

**Note:** This Document is a translated version for your reference only.

# **GENERAL BUSINESS TERMS SAXO BANK SECURITIES LTD.**



SERIOUS TRADING. WORLDWIDE.

## Contents

<b>INTRODUCTION</b>	<b>4</b>
1. Definitions and Interpretation of Terms	4
2. Risk Acknowledgement	6
3. Client Classification and Investor Protection	6
<b>SERVICES AND TRADING</b>	<b>6</b>
4. Services	6
5. No Advice nor Recommendation	6
6. Orders and Instructions	7
7. Dealings and Communications	8
8. Power of attorney	9
9. Use of the Trading Platform	9
10. Account and Transfer of Funds	10
11. Positions – Refusal, Close-out and Roll	11
12. Prices, Errors and Changes in Conditions	12
13. AGGREGATION AND SPLIT	13
14. Introducing Brokers	13
15. Delegated Trade Reporting	14
<b>FINANCIAL TERMS</b>	<b>14</b>
16. Commissions, Charges and Other Costs	14
17. Interest and Currency Conversions	14
<b>MARGIN REQUIREMENT, AUTOMATIC LOSS-CUT, PLEDGE, ENFORCEMENT, NETTING AND SET OFF</b>	<b>15</b>
18. Margin Requirement and Automatic Loss-Cut	15
19. Pledge and Enforcement	16
20. Netting and Set Off	17
<b>WARRANTIES, INDEMNITIES AND DEFAULT</b>	<b>18</b>
21. Client Warranties and Representations, and Prohibited Acts	18
22. Default and Default Remedies	19
23. Indemnity and Limitations on Liability	19
<b>MISCELLANEOUS</b>	<b>20</b>
24. Conflict of Interest	20

TOK 661020383v2

25.	CONFIDENTIALITY, Personal Information and Recording of Conversations	20
26.	No Right of Cancellation	21
27.	Amendments of These Terms	21
28.	Termination	22
29.	Regulatory Authority and the Guarantee Scheme	22
30.	Disputes and Complaints	22
31.	Governing Law and Jurisdiction	23
32.	Status of Terms, Additional Applicable Business Terms, Etc.	23

<b>EXHIBIT</b>		<b>24</b>
33.	Foreign Exchange Margin Trading	24
34.	Foreign Exchange Option Trading	24
35.	Precious Metal Margin Trading	26
36.	Precious Metal Option Trading	26
37.	Stock Index CFD Trading, Single Stock CFD Trading, Bond CFD Trading, Other Securities CFD Trading	28
38.	Commodity CFD Trading	29
39.	STOCK-INDEX FUTURES TRADING, CURRENCY FUTURES TRADING AND INTEREST-RATE FUTURES TRADING	29
40.	Foreign Commodity Futures Trading	30
41.	SALES AND PURCHASE OF FOREIGN SECURITIES	30

## INTRODUCTION

### 1. DEFINITIONS AND INTERPRETATION OF TERMS

1.1 In these General Business Terms, including exhibits (hereinafter these "Terms"), the following terms shall, unless the context otherwise requires, have the following meanings and is used in singular or plural as appropriate:

- i. "Account" has the meaning as defined in Clause 10.1.
- ii. "Agreement" means the agreement concluded between the Client and SBS in accordance with these Terms.
- iii. "Trading" is a term collectively used for all Trading specified in Appendix 33 to 41.
- iv. "Automatic Loss-Cut" has the meaning as defined in Clause 10.18.2.
- v. "Cash Settlement" means the act of conducting Resale or Buyback and settling a Position by receiving or making payment of only the difference between the total purchase amount and the total sale amount.
- vi. "CDA" means the Commodity Derivatives Act of Japan (Act No. 239 of 1950, as amended).
- vii. "CFD," "CFD Trading," "Limit Order," "Stop Order," "Overnight Interest," "Borrowing Interest," "Dividend Adjustment" and "Corporate Action" refer to the relevant terms explained in "Chapter 3: Stock Index CFD Trading Single Stock CFD Trading, Bond CFD Trading, Other Securities CFD Trading and Commodity CFD Trading" of the Trading Manual.
- viii. "Client" means the natural or legal person, being a customer of SBS.
- ix. "Client Device" means the Client's personal computer or mobile device (smartphone or tablet) used to connect to the Server.
- x. "Exchange" means domestic or foreign exchange which opens market to carry out Stock-index futures trading, Currency futures trading, Interest-rate futures trading, Commodity futures trading or Security trading.
- xi. "Futures trading" is a term collectively used for Stock-index futures trading, Currency futures trading, Interest-rate futures trading and Commodity futures trading.
- xii. "Closing Trading" has the meaning as defined in Clause 18.1(vi).
- xiii. "Collateral" means (i) any cash including Margin, (ii) any securities or financial instruments, (iii) the value of any outstanding Trading of the Client, (iv) any guarantee or indemnity accepted by SBS, and (v) any other assets of the Client, in each case ((i)-(v)) deposited with, possessed or controlled by SBS.
- xiv. "Confidential Information" means any and all information (including personal data) related to the Parties and their relationship and all dealings between the Parties, including, but not limited to, any information relating to the business, investments and finances of SBS, the Saxo Bank Group and the Client;
- xv. "Cover Trading" has the meaning as defined in Article 94, Paragraph 1, Item 1 of the Cabinet Office Ordinance on Financial Instruments Business, etc.
- xvi. "Event of Default" means the event enumerated in Clauses 22.1 and 22.2.
- xvii. "Exceptional Market Condition" includes, but is not limited to, (i) the suspension or closure of any regulated market or exchange, (ii) the abandonment or failure of any event, service or information to which SBS relates its quotes and other pricing, (iii) the occurrence of an excessive movement in the level of any Position and/or any underlying market, (iv) situations described in Clause 12.2(i) or Clause 12.3(i) and/or (v) in each of (i)-(iv) SBS' reasonable expectation that such event might occur.
- xviii. "FIEA" means the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended).
- xix. "FIFO Principle" means "First In - First Out" and entails that SBS will, as a general rule, close the oldest trading first in case one or more Trading with the same characteristics are closed.
- xx. "Force Majeure Event" means, without limitation, any abnormal and unforeseeable event beyond the reasonable control of SBS, including technical difficulties, such as telecommunication failures or disruptions, utilities failure, declared or imminent war, revolt, civil unrest, catastrophes of nature, enactment of new legislation, measures taken by authorities, strikes, lock outs, boycotts,

- or blockades (whether or not SBS is a party to the conflict), notwithstanding that only part of SBS' functions are affected by such events.
- xxi. "Introducing Broker" means a financial services provider, which is registered or licensed under the FIEA, CDA or other applicable law or regulation, or other entity, which is remunerated by SBS and/or Clients for the following services:
- (i) referral of Clients to SBS;
  - (ii) provision of investment advice to such Clients;
  - (iii) execution of such Clients' trading towards SBS; and/or
  - (iv) making investment instructions to SBS based on its investment decision on behalf of such Clients.
- xxii. "Main Account" has the meaning as defined in Clause 18.1(iv).
- xxiii. "Margin" means the margin, security deposit or other money that has been deposited by the Client with SBS as Collateral to conduct a Trading.
- xxiv. "Margin Requirement" has the meaning as defined in Clause 18.1(viii).
- xxv. "Market" means a market on which the Underlying Assets are traded.
- xxvi. "Net Free Equity" has the meaning as defined in Clause 18.1(vii).
- xxvii. "Open Position" has the meaning as defined in Clause 18.1(vii).
- xxviii. "Pledge" means the first priority pledge of the Collateral in favor of SBS created under Clause 19.1 of these Terms.
- xxix. "Position" means a Trading that has not been settled.
- xxx. "Principal" means the individual person or the legal entity which is a counterparty to a Trading.
- xxxi. "Resale" means executing an order to sell for an existing long Position, and "Buyback" means executing an order to buy for an existing short Position.
- xxxii. "Saxo Bank" refers to SBS's parent company, SAXO BANK A/S, which is headquartered in Copenhagen, Kingdom of Denmark or any branch hereof.
- xxxiii. "Saxo Bank Group" means all entities, including headquarters, branches, subsidiaries, representative offices and any other entities forming part of the Saxo Bank group from time to time, information on which can be found at Saxo Bank's website [www.home.saxo](http://www.home.saxo);
- xxxiv. "SBS" means Saxo Bank Securities Ltd.
- xxxv. "Server" means the central processing computer of the System.
- xxxvi. "Settlement/Trade Confirmation" means a notification from SBS to the Client confirming the execution of an order and/or a Client's entry into a Trading;
- xxxvii. "Swap Point" refers to the relevant term explained in "Chapter 1: FX Spot or Forward Trading and Precious Metal Forward Trading" of the Trading Manual.
- xxxviii. "System" means the electronic trading platform that is provided to the Client by SBS for conducting a Trading.
- xxxix. "Trading Manual" means the Trading Manual (*torihiki setsumeisho*) delivered by SBS as a document related to Article 37-3 of the FIEA, which is disclosed on SBS's website <https://www.home.saxo/ja-jp>, as amended from time to time.
- xl. "Trading" means the following trading, provided, however, it shall mean only the relevant trading in each of the Clauses 33 through 40 in the Exhibit.
- (i) Foreign exchange margin trading (*gaikou kawase shoukokin torihiki*);
  - (ii) Foreign exchange option trading (*gaikoku kawase opushon torihiki*);
  - (iii) Precious metal margin trading (*kikinzoku shoukokin torihiki*);
  - (iv) Precious metal option trading (*kikinzoku opushon torihiki*);
  - (v) Stock index CFD trading (*kabukashisuu CFD torihiki*);
  - (vi) Single stock CFD trading (*kobetsukabu CFD torihiki*);
  - (vii) Bond CFD trading (*saiken CFD torihiki*);
  - (viii) Other securities CFD trading (*sonota shouken CFD torihiki*);
  - (ix) Commodity CFD trading (*shouhin CFD torihiki*); and
  - (x) Foreign commodity futures trading (*kaigai shouhin sakimono torihiki*)
  - (xi) Currency futures trading
  - (xii) Interest-rate futures trading
  - (xiii) Foreign commodity futures trading
  - (xiv) Foreign securities trading
- xli. "Underlying Asset" means a trading that is referenced as index for the price of the Trading.

- 1.2 In these Terms any reference to a person shall include corporate entities, unincorporated associations, partnerships, any other legal person and individuals.
- 1.3 Headings in these Terms are for reference only and shall not affect the contents or interpretation of these Terms.
- 1.4 In these Terms references to any act or regulation, which includes, but not limited to, enforcement order (*sekourei*), enforcement regulations (*sekou kisoku*), cabinet order (*seirei*) or cabinet office ordinance (*naikakufurei*), shall include references to such an act or regulation as replaced, amended or modified from time to time.

## 2. RISK ACKNOWLEDGEMENT

- 2.1 The Client shall carefully read and understand the content of the explanatory materials delivered to the Client by SBS prior to conclusion of the Agreement, such as these Terms and the Trading Manual, and shall conduct any Trading under the Client's own judgment and responsibility with a full understanding of the mechanism, risks and characteristics of such Trading.

## 3. CLIENT CLASSIFICATION AND INVESTOR PROTECTION

- 3.1 In compliance with the FIEA and CDA, SBS classifies its Clients in two main categories: (i) sophisticated investors, such as Specified Investor (*tokutei toushika*), as defined under the FIEA, Specified Customer (*tokutei itakusha*) and Specified Professional (*tokutei touyousha*) as defined under the CDA, and (ii) Clients other than sophisticated investors.
- 3.2 SBS attaches different levels of regulatory protection to Clients within each category. Clients who are sophisticated investors are considered to be more experienced, knowledgeable and sophisticated and able to assess their own risk and are thus afforded less regulatory protection than Clients who are not sophisticated investors.
- 3.3 SBS offers certain Clients the possibility to request to be re-classified and thus to increase or decrease the level of regulatory protection afforded in accordance with the FIEA or CDA.

- 3.4 The Client acknowledges that the services that SBS offers to Clients may depend on the client classification and that all services may therefore not be available to all types of Clients.

## SERVICES AND TRADING

### 4. SERVICES

- 4.1 These Terms set forth the terms for the Trading and general trading related thereto between the Client and SBS as follow:
- i. Main text (Clauses 1 through 32): terms and conditions which are common to any type of Trading; and
  - ii. Exhibit (Clauses 33 through 40): terms and conditions which are applicable to specific type of Trading.
- 4.2 The Client and SBS shall conduct each Trading and general trading related thereto in accordance with these Terms.
- 4.3 The Client and SBS will enter into any Trading (excluding, however, futures trading and foreign securities trading) as Principals. SBS may cover or hedge any Trading with Saxo Bank, but the Client will have no recourse against Saxo Bank.
- 4.4 SBS will intermediate a Client's order for foreign commodity futures trading and foreign securities trading in SBS's name on the Client's account (*toritsugi*) to Saxo Bank for its further intermediation to the relevant foreign Market.
- 4.5 Notwithstanding any other provision of these Terms, in providing its services, the Client and SBS shall comply with the FIEA, other Japanese laws and regulations, etc. and the rules of the Financial Futures Association of Japan, the Japan Securities Dealers Association and the Commodity Futures Association of Japan.

