
MARGIN CALL AGREEMENT

1. Relationship between the Client and ALT 21

- 1.1 You will become legally bound by the terms of this Margin Call Agreement (the “**MCA**”) once you have indicated your acceptance to its terms by clicking on the link that we will provide to you for the purposes of signalling your acceptance to the terms of this MCA.
- 1.2 Where you are not a natural person, you represent and warrant to us at all times that the individual that clicks on such link has the full authority and permission to bind you to the terms of this MCA. We are not obliged to take any further steps to verify that such individual has such authority or permission to do so.

2. Relationship with the Terms and Conditions

- 2.1 This MCA is supplemental to, and forms part of, the Terms and Conditions entered into between you and us (the “**Terms and Conditions**”) and, for the purposes of Clause [25.4] (*General*) of the Terms and Conditions, forms part of the single agreement between you and us.
- 2.2 In the event of any conflict between the terms of this MCA and the terms of the Terms and Conditions, this MCA shall prevail to the extent of the conflict. In the event of any conflict between the terms of any Order Confirmation Note and the terms of this MCA, the Order Confirmation Note shall prevail to the extent of the conflict.

3. Purpose of the Margin Call Agreement

- 3.1 The purpose of this MCA is to set out in more detail the terms on which you are required to post initial margin and variation margin to us in connection with the Forex Services that we provide to you.

4. Margin maintenance

- 4.1 Subject to Clause 4.2, you shall be obliged at all times to maintain at all times a Posted Collateral Balance that is equal to or greater than the aggregate of the Total Initial Margin Requirement and the Total Variation Margin Requirement (the “**Total Margin Requirement**”).
- 4.2 If at any time the Posted Collateral Balance is less than the Total Margin Requirement, we may, by making a demand (a “**Margin Call Demand**”), WE require you to post Margin to us (a “**Margin Transfer**”) in accordance with Clause 13 in an amount equal to at least the smallest integral multiple of the Margin Increment necessary for the Posted Collateral Balance to exceed the Total Margin Requirement (the “**Margin Transfer Amount**”).
- 4.3 We shall determine the Posted Collateral Balance and the Total Margin Requirement on each Valuation Date at each Valuation Time, and we shall make such determinations in a commercially reasonable manner.
- 4.4 We shall, in our sole discretion, determine which times constitute Valuation Times and the number of Valuation Times that may occur on any Valuation Date (which may involve Valuation Times occurring on a continuous basis). We may determine in our sole discretion that some types of Transactions are subject to different Valuation Times than others.
- 4.5 We shall use reasonable endeavours to make the Total Margin Requirement and the Posted Collateral Balance available to you via the Platform.
- 4.6 Illustrative, but non-binding, worked examples of margin calculations are available to view on the Website.

5. Initial Margin

- 5.1 Each Non-spot FX Contract shall be subject to the requirement for you to post an amount of initial margin to us as Margin before we become bound by the terms of that Non-spot FX Contract (the “**Initial Margin Requirement**”).
- 5.2 The amount of initial margin required to satisfy the Initial Margin Requirement for a Non-spot FX Contract shall be equal to the initial margin percentage specified in the Order Confirmation Note for that Non-spot FX Contract multiplied by the Notional Amount of that Non-spot FX Contract, or as otherwise determined by ALT 21. Illustrative, but non-binding, initial margin percentages that we impose for different types of Non-spot FX Contract are available on our Website.
- 5.3 If no initial margin percentage is specified in the Order Confirmation Note for an FX Contract, the Initial Margin Requirement for that FX Contract shall be zero.
- 5.4 The total amount of initial margin required in respect of all FX Contracts (the “**Total Initial Margin Requirement**”) shall be equal to the aggregate of the Initial Margin Requirement for all FX Contracts.

6. Variation Margin

- 6.1 Non-spot FX Contracts shall be subject to the requirement for you to periodically post an amount of variation margin to us as Margin (the “**Variation Margin Requirement**”).
- 6.2 The total amount of variation margin required in respect of all Non-spot FX Contracts (the “**Total Variation Margin Requirement**”) shall, at a Valuation Time on a Valuation Date, be equal to the Base Currency Equivalent of the Liquidation Amount that would be payable by you to us (if any) in accordance with the Terms and Conditions, as determined by us as if:
 - (a) all Non-spot FX Contracts are being terminated and that they are the only Transactions; and
 - (b) the Valuation Date is the Liquidation Date.

