



## Contractual Terms for Eligible Counterparties

### 1. Our status

- 1.1 These Contractual Terms for Eligible Counterparties (“Terms”) shall be legally binding on your use or continued use of our services hereunder and apply to all business carried on by: (a) NatWest Markets Plc (“NatWest Markets”); and/or (b) National Westminster Bank Plc Structured Finance, Restructuring and Capital Management franchises (“NatWest Bank”) from the European Economic Area (EEA), with you. References to the EEA in these Terms shall be construed as also referring to the United Kingdom. Transactions and services in certain products may be subject to separate or supplementary terms. The principal address for each of NatWest Markets and NatWest Bank is 250 Bishopsgate, London EC2M 4AA. For further information about NatWest Markets please visit [www.nwm.com](http://www.nwm.com) on “About” and for further information about NatWest Bank please visit [www.natwest.com](http://www.natwest.com) and click on “Business”.
- 1.2 Other members of the NatWest Group (“Affiliates”) may act as agents for us and we may act as agent for one or more of our Affiliates. These Terms shall apply unless our Affiliate expressly requires otherwise, in which case you will be notified in advance of any such terms.
- 1.3 We or our Affiliates will act as principal and not as agent on your behalf, unless we or they specifically agree to do so in writing.
- 1.4 In these Terms, the following words shall have the following meanings:
  - a) “you”, “your”, and “yours” and related expressions refer to each of the persons to which these Terms is delivered or addressed to in connection with entering into, continuing, executing or agreeing upon the terms of transactions with us (and/or, where you are acting as agent on behalf of one or more underlying principals, each of those underlying principals, as applicable, unless specified otherwise); and
  - b) “we”, “our”, “us” and related expressions refer to any one or both of NatWest Markets and NatWest Bank (including respective successors) as applicable under the circumstances, and where the context requires or permits, any relevant Affiliate.
- 1.5 A copy of these Terms is available at: <https://www.nwm.com/disclosures> and [www.natwest.com](http://www.natwest.com).

### 2. Regulatory Information

- 2.1 NatWest Markets and NatWest Bank are respectively authorised by the Prudential Regulation Authority (the “PRA”) and regulated by the Financial Conduct Authority (the “FCA”) and the PRA in the UK, and are subject to the Financial Conduct Authority Handbook and Prudential Regulation Authority Handbook (the “FCA and PRA Rules”) available at: <https://www.handbook.fca.org.uk/handbook> and [www.fshandbook.info/FS/html/PRA](http://www.fshandbook.info/FS/html/PRA) respectively. The address of the FCA is 12 Endeavour Square, London E20 1JN and the address of the PRA is 20 Moorgate, London EC2R 6DA. Our EEA cross-border and branch business may be regulated by a number of EEA regulators other than the FCA and the PRA.
- 2.2 NatWest Markets and NatWest Bank are members of the NatWest Group. For information about the NatWest Group please visit [www.natwestgroup.com](http://www.natwestgroup.com) and click on ‘Who we are’, or for similar enquiries please telephone 0131 556 8555 or Textphone 0845 900 5960.

- 2.3 For the purposes of these Terms, applicable regulations shall include the handbook published by the FCA and the rules published thereunder (the “FCA Rules”), the rulebook published by the PRA and the rules thereunder (the “PRA Rules”), the rules of any other relevant regulatory authority or exchange and any applicable laws, rules, procedures, guidance, codes, standards and regulations (including, without limitation, accounting rules and anti-money laundering or sanctions legislation) in force from time to time (“Applicable Regulations”). Where these Terms conflict with Applicable Regulations, the latter shall prevail.
- 2.4 Please note that any business conducted through our EEA branches will be subject to local conduct of business rules. In relation to business conducted through our EEA branches, any references to the FCA or PRA conduct of business rules in these Terms should be construed as references to the equivalent conduct of business rules in the jurisdiction in which the relevant EEA branch is located.
- 2.5 For the avoidance of doubt, our obligations under Applicable Regulations are strictly regulatory and no reference to such obligations in these Terms will create any contractual obligation owed by us to you with respect to such regulatory obligations.

### **3. Your status**

- 3.1 We have determined, based on the FCA Rules and PRA Rules, that you are an Eligible Counterparty (“ECP”). ECP business includes dealing with or for you as principal or agent in financial instruments and arranging deals in investments with or for you but does not include the activities of advising on investments, managing investments or underwriting and/or placing.
- 3.2 You may alternatively request to be categorised as either a Professional Client or Retail Client, offering a greater level of regulatory protection. Such request should be made to us in writing. However, until we receive such a request and inform you of our acceptance of it, we shall deal with you on the basis of our original categorisation. You agree and acknowledge that you are responsible for keeping us informed about any change that could affect your categorisation.
- 3.3 We shall treat you alone as our client (as defined by the FCA Rules and PRA Rules). Where you are acting as agent, we accept no responsibility towards your underlying clients (even where they have been identified to us) unless, at our discretion, we agree different treatment with you. You undertake (as the contracting party and not by way of guarantee) to fulfil the obligations of any underlying client of yours and to indemnify us against any loss resulting from default by any such underlying client. You undertake to provide us with evidence of the identity of any underlying client of yours or any other information reasonably required in order for us to comply with any Applicable Regulations.
- 3.4 If you are acting on behalf of underlying clients, you hereby represent, warrant and agree that:
- a) each underlying client has the legal capacity to enter into the transactions contemplated under these Terms and has appointed you to enter into transactions as agent on its behalf; and
  - b) transactions will only be undertaken for the account of each underlying client when the transaction is appropriate for the underlying client (i.e. the underlying client understands the transaction and risks associated with it).