### 5. NO ADVICE NOR RECOMMENDATION

- 5.1 SBS provides execution-only services to the Client unless otherwise agreed. SBS does not provide individual advice, surveillance, information or recommendations in respect of any Trading or service.

5.2 SBS does not provide any advice to the Client on any tax related matters. SBS encourages the Client to obtain independent advice from its financial advisor, auditor and/or legal counsel with respect to tax implications of the respective services.

5.3 The Client acknowledges, recognizes and accepts that (i) any recommendation and any information communicated by SBS does not constitute an investment advice, and (ii) such recommendation and information, although based upon information from sources believed by SBS to be reliable, may be based solely on a broker's opinion, and (iii) any information communicated may be incomplete and may be unverified and/or unverifiable.

## 6. ORDERS AND INSTRUCTIONS

6.1 The Client's instructions and inquiries pertaining to the Trading shall be made through the System with the exception of instructions on the return of Margin. The Client shall consent in advance that SBS will not accept instructions and inquiries using other means.

6.2 Notwithstanding the foregoing, if designated by SBS in advance, the Client may make instructions and inquiries pertaining to the Trading using the means designated by SBS from among a meeting, telephone call, fax, e-mail or other means.

6.3 Instructions pertaining to the return of Margin shall be made using means designated by SBS in advance.

6.4 The Client shall promptly implement updates when an updated version of the System is available, and always keep the System up-to-date.

6.5 The Client shall conduct a Trading under the Client's own judgment and instruction within the functions provided by the System to the Client.

6.6 Instructions pertaining to the Client's Trading will be accepted at the time the Server receives the content of input after the content of instructions is input into and sent by the Client Device, which is connected to the Server. The Client's instructions and orders are binding on the Client when received by SBS. If the Client wishes to withdraw an instruction or order to SBS that has not yet been executed, the Client may contact SBS and request that the order be cancelled,

but SBS is under no obligation to accept the cancellation of such instruction or order. An instruction or order is not cancelled until the Client has received a written confirmation of the cancellation from SBS.

6.7 The execution date of a Trading will be the date on which SBS confirms the Trading is executed. Only the Settlement/Trade Confirmation made available to the Client constitutes SBS' confirmation of the execution of a Trading or order. Confirmation by the System itself, when the Client transmits instructions via the System, does not constitute confirmation of the execution of a Trading or order.

6.8 In the event that the Client believes to have placed an instruction or order, but the Client has not received a Settlement/Trade Confirmation, the Client must contact SBS immediately. In the absence of such immediate notice from the Client, the order or Trading may at SBS' sole discretion be deemed non-existent even if received by SBS.

6.9 It is deemed a normal process even if the time and date of Client's making an order differ from those of execution due to Internet conditions, time difference, trading hours or market conditions, etc. as long as such order is processed without delay by SBS.

6.10 Trading (excluding, however, futures trading and foreign securities trading) between SBS and the Client are conditional upon the conclusion of Cover Trading. Therefore, even after execution of an order, the trading between SBS and the Client shall not be concluded if the corresponding Cover Trading is not concluded. Furthermore, when Saxo Bank, which is the only counterparty to Cover Trading, is no longer able to accept Cover Trading, the Client's order to SBS will not be accepted or will not be executed. The Client shall agree to the above matters in advance.

6.11 The Client shall agree in advance that in case of futures trading and foreign securities trading, the exchange, a member thereof or Saxo Bank, which is the only direct broker for foreign commodity futures trading, is no longer able to accept the Client's orders brokered by SBS, the Client's order to SBS may not be accepted or executed.

6.12 SBS notifies the Client of the information on acceptance, execution or other order processing on the System. Such notification may not show the final

information in such a case as rapid price fluctuation because of the consideration for the immediacy and convenience of information.

- 6.13 SBS is entitled to change the execution price in the Client's Trading pursuant to Clause 12.
- 6.14 SBS will stop presenting prices for the Client when Saxo Bank stops feeding prices. When Saxo Bank subsequently resumes feeding prices, SBS will also resume presenting prices.
- 6.15 The Client may not issue instructions to SBS with the exception of instructions pertaining to termination prescribed in Clause 28.1 (i), the return of the Margin prescribed in Clause 18.1 (viii), and those prescribed in Clause 33.9, Clause 34.9, Clause 35.9, Clause 36.9, Clause 37.9, Clause 38.9, Clause 40.9, Clause 40.9 or Clause 41.6 and with the exception of cases specified by laws and regulations.
- 6.16 SBS supports different order types which are described in, and executed in accordance with the Trading Manual. For the avoidance of doubt, Limit Orders and Stop Orders are not guaranteed executable at the price or amount specified by the Client, but will be executed in accordance with the Trading Manual in the absence of an Event of Default of the Client.
- 6.17 The Client shall be responsible for (i) all orders and instructions provided, (ii) the accuracy of all information sent via the Internet in the Client's name and (iii) passwords and any other personal identification means implemented to identify the Client.
- 6.18 SBS may refuse to act upon any instruction from a Client if SBS reasonably believes that the disposal, pursuant to the instruction submitted, will be in violation of applicable law or regulation, including, but not limited to, legislation on money laundering and insider trading. Further, SBS may refuse to act if such disposal, in SBS's sole discretion, will put the Client's and/or SBS's economic solidity at risk.

## 7. DEALINGS AND COMMUNICATIONS

- 7.1 SBS will provide the items to be described in the statutory documents as listed below ("statutory items" in this Clause 7) by means using an electronic

information processing system or other means using information communication technology ("electronic delivery" in this Clause 7) given that, by the Client's consent to these Terms, the Client has agreed to the provision of the following documents that must be delivered to the Client as prescribed by the FIEA or the CDA by providing the statutory items by electronic delivery in lieu of physical delivery of the documents pursuant to the provisions of the FIEA or the CDA.

- i. Documents delivered prior to conclusion of contract (*keiyaku teiketsumaeno kouhu showmen*): These Terms and Trading Manual or their amendments;
- ii. Documents on Client's order execution: Trading reports (*torihiki houkokusho*) (documents related to Article 37-4 of the FIEA or Article 220 of the CDA);
- iii. Documents on Client's trading balance and outstanding margin: Trading balance reports (*torihiki zandaka houkokusho*) (documents related to Article 37-4 of the FIEA or Article 220 of the CDA);
- iv. Documents on the margin deposited by the Client: Margin receipts (*shoukokin juryousho*) (documents related to Article 37-5 of the FIEA or Article 220-2 of the CDA); and
- v. Other: Documents specified by SBS.

- 7.2 The Client has the obligation to confirm the content shown on the documents electronically delivered by SBS. If there is an objection to the content shown therein, the Client shall notify SBS by e-mail or in writing before the deadline if a response deadline for consent or refusal is specified by SBS or otherwise within ten business days from the date of the electronic delivery. If notification is not made within the above period, the Client will be deemed to have acknowledged and agreed to the content of the electronic delivery.

- 7.3 The specific method of electronic delivery shall be as follows:

- i. With regard to Clauses 7.1 (i) and (v), the statutory items will be stored in a viewing file which is accessible via a link, etc. from SBS's Website, and provided for the Client's viewing;
- ii. With regard to Clauses 7.1 (ii) through (iv), a customer file, which requires the Client's authentication, shall be placed on a database in a data center that is under contract with SBS, and



the statutory items recorded in the customer file shall be provided for the Client's viewing; and

- iii. With regard to other items specified by SBS, the method specified in either of the preceding items shall be used.

7.4 The Client shall notify SBS by e-mail or in writing without delay if there is a change in the name or trade name, seal or signature, domicile or office address, telephone number, e-mail address or other particulars that have been provided to SBS. If notification is not provided, SBS may terminate the Agreement at its own discretion without notifying the Client in advance.

7.5 Notifications made by SBS to the domicile, office or e-mail address provided to SBS by the Client shall be deemed to have arrived at the time when they should have normally arrived if they are delayed or fail to arrive due to relocation, absence, change of e-mail address or other grounds attributable to the Client.

7.6 When there are important matters to notify the Client in relation to the Trading (including but not limited to matters concerning trading methods, conditions, specifications, etc., matters concerning the laws and regulations and matters concerning the status of the Client's trading), SBS will do so by publication on SBS's website and/or e-mail. E-mail shall be sent to the e-mail address provided to SBS by the Client.

7.7 The Client may only provide one e-mail address to SBS. All notices from SBS will be made to that e-mail address. The Client may not designate another e-mail address.

7.8 The Client may not refuse to receive the e-mail specified in Clause 7.4. However, this excludes cases not directly related to the Trading and with low importance (such as information on a campaign program or a seminar).

7.9 Notwithstanding the provision of Clauses 7.4 through 7.8, SBS may make important notices by postal mail in addition to the methods specified in Clause 7.4 at the discretion of SBS.

## 8. POWER OF ATTORNEY

8.1 If the Client wants to allow a third party to trade on the Client's Account, the Client shall issue a separate

written power of attorney to the third party. In such instance, it is a requirement that one of SBS's power of attorney forms is used, and that such third party is an Introducing Broker properly licensed or registered under the FIEA, CDA or other applicable law or regulation, as necessary. The issuance of the power of attorney must be approved by SBS. Upon SBS's acceptance of the third party to trade on such Client's Account, a new personal user ID and password will be provided by SBS to the approved holder of the power of attorney. SBS can only undertake to register one power of attorney per Client. SBS must be informed in writing if the Client wishes to revoke such power of attorney, to change the extent of the power of attorney, or grant a power of attorney to a different person or entity.

8.2 SBS shall be entitled to receive instructions from any person authorized by the Client and to rely on any power of attorney afforded to any person who appears authorized.

8.3 The Client is accountable to SBS for losses that SBS may suffer as a result of instructions from a person who has explicit or tacit power of attorney to instruct SBS on behalf of the Client.

## 9. USE OF THE TRADING PLATFORM

9.1 The technical requirements, which the Client Device, operating system, internet connection etc. shall comply with, are described on SBS' website.

9.2 The Client shall enter his/her user ID and password when logging on to the System. The Client shall memorize the password. Entering an incorrect password five times in a row will automatically terminate the connection and block the user ID. SBS shall inform the Client of a termination/blocking and the reasons for it, where possible, before the termination/blocking, and if this is not possible, immediately thereafter, unless giving such information will compromise objectively justified security reasons.

9.3 If the Client becomes aware, or suspects, any unauthorized use of the System and/or that the Client's password has been misappropriated by a third party, the Client shall immediately notify SBS, via telephone, to block the password, Account and System. Blocking the System prevents other parties from accessing it.

Open orders and Positions placed on the System before any blocking will not be affected hereby, unless the Client specifically requests otherwise. Upon the blocking of a password, the Client may order a new password.

- 9.4 The Client is obliged to keep passwords secret and ensure that third parties do not obtain access to the Client's Account(s) or the System.
- 9.5 Subject to Clause 9.7 and mandatory applicable law, the Client is liable to SBS for orders and Trading placed or entered into by use of the Client's password, even if such use proves wrongful, and for any other unauthorized use.
- 9.6 The right to use the System is strictly personal, and the Client shall not allow any other parties to use the Client's user ID and/or password.
- 9.7 The Client shall not be liable for any abuse or other unauthorized use of the System occurring after the Client has notified SBS pursuant to Clause 9.3 and SBS has had reasonable time to act thereon.

## 10. ACCOUNT AND TRANSFER OF FUNDS

- 10.1 The Client shall open an account with SBS for the Client's Trading ("Account") to commence Trading with SBS.
- 10.2 The Account shall comprise sub-accounts categorized into the following types. The Client may not pick and choose sub-accounts, and the Client's Account will include all sub-accounts. Calculation of sub-accounts shall be managed individually, and unrealized losses and gains, etc. will not be combined. Note that the Trading of the same type may have differences in trading terms, etc., and are set in separate sub-accounts in this case.
- i. Foreign exchange margin trading and foreign exchange option trading;
  - ii. Precious metal margin trading, precious metal option trading, commodity CFD trading;
  - iii. Stock index CFD trading;
  - iv. Single stock CFD trading;
  - v. Bond CFD trading;
  - vi. Other securities CFD trading;
  - vii. Stock index futures trading;
  - viii. Currency futures trading;

- ix. Securities futures trading; and
- x. Foreign commodity futures trading;

- 10.3 The provisions of Margin (Clause 18.1), the automatic loss cut (Clause 18.2), the forced liquidation (Clause 11.8) or the settlement when an Event of Default occurs (Clauses 22.1 and 22.2) shall be applied to each sub-account. The provision of settlement when the maximum unrealized loss as specified in Clause 11.4 is reached (Clause 11.4) shall be applied to the total for sub-accounts in each Account. The application of other matters not specified in these Terms shall be in accordance with the standard specified by SBS.
- 10.4 Approval or refusal of opening of an Account will be determined at the discretion of SBS.
- 10.5 If any of the following items applies to the Client, an application to open an Account may not be made (excluding, however, cases approved by SBS in advance). If it is found that any of the items applies after the Account is opened or SBS determines that there is a high probability that that applies based on reasonable grounds, SBS may terminate the Agreement at its own discretion without notifying the Client in advance.
- i. The Client does not have his/her own unique e-mail address.
  - ii. The Client does not reside in Japan (in the case of individuals).
  - iii. The Client is not a Japanese corporation or is a Japanese corporation whose representative director and Trading staff do not reside in Japan (in the case of corporations).
  - iv. The Client is a member of an antisocial force or has association with an antisocial force.
  - v. There is a possibility that the Client's Trading may be used in a way that violates public order such as money laundering, or trading otherwise suspected of being illegal or fraudulent.
  - vi. The Client does not have legal capacity to act (in the case of individuals).
  - vii. The Client does not make his/her own judgments or decisions pertaining to Trading.
- 10.6 The Client understands and accepts that in order to secure the identity of the transferor/Client, SBS only allows transfers of funds to and from the Client's Account(s) to and from the Client's own account(s) in

other banks (limited to Japan). This entails that SBS must receive sufficient information about the transfer from the transferring bank to ensure the identification of the relevant Client and relevant Account on which the funds shall be booked. Therefore, the Client understands and accepts that SBS is only able to place and book any transferred funds, if SBS is able to properly identify the Client and the Account on which the funds shall be booked.