7. Margin Call Demands

- 7.1 We may make a Margin Call Demand via the Platform, by email, by telephone, or by any other means.
- 7.2 We may make multiple Margin Call Demands on any Valuation Date.
- 7.3 Each Margin Call Demand shall set out, in reasonable detail, the Margin Transfer Amount, the Posted Collateral Balance, and the Total Margin Requirement. A failure by us to provide any such details shall not affect the validity of the relevant Margin Call Demand.

8. Eligible forms of Margin

- 8.1 Margin shall only form part of the Posted Collateral Balance where that Margin is in the form of cash denominated in an Eligible Currency. All other forms of Margin shall be disregarded for the purposes of determining the Posted Collateral Balance.

9. Returns of Margin

- 9.1 Margin shall only be transferrable to an account that is not a Margin Account with our express written consent.
- 9.2 We shall not consent to any request for a transfer in accordance with Clause 9.1 in any of the following scenarios:

- (a) the Base Currency Equivalent of the amount you have requested to be transferred is less than the Minimum Transfer Amount applicable to us; or
- (b) the transfer would result in the Posted Collateral Balance falling the Minimum Required Margin Amount (determined by us at the time of the relevant request); or
- (c) an Event of Default has occurred and is continuing.

9.3 Notwithstanding Clause 9.2, we shall consent to any request for a transfer in accordance with Clause 9.1 if you have no outstanding Transactions, all of your obligations in respect of any previously outstanding Transactions have been satisfied in full, and any other amounts payable to us under the Terms and Conditions have been satisfied in full.

9.4 We shall make any transfers of Margin that we consent to in accordance with this Clause 9 within two Business Days of the date on which we give our consent to that transfer.

10. Disputes

10.1 You have the right to dispute any determination or calculation or amount requested by us under this Agreement by providing written notice to us in accordance with the escalation procedures on the Platform (a “**Dispute Notice**”). If we cannot reach an agreement with you by the end of the second Business Day following receipt of the Dispute Notice, we shall use any information we deem necessary (including any information sent by you to us) to recalculate any such amounts and such calculation by shall be binding and conclusive absent any manifest error. For the avoidance of doubt, any dispute shall not postpone the payment of any amounts (included disputed amounts) or of any other obligation under this Agreement and any such failure to make a Margin Transfer shall constitute an Event of Default (notwithstanding the existence of a dispute).

11. Failure to make a Margin Transfer

11.1 If you fail to make a Margin Transfer in full and when due in accordance with this MCA:

- (a) this shall constitute a failure to make a payment under the Terms and Conditions and shall therefore constitute an Event of Default; and/or
- (b) if you hold funds with us that are not credited to a Margin Account, we shall have the right to transfer those funds to a Margin Account to the extent possible to satisfy the part (which may include the whole) of the Margin Transfer that has not been made.

11.2 Interest shall accrue on the part (which may include the whole) of any Margin Transfer that has not been made when due in accordance with this MCA. Interest shall accrue on a daily and simple basis from the day on which the Margin Transfer was due at a rate selected by us, acting in a commercially reasonable manner.

12. Status of Margin

12.1 All Margin that you post to us in relation to Currency Options:

- (a) shall be held by us as Client Money and shall be subject to the Client Money Rules; and
- (b) shall be subject to the security interest created by you in favour of us pursuant to the Terms and Conditions and shall accordingly form part of the Secured Property as security for the Secured Obligations.

12.2 For the avoidance of doubt, in respect of Margin that you post to us in relation to Currency Options, neither the Terms and Conditions nor this MCA constitute a “title transfer collateral arrangement” and Margin is not transferred to us on a title transfer basis.

12.3 All Margin that you post to us in relation to Forward Contracts (such Margin, “**Title Transfer Margin**”) shall not be held by us as Client Money and shall not be subject to the Client Money Rules. Instead, such Title Transfer Margin shall be transferred to us on a title transfer basis such that you shall transfer absolute title to such Title Transfer Margin to us and you shall only have an unsecured claim against us for the return of an equivalent amount of Title Transfer Margin. Such Title Transfer Margin will not be segregated from our proprietary money and can be used by us in the course of our own business and you will rank only as a general unsecured creditor of ours in the event we become insolvent.

12.4 Any Title Transfer Margin that we hold shall be taken into account in the determination of any Liquidation Amount.

13. Settlement of Margin transfers

13.1 Each Margin Transfer shall be made by a transfer of Margin in the form of cash denominated in an Eligible Currency into a Margin Account.

13.2 If the Margin Call Demand was made on or before the Notification Time on the relevant Valuation Date, the Margin Transfer must be made and settled into a Margin Account by the close of business on that Valuation Date.