These representations are deemed to be repeated each time a transaction is entered into as if made at each such time and shall be deemed to be true and correct so long as any transaction is outstanding under these Terms.

- 3.5 Provision of services by us pursuant to these Terms will not, unless specifically agreed between us in writing, give rise to any fiduciary or equitable duties on our part or that of our Affiliates. You agree that nothing contained in these Terms shall create any fiduciary, trustee, agency, joint venture or partnership relationship between us or any Affiliate of ours, on the one hand, and you or any affiliate of yours on the other.
- 3.6 As an Eligible Counterparty there is no requirement for us to consider whether any service, product or transaction is appropriate for you.

Under the FCA Rules we are required to ensure that when we manufacture and/or distribute investments, we comply with certain product governance requirements including, for example, defining a target market for investments. Unless you tell us otherwise we will assume that you are acting for your own account and not as a distributor for the purposes of these requirements.

## **4. Country of Incorporation**

- 4.1 You agree to provide us with 30 business days' prior written notice if you intend to: (i) change your country of incorporation; (ii) move your business operations to another country; or (iii) transact or attempt to transact products in or from another jurisdiction.
- 4.2 You acknowledge that we reserve the right to amend, suspend, replace, add or withdraw any or all products if we determine, in our absolute discretion, that we are unable to carry out transactions in, sell products to, or deal with clients in, such jurisdiction for any reason, including, without limitation, due to regulatory, tax requirements, change in business strategy, or country risk appetite.

## **5. Conflicting Terms**

- 5.1 Where we enter into or have entered into supplementary or separate terms, or a separate agreement with you in respect of transactions and/or the provision of services in relation to such transactions and the contents of those terms conflict with the contents of these Terms, then the contents of the supplementary or separate terms or agreements shall prevail in respect of such transactions save to the extent that such terms are not permitted under any Applicable Regulations.

## **6. Sanctions**

- 6.1 You hereby acknowledge that we may be requested by regulators, or may otherwise be required under applicable anti-money laundering legislation to obtain further information on you or any underlying clients on whose behalf you act. Upon reasonable request from us, you will use reasonable endeavours to assist us to obtain such information to the extent permissible under Applicable Regulations.
- 6.2 You confirm that you have determined that neither you nor any of your underlying clients are, and to the best of your knowledge and belief, none of the counterparties that you engage for and on behalf of yourself or the underlying client is:
- a) located in, operating from, or incorporated under the laws of a country subject to Comprehensive Sanctions; or
  - b) a person (legal or natural) subject to Economic Sanctions or owned or controlled by such a person.

For the purposes of this clause 6.2, "Economic Sanctions" means any economic sanctions or trade restrictions imposed by any rule, regulation or statute maintained by the United Kingdom, the EU, the United Nations, the United States, and including, without limitation, those administered by Her Majesty's Treasury of the United Kingdom and the Office of Foreign Assets Control of the United States Treasury Department.

For the purpose of this clause 6.2 "Comprehensive Sanctions" means country or territory wide sanctions imposed by the United Kingdom, the EU, the United Nations or the United States which block all trade with a country or a region of a country.

- 6.3 To the extent that you, your underlying clients or the counterparties that you engage on your behalf (or on their behalf) become subject to Economic Sanctions, or you become aware that Economic Sanctions are reasonably likely to be imposed, you will inform us immediately.
- 6.4 We reserve the right to terminate any transaction contemplated under these Terms without prior notice in the event that Comprehensive or Economic Sanctions are anticipated or imposed.

## **7. Conflicts of Interest**

- 7.1 NatWest Markets and NatWest Bank have in place respective conflicts of interest policies (collectively, the “Conflicts Policy”) which set out how we will identify, prevent or appropriately manage actual and potential conflicts of interest (“Conflicts”) that may arise through the provision of services to you. Below is a description of our Conflicts Policy. Further details of the Conflicts Policy are available on request.
- 7.2 We are required to take all appropriate steps to identify and to prevent or manage Conflicts where:
- a) the interests of NatWest Markets, NatWest Bank, or another NatWest Group entity conflict directly with those of our clients;
  - b) the interests of our employees conflict with those of our clients; or
  - c) the interests of two or more of our clients compete with one another.
- 7.3 Our Conflicts Policy identifies, with reference to the activities and services we provide to clients, the circumstances which constitute or may give rise to Conflicts of interest which involve a risk of damage to the interests of one or more of our clients. It also specifies the procedures and measures that we have put in place to prevent or manage such Conflicts.
- 7.4 To ensure that the Conflicts Policy is implemented effectively we seek to continually and proactively identify situations where potential Conflicts may exist, and govern those situations to ensure fair and proper outcomes. We also employ a number of techniques to manage and mitigate Conflicts, including:
- a) using physical and electronic information barriers to control the flow of information between certain parts of the business. Our segregation controls are overseen by our Compliance function;
  - b) separate supervision of our employees who are involved in different business activities providing services to clients whose interests may conflict;
  - c) a remuneration policy to avoid our employees being remunerated in a way that creates Conflicts;
  - d) maintaining and reviewing a Conflicts register; and
  - e) provision of internal guidance and training to relevant employees to raise their awareness of Conflicts and how to deal with Conflicts when they arise.
- 7.5 Where Conflicts arise we will seek to ensure that they are appropriately managed. Where we do not believe that the arrangements under our Conflicts Policy to prevent or manage a particular Conflict are sufficient to ensure, with reasonable confidence, that risks of damage to your interests will be prevented, we are required to disclose to you the nature and sources of the Conflict, as well as the risk to you that arises as a result of the Conflict and the steps taken by us to mitigate these risks. Such information will be provided in sufficient detail to enable you to take an informed decision with respect to our services.
- 7.6 You should be aware that in some circumstances appropriate management of any Conflicts and fair treatment of the relevant parties may only be achieved by our declining to enter into transactions with you.