- 10.7 Notwithstanding the foregoing, if a deposit is made under a name other than that of the Client, SBS will deduct the amount of such deposit from the Margin at its own discretion without notifying the Client in advance. The Client shall consent in advance that all results thereof (including but not limited to being subject to automatic loss cut under Clause 18.2 or the inability to place orders) are attributable to the Client, and that SBS is in no way liable therefor.
- 10.8 If the same Client repeatedly makes deposits under a third party's name on multiple occasions, SBS may terminate the Agreement at its own discretion without notifying the Client in advance.
- 10.9 For incoming transfers of currency, the funds are booked and at disposal on the Client's Account without undue delay after SBS has received the funds and in accordance with applicable law, subject to the instruction being complete and correct. The funds will not be taken into account for purposes of the Client's Margin Requirement before the funds are booked and at disposal on the Client's Account.
- 10.10 Payments into the Client's Account are deposited by SBS on the condition that SBS receives the amount in question. This shall apply irrespective of whether it has been explicitly stated in receipts or other notices of, or requests for, payment.
- 10.11 The Client understands and accepts that the Client must supply SBS with complete and correct information of his or her bank account in advance. Payments from the Client's Account are always made to such pre-registered bank account.
- 10.12 The Client acknowledges that SBS cannot be held liable for the number of days passing between the transfer of funds by the sending bank until the funds are received by SBS and booked on the Client's Account.

10.13 The Client acknowledges that SBS cannot be held liable for the number of days passing between the transfer of funds from SBS until the funds are booked on the account with the receiving bank.

10.14 The Client understands and accepts that the Client is liable for any costs arising from any delays caused by and any errors made by the receiving financial institution or its intermediate financial institutions.

10.15 The Client is made aware that Exceptional Market Conditions, Force Majeure Events and similar events can cause the booking of funds to be delayed. SBS is not liable for such delays.

## 11. POSITIONS – REFUSAL, CLOSE-OUT AND ROLL

- 11.1 SBS performs rollover processing at 5:00 pm from Monday to Friday U.S. Eastern Standard Time (excluding, however, certain products and days specified by SBS). Rollover processing will be performed as follows. However, said processing may not be performed depending on the status or type of the trading.
- Cancellation of closed Positions and carry-over of Open Positions
  - Transfer of losses and gains specified in Clause 11.2
  - Transfer of trading fees specified in Clause 11.3
  - Transfers specified in Clause 33.1, Clause 35.1 and Clause 37.11.
- 11.2 If a Closing Trading is conducted, SBS will transfer gains or losses arising as a result of the Closing Trading to the Margin in rollover processing. Gains will be added to the Margin and losses will be appropriated from the Margin. The Client shall consent in advance that the amount of the Margin may increase or decrease by this process.
- 11.3 If expenses such as trading fees arise for Trading, SBS will appropriate these from Margin in rollover processing. The Client shall consent in advance that the amount of the Margin may decrease due to this.
- 11.4 The Client shall consent in advance that if the total amount of unrealized losses pertaining to Open Positions reaches the amount specified by SBS, SBS may conduct Resale or Buyback required to close part

or all of the Trading made through the Client's Account on the Client's account.

11.5 The Client shall consent in advance that if there are two or more Positions subject to liquidation specified in Clause 11.4, SBS may decide upon the order in which to liquidate the Client's Positions at its own discretion.

11.6 The Client shall consent in advance that SBS will deduct losses arising in the event of liquidation specified in Clause 11.4 from the Margin without notifying the Client in advance.

11.7 The Client shall consent in advance that SBS may cancel the Client's unexecuted orders if the total amount of unrealized losses pertaining to Open Positions reaches the level specified by SBS.

11.8 The Client shall consent in advance that if any of the events in the following items occurs, SBS may conduct the necessary Resale or Buyback for closing all or part of the Trading made by the Client through the Account at the discretion of SBS on the Client's account without notifying the Client in advance, and that SBS may cancel the Client's unexecuted orders at the discretion of SBS without notifying the Client in advance. The Client shall be liable for losses arising from such liquidation.

- i. When an Event of Default specified in Clause 22.1 occurs.
- ii. When Saxo Bank, which is the only counterparty to Cover Trading, is no longer able to accept SBS's Cover Trading.
- iii. When the exchange, members thereof or Saxo Bank, which is the only direct broker for foreign commodity futures trading, is no longer able to accept the Client's orders brokered by SBS.
- iv. When SBS is unable to confirm the intentions of the Client for more than one year.
- v. When the Client violates these Terms or any other terms with SBS.
- vi. When SBS requests the deposit of Margin pursuant to Clause 18.1(i), and the Client does not deposit the necessary Margin before the deadline designated by SBS.
- vii. When the mark-to-market value of the said sub-account for futures trading is less than the amount of Margin specified by SBS and the Client does not deposit the necessary funds to the

relevant sub-account before the deadline designated by SBS.

viii. When the Client holds a Position in futures trading beyond the last trading day designated by SBS.

ix. In addition to the preceding items, when determined to be necessary by SBS due to unavoidable circumstances.

11.9 The Client shall consent in advance that if any of the following events occur, SBS may suspend the Client's User ID, and that SBS may cancel the suspension of the suspended User ID at its own discretion. If Margin remains in the Client's Account when SBS suspends the User ID, SBS will suspend the User ID after returning the entire amount to the Client.

i. When the Client does not hold any Position for a continuous period of more than one year.

11.10 When the Client instructs SBS to enter into a Position opposite to one or more of the Client's existing Open Positions, SBS will close out the opposite Position in accordance with the FIFO Principle, unless the existing Position has related orders, as prescribed in the Trading Manual.

11.11 Subject to Clause 11.10, the Client acknowledges that SBS has the right, but not the obligation, to close opposite Positions, wholly or partly.

11.12 The Client accepts and acknowledges that SBS shall have the right (in addition to any other rights SBS may have under these Terms) to refuse orders to establish new or larger Positions or enter into any Trading SBS will inform the Client as soon as practicable regarding such refused orders and the reason for the refusal.

## 12. PRICES, ERRORS AND CHANGES IN CONDITIONS

12.1 For any Trading (excluding, however, futures trading; the same shall apply below in Clauses 11.6 and 12.2), SBS will always simultaneously present the buy price and sell price in reference to the status of trading in the Market. There is a spread between the buy price and the sell price, and the buy price for the Client is higher than the sell price for the Client. Furthermore, the spread may expand or the price itself may not be presented depending on conditions such as a rapid change in price or a decrease in liquidity of the products referenced by the Trading, and the Client

may not be able to conduct intended Trading. The Client shall agree to these matters in advance.

- 12.2 (i) In the event that a price quoted by SBS or at which any Trading is entered into (including where confirmed in a Settlement/Trade Confirmation) does not reflect the market price (e.g. due to market liquidity, announcements affecting the market, misfeeds from providers of prices, quotes from liquidity providers, or suspension of trading) (a "Misquoted Price" in this Clause 12.2) or (ii) if an Exceptional Market Condition occurs or is likely to occur, SBS may in its sole discretion either (a) refrain from executing, or cancel, any Trading which is, or purports to have been, entered into at the Misquoted Price, (b) execute the Trading at the Misquoted Price or the price which in SBS' reasonable opinion reflects the market price, or (c) change any Trading already executed to the price which in SBS' reasonable opinion reflects the market price.
- 12.3 If SBS can (i) document the existence of errors in prices, commissions and charges, other commissions and/or in the System at the time of the conclusion of the Trading or order and (ii) render probable that, based on the Client's Trading strategy or other behavior, the Client deliberately and/or systematically has exploited or attempted to exploit such errors, SBS is entitled to take one or more of the following countermeasures:
- i. Adjust the price spreads and/or liquidity available to the Client;
  - ii. Restrict the Client's access to streaming, instantly tradable quotes, including providing manual quotation only;
  - iii. Retrieve from the Client's Account any historic trading profits that have been gained through such behavior at any time during the relationship between the Client and SBS; and/or
  - iv. Terminate the relationship between the Client and SBS immediately by giving written notice.
- 12.4 SBS may offer real-time tradable prices to the Client. Due to delayed transmission, the price offered by SBS may have changed before an order or instruction from the Client is received by SBS. SBS shall be entitled to change the price on which the Client's order or instruction is executed to the market value at the time at which the order from the Client is received or executed.

- 12.5 The Client shall consent in advance that the actual execution price and the price designated by the Client may not be the same in Stop Orders depending on market conditions.
- 12.6 The Client shall consent in advance that part or all of a Limit Order may not be executed even if the price designated by the Client and the price presented by SBS match.
- 12.7 The prices shown in charts (those indicating price trends using graphs, etc.) provided by SBS on the System are only reference values and do not necessarily mean that Trading were actually executed at such prices, and do not guarantee that Trading will be executed at such prices.

### 13. AGGREGATION AND SPLIT

- 13.1 SBS is entitled to aggregate the Client's orders with SBS's own orders, orders of any member of the Saxo Bank Group and/or persons connected with SBS, including employees and other Clients' orders subject to the FIEA, CDA or other applicable law or regulation.
- 13.2 SBS may split the Client's orders when executing these.
- 13.3 Orders will only be aggregated or split if SBS reasonably believes it to be in the best interest of Clients. On some occasions, aggregation or split of the Client's order may result in the Client obtaining a less favorable price than if the Client's orders had been executed without being aggregated with other orders or split, which the Client accepts.

### 14. INTRODUCING BROKERS

- 14.1 The Client may have appointed or been referred to SBS by an Introducing Broker. SBS shall not be responsible for any agreement made between the Client and the Client's Introducing Broker. The Client acknowledges that any such Introducing Broker will either be acting as an independent intermediary or an Agent for the Client and that no such Introducing Broker shall be authorized to make any representations concerning SBS or SBS's Services.
- 14.2 The Client is specifically made aware that the Client's agreement with its Introducing Broker may result in

additional costs as SBS may pay fees or commission to such person, which will be disclosed to the Client.

- 14.3 The Client is also specifically made aware that the Client's agreement with its Introducing Broker may result in additional costs for the Client as the Introducing Broker may deduct commissions and fees as well as price or interest/financing rate adjustments for any trade conducted on or allocated to the Client's Account either by the Introducing Broker or the Client.
- 14.4 If the Introducing Broker undertakes any deductions from the Client's Account according to any agreement between the Client and the Introducing Broker, SBS has no responsibility as to the existence or validity of such an agreement.
- 14.5 If the Client wants an Introducing Broker to manage the Client's Account(s), the Client shall provide a power of attorney approved by SBS to such Introducing Broker in accordance with Clause 8.1. SBS shall have no responsibility or liability to the Client for following the instructions given by an Introducing Broker under any power of attorney or for any other actions or omissions of any Introducing Broker.
- 14.6 SBS is under no obligation to supervise or review any payment instructions or any other acts, including, but not limited to, the trading, of the Introducing Broker.
- 14.7 SBS is not responsible for the size or reasonableness of any commissions and/or fees, as well as any price or interest rate, paid by the Client to the Introducing Broker.

## 15. DELEGATED TRADE REPORTING

- 15.1 The Client shall consent in advance that SBS will report the content of the Client's Trading and other information to Japanese or foreign governmental organizations, etc. if SBS is required based on the laws and regulations of Japan or countries in which foreign exchange or markets are located. In this case, the Client shall cooperate in the preparation of the relevant reports or other documents according to SBS's instructions.
- 15.2 SBS shall be held harmless for all damages arising in relation to the preparation and submission of such reports or other documents pursuant to Clause 15.1.

## FINANCIAL TERMS

### 16. COMMISSIONS, CHARGES AND OTHER COSTS

- 16.1 The Client shall pay SBS fees specified by SBS, taxes and public dues and other charges at the time and date and using the method specified by SBS.
- 16.2 The Client shall pay SBS the expenses required by SBS each time for special treatment based on the Client's instructions.