13.3 If the Margin Call Demand was made after the Notification Time on the relevant Valuation Date, the Margin Transfer must be made and settled into a Margin Account by the close of following business on the next following Valuation Date

13.4 All Margin transferred to us pursuant to a Margin Transfer shall be made by you free of any security interests, claims, liens, encumbrances, or any other interests in favour of any third party.

14. Trading facility

14.1 We have agreed to provide you with a foreign exchange trading facility (the “**FX Trading Facility**”), which allows you to have FX Contracts outstanding where the aggregate Base Currency Equivalent of the Notional Amount of those FX Contracts can be up to a specified limit (the “**FX Trading Limit**”).

14.2 The FX Trading Limit shall be set by us in our sole discretion and we shall notify you in writing of the FX Trading Limit.

14.3 We may amend the FX Trading Limit in our sole discretion at any time by giving you written notice. Such amendments will take effect on the date and time specified in the notice (which may be immediately) or, if no such date and time is specified, the amendment will take effect immediately. We may require you to limit, terminate or reduce your positions in FX Contracts in order to comply with the FX Trading Limit and we may decline to execute any of your orders in FX Contracts if such orders may put you in breach of the FX Trading Limit.

14.4 You represent and warrant to us at all times that you shall only use the FX Trading Facility for the purposes of legitimately hedging foreign exchange exposures arising out of your ordinary commercial activities, and not for any speculative or investment purposes. You shall promptly provide such information as we may reasonably request to demonstrate that your use of the FX Trading Facility relates to such hedging activities. We may immediately terminate the FX Trading Facility, if we have reasonable grounds to believe that you are not using, or do not intend to use, the FX Trading Facility for such hedging purposes.

15. Margin facilities, limits and thresholds

15.1 We may agree to provide you with:

- (a) an initial margin facility (the “**Initial Margin Facility**”);

- (b) a variation margin facility (the “**Variation Margin Facility**”);
- (c) an applicable minimum transfer amount (“**Minimum Transfer Amount**”); and/or
- (d) an applicable minimum required margin amount which will be expressed as the Total Margin Requirement as a percentage of the combined Initial Margin Facility Limit and Variation Margin Facility Limit (“**Minimum Required Margin Amount**”); and/or
- (e) applicable margin increments (“**Minimum Margin Increments**”) which will be expressed as an amount equal to the relevant percentage of the Notional Amount of the FX Contracts that are outstanding as at that time.

15.2 We shall notify you in writing if we agree to provide you with an Initial Margin Facility, a Variation Margin Facility, a Minimum Transfer Amount, a Minimum Required Margin Amount and/or Minimum Margin Increments and we shall specify the applicable limits in our sole discretion (respectively, for the Initial Margin Facility and the Variation Margin Facility, the “**Initial Margin Facility Limit**” and the “**Variation Margin Facility Limit**”, together, the “**Margin Facility Limits**”).

15.3 We may amend the Margin Facility Limits, the Minimum Transfer Amount, the Minimum Required Margin Amount and Minimum Margin Increments in our sole discretion at any time by giving you written notice. Such amendments will take effect on the date and time specified in the notice (which may be immediately) or, if no such date and time is specified, the amendment will take effect immediately.

15.4 If we have agreed to provide you with an Initial Margin Facility, notwithstanding Clause 5, we shall only make a Margin Call Demand to the extent of the excess (if any) of the Total Initial Margin Requirement over the Initial Margin Facility Limit applicable at the relevant time.

15.5 If we have agreed to provide you with a Variation Margin Facility, notwithstanding Clause 6, we shall only make a Margin Call Demand to the extent of the excess (if any) of the Total Variation Margin Requirement over the Variation Margin Facility Limit applicable at the relevant time.

15.6 If we have agreed to provide you with a Minimum Transfer Amount, notwithstanding Clause 4, you shall not be required to make a Margin Transfer where the Margin Transfer Amount is less than the Minimum Transfer Amount applicable to you. If no Minimum Transfer Amount has been agreed by us, the Minimum Transfer Amount shall be zero.

15.7 If we have agreed to provide you with a Minimum Required Margin Amount, notwithstanding Clause 9, you may request a return of margin for the amount the Posted Collateral Balance exceeds the Minimum Required Margin Amount applicable to you. If no Minimum Required Margin Amount has been agreed by us, the Minimum Required Margin Amount shall be 80% of the Total Margin Requirement.