## **8. Communications**

- 8.1 Save as otherwise agreed or where Applicable Regulations require otherwise, we will communicate with you, and send documents and other information to you, in English. Save as otherwise agreed or where Applicable Regulations require otherwise, you agree to communicate with us, and send documents and other information to us, in English.

- 8.2 You agree that we may communicate with you by post, telephone, electronic communication or (where your specific consent has been separately provided) through our website at: <https://www.nwm.com/disclosures>.
- 8.3 You agree to our representatives or employees making, to the extent permitted by Applicable Regulations, unsolicited telephone calls, sending electronic communications to you (whether by facsimile, electronic mail or otherwise) or making personal visits to you from time to time, in order to provide you with dealing services or for any other related purpose. Please notify us if you no longer wish to receive such communications.

## 9. Monitoring and Recording

- 9.1 Electronic communications and telephone conversations between us may be monitored or recorded for training purposes, internal investigations, to check instructions, for legal reasons or to meet regulatory requirements in accordance with Applicable Regulations. Those recordings may be used by us in evidence in the event of a dispute with you. A copy of the recordings of such conversations and communications between us will be available to you on request for a period of five years and in some cases, where requested by the FCA or other relevant regulatory authority, for a period of up to seven years.

## 10. Data protection

- 10.1 We may process personal data in connection with these Terms and the products and services that we provide under them. "Personal data" means data that relates to a living individual who can be identified from that data (either by itself or when it is combined with other data).
- 10.2 Information about our processing of personal data in connection with these Terms and the products and services that we provide under them is available at: <https://www.nwm.com/media/5323/nwm-client-privacy-notice.pdf> and <https://personal.natwest.com/personal/privacy-policy.html> (collectively, (our "Privacy Notice"). **You and any underlying client should read this information carefully.**
- 10.3 Where we refer to information or data in clauses 11 to 15, this does not include personal data (our processing of which is described in our Privacy Notice).
- 10.4 Our Privacy Notice applies to our processing of any personal data that you provide to us or that we otherwise process in connection with the products and services that we provide to you.
- 10.5 In respect of any personal data relating to a third party individual that you provide to us, you must:
- have satisfied a statutory ground under data protection law permitting you to transfer the relevant personal data to us for us to use in accordance with our Privacy Notice;
  - have notified the third party that you are providing their personal data to us and explained the reasons for this and/or have obtained their consent where required by Applicable Regulations,
  - provide the third party with a copy of our Privacy Notice and these Terms;
  - promptly notify the third party of any changes to our Privacy Notice that we notify you of; and
  - ensure that, to the best of your knowledge, the personal data is accurate and up to date, and promptly notify us if you become aware that it is incorrect.
- 10.6 You must notify your employees, beneficial owners and associated persons that we may process their personal data in connection with these Terms and draw their attention to our Privacy Notice and any changes to our Privacy Notice that we notify you of.
- 10.7 We may update our Privacy Notice from time to time, by communicating such changes to you and/or publishing the updated Privacy Notice on our website (see clause 10.2 above), the latter of which we would encourage you

to visit regularly to stay informed of the purposes for which we process your information and your rights to control how we process it.

## **11. The Information we hold about you**

11.1 Your information is made up of all the current and historical financial and institutional information we hold about you and your transactions. It includes:

- a) information you give to us;
- b) information that we receive from third parties (including our Affiliates, your officers and officers of your associated organisations claiming to be acting with your authority, third parties who provide services to you or us and credit reference or fraud prevention agencies);
- c) information that we learn about you through our relationship with you and the way you operate your accounts and/or services;
- d) information that we gather from the technology which you use to access our services (for example location data from your mobile phone, or an Internet Protocol (IP) address or telephone number); and
- e) information we gather from publicly available sources, such as the press, company registers and online search engines.

## **12. How we use your information**

12.1 We may use your information to:

- a) assess and process applications, verify your identity, provide you with products and services that you ask us to provide and manage our relationship with you;
- b) contact you in connection with the products and services that we provide to you;
- c) perform our obligations and exercise our rights under these Terms and the terms and conditions of any separate or supplementary agreement that you enter into with us;
- d) understand our customers' preferences, expectations and financial history in order to improve the products and services we offer them;
- e) carry out financial (including credit) and insurance risk assessments and for risk reporting and risk management;
- f) develop, test, monitor and review the performance of products, services, internal systems and security arrangements offered by our Affiliates;
- g) comply with our legal obligations and ensure the compliance of other Affiliates with their legal obligations, such as anti-money laundering laws and legal obligations which mandate the reporting and/or retention of transaction and similar information or the reporting of unresolved disputes to regulatory bodies, authorities or agencies;
- h) assess the quality of our service to customers and to provide staff training;
- i) improve the relevance of offers of products and services by our Affiliates to our customers;
- j) recover debt;
- k) confirm your identity; and
- l) comply with sanctions and prevent and detect crime, including fraud and money laundering.

12.2 Unless you expressly inform us otherwise, you agree we may from time to time make general reference to our relationship with you (including use of your name, trademark and/or corporate logo) in our external marketing and related materials. These materials may be displayed or provided to third

parties. You confirm that you own and/or have the right to use, and may permit third parties to use, your trademarks and corporate logos.