### 17. INTEREST AND CURRENCY CONVERSIONS

- 17.1 Save as otherwise agreed in writing, SBS shall not be liable to:
- i. pay interest to the Client on any Collateral or any credit balance in any Account or on any other sum held by SBS; or
  - ii. account to the Client for any interest received by SBS on any sums or in connection with any Trading.
- 17.2 Any gains or losses in any currency other than Japanese yen realized upon settlement of the Client's Positions shall be automatically converted into Japanese yen at the exchange rate of the prevailing market plus conversion charge of maximum 0.5%.
- 17.3 When the balance of a Client's sub-account becomes negative, the Client is required to resolve such negative balance within 5 business days.
- 17.4 If the Client fails to resolve the negative balance within 5 business days, following rules shall apply:
- i. if the surplus of cash balance in other sub-accounts of the Client is sufficient to resolve the negative balance, SBS may appropriate such surplus of other sub-accounts to the negative balance for set-off, or
  - ii. if the surplus in other sub-accounts is not sufficient to resolve the negative balance, SBS requests payment for the deficit and the Client is required to transmit the deficit amount or more within 5 business days after receipt of such request. If the requested amount is not received by SBS by 3 p.m. on the day 5 days after the request (or such other day as specified by SBS), the Client is liable for damages at the rate of 5% per annum after the deadline.



## MARGIN REQUIREMENT, AUTOMATIC LOSS-CUT, PLEDGE, ENFORCEMENT, NETTING AND SET OFF

### 18. MARGIN REQUIREMENT AND AUTOMATIC LOSS-CUT

18.1 Margin pertaining to the Trading shall be governed pursuant to the provisions of the following items.

- i. The Client shall deposit with SBS Margin of no less than the amount specified by SBS using the method specified by SBS in advance when making a buy or a sell order to hold a new Position. It is the Client's responsibility to continuously ensure that sufficient Collateral is available on the Account at any time to meet the Margin Requirement. SBS may, but is not required to, notify the Client if the Margin Requirement is not met (margin call).
- ii. SBS will accept all of the Client's assets in the Account as Margin.
- iii. The types of currency accepted by SBS as Margin will be specified by SBS.
- iv. Deposits and withdrawals of the Margin between the Client and SBS shall all be made through the sub-account for foreign exchange margin trading and foreign exchange option trading (provided that they shall be made through designated sub-accounts if separately designated by SBS; collectively referred to as "Main Account"). Direct deposits to or withdrawals from sub-accounts other than the Main Account may not be made.
- v. Transfer of Margin between sub-accounts shall be made by the Client him/herself. The Client shall transfer Margin to the applicable sub-account according to the type of Trading which such Client intends to conduct.
- vi. If losses or gains arise by a trading to close a Position ("Closing Trading"), SBS may book the losses or gains as Margin using a method specified by SBS without notifying the Client in advance.
- vii. SBS will mark to market the Client's open Positions of the Trading ("Open Positions") based on the value of the Underlying Assets at the time specified by SBS. The unrealized gains and losses, and the gains and losses and trading fees, etc. pertaining to Positions prior to the

transfers specified in Clauses 11.1 through 11.3, 33.1, 35.1 and 37.11 shall be combined with the Margin to obtain the mark-to-market value of assets held in each of the Client's sub-accounts ("Net Free Equity") at that time.

- viii. When the amount of Net Free Equity in the Main Account exceeds the amount of Margin required for Open Positions ("Margin Requirement") and a request for the return of all or part of such excess amount is made by the Client, SBS will calculate the refundable amount in accordance with the provisions of the Trading Manual, and if an amount is refundable, will return this by bank remittance to a bank account, etc. in the name of the Client that has been provided to SBS by the Client in advance within four business days of Japanese banks from the day said request is received. As the return of Margin will only be made from the Main Account, a Client who wishes to have the Margin returned shall transfer the required Margin to the Main Account in advance; provided, however, if the amount to be returned exceeds JPY 200 million, it shall be treated as follows:
  - Installment payments shall be made with the maximum amount to be returned ("Maximum" in this Clause 18) being JPY 200 million per business day, in principle;
  - If there is another refund request for which the amount to be returned on the same day exceeds JPY 200 million, SBS shall divide JPY 200 million on a pro-rata basis to set the respective Maximums;
  - SBS may return more than the Maximum at its own discretion; and
  - The date of completion of the refund varies depending on the amount to be returned, etc., but SBS shall notify the Client of the scheduled refund completion date in advance.
- ix. If the amount of Net Free Equity in a sub-account exceeds the Margin Requirement and the Client wishes to transfer all or part of the excess to another sub-account, the Client may transfer to another sub-account by operating the transfer on the System him/herself.
- x. SBS shall not be liable in any way for losses or damages incurred by the Client as a result of a delay occurring despite the normal procedures performed by SBS to remit funds or by the Client

to transfer funds between the sub-accounts pursuant to Clause 18.1(viii) and (ix).

- xi. If the Client holds an Open Position of the Trading, Margin of no less than the amount specified by SBS shall be maintained in the corresponding sub-account, and if the balance of the Margin falls below such amount due to a Closing Trading, etc., the Client shall deposit or transfer from another sub-account Margin of no less than the shortfall into the relevant sub-account before the deadline designated by SBS using the method specified by SBS as requested by SBS.
- xii. When SBS changes the Margin Requirement, the new Margin Requirement shall also apply to Open Positions.
- xiii. In addition to the provisions of the preceding items, treatment of Margin pertaining to the Trading shall be governed pursuant to the provisions specified by SBS.

18.2 The Client shall consent in advance that if the ratio of the Margin Requirement in relation to the amount of Net Free Equity ("Margin Utilization Ratio" in this Clause 18) reaches a level specified by SBS ("Loss-Cut Level" in this Clause 18) in a Trading (excluding a call in foreign exchange option trading or precious metal option trading and foreign securities trading), SBS may make market orders to resell or buyback required to close part or all of the Trading(s) in the Client's relevant sub-account on the Client's account ("Automatic Loss-Cut"). In the case where SBS resumes presenting prices after stopping price presentation, the Client may be subject to Automatic Loss-Cut upon resumption. In such case, SBS will close part or all of the Trading(s) in accordance with the state of trading in the Market after the resumption.

18.3 The Client shall consent in advance that if there are two or more Positions subject to liquidation specified in Clause 18.2, SBS may decide upon the order in which to liquidate the Client's Positions at its own discretion without notifying the Client in advance .

18.4 The Client shall agree in advance that because liquidation specified in Clause 18.2 is conducted through market orders, prices may fluctuate before the order is executed due to the state of trading in the Market, and that this may result in the Margin Utilization Ratio exceeding or falling below the Loss-Cut Level, and that losses may increase if it exceeds.

18.5 The Client shall consent in advance that SBS will deduct losses arising in the event of liquidation specified in Clause 18.2 from the Margin without notifying the Client in advance. Furthermore, if the amount of losses exceeds the amount of Net Free Equity and a shortfall arises, the Client shall pay the amount of said shortfall before the deadline designated by SBS using a method designated by SBS. If SBS is unable to confirm payment of the shortfall by the designated date, the Client shall pay delay damages at a rate specified by SBS for the period from the day following the due date until the date of performance.

18.6 The Client shall consent in advance that SBS may immediately cancel the Client's unexecuted orders without notifying the Client in advance if the Margin Utilization Ratio reaches the level specified by SBS.

18.7 The Client shall consent in advance that market orders for liquidation in Clause 18.2 and orders made by the Client based on the Client's intentions are processed independently using different systems, and that the temporal order of such orders and their execution may not necessarily match as a result.

18.8 If the Client's combined exposure in one or more Open Positions reaches a level which, in case of an adverse market development, may in SBS' opinion lead to a significant deficit not covered by the Client's Collateral, SBS may, in its sole discretion (i) increase the Margin Requirement and/or (ii) reduce the Client's exposure by closing or reducing one or more or all of the Client's Open Positions.

18.9 Furthermore, SBS is entitled, in its sole discretion, to determine that an emergency or an Exceptional Market Condition exists. In addition to any other rights SBS may have under these Terms, SBS may among others (i) increase the Margin Requirement, (ii) reduce the Client's exposure, (iii) close or reduce any or all of the Client's Open Positions and/or (iv) suspend trading.

## 19. PLEDGE AND ENFORCEMENT

19.1 The Client shall pledge the Margin and other Collateral to SBS pursuant to these Terms to secure the Client's obligations to SBS in relation to the Trading.



- 19.2 When the Client does not perform its obligations to SBS concerning the Trading before the prescribed deadline, including cases of Event of Default, or when the Client bears obligations to SBS due to Resale or Buyback pursuant to Clause 20.1 through 20.5, the Client shall not object if SBS disposes of the Collateral on the Client's account without notice, formal demand or legal proceedings under terms such as the method, time, place and price at the discretion of SBS and appropriates the amount remaining after deduction of expenses from the proceeds to the obligations without following the order prescribed by law, and shall immediately perform any obligations remaining after the appropriation to the obligations.
- 19.3 The Pledge shall be considered as a loan for consumption (*shouhi taishaku*) for the purposes of Japanese law, if such security interest is to be characterized under Japanese law, and all provisions of the Terms relating to the rights and obligations of SBS and the Client with respect to the Collateral shall be construed *mutatis mutandis* to the extent consistent with the rights and obligations of a lender and a borrower of such Collateral under Japanese law. Any references to the terms of security, security interest, pledge or Pledge granted to SBS under the Terms shall be deemed to mean the interests of SBS as a borrower of the Collateral under a loan.
- 20. NETTING AND SET OFF**
- 20.1 If the Client falls under any of the items in Clause 22.1, all of the Client's Trading with SBS and on domestic and foreign markets will be automatically terminated as a result of Resale or Buyback of Trading by SBS on the Client's account pursuant to the provision of Clause 11.8. As a result of said termination, the Client's obligations to SBS shall become the Client's one lump-sum obligation to SBS by the netting and set-off pursuant to the provisions of Clause 20.6 through 20.8, which shall become immediately payable without notice.
- 20.2 The Client shall consent in advance that if the Client delays performance of any part of the Client's obligations to SBS pertaining to the Trading and SBS makes a demand specified in Clause 22.2, SBS will make market orders for Resale or Buyback required for closing all of the Trading made by the Client through the Account at the discretion of SBS on the Client's account without notifying the Client in advance.
- 20.3 The Client shall consent in advance that if the Client falls under any of the items of Clause 22.2, the Client shall make market orders for Resale or Buyback required for terminating all of the Trading made by the Client through the Account by instructing SBS (excluding, however, cases in which SBS conducts Resale or Buyback pursuant to Clause 20.2) before the time and date designated and as requested by SBS.
- 20.4 The Client shall consent in advance that if the Client does not issue instructions for Resale or Buyback before the time and date in Clause 20.3, SBS will make market orders for Resale or Buyback required for terminating all of the Trading made by the Client through the Account at the discretion of SBS on the Client's account without notifying the Client in advance.
- 20.5 The Client shall consent in advance that if losses arise as a result of the Resale or Buyback under Clause 20.1 through 20.4, the Client shall immediately pay the equivalent sum of money to SBS.
- 20.6 If the Client must perform obligations to SBS due to maturity, an Event of Default or other grounds, SBS may, at any time, set off such obligations against the Client's claims pertaining to the Trading and all other claims regardless of the maturity of such claims.
- 20.7 In the case of set-off under Clause 20.6, SBS may omit notification in advance and the prescribed procedures to receive a refund of deposits or allocate these to perform obligations on behalf of the Client.
- 20.8 When performing netting and set-off pursuant to Clauses 20.6 and 20.7, interest on claims and obligations, and damages, etc. shall be calculated for the period until the date netting is performed, and the interest rate applicable to claims and obligations, and the rate of delay damages shall be the interest rate and rate specified by SBS. Furthermore, the exchange rate applicable when the payment currencies for claims and obligations differ shall be the TTS rate on the Tokyo foreign exchange market at the time the netting is performed when converting the Client's foreign-denominated obligations to SBS into Japanese Yen, and shall be the TTB rate on the Tokyo foreign

exchange market at the time the netting is performed when converting the Client's foreign-denominated claims held against SBS into Japanese Yen. However, if the market rate is not available at the time netting is performed, the immediately preceding TTS rate or TTB rate on the Tokyo foreign exchange market shall apply.

20.9 When performing obligations or netting pursuant to Clauses 20.6 through 20.8 and the amount is insufficient to discharge the entire amount of the Client's obligations, SBS may appropriate funds in the order and method deemed appropriate by SBS.

20.10 The Client shall consent in advance to pay SBS delay damages calculated using a rate and calculation method specified by SBS for the period from the day following the due date (including said day) until the date of performance (including said day) at the request of SBS when the Client fails to perform obligations to SBS in relation to the Trading.

and the Client shall have full right in and title to such instruments and/ or other assets;

- v. It is in compliance with all laws to which it is subject, including, without limitation, all tax laws and regulations, exchange control requirements, sanctions and registration requirements;
- vi. The Client, or, in the case of corporations, any of its respective directors, officers or employees is not a member of an antisocial force or has association with an antisocial force; and
- vii. The information provided by the Client to SBS is complete, accurate and not misleading in any material respect.

21.2 The above warranties and representations shall be deemed to be in force for the duration of the relationship between SBS and the Client and shall be repeated each time the Client places an order, enters into a Trading, provides any instructions to SBS and/or complies with any obligations under these Terms and/or any Trading.

