Client and credit the underlying Financial Instruments to the Custody Account of the Client. If the exercise price was delivered to KBC by way of Cover or Margin, KBC is entitled to use it to meet its obligations towards the relevant Clearing House or towards any third party designated by applicable Exchange regulations.
- iii) in the event of an option Contract whereby net cash settlement is required debit the net settlement amount from the relevant Account of the Client.

7. Requirements regarding Cover, Margin and Collateral

7.1 Only cash or Financial Instruments accepted and determined by KBC as notified to the Client by any means, may be used to form the Cover or Margin.

7.2 Cover

Prior to each buy order of an option, the Client will remit to KBC the estimated premium amounts and prior to each order to exercise an option the Client will remit to KBC sufficient funds or sufficient underlying Financial Instruments required for such execution. If the Client fails to deliver such Cover, KBC may refuse to execute the order. The Client undertakes to draw the Cover from his own funds and not from any credit with KBC (unless specifically agreed otherwise under the terms of this credit).

The Client will provide for sufficient funds or financial instruments prior to the exercise of an Option Contract.

7.3 Margin

No order to write an option will be executed by KBC unless it has received the required level of covering Margin from the Client to secure any and all of its obligations arising from the writing of that option. The Client undertakes to draw the Margin from its own funds and not from any credit with KBC (unless specifically agreed otherwise under the terms of this credit).

7.4 The level of Margin is determined by KBC and indicated in Annex 2. It can be changed by KBC at any time and notified to the Client by all means.

7.5 If due to changes in market prices a given Margin is at any time below the required level, the Client will be obliged at the first request of KBC (whereby such request may even be given orally) either (i) to provide additional Margin that meets with the requirements set forth in this article as the case may be, or (ii) to close option positions in order for the Margin to reach the required level. If the Client fails to take either of these actions within 24 hours of KBC's request thereto, KBC will be entitled to take the action set forth under (ii) on behalf of the client or to sell Financial Instruments of the Client held under this Agreement for the amount needed to comply with the Margin requirements. In taking such actions, KBC will act in good faith and with due care to ensure the proper functioning of the Markets and will inform the Client thereof through the usual channels. The Client undertakes to settle without delay any debit balance

that may result from KBC taking such actions.

- 7.6 For the avoidance of doubt, any Collateral that has been agreed in the Adherence Form will also secure any and all obligations and liabilities of the Client towards KBC under or in connection with this ST Option Trading.

8. Future Trading

- 8.1 This clause only applies to the extent that KBC has agreed to offer services in relation to certain listed futures to the Client.
- 8.2 The provisions of these ST Option Trading will apply mutatis mutandis to Future Contracts, unless determined otherwise in this Clause 9.
- 8.3 Prior to buying or selling a future Contract, the Client will maintain in the Account the funds requested by KBC as initial margin.
- 8.4 Initial and variation (maintenance) margin

The initial Margin is determined by KBC and indicated in Annex 2.

KBC is entitled to adjust the margin on a daily basis by requiring variation margin from the Client. If the Client fails to take either of these actions within 24 hours of KBC's request thereto, KBC will be entitled to take any action it deems necessary, including the closing out of Contracts, in order to obtain the amount needed to comply with the Margin requirements. In taking such actions, KBC will act in good faith and with due care to ensure the proper functioning of the Markets and will inform the Client thereof through the usual channels. The Client undertakes to settle without delay any debit balance that may result from KBC taking such actions.

For the avoidance of doubt, any Collateral that has been agreed in the Adherence Form will also secure any and all obligations and liabilities of the Client towards KBC under or in connection with these ST Option Trading.

- 8.5 The completion of futures Contracts subject to delivery of the underlying Financial Instruments, which have not been closed, shall be settled via the delivery or receipt of the underlying Financial Instruments in accordance with the Exchange Regulations. The list of deliverable underlying Financial Instruments shall be drawn up by the Clearing House or the Exchange. The Client shall make appropriate arrangements in order to deliver the assets required in order to fulfil its obligations under any Contract and to allow an orderly settlement.
- 8.6 Where KBC would have agreed to provide services in relation to futures with physical delivery of commodities, the Client undertakes at all times to close the contract prior to completion in order to avoid physical settlement.