### **13. Sharing your information with third parties**

13.1 In addition to our Affiliates, we may share your information in the following circumstances (which may involve transfer overseas):

- a) where we have your or your agent's express or implied permission;
  - b) where required for your product or service;
  - c) where we are required or requested to do so by law and/or by law enforcement agencies, judicial bodies, government entities, tax authorities or regulatory bodies around the world;
  - d) with other banks and third parties where required by law to help recover funds that have entered your account as a result of a misdirected payment by such a third party;
  - e) to third party service providers (e.g. those providing us with market analysis and benchmarking, correspondent banking etc.), agents and sub-contractors acting on our behalf, such as the companies which print our account statements;
  - f) with other banks to help trace funds where you are victim of suspected financial crime and you have agreed for us to do so, or where we suspect funds have entered your account as a result of financial crime;
  - g) to debt collection agencies;
  - h) to credit reference and fraud prevention agencies;
  - i) with third party guarantors or other companies that provide you with benefits or services (such as insurance cover) associated with your product or service;
  - j) to companies providing industry credit benchmarking services;
  - k) to other companies that provide you with benefits or services (such as insurance cover) associated with your product or service;
  - l) where required for an actual or potential sale, reorganisation, transfer, financial arrangement, asset disposal or other transaction relating to our business;
  - m) any exchange, depository, clearing house or settlement system, swap data depository or trade repository and their third party services providers (whether local or global) where we are required to disclose in order to provide you with products and services;
  - n) any person under a duty of confidentiality to us (and/or our Affiliates) in relation to your information or who have undertaken to keep such information confidential, including our professional advisers and auditors;
  - o) in an anonymous form as part of statistics or other aggregated data shared with third parties; or
- where permitted by law, it is necessary for our legitimate interests or those of a third party, and it is not inconsistent with the purposes listed above

13.2 In the event that any additional authorised users are added to your account, we may share information about the use of the account by any authorised user with all other authorised users.

13.3 We will not share your information with third parties for their own marketing purposes without your permission.

13.4 We may transfer your information to organisations in other countries (including Affiliates) on the basis that anyone to whom we pass it protects it in the same way we would and in accordance with applicable laws. We will only transfer your information if we are legally obligated to do so, or where the other country has laws that adequately protect your information, or where we have imposed

contractual obligations on the recipients that require them to protect your information to the same standard as we are legally required to.

## **14. Sharing your information with credit reference and fraud prevention agencies**

- 14.1 In order to meet our legal and regulatory obligations, we may (at the commencement of the relationship and periodically) request and share information about you, your business or the proprietors of that business from or with credit reference agencies. Those agencies may keep a record of our request(s). We may also consider any financial connections you have with third parties.
- 14.2 In order to prevent and detect fraud and/or money laundering, the information provided by you may be checked, shared with and accessed by fraud prevention agencies, including organisations from other countries. If false or inaccurate information is provided and/or fraud is identified or suspected details may be recorded with these agencies to prevent fraud and money laundering. Law enforcement agencies may access and use this information.

## **15. Security of your information**

- 15.1 We are committed to ensuring that your information is secure with us and with the third parties who act on our behalf. For more information about the steps we are taking to protect your information please visit <http://personal.natwest.com/personal/security-centre.html>.

## **16. Confirmations and periodic reporting**

- 16.1 Unless: (i) we have entered into a separate agreement regarding content and timing of confirmations; or (ii) confirmation is provided to you by an Affiliate or a third party (for example by a broker through whom we deal), we will provide you with a notice in a durable medium confirming execution, as soon as possible after execution, but in any event no later than as required by the Applicable Regulations. Such confirmation may be provided in electronic format.

## **17. Regulatory Reporting**

- 17.1 We may be obliged to make information about certain transactions public and/or available to a regulatory authority or third party where we are required to do so in order to comply with any Applicable Regulations, regulatory reporting requirement, or the order of any court or pursuant to any request or requirement of any governmental or regulatory authority, bank examiner or statutory auditor, whether it is disclosed by us or a third party. We may also provide such information to and between our Affiliates, or any persons or entities who provide services to the NatWest Group, including any head office, branches or Affiliates. You agree to us providing information about your transactions (which may include, but is not limited to, the name, address, corporate affiliation, identifier or otherwise, of you, your employees, beneficial owners and/or Principals on whose behalf you may act) in such circumstances and acknowledge that any and all proprietary rights in such transaction information are owned by us and you waive any duty of confidentiality attaching to the information which we reasonably disclose. You also represent that you have obtained all necessary consents from your employees, beneficial owners and associated persons to our use and disclosure of their information as provided for in this clause 17.1.
- 17.2 In addition, where you are an EEA investment firm and we execute a transaction with you outside of a Trading Venue and the transaction is subject to publication in accordance with Applicable Regulations, you agree that the party acting as seller shall make public the information regarding the transaction in accordance with the requirements of Applicable Regulations, unless only one of you or we are a systematic internaliser in the given financial instrument and is also acting as the buyer, in which case the buyer will make the relevant transaction information public in accordance with the requirements of Applicable Regulations.

17.3 You acknowledge and agree that we cannot execute any transaction with or for you (or arrange a transaction) unless you have first obtained a legal entity identifier (“LEI”) and provided this to us. If you require any information about this, please refer to the section of our website headed “Regulatory information” at: <https://www.nwm.com/disclosures>.

17.4 When we enter into a short sale with or for you we are required to determine on a best efforts basis the short sale transactions in which you are the seller. You acknowledge and agree that you will inform us when you intend to sell any security to which you do not have title at the time of such sale (i.e. when you are short selling). We will then apply the appropriate short selling indicator in our transaction reports. If you do not volunteer any information regarding this then we will populate the relevant fields of our transaction reports with the appropriate code to indicate that you have not disclosed this information.