## WARRANTIES, INDEMNITIES AND DEFAULT

### 21. CLIENT WARRANTIES AND REPRESENTATIONS, AND PROHIBITED ACTS

21.1 The Client warrants and represents that:

- i. The Client has full power to enter into and perform its obligations under these Terms, including any obligation under a Trading, order or other trading carried out under these Terms;
- ii. The Client has obtained all necessary consents to enter into the Agreement and any Trading, place any order and carry out any other trading under these Terms, and has the authority to operate according to these Terms (and if the Client is a legal person, that it is properly empowered and has obtained necessary corporate or other authority pursuant to its constitutional and organizational documents);
- iii. The Client is willing and able, financially and otherwise, to assume the risk of making speculative investments;
- iv. Instruments and/or other assets supplied by the Client to SBS for any purpose are, subject to these Terms and the Pledge, at all times free from any charge, lien, pledge or encumbrance,

21.3 By accepting these Terms on behalf of a legal person, the person signing on behalf of that legal person represents and warrants that he/she is authorized to (i) act on behalf of such legal person and (ii) bind the legal person to these Terms and all obligations arising hereunder. If it becomes apparent that the signing person was not duly authorized to bind the legal person the signing person shall indemnify SBS for all liabilities, losses, damages, costs and expenses in relation to any claims or actions brought against SBS as a result of the signing person not having the due authorization.

21.4 The Client shall consent in advance and comply with the fact that the Client must not perform the acts specified in the following items in conducting the Trading. Determination of whether or not the Client's acts fall under the prohibited acts shall be made by SBS, and the Client shall adhere to SBS's determination.

- i. The act of unreasonably imposing load on the System or operation of the System without opening or closing any Positions.
- ii. The act of disclosing the content of e-mail, chat, telephone calls or letters exchanged between the Client and SBS without SBS's consent.
- iii. The act of insulting, intimidating, threatening, lying to, abusing, defaming or obstructing the business of SBS's directors, officers or

- employees (including the directors, officers and employees of parties to which SBS is outsourcing services).
- iv. The act of unduly attempting to obtain, gain by preying on the vulnerabilities in the System or the Internet, or confusion in the Market, etc.
  - v. The act of altering the System or of trading using supplementary means to the System.
  - vi. The act of using the System in a manner other than that specified by SBS, such as using it for automated ordering by software.
  - vii. The act of making continuous orders with the same category of selling or buying the same product in a short period.
  - viii. The act of repeating deposits in a short period that cannot be considered reasonable for conducting the Trading, and the act of repeating small withdrawals in a short period.
  - ix. Cross-order trading in a state where the unrealized loss on Open Positions exceeds double Net Free Equity.
  - x. The act of obstructing smooth trading between SBS and the Client or other Clients, other than the preceding items.

## 22. DEFAULT AND DEFAULT REMEDIES

- 22.1 If any of the events in the following items occurs or SBS determines they may occur, the Client's obligations to SBS pertaining to the Trading shall be automatically accelerated without notice or formal demand, etc. from SBS, and the Client shall immediately perform such obligations.
- i. When the Client is subject to suspension of payments, files a petition for commencement of bankruptcy proceedings (*hasan tetsuzuki*), civil rehabilitation proceedings (*minji saisei tetsuzuki*), corporate reorganization proceedings (*kaisha kousei tetsuzuki*), reorganization proceedings (*kousei tetsuzuki*) under the Act on the Special Provisions, etc. for the Reorganization of Financial Institutions of Japan (Act No. 95 of 1996, as amended) or special liquidation proceedings (*tokubetsu seisan*), or commences voluntary liquidation.
  - ii. When the Client is subject to disposition to suspend Trading with a clearinghouse (*tegata koukanjo*).
  - iii. When the Client's claims pertaining to the Trading or any other claims held against SBS are

subject to provisional seizure or seizure, or an order or notice of seizure is sent.

- iv. When the Collateral pledged for the Client's obligations to SBS pertaining to the Trading is subject to seizure or commencement of auction proceedings.
- v. When any of the preceding items based on the law of a foreign country applies or equivalent grounds apply.
- vi. When the Client's address is unknown due to grounds attributable to the Client such as failure to provide notification of change of address.
- vii. When SBS acknowledges the death of the Client.
- viii. When the Client or SBS is ordered to suspend the Trading by a judicial or administrative body, etc. pursuant to laws and regulations.

- 22.2 If any of the events in the following items occurs, the Client's obligations to SBS pertaining to the Trading shall be accelerated by demand by SBS, and the Client shall immediately perform such obligations.

- i. When the Client delays performance of any part of obligations pertaining to the Trading or any other obligations to SBS.
- ii. When the Collateral pledged for the Client's obligations to SBS (excluding, however, obligations pertaining to the Trading) is subject to seizure or commencement of auction proceedings (including cases when any of these apply based on the law of a foreign country or equivalent grounds apply).
- iii. When the Client violates these Terms or any other terms with SBS.
- iv. When other than the three preceding items, reasonable grounds requiring preservation of claims arise.

- 22.3 If any of the grounds in the items of Clauses 22.1 and 22.2 occur, the Client shall immediately report these to SBS by e-mail or in writing.

## 23. INDEMNITY AND LIMITATIONS ON LIABILITY

- 23.1 The Client shall indemnify SBS for all losses, taxes, expenses, costs and liabilities whatsoever (present, future, contingent or otherwise and including reasonable legal fees) which may be suffered or incurred by SBS as a result of, or in connection with
- i. the Client's breach of these Terms;

- ii. SBS executing any order or entering into any Trading on the Client's instruction; or
  - iii. SBS taking any action which SBS is entitled to take in order to enforce and preserve its rights, including the rights of SBS under Clauses 18-20 and 22, unless, and to the extent only that, such losses, taxes, expenses, costs and liabilities are suffered or incurred as a result of SBS' gross negligence or wilful default.
- 23.2 The right to be compensated, as provided to SBS under Clause 23.1 shall survive any termination of the relationship between SBS and the Client.
- 23.3 SBS shall not be liable for any losses resulting from:
- i. Operational failures preventing the use of the System;
  - ii. Interruptions preventing the Client from accessing the System;
  - iii. Use of the Internet as a means of communication and transport; or
  - iv. Damage caused by matters relating to the Client's own computer systems.
- 23.4 In relation to orders and Trading executed via the System, SBS shall not be liable for any loss, expense, cost or liability suffered or incurred by the Client due to a system or transmission failure or delays or similar technical errors unless SBS has exercised gross negligence in connection herewith.
- 23.5 SBS shall not be liable for any failure, hindrance or delay in performing its obligations under these Terms where such failure, hindrance or delay is, directly or indirectly, due to a Force Majeure Event and SBS shall not be liable for any losses due to any Force Majeure Event.
- 23.6 SBS shall not be responsible for losses resulting from the Client's installation and use of the computer programs used in relation to the System, unless such liability follows from mandatory applicable law.
- 23.7 The Client shall be responsible for ensuring that the System is adequately protected against direct and indirect losses, which may result from the installation and use of the computer programs in the Client's computer system. Furthermore, the Client shall be obliged to make backup copies of all data.
- 23.8 SBS shall not be liable for:

- i. any loss, expense, cost or liability suffered or incurred by the Client as a result of or in connection with the provision of the services unless and to the extent that such loss is suffered or incurred as a result of SBS' gross negligence or wilful default;
- ii. any loss due to actions taken by SBS according to its rights under these Terms; or
- iii. any consequential or other indirect loss suffered or incurred by the Client whether arising from SBS' negligence or otherwise.

23.9 SBS shall not be liable for losses suffered by the Client as a result of the acts or omissions of any regulated market or clearing house or any action reasonably taken by SBS as a result of such acts or omissions unless SBS has exercised gross negligence in connection herewith.

23.10 The System may be available in several versions, which may be differentiated in various aspects including, but not limited to, the level of security applied, products and services available. SBS shall not be liable to the Client for any loss, expense, cost or liability suffered or incurred by the Client due to the Client using a version different from SBS' standard version with all available updates installed.

## Miscellaneous

### 24. CONFLICT OF INTEREST

- 24.1 SBS and the Saxo Bank (including its affiliates) or other persons or companies connected with SBS may have an interest, relationship or arrangement that is material in relation to any order, Trading or trading effected by SBS under these Terms.
- 24.2 By accepting these Terms the Client agrees that SBS may conduct such business as described in Clause 24.1 and the Conflict of Interest Policy without SBS having to inform the Client hereof and without the Client being able to make claim against SBS in respect thereof.

### 25. CONFIDENTIALITY, PERSONAL INFORMATION AND RECORDING OF CONVERSATIONS

- 25.1 Neither SBS nor the Client may disclose any Confidential Information and each Party shall use all

reasonable endeavors to prevent any such disclosure, except as set out in this Clause 25.

- 25.2 Client authorizes SBS to disclose Confidential Information relating to the Client as may be required by applicable law, any regulatory authority or any applicable Market rules, without prior notice to or consent from the Client.
- 25.3 By accepting these Terms, the Client consents that SBS, in accordance with applicable law, including the FIEA and the Act on the Protection of Personal Information (Act No. 57 of 2003, as amended), transfer Confidential Information about the Client, submitted to SBS, to any legal entity within the Saxo Bank Group, which falls under the definition of the "third party in a foreign country" (*gaikokuniaru daisansha*) under the Act on the Protection of Personal Information, for the purposes as described in Clause 25.4 and 25.5 and our Personal Information Protection Policy.
- 25.4 SBS may transfer Confidential Information regarding the Client to a Saxo Bank Group firm for the purposes of (i) complying with regulatory matters (including the anti-money laundering laws), (ii) managing the Client relationship, and (iii) otherwise delegating part of its services. Such Confidential Information may be transferred to Saxo Bank Group entities in countries where data protection laws may not provide a level of protection equivalent to the protection offered in Japan.
- 25.5 SBS may share Confidential Information with (i) a third party working on behalf of SBS with the purpose of performing Client analysis to be used in SBS's sales and marketing and (ii) any Introducing Broker for the purpose of completing a due diligence and approving Account applications.
- 25.6 The Client's personal information will be stored no longer than necessary in order to carry out the purposes listed in these Terms. The Client has the right to request correction, supplementation, deletion or blocking of such personal information if inaccurate, incomplete, or irrelevant for the purpose of the processing or, if processed, in any other way that is unlawful.
- 25.7 In certain circumstances, the Client may also have the right to object for legitimate reasons to the processing of personal information in accordance with the

procedures set forth in the Act on the Protection of Personal Information and to seek other legal remedies available in connection with the processing of such personal information.

- 25.8 The Client agrees in advance that SBS may record all telephone conversations, internet conversations (chats) and meetings between the Client and SBS without obtaining approval from the Client in advance.
- 25.9 In case of any dispute or anticipated dispute between SBS and the Client, SBS may disclose and/or use recordings, or transcripts from such recordings, as evidence against the Client and any other party before any authority (including, but not limited to, any regulatory authority and/or court of law) if SBS at its sole discretion sees it to be desirable or necessary.
- 25.10 Technical reasons may prevent SBS from recording a conversation, and recordings or transcripts made by SBS will be destroyed in accordance with SBS's normal practice.
- 25.11 The Client shall not expect to be able to rely on any recordings made pursuant to Clause 25.8.

## 26. NO RIGHT OF CANCELLATION

- 26.1 The Client may not cancel a Trading after the order for the Trading is executed. The right of cancellation in writing rules under Article 37-6 of the FIEA does not apply to the Agreement.

## 27. AMENDMENTS OF THESE TERMS

- 27.1 SBS is entitled to amend these Terms in favor of the Client without notice. Changes to these Terms and the Trading Manual shall be made using the method specified in Clauses 7.1 through 7.3.
- 27.2 Amendments of these Terms which are not in the Client's favor may take place at any time by SBS giving minimum 10 business days' notice.
- 27.3 All Trading with SBS effected prior to the Client's acceptance of the amendments to these Terms, including the rights and obligations of SBS and the Client in respect thereto, shall be governed by these Terms.

27.4 The Client is deemed to have accepted any amendments of these Terms if the Client does not, before the deadline as set forth in Clause 7.2, notify SBS that it does not accept the amendments.

## 28. TERMINATION

28.1 When any of the following items applies, or any of the matters listed in Clauses 22.1 and 22.2 applies to the Client, the Agreement shall be immediately terminated. However, if any of the Client's obligations to SBS based on these Terms remain, these Terms shall remain effective only to the extent required for these.

- i. When the Client instructs SBS to terminate the Agreement.
- ii. When the Client violates any of the provisions of these Terms, and SBS notifies the Client of the termination of the Agreement.
- iii. When the Client does not consent to changes to these Terms or Trading Manual specified in Clause 27.1.
- iv. When Saxo Bank, which is the only counterparty to Cover Trading and which is the only direct broker of futures trading and foreign securities trading, is no longer able to accept a Cover Trading with SBS.
- v. When an exchange, a member thereof or Saxo Bank, which is the only direct broker for foreign commodity futures trading is no longer able to accept the Client's orders brokered by SBS.
- vi. When SBS notifies the Client of termination of the Agreement if the Client does not hold any Positions for a continuous period of more than one year.
- vii. When any of the warranties or representations in Clause 21.1 is found to be false.
- viii. When the Client performs the act of a violent demand or makes an unreasonable demand exceeding SBS's legal responsibility, etc.
- ix. When SBS determines that the Client is unsuitable for the Trading and notifies the Client of termination of the Agreement.
- x. When the mutual trust between the Client and SBS is undermined or damaged.
- xi. In addition to the preceding items, when SBS notifies the Client of the termination of the Agreement due to unavoidable circumstances.

