

Special conditions governing forward transactions

These special conditions apply to transactions effected on futures and options exchanges and to off-floor forward transactions (hereinafter "transactions"). They do not apply to off-floor transactions for which the application of the master agreement for financial futures or another master agreement has been agreed which combines all the transactions documented within it to form a uniform contract. The special conditions for securities trades apply in the case of transactions in which the rights are vested in certificates (e.g. warrants).

Section 1 - Transactions at futures and options exchanges

1. Execution of the transactions

1.1 Transactions in Eurex Deutschland contracts

The Bank shall execute all orders at Eurex Deutschland relating to the options and futures contracts admitted for trading at Eurex Deutschland as broker in its own name for the client's account. The Bank may also commission another broker (interim agent) to execute the order. Once the transaction takes effect at Eurex Deutschland (purchase or sale) a corresponding transaction simultaneously takes effect between the client and the Bank. All transactions with the client in contracts which are admitted for trading at Eurex Deutschland are governed by the trading and clearing conditions as well as the stock exchange rules and regulations of Eurex Deutschland.

1.2 Transactions at foreign futures and options exchanges

The Bank executes orders to conclude transactions at foreign futures and options exchanges as a broker in its own name and for the account of the client. The Bank may also commission an interim agent to complete the purchase or sale. It shall only be liable for the careful selection of the entities which are to be involved in the execution of the client's order abroad; it shall assign its claims against those entities involved to the client in the event of failures to perform properly.

Purchases and sales in contracts traded on foreign futures and options exchanges are subject to the legal provisions and terms of business (market practices) applying there; in addition, the general terms of business of the Bank's counterparty shall apply. This also applies to the content and settlement of the purchases and sales, e.g. with regard to the exercise date, term or request for collateral, but also to the suspension or cessation of business by the clearing houses at the stock exchange and by the other entities involved by the Bank in performing the client's order.

2. Price of the transaction/fees/expenses

The Bank settles the purchase or sale with the client; it is entitled to charge its fees and expenses including external costs. Any claim by the Bank for the reimbursement of expenses is governed by the statutory provisions.

3. Choice of execution venue

If orders are capable of execution at different stock exchanges, in the absence of any other instruction the Bank shall choose the execution venue whilst safeguarding the interests of the client and shall notify him of the execution venue immediately.

4. Setting price limits

On issuing orders, the client may set the Bank price limits for purchases and/or sales (orders limited in price).

5. Validity of unlimited orders

An order to conclude transactions at futures and options exchanges which is issued without specific definition of the duration of validity shall only apply to the day it is placed.

6. Suspension of trading

If the trade in particular transactions at a futures and options exchange is partially or entirely suspended at the instigation of the stock exchange management and then all orders for these transactions are deleted, all client orders featuring the transactions concerned for execution at this stock exchange shall be extinguished.

Section 2 - Off-floor trades

7. Proprietary trading

7.1 Execution of trades

In the case of off-floor trades in foreign exchange and precious metals, the Bank concludes the transaction with the client as a proprietary trader in its own name and for its own account.

7.2 Price of the transaction

The Bank may determine the price on the basis of reasonable discretion (Section 315 of the German Civil Code (Bürgerliches Gesetzbuch; BGB)) unless a fixed price has been agreed.

Section 3 - Provisions concerning exchange trading and off-floor transactions

8. Non-execution for lack of cover

The Bank is entitled to refrain from executing an order if the client's credit balance or a loan which can be utilised for forward transactions is insufficient to allow execution. If the Bank does not execute the entire order or part of it, it shall immediately notify the client.

9. Collateral

9.1 Terms of lien

The securities, commodities and claims of the client against the Bank which are subject to the Bank's lien pursuant to par. 14 of its General Terms of Business (terms of lien) also secure without restriction all existing and future – including conditional or time-limited – claims of the Bank against the client as a result of these transactions. If collateral is the subject of a separate agreement, the Bank's claims shall also be secured through this, provided the statement of collateral purpose also covers these transactions (other collateral).

9.2 Maintenance of adequate assets for use as collateral

The Bank may demand that the client holds assets with it which will serve the Bank in the framework of the terms of lien and of other collateral as security for all claims arising from the transactions. Collateral must be furnished for an amount which the Bank considers necessary in line with its assessment of the interest rate risk, price risk and risk of prices changing (risks of loss) arising due to the transactions with the client. If the risk assessment changes or the value of the existing assets changes, the Bank may demand at any time within a reasonable period, which in view of the special features of the trades may be very brief, possibly even just hours, that the client should provide further assets as collateral or provide collateral for the first time for risks which have not been secured before.

9.3 Separation or separate entry of assets

The Bank may at any time enter separately or separate by other means the client's assets with a view to the risk of loss entailed by the transactions. The Bank's terms of lien regarding these and the other assets of the client shall not be affected by this. All the assets shall therefore continue to be liable both for claims arising from the transactions and for other claims arising from the banking relationship. The client may only dispose of the separately entered or otherwise separate assets subject to the Bank's approval.

9.4 Collateral in the case of transactions on Eurex Deutschland

In all orders to conclude transactions on Eurex Deutschland, collateral must be provided in an amount at least equal to that found by the method of calculation used by Eurex Deutschland.

9.5 Interim credits or debits in the case of current transactions

If temporary gains from the daily valuation of transactions before their final settlement or position-squaring by the Bank are credited – where appropriate, to a separate account – it is only possible to draw on them with the Bank's approval. Where losses result from this valuation, the Bank shall debit the client correspondingly. The Bank shall notify the client of the account entries at regular intervals. The Bank is entitled to debit the client's current account in order to balance out such charges even if this entails relying on credit.