## 18. Our Costs and Charges

18.1 Charges and expenses incurred by us pursuant to these Terms (including but not limited to applicable taxes and duties) are payable by you or by the underlying clients through you (or, if they fail to pay, by you) and by such payment arrangements at such times as we shall determine. Information on NatWest Markets’ costs and charges can be found at:

- a) <https://www.nwm.com/media/4746/fx-sales-margin-disclosure-feb20.pdf> for Currencies Business;
- b) <https://www.nwm.com/media/1620/natwest-markets-rates-margin-range-disclosure.pdf> for Fixed Income Business; and
- c) <https://www.nwm.com/media/1599/natwest-markets-bond-issuance-disclosure.pdf> for New Bond Issuance.

Where NatWest Bank co-manufactures financial instruments with NatWest Markets and/or distributes Financial Instruments for NatWest Markets, NatWest Bank does not apply costs and charges to you directly in respect of these transactions. NatWest Bank may, however, be compensated by NatWest Markets in accordance with the intra-group arrangements described in clause 18.3. We will also, where required, provide you with information about the costs and charges of our services once they have been provided at least annually by way of a separate costs and charges disclosure document.

Where we provide you with an aggregated costs and charges disclosure you may request an itemised breakdown from us. We will provide such breakdown to you where we are required to by Applicable Regulations or otherwise at our discretion.

18.2 We will provide you with appropriate information on our costs and charges, including information on the costs and charges in connection with our investment service and the financial instruments marketed to you and how you may pay for them, which will encompass any third party payments. However, as an ECP you agree that we may, as permitted under Applicable Regulations, provide you with a more limited disclosure which may be less detailed than we would be required to provide to you in the absence of such agreement. In particular, this limited disclosure will not include:

- a) information on applicable currency conversion rates and costs, where any part of the total costs and charges is to be paid in, or represents an amount of foreign currency; or
- b) an illustration showing the cumulative effect of costs on return.

18.3 You acknowledge that NatWest Markets may share revenues received with other NatWest Group entities including NatWest Bank, The Royal Bank of Scotland plc, Ulster Bank Ireland DAC and Ulster Bank Limited to reflect the contribution these Affiliates have made to the customer relationship.

## 19. Risk Warnings

19.1 A general description of the nature and risks of the financial instruments that we may arrange, manufacture, distribute or transact on your behalf is available at: <https://www.nwm.com/disclosures>.

19.2 If you have entered into or intend to enter into products or transactions with us referencing the London Interbank Offered Rate (LIBOR) you acknowledge that you have read and understood our LIBOR Risk Disclosure available at <https://www.nwm.com/disclosures/libor-risk-disclosure>.

## 20. Client Money and Custody Assets Disclosure

20.1 Save as expressly stated in any agreement between you and us, in the normal course of business we will not hold Client Money (as defined by the FCA Rules). Money held by us or our Affiliates in an account with us or an Affiliate on your behalf will be held as a deposit by us as banker and not as trustee (or in Scotland, as agent).

20.2 As a result, money relating to designated investment business will not be held in accordance with the Client Money rules of the FCA (the "Client Money Rules"). If we, or one of our Affiliates, were to fail or become bankrupt, the Client Money Distribution and Transfer Rules (as defined by the FCA rules) will not apply to deposits and you will not be entitled to share any distribution under those rules.

20.3 There may be limited circumstances in which we do hold Client Money, for example (but not limited to) pursuant to particular contractual terms agreed between us to that effect or where Applicable Regulations require us to do so. In the event that we, or one of our Affiliates, hold Client Money or other assets on your behalf, we will hold them in accordance with the client money and client asset requirements set out in Annex 1 of these Terms.

20.4 If you have any questions relating to how your money or assets are held at any given time please contact your usual NatWest Markets and/or NatWest Bank contact.

## 21. General Lien

21.1 All cash and securities ("Custody Assets") held by us or our nominees for you shall be subject to a general lien in NatWest Markets' favour, insofar as any outstanding obligations remain due from you to us.

21.2 Where any of your Custody Assets are held with a third party (including a sub-custodian, nominee, depository or settlement system), you agree that such third party (or any person to whom the holding of your Custody Assets is delegated) may have a security interest, lien, right of set-off, or similar rights over your Custody Assets under the standard terms of such third party or other person where such rights are of a type routinely required by such third party or other person to cover exposures incurred in relation to the services provided by it, and to the extent permitted by the FCA Rules (except to the extent that rights on different terms are required by Applicable Regulations in a third country jurisdiction in which your Custody Assets are held by such a third party, and we take reasonable steps to determine it is in your best interests to hold your Custody Assets in such manner). Where your Custody Assets are held by a third party (or any person to whom the holding of your Custody Assets is delegated), and such third party or other person has a security interest, lien, right of set-off, or similar rights over your Custody Assets, you are exposed to the risk that such third party or other person may exercise such rights over your Custody Assets and reduce the amount of your Custody Assets even where you have not breached any of your obligations under this Agreement. If your Custody Assets are subject to a security interest, lien, right of set-off or similar right in a third country jurisdiction, then we will disclose further information to you indicating the risks associated with the arrangement and take other steps to make the ownership status of the asset clear, as required under the FCA Rules.

## 22. Exclusion of Liability/Indemnities

22.1 Nothing in these Terms will exclude or restrict any liability that we owe you under Applicable Regulations. Except to the extent that the same results from gross negligence, wilful default or fraud, we, our directors, officers, employees and agents shall not be liable for any loss resulting from any act or omission made under or in relation to or in connection with these Terms or the solvency, acts or omissions of any third party with whom we deal or transact business or who is appointed by us in

good faith. We will make available to you, when and to the extent reasonably so requested and at your expense, details of any rights that we may have against such person.