28.2 Upon termination, Positions that are already entered into or under execution shall immediately terminate, and these Terms shall continue to bind the parties in relation to such Positions.

28.3 SBS is entitled to deduct all amounts due to it before transferring any credit balances on any Account to the Client and SBS is entitled to postpone such transferring until any and all Trading between SBS and the Client have been closed.

28.4 SBS is entitled to require the Client to pay any charges incurred in transferring the Client's investments and funds upon the termination of the Client relationship.

## 29. REGULATORY AUTHORITY AND THE GUARANTEE SCHEME

29.1 SBS is regulated and under supervision by the Financial Services Agency, Ministry of Economy, Trade and Industry, and Ministry of Agriculture, Forestry and Fisheries of Japan.

29.2 SBS segregates from its own assets all the Margin deposited by the Clients in trust under the trust agreement with JSF Trust and Banking Co., Ltd. The assets in the trust will be legally segregated from SBS's default; provided, however, the segregation in the trust does not necessarily guarantee the return of the deposited amount.

29.3 The Trading that SBS offers to the Clients are not eligible for the coverage by the Japan Investor Protection Fund.

## 30. DISPUTES AND COMPLAINTS

30.1 With respect to SBS's claim handling and dispute resolution measures, SBS will deal with or resolve any claim or dispute concerning the financial instruments business by utilizing the Financial Instruments Mediation Assistance Center (a designated dispute resolution organization as designated by the Commissioner of the Financial Services Agency of Japan in accordance with the FIEA), which is under contract with SBS.



**31. GOVERNING LAW AND JURISDICTION**

- 31.1 These Terms shall be governed by and interpreted under the laws and regulations of Japan.
- 31.2 The Tokyo District Court shall be the exclusive court with jurisdiction in the first instance for litigation concerning the Trading or the Agreement between the Client and SBS.
- 31.3 This Clause 31 shall survive any termination of the relationship between SBS and the Client.

**32. STATUS OF TERMS, ADDITIONAL APPLICABLE BUSINESS TERMS, ETC.**

- 32.1 All Trading are entered into in reliance on the fact that the Agreement and all Trading form a single agreement between the Client and SBS, and the parties would not otherwise enter into any Trading. Without limiting the foregoing, all obligations between the Client and SBS are connected and originate from one and the same commercial relationship.
- 32.2 If, at any time, any provision of these Terms is or becomes illegal, invalid or unenforceable under the law of Japan, neither the legality, validity nor enforceability of the remaining provisions of these Terms under the law of Japan shall be in any way affected.
- 32.3 In addition to these Terms, the Trading Manual shall apply to the relationship between SBS and the Client.
- 32.4 The Client may not assign, transfer, pledge, establish rights on, succeed or otherwise dispose of any of its rights or obligations under these Terms and/or a Trading without SBS's consent.
- 32.5 SBS may assign or transfer any of its rights or obligations under these Terms and/or a Trading to any Type 1 financial instruments business operator (*daiisshu kinnyuu shouhin torihiki gyousha*) registered under the FIEA or commodity futures business operator (*shouhin sakimono torihiki gyousha*) licensed under the CDA, depending on the type of trading.
- 32.6 All Trading undertaken by the Client shall be subject to these Terms.

- 32.7 The rights and remedies contained in these Terms are cumulative and not exclusive of any rights or remedies provided by law.
- 32.8 No delay or omission on the part of SBS in exercising any right, power or remedy provided by law or under these Terms, or partial or defective exercise thereof, shall:
- i. Impair or prevent further or other exercise of such right, power or remedy; or
  - ii. Operate as a waiver of such right, power or remedy.
- 32.9 No waiver of any breach of these Terms shall (unless expressly agreed in writing by the waiving party) be construed as a waiver of a future breach of the same Clause or as authorizing a continuation of the particular breach.
- 32.10 SBS or third parties may have provided the Client with translations of these Terms. The original Japanese version of these Terms shall be the only version that is legally binding upon the Client and SBS. In case of discrepancies between (i) the original Japanese version and (ii) other translations of these Terms, the original Japanese version, provided on SBS's website, <https://www.home.saxo/ja-jp>, shall prevail.
- 32.11 The Client accepts that SBS is closed on Japanese holidays.

## EXHIBIT

**33. FOREIGN EXCHANGE MARGIN TRADING**

- 33.1 This Trading comprises of Trading to buy and sell currencies (forwards) that is carried out within a specific time in future based on fluctuations in exchange rates. The Underlying Asset of the Trading is spot Trading or forward Trading on the interbank foreign exchange market.
- 33.2 Settlement of the Trading shall be performed by Cash Settlement through Resale or Buyback. Delivery settlement completing Trading through the delivery of actual currency is not available.
- 33.3 The quantity of trade orders that can be made to SBS by the Client and the quantity of Positions that can be held shall be limited to the scope of the quantity specified according to the amount of margin deposited with SBS by the Client, and within the maximum quantity specified by SBS.
- 33.4 SBS will specify trading terms pertaining to the Trading such as the currency pairs, forward settlement date, trading hours, Margin Requirement, types of order, effective term of order, maximum quantity of orders, maximum quantity of Positions and trading fees.
- 33.5 The Client shall consent in advance that SBS may change the trading terms pertaining to the Trading such as the currency pairs, forward settlement date, trading hours, Margin Requirement, types of order, effective term of order, maximum quantity of order, maximum quantity of Positions and trading fees.
- 33.6 If SBS changes trading terms pursuant to Clause 33.5, the Client shall adhere to such changes.
- 33.7 SBS will notify the Client by publication on SBS's website, e-mail or both such means when making changes pursuant to Clause 33.6.
- 33.8 SBS will change the trading terms after the period specified by SBS has elapsed since the notification pursuant to the Clause 33.7. However, the Client shall consent in advance that the trading terms may be changed immediately after notification if unavoidable.

- 33.9 The Client shall give instructions in advance as specified by SBS on the currency pairs, quantity, price and other order content and method of order execution for the Trading.

- 33.10 The prices and Swap Points applicable to the Trading will be limited to those presented by SBS, and the Client may not assert prices and Swap Points other than those presented by SBS.

- 33.11 SBS will transfer the Swap Points specified by SBS to Margin at a time and date specified by SBS without notifying the Client in advance during the period until the Client performs a Closing Trading Swap Points will be added to the Margin if received by the Client and appropriated from the Margin if paid. The Client shall consent in advance that the amount of the Margin may increase or decrease due to this.

**34. FOREIGN EXCHANGE OPTION TRADING**

- 34.1 This Trading (Exotic Options Trading) comprises trading of rights pertaining to foreign exchange margin Trading specified in Clause 33.1 ("Underlying Trading" in this Clause 34).
- 34.2 The rights specified in Clause 34.1 refer to the right ("option" in this Clause 34) to open a sell position or a buy position for Underlying Assets (specifically meaning a combination of currencies designated in advance) in Underlying Trading at a price designated in advance ("strike price" in this Clause 34) on a date designated in advance ("expiration date" in this Clause 34). In an option trading, the buyer of the option ("Buyer" in this Clause 34) holds the option, and the seller of the option ("Seller" in this Clause 34) has the obligation to comply with the exercise of the rights.
- 34.3 The quantity of trade orders that can be made to SBS by the Client and the quantity of Positions that can be held shall be limited to the scope of the quantity specified according to the amount of Margin deposited with SBS by the Client, and within the maximum quantity specified by SBS.
- 34.4 SBS shall specify trading terms pertaining to the Trading such as the Underlying Assets, types of option, range of strike price that can be chosen, range of expiration date that can be chosen, trading hours, method of calculation of Margin Requirement, types of



order, effective term of order, maximum quantity of orders, maximum quantity of Positions and trading fees.

34.5 The Client shall consent in advance that SBS may change the trading terms pertaining to the Trading such as the Underlying Assets, types of option, range of strike price that can be chosen, range of expiration date that can be chosen, trading hours, method of calculation of Margin Requirement, types of order, effective term of order, maximum quantity of orders, maximum quantity of Positions and trading fees.

34.6 If SBS changes trading terms pursuant to Clause 34.5, the Client shall adhere to such changes.

34.7 SBS will notify the Client by publication on SBS's website, e-mail or both such means when making changes pursuant to Clause 34.6.

34.8 SBS will change the trading terms after the period specified by SBS has elapsed since the notification pursuant to Clause 34.7. However, the Client shall consent in advance that the trading terms may be changed immediately after notification if unavoidable.

34.9 The Client shall give instructions in advance as specified by SBS on the Underlying Assets, order quantity, option type, strike price, expiration date and other order content and method of order execution for the Trading.

34.10 The Client shall pay the purchase price to SBS when buying options. The purchase price shall be deducted from the Margin deposited in the Client's relevant sub-account.

34.11 When the Client purchases options, the Client must check the balance of cash (meaning the Margin equivalent to the portion of Net Free Equity exceeding the Margin Requirement in the relevant sub-account; the same shall apply hereinafter), and the Client shall not execute the order if there is insufficient cash for the purchase price.

34.12 If the cash in the relevant sub-account becomes insufficient (the balance of cash becomes negative) as a result of purchasing options, the Client shall immediately transfer an amount not less than the shortfall from another sub-account, or transfer funds by himself/herself after remittance to SBS.

34.13 If SBS is unable to confirm the transfer pursuant to Clause 34.12 before the time and date specified by SBS, SBS shall liquidate the Client's Position by a reversing trade using a market order at SBS's discretion on the Client's account without notifying the Client in advance.

34.14 If there is still a shortfall of cash even after liquidation pursuant to Clause 34.13, SBS shall liquidate the Client's other Positions in the Account by reversing trade using market orders at SBS's discretion on the Client's account without notifying the Client in advance.

34.15 The Client shall consent in advance to liquidation pursuant to Clauses 34.13 and 34.14.

34.16 SBS shall pay the purchase price to the Client when the Client sells options. The sale proceeds shall be added to the Margin deposited in the Client's relevant sub-account.

34.17 Open Positions in the Trading may be cash settled by reversing trades (Resale or Buyback). However, the Cash Settlement is only available for options with the same Underlying Assets, option type, strike price and expiration date.

34.18 An option trading turns into its Underlying Trading if the Buyer exercises rights pursuant to Clauses 34.20 through 34.23

34.19 If rights are not exercised on the expiration date, the option expires and the trading terminates.

34.20 The option must be in the money from the difference between the strike price and the liquidation price for the Buyer to exercise rights. If this condition is satisfied on the expiration date, the rights will be automatically exercised. If this condition is not satisfied on the expiration date, the option will automatically expire.

34.21 Rights will be exercised at 10 am U.S. Eastern Standard Time on the expiration date. The price of the Underlying Assets presented by SBS at the time is used as the liquidation price.

34.22 A Position in Underlying Trading is opened when the rights are exercised. However, this excludes cases in

which the Client has designated that the Position be settled at the same time as exercising the rights.

34.23 When a Position in Underlying Trading is opened by exercising rights and there is an offsetting Position, it is settled in the next round of roll-over processing.

34.24 When the remaining period until the expiration date is within one week, Resale and Buyback become limited, and orders may not be accepted due to foreign exchange market conditions, etc.

34.25 A Trading may be conducted in the sub-account for foreign exchange margin trading.

### 35. PRECIOUS METAL MARGIN TRADING

35.1 This Trading comprises of Trading (forwards) to buy and sell precious metals that is carried out in a specific time in future based on fluctuations in precious metal markets designated by SBS.

35.2 Settlement of the Trading shall be performed by Cash Settlement through Resale or Buyback. Delivery settlement completing Trading through the delivery of actual precious metals is not available.

35.3 The quantity of trade orders that can be made to SBS by the Client and the quantity of Positions that can be held shall be limited to the scope of the quantity specified according to the amount of Margin deposited with SBS by the Client, and within the maximum quantity specified by SBS.

35.4 SBS will specify trading terms pertaining to the Trading such as the combinations of precious metals and currencies ("precious metal pairs" in this Clause 35), trading hours, Margin Requirement, types of order, effective term of order, maximum quantity of orders, maximum quantity of Positions and trading fees.

35.5 The Client shall consent in advance that SBS may change the trading terms pertaining to the Trading such as the precious metal pairs, trading hours, Margin Requirement, types of order, effective term of order, maximum quantity of order, maximum quantity of Positions and trading fees.

35.6 If SBS changes trading terms pursuant to Clause 35.5, the Client shall adhere to such changes.

35.7 SBS will notify the Client by publication on SBS's website, e-mail or both such means when making changes pursuant to Clause 35.6.

35.8 SBS will change the trading terms after the period specified by SBS has elapsed since the notification pursuant to Clause 35.7. However, the Client shall consent in advance that the trading terms may be changed immediately after notification if unavoidable.

35.9 The Client shall give instructions in advance as specified by SBS on the precious metal pairs, quantity, price and other order content and method of order execution for the Trading.