15.8 If we have agreed to provide you with a Minimum Margin Increment and if no Minimum Margin Increment has been agreed by us, the Minimum Margin Increment shall be an amount equal to 50% of the Variation Margin Facility Limit.

15.9 For the avoidance of doubt, the Initial Margin Facility and the Variation Margin Facility may only be used to satisfy the Total Initial Margin Requirement and the Total Variation Margin Requirement, respectively, and they may not be used for any other purpose.

16. Cross-default Event of Default

16.1 In addition to the Events of Default in the Terms and Conditions, it shall also be an Event of Default under the Terms and Conditions if all of the following conditions are satisfied:

- (a) a default, event of default, or similar condition or event (howsoever described) occurs with respect to you under one or more agreements or instruments relating to Specified Indebtedness;

- (b) the Base Currency Equivalent of the aggregate principal amount of such agreements or instruments is equal to or greater than the Threshold Amount; and
- (c) this has resulted in such Specified Indebtedness becoming, or becoming capable at such time of being declared, due and payable under such agreements or instruments before it would otherwise have been due and payable.

17. Interpretation and definitions

17.1 Capitalised terms used but not otherwise defined in this MCA shall have the meanings given to those terms in the Terms and Conditions.

17.2 For the purposes of this MCA:

- (a) **“Base Currency”** means pounds sterling (**“GBP”**);
- (b) **“Base Currency Equivalent”** means, at any time:
 - (i) in respect of an amount denominated in the Base Currency, that amount of the Base Currency; or
 - (ii) in respect of an amount denominated in a currency other than the Base Currency, the amount of the Base Currency required to purchase that amount of such other currency at the spot rate of exchange determined by us (acting in a commercially reasonable manner) at that time;
- (c) **“Eligible Currency”** means the Base Currency, euro (**“EUR”**), and United States dollars (**“USD”**);
- (d) **“FX Contracts”** means Forex Spot Orders, Forward Contracts, and Currency Options;
- (e) **“Initial Margin Requirement”** has the meaning given to that term in Clause 5.1;
- (f) **“Margin Account(s)”** means the Client Money Account and any other Account that you have opened with us that we have specified that may be used to hold Margin that you have posted to us;
- (g) **“Margin Call Demand”** has the meaning given to that term in Clause 4.2;
- (h) **“Minimum Required Margin”** has the meaning given to it in Clause 15;
- (i) **“Margin Transfer”** has the meaning given to that term in Clause 4.2;
- (j) **“Margin Transfer Amount”** has the meaning given to that term in Clause 4.2;
- (k) **“Minimum Margin Increment”** has the meaning given to it in Clause 15;
- (l) **“Minimum Transfer Amount”** has the meaning given to it in Clause 15;
- (m) **“Non-spot FX Contracts”** means FX Contracts other than Forex Spot Orders;
- (n) **“Notification Time”** means 1:00 p.m., London time;
- (o) **“Notional Amount”** means, in respect of a Transaction, the Base Currency Equivalent of:
 - (i) if that Transaction is a Forex Spot Order or a Forward Contract, the amount of currency specified in the Order Confirmation Note for that Transaction that you are selling to us;
 - (ii) if that Transaction is a Currency Option that you have sold to us, the amount of currency specified in the Order Confirmation Note for that Transaction that you would be selling to us if that Currency Option were exercised; or
 - (iii) if that Transaction is a Currency Option that you have bought from us, zero.

- (p) **“Posted Collateral Balance”** means the Base Currency Equivalent of the aggregate of the amount standing to the credit of each Margin Account;
- (q) **“Specified Indebtedness”** means any obligation (whether present or future, contingent or otherwise, as principal or surety or otherwise) in respect of borrowed money;
- (r) **“Threshold Amount”** means an amount equal to 10% of your total shareholder’s equity (howsoever described) as specified from time to time in your most recently published audited financial statements;
- (s) **“Total Initial Margin Requirement”** has the meaning given to that term in Clause 5.4;
- (t) **“Total Margin Requirement”** has the meaning given to that term in Clause 4.1;
- (u) **“Total Variation Margin Requirement”** has the meaning given to that term in Clause 6.2;
- (v) **“Valuation Date”** means each Business Day;
- (w) **“Valuation Time”** means each time on a Valuation Date that we determine the Total Margin Requirement and the Posted Collateral Balance; and
- (x) **“Variation Margin Requirement”** has the meaning given to that term in Clause 6.2.

17.3 All references in this MCA to Clauses are to Clauses of this MCA, unless expressly specified otherwise.