22.2 If any action or proceeding is brought by or against us, against or by a third party, in relation to any transaction with or for you, you shall co-operate with us to the fullest extent possible in the prosecution or defence of such action or proceeding. Except to the extent that the same results from gross negligence, wilful default or fraud, you shall indemnify us and hold us harmless together with our Affiliates and our directors, officers, employees or agents, on a full indemnity basis from and against all actions, claims, liabilities, losses, damages and expenses of any nature arising from us dealing with you pursuant to these Terms.

22.3 To the extent possible under Applicable Regulations, we do not accept liability for any adverse tax implications of any transaction whatsoever.

## **23. Termination**

23.1 The arrangements set out in these Terms may be terminated forthwith and without notice if:

- a) you admit to your inability to pay your debts as they fall due or enter into any scheme or arrangement with your creditors or, in the case of a company, file or have filed against you a petition for winding up, pass a resolution for winding up or have a receiver, liquidator, administrator or similar officer appointed over all or any part of your assets or undertaking or, in the case of an individual, a bankruptcy petition is presented or a trustee in bankruptcy is appointed or a protection order is made under the provisions of the Mental Health Act 1983 (or successor legislation); or
- b) we consider it necessary or desirable, for our own protection, or to prevent what we consider is or might be a violation of any Applicable Regulation or good standard of market practice.

23.2 Termination will be without prejudice to the completion of any outstanding transactions and any other legal rights or obligations which may already have arisen. You agree that such termination shall not affect:

- a) any representations, warranties, undertakings or indemnities made or given by you under these Terms, each of which shall survive such termination; and
- b) any other legal rights or obligations which have arisen prior to or upon termination (including, without limitation, where relevant in respect of any transactions which have been executed but have not yet been settled or cleared) and which remain undischarged at the point of such termination.

## **24. Electronic Channels; Use of Materials**

24.1 From time to time we may receive from you, or send to you, communications or instructions through an electronic channel, such as an application programming interface, electronic trading platform, mobile application or website ("Electronic Channel"), including instructions relating to transactions. You may be granted access to any such Electronic Channel directly by us or alternatively such access may be granted to you by a third party, such as a third party platform provider. You agree that:

- a) you will comply with any requirements that we may impose from time to time relating to the use of any Electronic Channel or any services we provide through that channel;
- b) you will comply with such other terms and conditions, rules, regulations or laws of any regulatory body, exchange, trading system or other service provider or jurisdiction that apply to your use of the Electronic Channel;
- c) you are responsible for the acts or omissions of your users of any Electronic Channel;
- d) you are bound by any communication or instruction (including any resulting transaction) originating from or purported to have originated from you over any Electronic Channel that is accompanied by valid user identification or other authentication details;

- e) you will use adequate security procedures to ensure the security and confidentiality of any user identification or authentication details and otherwise to prevent unauthorised access to your systems, the Electronic Channels or our services;
- f) you are responsible (at your own cost) for selecting and providing all your own equipment, operating platforms, computer hardware and software, network facilities and other technology necessary to access and use any Electronic Channel and for any related maintenance and support services;
- g) you will ensure that the data, messages and codes that you provide to us through any Electronic Channel do not contain any viruses, worms, Trojan horses or other components likely to cause harm to our systems;
- h) we do not give any warranty or representation as to the performance or fitness for purpose of any Electronic Channel or any services provided through such channels. You acknowledge and agree that Electronic Channels may be subject to interruptions, errors (including errors in any data generated thereby), malfunctions and/or delays and that we are not liable for such issues;
- i) you are responsible for ensuring that your users have been given suitable training in the use of any Electronic Channel and by using any such channel you are deemed to acknowledge that you understand how to use that channel and understand any related requirements;
- j) transaction requests that you send to us over Electronic Channels may be subject to review by us and may be rejected; and
- k) these Terms do not oblige us to enter into transactions with you or otherwise provide services to you over any Electronic Channel and we may suspend or terminate our trading with you or provision of services over any such channel at any time, with or without notice. This will include the right for us to modify any functionality, configuration, appearance or content of any Electronic Channel or our services.

24.2 You acknowledge and agree that all rights in or in relation to any and all patents, utility models, trade and service marks, rights in designs, get up, trade, business or domain names, copyrights, topography rights, rights in inventions, knowhow, trade secrets, rights in databases (whether registered or not and any applications to register or rights to apply for registration of any of the foregoing) and all other intellectual property rights of a similar or corresponding character which may now or in the future subsist in any part of the world and any rights to receive any remuneration in respect of such rights ("**Intellectual Property Rights**") relating to any services, software, data or other materials we provide or give you access to (together "**Materials**") remain vested in us or our licensors. We grant you a revocable, non-exclusive, non-transferable right to access and/or use any such Materials solely for your internal business purposes of viewing information, inputting orders and entering into transactions with us. Except as specifically licensed by us to you, you do not acquire any rights in relation to all or any Materials or their component parts. You will not tamper with, adapt, modify, copy, reproduce, publish, distribute, sell, sub-license, exploit, decompile, reverse engineer or disassemble all or any part of the Materials or otherwise part with or make any use of our Intellectual Property Rights or those of our licensors except to the extent permitted under these Terms or to the extent permitted by Applicable Law. We do not give any warranty or representation as to the adequacy, accuracy, suitability, fitness for purpose or completeness of any Materials.