35.10 The prices and Swap Points applicable to the Trading shall be limited to those presented by SBS, and the Client may not assert prices and Swap Points other than those presented by SBS.

35.11 SBS shall transfer the Swap Points specified by SBS to Margin at a time and date specified by SBS without notifying the Client in advance during the period until the Client performs a Closing Trading Swap Points will be added to the Margin if received by the Client and appropriated from the Margin if paid. The Client shall consent in advance that the amount of the Margin may increase or decrease due to this.

### 36. PRECIOUS METAL OPTION TRADING

36.1 This Trading (Exotic Options Trading) comprises trading of rights pertaining to precious metal margin Trading specified in Clause 35.1 ("Underlying Trading" in this Clause 36).

36.2 The rights specified in Clause 36.1 refer to the right ("option" in this Clause 36) to open a sell position or a buy position for Underlying Assets (specifically meaning a combination of a precious metal and a currency designated in advance) in Underlying Trading at a price designated in advance ("strike price" in this Clause 36) on a date designated in advance ("expiration date" in this Clause 36). In an option, the buyer of the option ("Buyer" in this Clause 36) holds the option, and the seller of the option ("Seller" in this Clause 36) has the obligation to comply with the exercise of the rights.

- 36.3 The quantity of trade orders that can be made to SBS by the Client and the quantity of Positions that can be held shall be limited to the scope of the quantity specified according to the amount of margin deposited with SBS by the Client, and within the maximum quantity specified by SBS.
- 36.4 SBS will specify trading terms pertaining to the Trading such as the Underlying Assets, types of option, range of strike price that can be chosen, range of expiration date that can be chosen, trading hours, method of calculation of Margin Requirement, types of order, effective term of order, maximum quantity of orders, maximum quantity of Positions and trading fees.
- 36.5 The Client shall consent in advance that SBS may change the trading terms pertaining to the Trading such as the Underlying Assets, types of option, range of strike price that can be chosen, range of expiration date that can be chosen, trading hours, method of calculation of Margin Requirement, types of order, effective term of order, maximum quantity of orders, maximum quantity of Positions and trading fees.
- 36.6 If SBS changes trading terms pursuant to Clause 36.5, the Client shall adhere to such changes.
- 36.7 SBS will notify the Client by publication on SBS's website, e-mail or both such means when making changes pursuant to Clause 36.6.
- 36.8 SBS will change the trading terms after the period specified by SBS has elapsed since the notification pursuant to Clause 36.7. However, the Client shall consent in advance that the trading terms may be changed immediately after notification if unavoidable.
- 36.9 The Client shall give instructions in advance as specified by SBS on the Underlying Assets, order quantity, option type, strike price, expiration date and other order content and method of order execution for the Trading.
- 36.10 The Client shall pay the purchase price to SBS when buying options. The purchase price shall be deducted from the Margin deposited in the Client's relevant sub-account.
- 36.11 When the Client purchases options, the Client must check the balance of cash, and the Client shall not execute the order if there is insufficient cash for the purchase price.
- 36.12 If the cash in the relevant sub-account becomes insufficient (the balance of cash becomes negative) as a result of purchasing options, the Client shall immediately transfer an amount not less than the shortfall from another sub-account, or transfer funds from the Main Accounts after remittance to SBS.
- 36.13 If SBS is unable to confirm the arrival of funds by remittance into SBS's bank account pursuant to Clause 36.12 before the time and date specified by SBS, SBS shall liquidate the Client's Position by a reversing trade using a market order at SBS's discretion on the Client's account without notifying the Client in advance.
- 36.14 If there is still a shortfall of cash even after liquidation pursuant to Clause 36.13, SBS shall liquidate the Client's other Positions by a reversing trade using market orders at SBS's discretion on the Client's account without notifying the Client in advance.
- 36.15 The Client shall consent in advance to liquidation pursuant to Clauses 36.13 and 36.14.
- 36.16 SBS shall pay the purchase price to the Client when the Client sells options. The sale price shall be added to the Margin deposited in the Client's relevant sub-account.
- 36.17 Open Positions of options may be cash settled by closing trades (Resale or Buyback).
- 36.18 An option trading turns into an Underlying Trading if the Buyer exercises rights pursuant to Clauses 36.20 through 36.2436.17.
- 36.19 If rights are not exercised on the expiration date, the option expires and the trading terminates.
- 36.20 The option must be in the money from the difference between the strike price and the liquidation price for the Buyer to exercise rights. If this condition is satisfied on the expiration date, the rights will be automatically exercised. If this condition is not satisfied on the expiration date, the option will automatically expire.

- 36.21 Rights will be exercised at 10 am U.S. Eastern Standard Time on the expiration date. The price of the Underlying Assets presented by SBS at the time is used as the liquidation price.
- 36.22 A Position in Underlying Trading is opened when the rights are exercised. However, this excludes cases in which the Client has designated that the Position be settled at the same time as exercising the rights.
- 36.23 When a Position in Underlying Trading is opened by exercising rights and there is an offsetting Position, it is settled in the next round of roll-over processing.
- 36.24 When the remaining period until the expiration date is within one week, Resale and Buyback become limited, and orders may not be accepted due to foreign exchange market conditions, etc.

### 37. STOCK INDEX CFD TRADING SINGLE STOCK CFD TRADING, BOND CFD TRADING, OTHER SECURITIES CFD TRADING

- 37.1 This trading is CFD trading (forwards) where marketable securities, marketable securities futures trading and marketable securities index futures trading is considered as underlying asset.
- 37.2 This Trading will be cash settled through Resale or Buyback.
- 37.3 The quantity of trade orders that can be made to SBS by the Client and the quantity of Positions that can be held shall be limited to the scope of the quantity specified according to the amount of Margin deposited with SBS by the Client, and within the maximum quantity specified by SBS.
- 37.4 SBS will specify trading terms pertaining to the Trading such terms as the products, trading hours, Margin Requirement, types of order, effective term of order, maximum quantity of orders, maximum quantity of Positions and trading fees.
- 37.5 The Client shall consent in advance that SBS may change the trading terms pertaining to the Trading such as the products, trading hours, Margin Requirement, types of order, effective term of order, maximum quantity of order, maximum quantity of Positions and trading fees.
- 37.6 If SBS changes trading terms pursuant to Clause 37.5, the Client shall adhere to such changes.
- 37.7 SBS will notify the Client by publication on SBS's website, e-mail or both such means when making changes pursuant to Clause 37.6.
- 37.8 SBS will change the trading terms after the period specified by SBS has elapsed since the notification pursuant to Clause 37.7. However, the Client shall consent in advance that the trading terms may be changed immediately after notification if unavoidable.
- 37.9 The Client shall give instructions in advance as specified by SBS on the product, quantity, price and other order content and method of order execution for the Trading.
- 37.10 The prices, Overnight Interest, Borrowing Interest and Dividend Adjustment applicable to the Trading shall be limited to those presented by SBS, and the Client may not assert prices, Overnight Interest, Borrowing Interest and Dividend Adjustment other than those presented by SBS.
- 37.11 SBS will transfer the Overnight Interest, Borrowing Interest and Dividend Adjustment specified by SBS to Margin at a time and date specified by SBS without notifying the Client in advance. These will be added to the Margin if received by the Client and appropriated from the Margin if paid. The Client shall consent in advance that the amount of the Margin may increase or decrease due to this.
- 37.12 When the Client holds Open Positions pertaining to the Trading and a Corporate Action arises in relation to the Underlying Assets or an underlying stock constituting the Underlying Asset pertaining to the Position, the Client shall adhere to the process implemented by SBS in relation to the Corporate Action. The Client shall consent in advance that the amount of the Margin or the Position may increase or decrease due to this.
- 37.13 The Client shall consent in advance that if a Corporate Action arises in relation to the Underlying Assets or an underlying stock pertaining to an unexecuted order by the Client, the order may be cancelled.

**38. COMMODITY CFD TRADING**

- 38.1 This Trading (forwards) comprises CFD trading with commodity futures designated by SBS as Underlying Assets.
- 38.2 The Trading will be cash settled through Resale or Buyback.
- 38.3 The quantity of trade orders that can be made to SBS by the Client and the quantity of Positions that can be held shall be limited to the scope of the quantity specified according to the amount of Margin deposited with SBS by the Client, and within the maximum quantity specified by SBS.
- 38.4 SBS will specify trading terms pertaining to the Trading such as the products, trading hours, Margin Requirement, type of order, effective term of order, maximum quantity of orders, maximum quantity of Positions and trading fees.
- 38.5 The Client shall consent in advance that SBS may change the trading terms pertaining to the Trading such as the products, trading hours, Margin Requirement, types of order, effective term of order, maximum quantity of order, maximum quantity of Positions and trading fees.
- 38.6 If SBS changes trading terms pursuant to Clause 38.5, the Client shall adhere to such changes.
- 38.7 SBS will notify the Client by publication on SBS's website, e-mail or both such means when making changes pursuant to Clause 38.6.
- 38.8 SBS will change the trading terms after the period specified by SBS has elapsed since the notification pursuant to Clause 38.7. However, the Client shall consent in advance that the trading terms may be changed immediately after notification if unavoidable.
- 38.9 The Client shall give instructions in advance as specified by SBS on the product, quantity, price and other order content and method of order execution for the Trading.
- 38.10 The prices applicable to the Trading shall be limited to those presented by SBS, and the Client may not assert prices other than those presented by SBS.

**39. STOCK-INDEX FUTURES TRADING, CURRENCY FUTURES TRADING AND INTEREST-RATE FUTURES TRADING**

- 39.1 The trading relates to futures trading of financial instruments or financial indices in domestic and overseas markets of financial instruments specified by the Company.
- 39.2 The Trading shall be settled on balance by resale or buy-back. Delivery settlement to complete the trading by delivery of actual currencies, etc. is not available.
- 39.3 Quantity of sales and purchase orders that can be ordered by the customer to the Company as well as quantity of open positions that can be maintained shall be limited to the quantity stipulated by the Company depending on the amount of the clearing margin deposited by the customer with the Company within the scope of the maximum quantity stipulated by the Company.
- 39.4 The Company shall stipulate the trading terms relating to the Trading such as issues, trading time, necessary margin money, order type, effective period of order, maximum order quantity, maximum quantity of open positions, trading commissions, etc.
- 39.5 The customer shall agree in advance that the Company may change the trading terms relating to the Trading such as issues, trading time, necessary margin money, order type, effective period of order, maximum order quantity, maximum quantity of open positions, trading commissions, etc.
- 39.6 In the case that the Company changes the trading terms stipulated in the above, the customer shall observe such measure.
- 39.7 If the Company makes changes stipulated in the above, it shall notify the customer either by posting on the website of the Company or by email, or by both methods.
- 39.8 The Company shall change the trading terms after the period stipulated by the Company passes following notification stipulated in the above. However, the customer shall agree in advance that changes in the trading terms shall be immediately made after notification under unavoidable circumstances.

- 39.9 The customer shall give direction in advance according to the stipulation of the Company in regard to issues, quantity, price, and other order details as well as the method of order execution, etc. in relation to the trading.
- 39.10 The price applied to the Trading shall be the price published by domestic and overseas markets of financial instruments.

#### 40. FOREIGN COMMODITY FUTURES TRADING

- 40.1 This Trading comprises commodity futures trading on foreign commodity markets, which falls under the foreign commodity market Trading as prescribed in Article 2, Paragraph 13 of the CDA.
- 40.2 Settlement of the Trading shall be performed by Cash Settlement through Resale or Buyback. Delivery settlement completing Trading through the delivery of actual commodities is not available.
- 40.3 The quantity of trade orders that can be made to SBS by the Client and the quantity of Positions that can be held shall be limited to the scope of the quantity specified according to the amount of Margin deposited with SBS by the Client, and within the maximum quantity specified by SBS.
- 40.4 SBS will specify trading terms pertaining to the Trading such as the commodities offered, trading hours, Margin Requirement, types of order, effective term of order, maximum quantity of orders, maximum quantity of Positions and trading fees.
- 40.5 The Client shall consent in advance that SBS may change the trading terms pertaining to the Trading such as the commodities offered, trading hours, Margin Requirement, types of order, effective term of order, maximum quantity of order, maximum quantity of Positions and trading fees.
- 40.6 If SBS changes trading terms pursuant to Clause 40.5, the Client shall adhere to such changes.
- 40.7 SBS will notify the Client by publication on SBS's website, e-mail or both such means when making changes pursuant to Clause 39.6.

- 40.8 SBS will change the trading terms after the period specified by SBS has elapsed since the notification pursuant to Clause 40.7. However, the Client shall consent in advance that the trading terms may be changed immediately after notification if unavoidable.
- 40.9 The Client shall give instructions in advance as specified by SBS on the name of commodity, quantity, price and other order content and method of order execution in the Trading.
- 40.10 The prices applicable to the Trading shall be the prices published by foreign commodity markets.