10. Consequences of lack of collateral; insolvency; compensation claims

10.1 Early termination and liquidation

If the Bank demands additional collateral and this is not provided within the time limit set by it or the furnishing of additional collateral is refused, the Bank – if it has threatened this – shall terminate the transactions and orders underlying the open positions in full or in part, without setting a time limit and/or shall in full or in part liquidate the open positions resulting from such transactions through an offsetting transaction. The same applies if the client does not comply with his obligation to settle temporary losses resulting from the daily valuation of the transactions.

10.2 Early termination in case of insolvency

In the event of insolvency, all the Bank's transactions with the client and the orders underlying the transactions concluded for the client shall be ended without notice. The fact of insolvency is present if bankruptcy or other insolvency proceedings are filed for the assets of a party and this party has either filed the application himself or is unable to pay or is otherwise in a position which justifies the opening of such proceedings.

10.3 Rights to compensation

If the Bank has liquidated or terminated transactions as per (1) or transactions were ended because of insolvency as per (2), instead of claiming performance it is possible just to assert claims for nonperformance. These claims are for the difference between the agreed prices and the market or exchange prices which prevail on the date of terminating or liquidation for a transaction with the agreed settlement period and are always denominated in euros.

11. Exercise of options by the client

11.1 Latest exercise time

The client's declaration that he will exercise an option must arrive at the Bank at the latest by the time it has communicated to the client. Declarations of the client which the Bank receives after this time shall be taken into account for the next banking day provided the option can then still be exercised.

11.2 Bringing forward the time in the case of offers for exchange and compensation

If the term of the option is shortened according to market practice in the case of exchange, compensation or purchase offers or in the case of a request to deliver such offers, the client's exercise notice to the Bank must have been received by the advanced time stated in the notice of the shortening of the term.

11.3 No separate notification duties

In addition to this, the Bank is not obliged to draw the client's attention to the imminent expiry of the option and the time limit for a declaration.

12. Exercise of option rights by the Bank in respect of the client

12.1 Authorisation of the Bank

Through the sale of an option (taking a short option position) the client grants the Bank irrevocable authority, releasing it from the restrictions set out in Section 181 of the German Civil Code (Bürgerliches Gesetzbuch; BGB), to take receipt of the Bank's declaration concerning the exercise of the option for him. The Bank immediately notifies the client of the exercise.

12.2 Debiting the client's portfolio; purchase of underlying instruments, costs, compensation

When exercising a call option on the client, the Bank has the right to charge the client for the acquisition of the portion of the underlying instruments (e.g.

securities, foreign exchange, precious metals) that is required for delivery if it is not available within the client's portfolio or account. If it is not possible for the Bank to procure the underlying instruments as part of a securities transaction for third-party account by the deadline on which it is itself obliged to deliver since it is being claimed on as a result of the short option position entered into on behalf of the client, the Bank may procure the required underlying instruments by other means, e.g. by way of securities lending, in order to bridge the period of delivery difficulties. The costs of this and for any further loss incurred through default shall also be borne by the client.

12.3 Failure to exercise the option punctually

If the client does not punctually inform the Bank of his intention to exercise the option on the expiry date, the option expires. If an option is in money on the expiry date, the Bank shall have the right to exercise it on its own account in the client's name if it has not received punctual instructions from the client to exercise the option. Only after establishing the delivery or exercise is it necessary for the Bank to notify the client immediately. The Bank shall not be held liable for costs, fees or other losses caused through the delay or late exercise of the option.

13. Drawing for the allocation of options exercise assignment notices

The Bank shall distribute the options exercise assignment notices allocated to it on a random basis to short options positions of clients by way of internal neutral drawing. Delays may arise in establishing allocations in order to guarantee a fair allocation between the clearing houses and the clients. The Bank shall not be held liable for costs incurred through delays caused due to this necessary procedure. Allocations of options exercise assignment notices on the basis of random selection shall be made on the next trading day on a neutral prorata basis.

14. Settlement of futures contracts eligible for delivery

In the case of futures contracts which have to be settled by delivery, the client may demand delivery or the acceptance of the underlying instruments unless he has squared the contracts through an offsetting transaction. The instruction for the Bank to effect delivery must be with the Bank at the latest by the time announced to the client by the Bank. If the Bank does not receive a punctual instruction or the client has not acquired the securities or resources required for delivery by this time, it shall endeavour to square the futures contract immediately for the client's account in order to avoid settlement through delivery.

15. Settlement of forward exchange operations

15.1 Duty of the client to collaborate

In the case of forward exchange operations, the client must notify the Bank by a time communicated to him (as a rule by the second banking day before maturity) that the currency to be procured by him (euros or foreign currency) shall be available on the due date as agreed. This communication may be dispensed with if the client has a corresponding credit balance in one of his accounts with the Bank at the time applicable under sentence 1.

15.2 Omission of the notification

If there is a failure to notify punctually and the due euro or foreign currency amount is not in one of the client's accounts with the Bank by the time applicable in accordance with sentence 1 of (1) above, the Bank shall be entitled to procure the currency to be provided by the client at the client's charge on a foreign exchange or open market as of the due date in order to safeguard its interests or to sell the currency to be supplied to the client on a foreign exchange or open market as of the due date to safeguard its interests.