## 25. Notices

- 25.1 Unless we have agreed otherwise in writing, any written notice sent by post shall be sent by first class mail and will be deemed delivered three business days after posting. Any written notice sent electronically or via facsimile will be deemed delivered one business day after transmission. Proof that the notice was posted or transmitted electronically to the correct postal or electronic address/number will be sufficient proof of delivery.
- 25.2 Notices for us should be addressed to: "*NatWest Markets*" and / or "*NatWest Bank*" (as applicable) at "*Client Onboarding, 2nd Floor, 250 Bishopsgate, London, EC2M 4AA*"
- 25.3 We shall treat your registered office address, or such other address as we hold for you, as the relevant address for the service of notice to you unless you inform us in writing of any change of address from time to time.

## 26. Complaints and Compensation

26.1 As you have been categorised as an ECP you may not have the right to claim through the Financial Services Compensation Scheme (the "Scheme") for losses resulting from any default in complying with our obligations owed under the FCA Rules and PRA Rules. Payments under the Scheme to clients in the United Kingdom are limited to a maximum of £85,000 for deposits, £170,000 for joint account deposits, and £50,000 for investment business. You can get more information from the Scheme, 10th Floor, Beaufort House, 15 St. Botolph Street, London EC3A 7QU or at [www.fscs.org.uk](http://www.fscs.org.uk) or by telephone on 0800 0234567 or 020 77414100.

26.2 A copy of our respective internal complaints handling procedures is available on our respective websites (see: <https://www.nwm.com/complaints>; or <https://www.business.natwest.com/business/support-centre/contact-us/how-to-complain.html>) and on request. If you have a complaint about our services you should raise it in the first instance with your normal NatWest Markets and/or NatWest Bank contact. If you are not satisfied with the response given (or if you prefer not to raise the matter with your normal contact) you may raise the matter (as appropriate):

- a) with your NatWest Bank relationship manager, or via the <https://www.natwest.com> website;
- b) with our NatWest Markets Client Complaint Team using the following details:

NatWest Markets Plc 250 Bishopsgate London  
EC2M 4AA  
Tel: +44 207 678 3768

Email: [ClientComplaints@natwestmarkets.com](mailto:ClientComplaints@natwestmarkets.com)

## 27. Amendment

27.1 We reserve the right at all times, subject to FCA Rules and PRA Rules, to vary these Terms by written notice to you. You will be given 30 days' prior written notice in advance of any material variation taking effect, unless it is impracticable in the circumstances to give such notice.

## 28. Set-off

28.1 Without prejudice to any other rights to which we may be entitled, we may at any time and without notice to you set off any amount (whether actual or contingent, present or future) owed by

- a) you to us against any amount (whether actual or contingent, present or future) owed by us to you; and
- b) an underlying client to us against any amount (whether actual or contingent, present or future) owed by us to you or the underlying client.

For these purposes, we may ascribe a commercially reasonable value to any amount which is contingent or which for any other reason is unascertained.

## 29. Assignment and Transfer of Business

29.1 You shall not be entitled to assign or transfer any of your rights or obligations under these Terms without our prior written consent. You agree that we shall be permitted to assign all of our rights under these Terms to any of our Affiliates without your consent. If our business, in whole or in part, is consolidated or amalgamated with, or merged into, or all or substantially all our assets are transferred to, another entity, you agree that we may assign or transfer our rights and, upon written notice to you, our obligations under these Terms to that entity.

29.2 In the event that we sell or otherwise transfer all or part of our business with you, you consent to the transfer of any Client Money sums and Custody Asset (as defined by the FCA Rules) balances held for you and relating to the business being transferred to a third party. Any Client Money sums and Custody Asset balances transferred will be held by the transferee on terms which require the transferee to return such sums or balances to you as soon as practicable at your request, and in accordance with the Client Asset Rules (as defined in the FCA Rules) or if not held in accordance with the Client Asset Rules, we will exercise all due skill, care and diligence in assessing whether the person to whom the Client Money or Custody Assets are transferred will apply adequate measures to protect these balances. In such an event, you will be notified no later than seven days after the transfer takes place.

## **30. Third Party Rights**

30.1 These Terms are personal to the parties and shall not be enforceable by any third party.

## **31. Severability**

31.1 Each provision of these Terms is severable and if any provision of these Terms is or becomes invalid under or contravenes Applicable Regulations, the remaining provisions shall not be affected and shall remain in full force.

## **32. Governing Law and Jurisdiction**

32.1 These Terms, all transactions under or pursuant to these Terms and any matter arising out of or in connection with these Terms, including non-contractual matters, are governed by and shall be construed in accordance with the laws of England and Wales. You hereby irrevocably agree that and the courts of England and Wales shall have non-exclusive jurisdiction to settle any disputes arising out of, or in connection with, these Terms and any non-contractual obligations arising out of or in connection with them. However, to the extent allowed by law, we may bring proceedings in any court in any other jurisdiction.

# Annex 1: Our obligations in respect of Client Money and Custody Assets

The latest version of this Annex is available at: <https://www.nwm.com/media/1631/nwm-client-money-and-custody-assets-statement.pdf>.