The service in relation to physical settlement of commodities upon completion is not part of KBC's services. Should the Client omit to close out any Contract that can lead to physical settlement of commodities sufficiently prior to the expiry of a contract in order to avoid such event, KBC is hereby fully entitled to undertake any action, at the entire risk and expense of the Client, in view of avoiding such physical settlement.

- 8.7 For futures that are settled upon expiry by delivery of financial instruments, in the event that positions are not closed out, the Client/seller shall be obliged to specify by 2 p.m. at the latest,

on the last trading day, the underlying Financial Instruments which it wishes to deliver, failing which KBC shall select in its sole discretion the underlying Financial Instruments to be delivered. If the underlying Financial Instruments were delivered to KBC as Cover or Margin, KBC is entitled to use such underlying Financial Instruments to meet its obligations towards the Clearing House. If no such Cover or Margin is available, KBC shall buy the relevant underlying Financial Instruments for account of the Client and deliver them to the Clearing House.

In the event of a completion of a long future Contract which has not been closed, the KBC shall receive such underlying Financial Instruments as determined by the Exchange and subsequently credit these in the Account and concomitantly pay the exercise price to the Clearing House by debiting the Cash Account of the Client. If the exercise price was delivered to KBC as Cover or Margin, KBC is entitled to use such funds to meet its obligations towards the Clearing House.

- 8.8 The time limits mentioned in this article may from time to time be modified by KBC upon simple notification to the Client. Such notification may even be done orally.
- 8.9 The Client will provide for sufficient funds or financial instruments prior to the completion of a future Contract.

9. Transaction reporting

The Client irrevocably authorises KBC to provide the required information regarding the Client's option contracts to the Derivatives Exchanges or the competent authorities for those Derivatives Exchanges (always including the clearing organisations), in particular to report positions and provide such information in respect of orders and transactions as KBC and/or the Derivatives Exchanges deem necessary or desirable for the detection and prosecution of any abuse and/or violation of the legal and regulatory provisions in respect of the Derivatives Exchanges or clearing organisations.

Unless otherwise agreed, the Client furthermore delegates to KBC the reporting of the option transactions on behalf of the Client to the relevant trade repositories in accordance with Article 9 of Regulation (EU) No 648/2012 ("EMIR"). The Client acknowledges that KBC shall fulfil its reporting obligations solely on the basis of the data available to it. The Client will not perform any reporting under the Regulation or make changes to any reporting done by KBC on its behalf. The Client agrees that, upon simple request by KBC, it will promptly provide all relevant information to enable KBC to fulfil the reporting obligation on the Client's behalf. KBC will not verify the client-specific information available to it or received from the Client that will be reported to and included in the trade repository and therefore bears no responsibility for the accuracy and correctness of such data. KBC will not be liable for any loss, liability, claim, expense or damage suffered by the Client as a result of fulfilling the reporting referred to in this article, except where such loss, liability, claim, expense or damage results from wilful misconduct, gross negligence or fraud on the part of KBC or any of its managers, employees, agents, subcontractors or representatives. KBC shall not be liable where it has been unable to perform its obligations in accordance with this article due to force majeure or the Client's failure to comply with its legal obligation to obtain and maintain a valid LEI. KBC reserves the right to open, where necessary, a new account in the name of the Client in order for KBC to accurately fulfill its reporting obligations on behalf of the Client. The Client shall take the necessary steps required by the relevant trade repository to confirm the delegation of reporting to KBC.

10. Evidence

Without prejudice to the generality of the GT, the Exercise Notice or the Order Notice shall constitute full evidence of the Transaction described therein and every executed order or exercised or completed Contract shall constitute prima facie written evidence.

Statements of Accounts which are not protested within 1 Business Day after remittance are deemed to be accepted by the Client.

11. Applicable Law and jurisdiction

Notwithstanding the provisions of the GT, any dispute arising from or relating to this ST Option Trading, in so far as such dispute relates to Contracts made between parties which are subject to the rules of an Exchange shall be construed in accordance with the law applicable to and the non-exclusive jurisdiction of such Exchange (other than to obtain an order or a judgement to realise any Margin or Cover).

12. Notices

Notices pursuant to this ST Option Trading may be sent by fax or registered mail or – if the Parties so agree – may be given orally.

Notices given orally are deemed to have been received immediately if they are given or sent before closing of business in Brussels.