#### 41. SALES AND PURCHASE OF FOREIGN SECURITIES

- 41.1 The trading is for mediation of sales and purchase orders of foreign securities to a financial instruments market outside of Japan.
- 41.2 Regarding the trading as well as custody of foreign securities with the Company (including management of the quantity described or recorded in the account of relevant foreign securities in the case of rights to be indicated on relevant foreign securities for which no issuance of security certificates is approved in regards to rights to be indicated on relevant foreign securities and at the same time no security certificate has been issued [hereafter the "deemed foreign securities"] under the governing law relating to issuance of relevant foreign securities; the same shall apply hereafter), the customer shall agree on matters included in these clauses upon entrusting the number described or recorded in the account of relevant foreign securities, and proceed at its own responsibility.
- 41.3 The Company shall make trading available for the customer who engages in trading of foreign securities exclusively for the purpose of acquiring monetary profits such as gains from sales and purchases, etc. Thus, please note that some shareholders' rights including execution of voting rights at shareholders' meetings, etc. shall be restricted to the customer. However, the customer is eligible for monetary profits such as dividends, etc. Please see 41.11 for details.
- 41.4 Regarding the trading between the customer and Company, execution of sales and purchase, settlement of the trading value, custody of securities,



and everything else relating to trading of foreign securities including money transfer shall be handled through the account.

41.5 The customer shall comply with various laws and ordinances within Japan as well as various rules, decisions, customary practices, and clauses relating to sales and purchases of foreign securities stipulated by the domestic financial instruments exchange that executes sales and purchases of relevant securities (hereafter the “relevant exchange”), Japan Security Dealers Association, and settlement companies (Japan Securities Depository Center, Inc. and other settlement agencies stipulated by the relevant exchange; the same shall apply hereafter), and at the same time shall follow the guidance of the Company if any, in regards to various laws and ordinances, customary practices, etc. in the country or region (hereafter the “country, etc.”) where the issuer of foreign securities (in the case of depository receipts, the depository facility relating to depository receipts; the same shall apply hereafter) is located.

41.6 The Company shall handle the types of sales and purchase by the customer to the Company, the location to execute sales and purchase orders, and the method of execution as instructed by the customer in advance within the scope that the Company can manage.

41.7 Sales and purchase orders by the customer to the Company shall be in accordance with each of the following paragraphs.

- i. As long as the trading is processed by the Company without delay, the order date may deviate from the trade date due to time differences, etc.
- ii. Orders to the Company shall be taken within the time stipulated by the Company.
- iii. The minimum purchase unit of foreign securities shall be stipulated by the Company.

41.8 Processing for delivery, etc. after conclusion of the Trading shall be according to each of the following paragraphs.

- i. The trade date for the Trading shall be the date when the Company confirms conclusion of the sales and purchase order at the place of execution (or the subsequent business day if the date falls under a holiday).

- ii. The delivery due date for the Trading shall be the day stipulated by each financial instrument market.
- iii. The sum of money obtained by the Client by selling his/her foreign securities, may not be transferred to the other sub account on the day prior to delivery date. On contrary to this, if the Client transfers the said sum of money and uses that as margin on the day prior to delivery date, SBS has the right to close such positions at its own discretion. All transactions, profit and loss and the cost incurred thereof are attributable to the Client.

41.9 Custody, rights, and title of foreign securities for which the customer entrusts custody to the Company shall be handled according to each of the following paragraphs.

- i. The Company shall entrust custody to the custodial agent of the Company in regards to custody of foreign securities entrusted by the customer.
- ii. Custody stipulated in the above shall be handled under the name of the Company.
- iii. When foreign securities (except deemed foreign securities) owned by the customer are stored at the custodial agent of the Company, the customer shall acquire rights according to the quantity relating to relevant foreign securities described or recorded in the account relating to relevant foreign securities of the Company at the custodial agent of the Company under the applicable governing law and customary practice, for custody based on the nature of rights relating to the relevant quantity acquired.
- iv. The above stipulation shall be applied mutatis mutandis to deemed foreign securities. In this case, “foreign securities (except deemed foreign securities) stored at the custodial agent of the Company” and “acquire rights according to the quantity relating to relevant foreign securities” shall be read as the “quantity relating to deemed foreign securities described or recorded in the account of the Company at the custodial agent of the Company” and “acquire rights according to the quantity relating to relevant deemed foreign securities,” respectively.
- v. In the case of Paragraph iii, the customer shall acquire rights in regards to the securities or

deeds relating to relevant foreign securities under the applicable governing law.

- vi. Rights relating to foreign securities owned by the customer shall be transferred when the quantity transferred to the account is described or recorded by the Company according to the relevant transferred quantity.
- vii. If it is necessary to register the titleholder in regards to foreign securities for which the customer owns rights, the titleholder shall be the person specified by the custodial agent of the Company or by the relevant custodial agent.
- viii. If it is necessary to sell, change the custody, or return foreign securities for which the customer owns rights, stipulated procedures shall be taken. However, the customer may not request return of foreign securities within Japan for which security certificates are not issued according to various local laws, ordinances, etc.
- ix. Regarding the change in custody and return in the above, the customer shall reimburse to the Company the actual costs borne by the Company as necessary.
- x. If the balance of foreign securities for which the customer owns rights is deleted under various local laws, ordinances, etc. at the custodial agent of the Company as a result of loss of values as marketable securities, the deposited balance in the account relating to the relevant deletion shall be deleted and at the same time the security certificates relating to the relevant foreign securities shall be handled as disposed of, unless otherwise requested by the customer in particular.

41.10 In the case that foreign investment trust securities stop conforming to the screening standard stipulated by the Japan Security Dealers Association, the Company shall suspend sales of the relevant foreign investment trust securities. In this case, the Company shall still accept medication for sales or cancellation of the relevant foreign investment trust securities purchased by the customer.

41.11 Processing of rights in foreign securities stored at the custodial agent of the Company shall be in accordance with each of the following paragraphs.

- i. Fruits and redemption money such as dividends, interests, revenue sharing, etc. from

foreign securities stored at the relevant custodial agent shall be received by the Company and paid to the customer. In this case, if the Company is charged expenses during the payment process under various laws and ordinances or customary practice, etc. in the country, etc. where the issuer of relevant foreign securities is located, the customer shall bear such expenses to be collected by deducting them from the relevant fruits or redemption money.

- ii. In the case that share warrants, etc. are granted to foreign securities, they shall be sold in principle and the sales proceeds shall be handled according to the above stipulation. However, if the Company is not able to sell all or part of the relevant share warrants, etc. under various laws and ordinances or customary practice, etc. in the country, etc. where the issuer of relevant foreign securities is located, all or part of the relevant share warrants, etc. shall cease to be effective.
- iii. Shares allocated as a result of share division, share allotment without contribution, capital decrease, merger, share exchange, etc. shall be handled with the account through the Company. However, shares less than the unit of sales and purchase in financial instruments markets outside of Japan shall be sold out unless otherwise requested by the customer in particular, and the sales proceeds shall be handled according to the stipulation of Paragraph i.
- iv. Shares allocated as a result of dividend on shares shall be sold out in principle and the sales proceeds shall be handled according to the stipulation of Paragraph i.
- v. In the case that withholding taxes are imposed on shares allocated under the stipulations of the above two paragraphs, all shares shall be sold regardless of the relevant stipulation unless otherwise requested by the customer in particular, and the sales proceeds shall be handled according to the stipulation of Paragraph i.
- vi. In the case that rights other than each of the above paragraphs are granted in regards to foreign securities, all of the foreign securities shall be sold unless otherwise requested by the customer in particular, and the sales proceeds



shall be handled according to the stipulation of Paragraph i.

- vii. Regarding execution of voting rights or filing of an objection at a shareholders' meeting, creditors' meeting, beneficiary owners' meeting, owners' meeting, etc., the Company shall not accept any instructions from the customer, execute voting rights, or file an objection.
- viii. The Company may handle application of reduced tax rates or tax exemption, tax return, and other procedures relating to withholding taxes imposed on fruits stipulated in Paragraph i outside of Japan.

41.12 The Company shall notify the following to the customer in regards to foreign securities for which custody is entrusted. It shall be handled by an electromagnetic method.

- i. Notice on important facts that significantly influence the status of shareholders, beneficiaries, and owners including issuance of shares for subscription, share division, amalgamation, etc.
- ii. Notice on dividends, interests, revenue sharing, redemption money, etc.
- iii. Notice on important bills for a shareholders' meeting such as merger, etc.

41.13 Regarding the issuer of foreign investment trust securities, reports on financial results and other documents for foreign investment trust securities for which custody is entrusted shall be posted on the website of the relevant issuer.

41.14 Notices, materials, etc. delivered by the issuer to the Company shall be stored with the Company for three years after the delivery date (or for one year in regards to overseas CD and overseas CP) to be reserved for viewing.

41.15 Actual costs required for delivery of notices, materials, etc. to the customer under the above provision shall be paid by the customer to the Company accordingly, except those relating to foreign investment trust securities.

41.16 Regarding trading, commissions for sales and purchase in financial instruments markets outside of Japan, taxes and public dues, and other charges as well as specified brokerage commissions shall be

paid by the customer to the Company by the delivery due date stipulated in Paragraph ii of 41.8.

41.17 Money transfer between the Company and the customer in relation to the Trading shall be in yen. Conversion between a foreign currency and yen shall be by the rate stipulated by the Company.

41.18 Upon contract cancellation, foreign securities and money in custody shall be returned with the method stipulated by the Company. If it is difficult to return any foreign securities in custody in their original condition, sales proceeds, etc. shall be returned by way of cashing, offsetting, etc. upon the customer's instruction with the method stipulated by the Company.

41.19 In the case of each of the following paragraphs, the customer shall agree that personal data of the relevant customer may be provided to people stipulated in each of the relevant paragraphs (limited to the necessary scope including the address, name, contact, date of birth, quantity of foreign securities owned, etc.)

- i. Taxing authority in the relevant country, etc., custodial agent of the relevant foreign securities, or person entrusted with relevant procedures by these entities, in the case of application of reduced tax rates or tax exemption, tax return, and other procedures relating to withholding taxes imposed on fruits such as dividends, interests, revenue sharing, etc. from foreign securities outside of Japan
- ii. Taxing authority in the relevant country, etc., custodial agent of the relevant foreign securities, issuer or custodial agent of the relevant depositary receipts, or person entrusted with relevant procedures by these entities, in the case of application of reduced tax rates or tax exemption, tax return, and other procedures relating to withholding taxes imposed on fruits such as dividends, interests, revenue sharing, etc. from foreign securities outside of Japan relating to rights indicated on the depositary receipts
- iii. Issuer or custodial agent of the relevant foreign securities, or issuer or custodial agent of foreign securities relating to rights indicated on the relevant depositary receipts, in the case that the issuer of foreign securities relating to rights indicated on the foreign securities or

depository receipts prepares statistical data to be required to prepare documents, execute rights or fulfill obligations under laws, ordinances, etc., provide information for practical shareholders, or engage in publicity activities under laws and ordinances within and outside of Japan such as financial statements as well as under regulations stipulated by the financial instruments exchange, etc. (hereafter the "laws, ordinances, etc.")

- iv. Relevant supervisory authority, foreign securities broker relating to sales and purchase of relevant foreign securities, or custodial agent, in the case that the supervisory authority for financial instruments markets outside of Japan that executes sales and purchase of foreign securities (including self-regulatory organizations approved by the relevant supervisory authority; the same shall apply hereafter in this paragraph) conducts surveys under laws, ordinances, etc. in the relevant country, etc. on money laundering or criminal cases relating to security Trading or for the purpose of ensuring fairness in trading in the relevant financial instruments market

41.20 The customer shall agree that information on the customer (name/title, address/location, U.S. taxpayer ID number, account number, account balance, amount of the income generated in the account, and other information specified by the U.S. taxing authority) may be submitted to the U.S. taxing authority for its execution of taxation if it is determined by the Company that any one of the following paragraphs is or may be relevant to the customer as a subject of reporting under the Foreign Account Tax Compliance Act (hereafter the "FATCA") upon request by the U.S. or Japanese governments.

- i. Natural person, corporation, or other organizations responsible for tax payment in the U.S.
- ii. Non-U.S. corporation or other organizations substantially controlled by a natural person responsible for tax payment in the U.S.
- iii. Financial institution not participating in the framework of FATCA (except people considered as inapplicable beneficiaries for the purpose of application of the U.S. Internal Revenue Code Articles 1471 and 1472)

**DISCLAIMER:** This English translation of the Document may be used only for reference purposes. Certain parts of the English translation may have been edited to accommodate differences in writing style and expression between English and Japanese. In the case of any inconsistency or discrepancy, the Japanese version, which is the official version, shall take precedence over English version. All information in this Document is current as of the date of publication, subject to change without notice, and may become outdated over time. *Saxo Bank Securities Ltd.* shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, or misunderstanding with regards to this translation.



SERIOUS TRADING. WORLDWIDE.

These Terms are applicable from 19 June 2019. These Terms shall remain effective until a more recent version is released. The prevailing version of these Terms is always available at <https://www.home.saxo/ja-jp>.

SAXO BANK SECURITIES LTD. |  
Toranomom Kotohira Tower 22F | 1-2-8 Toranomom | Minato-ku | Tokyo 105-0001 | Japan |  
Telephone +81 3 5511 6070  
Telefax +81 3 5511 6120 | Web: [www.home.saxo/ja-jp](http://www.home.saxo/ja-jp)