## 1. Client Money

- 1.1. In the event that we hold any money for you as Client Money, we will make arrangements for the money to be held in a segregated account separate from our own funds with a central bank, an EEA credit institution or a bank authorised in a non-EEA state in which Client Money is placed (“Client Bank Account”) in accordance with the Client Money Rules. We may transfer client money to a third party such as (but not limited to) an exchange, clearing house or intermediate broker for the purpose of a transaction for you with or through that third party or to meet your obligation to provide collateral.
- 1.2. Client Money will be subject to internal control mechanisms and proper accounting procedures in accordance with the Client Money Rules. The legal and regulatory regime applying to any such Client Bank Account or third party outside the EEA will be different from that applying within the EEA, and your rights in relation to that Client Money may differ accordingly. A list of the Client Bank Accounts that we use from time to time is available on request.
- 1.3. Unless otherwise agreed in writing, any Client Money held for you will be held for all clients in general Client Bank Accounts on an omnibus basis. This means that in the event of failure of either Bank any shortfall would be borne by all clients rateably in accordance with their entitlements in respect of the Client Money held for such clients on such basis. We have no responsibility or liability for any insolvency, acts or omission of any bank, credit institution or other third party to whom we pass Client Money received for you.
- 1.4. Furthermore, in the event of the insolvency or any other analogous proceedings in relation to a Client Money bank or third party under a Client Money arrangement (a “Third Party Insolvency”), any shortfall caused by the insolvency of such Client Money bank or third party would also be borne by all such clients rateably in accordance with their entitlement and not just those whose Client Money was held with the relevant bank or other third party. The likelihood of any shortfall may be affected by whose rights have priority on insolvency and the operations of any local compensation scheme. The Bank would not be liable for any shortfall in respect of a Third Party Insolvency unless we had failed to comply with any duty of care or fiduciary obligation to which we were subject. We will only have an unsecured claim against the third party on behalf of you and our other clients, and you will be exposed to the risk that the money received by us from the third party is insufficient to satisfy the claims of you and all other clients with claims in respect of the relevant account with that third party.
- 1.5. We will not pay interest on balances of Client Money unless otherwise agreed.

## 2. Treatment of Custody Assets

- 2.1. Where we hold Custody Assets for you we will register these assets either in your name, the name of our nominee, the name of our appointed sub-custodian (or their nominee) or exceptionally our name. Custody Assets will only be registered in our name or our appointed sub-custodian where required by local law or market practice outside of the United Kingdom (and only to the extent permitted by the FCA’s client asset rules (“Custody Rules”).
- 2.2. Where Custody Assets will be held with a third party outside the UK or in our name or the name of our Affiliates, we will take reasonable care to satisfy ourselves that it is in your best interests to do so or there is no feasible alternative because of Applicable Regulations or market practice. Custody Assets

will be subject to internal control mechanisms and proper accounting procedures in accordance with the applicable custody rules.

- 2.3. Please be aware that your assets may be pooled with those of other clients of ours, or the Sub-Custodian in one omnibus account. Holding investments in an omnibus account is standard practice for service providers. However, you should be aware that in the event of a shortfall in our insolvency or that of the third party, you may not receive all of your assets and may share rateably in accordance with all clients' entitlements subject to applicable law and regulation. Furthermore, delays in identifying individual investments may result in an increased risk of loss. In the event of our default, third parties may exercise a charge over all Custody Assets held with them, but this is limited to the normal fees that arise from the provision of custody services. Where we use a third party to hold assets we will take appropriate care to ensure these parties have sufficient expertise and market reputation.
- 2.4. Warning: Where assets will be held with a third party outside the UK or in the name of the Bank, it may not be possible under local law to register or record your assets separately from the Bank's assets, with the risk of delay and loss in the event of our insolvency. We may hold Custody Assets with a third party, located outside the EEA. The legal and regulatory regime applying to any such Accounts or third party would be different from that applying within the EEA, and your rights in relation to that Custody Asset may differ accordingly.
- 2.5. Where Custody Assets are held by third parties we would not be liable for the acts, omissions or insolvency of any third party, other than any nominee company controlled by us, or controlled by any of our Affiliates, unless we had failed to comply with any duty of care or fiduciary or other applicable regulatory obligation to which we were subject. Consequently, if a third party becomes insolvent, there may be some risk to your Custody Assets if all or part of your Custody Assets held by such party are not delivered to our order by the third party's insolvency official. By conducting business with us under these Terms you consent to your Custody Assets being held in this manner where relevant.

### **3. Statements**

- 3.1. We will provide you with statements in respect of any Client Money sums or Custody Assets held for you at least quarterly, as required by the Client Asset Rules. You are entitled to request at any time a statement of the Client Money or Custody Assets held for you under this Agreement. You agree that for the provision of any such statement, we may charge you such amount as we determine to reasonably correspond to our actual costs for providing such statement.
- 3.2. We will not provide you with a quarterly statement where we provide you with access to an online system through which you can access up-to-date statements of your Client Money or Client Asset holdings. However, if you do not access valuations through such online system at least once per quarter, we will revert to providing you with quarterly statements.

### **4. Shortfalls**

- 4.1. In the event that a shortfall in Custody Assets is identified through reconciliations or otherwise, until we resolve that shortfall we may hold the firm's assets under the Custody Rules, or segregate an equivalent sum of money as Client Money, or a combination of both, to make good such a shortfall. Where we determine that a third party is responsible, we will take all reasonable steps to quickly resolve the situation with the relevant party.

### **5. Dormant Accounts**

- 5.1. In the event that there has been no movement other than in respect of payment or receipt of interest, charges or similar items on your account in respect of Client Money, or we have not received instructions from you in relation to your Custody Assets for the prescribed period, and we can demonstrate we have taken reasonable steps to trace you and return your Client Money or Custody Assets, we may cease to treat such sums as Client Money or liquidate such Custody Assets and pay

away the balances to charity as permitted by applicable law and regulation. The prescribed periods are 6 years for Client Money and 12 years for Custody Assets. Prior to paying any such sums away we will have made all reasonable steps to trace you and return your Client Money or Custody Assets as required by the FCA. We unconditionally undertake that should you subsequently submit a valid claim to your Client Money or Client Assets, we will pay to you a sum equal to the value of the Client Money or Custody Assets at the time they were liquidated or paid away (as applicable).