



Registration of a Charge

Company name: **JEFFERIES INTERNATIONAL LIMITED**

Company number: **01978621**



X4D7B58Z

Received for Electronic Filing: **06/08/2015**

Details of Charge

Date of creation: **24/07/2015**

Charge code: **0197 8621 0019**

Persons entitled: **CREDIT SUISSE INTERNATIONAL**

Brief description: **NONE**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **ACTING FOR THE CHARGE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1978621

Charge code: 0197 8621 0019

The Registrar of Companies for England and Wales hereby certifies that a charge dated 24th July 2015 and created by JEFFERIES INTERNATIONAL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th August 2015 .

Given at Companies House, Cardiff on 10th August 2015

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



This Listed Derivatives Transactions Clearing Agreement (the "**Agreement**") is entered into between:

- (A) Credit Suisse International of One Cabot Square, London, E14 4QJ, England ("we", "us"); and
- (B) Jefferies International Limited (a company incorporated in England & Wales with company no: 01978621) whose registered office is situate at Vintners Place, 68 Upper Thames Street, London, EC4V 3BJ ("you")

IT IS HEREBY AGREED AS follows:

1. GENERAL

- 1.1 This Agreement sets out the basis on which we will provide services to you. This Agreement governs each Transaction entered into or outstanding between us on or after the execution of this Agreement. Subject to Applicable Regulations and this Agreement there shall be no restrictions on the Transactions in respect of which we may deal with you.
- 1.2 We act as principal and not as agent on your behalf. You act as principal and not as agent (or trustee) on behalf of someone else.

2. APPLICABLE REGULATIONS

- 2.1 **Subject to Applicable Regulations:** This Agreement and all Transactions are subject to Applicable Regulations. If there is any conflict between the provisions of this Agreement and any Applicable Regulations, the latter will prevail. We may take or omit to take any action we consider necessary to ensure compliance with any Applicable Regulations and whatever we do or fail to do in order to comply with them will be binding on you.
- 2.2 **Market action:** If a Market (or intermediate broker or agent, acting at the direction of, or as a result of action taken by, a Market) takes any action which affects a Transaction or becomes insolvent or is suspended from operating, then we may take any action which we, at our discretion, consider desirable to correspond with such action or to mitigate any loss incurred as a result of such action. Any such action shall be binding on you. If a Market or regulatory body makes an enquiry in respect of any of your Transactions, you agree to co-operate with us and to promptly supply information requested in connection with the enquiry and you agree we may share such information with regulatory bodies and/or Markets.

3. TRANSACTIONS

3.1 *Matching trades:*

- 3.1.1 In respect of every Transaction made between you and us subject to the Rules of a Market, we shall, unless otherwise agreed in relation to a particular Market, act as principal in any Transaction with you. We shall have made (or arranged to have made through an intermediate broker who may be an associate) on a principal-to-principal basis a matching Transaction on the relevant Market or shall accept the allocation to us of such a Transaction. If the relevant Market does not accept a Transaction for clearing, there shall be no Transaction between us and you and neither you nor we shall have any further rights or obligations in respect of that transaction.
- 3.1.2 In respect of a Transaction made between us and a Market pursuant to the Rules of such Market (a "**Market Transaction**") and arising from an agreement made by you through a broker, multilateral or other trading facility, counterparty or any other person, a matching Transaction on a principal-to-principal basis will become binding and conclusive on you and us immediately upon the Market Transaction coming into effect pursuant to the Rules of the Market, whether or not the details of the Transaction have previously been confirmed to us by you.

- 3.2 **Give Up:** In respect of every Transaction made between us and given up to be cleared by another broker or dealer as specified by you:
- if such broker or dealer accepts the give-up, we shall (without prejudice to any claim we may have for commission or other payment) upon such acceptance cease to be a party to the Transaction and shall have no obligation to you for its performance;
 - if such other broker or dealer declines to accept the give-up, we shall be entitled at our option either to confirm the Transaction with you or to terminate it or liquidate it by such sale, purchase, disposal or other transaction or cancellation as we may in our discretion determine, whether on the relevant Market or by private contract or any other feasible method (including taking it over ourselves or transferring it to an associate); and any balance resulting from such termination or liquidation shall be promptly settled between us but without prejudicing our rights under this Agreement or otherwise.
- 3.3 **Allocation on delivery or exercise:** Where the relevant Market or intermediate broker does not specify a particular transaction when making a delivery or exercising an option, we may allocate randomly or in a way which seems to us to be most equitable.
- 3.4 **Transaction given up to us for clearing:** Subject to the Rules of any relevant Market, this clause applies where there is a give-up agreement between you, us and a third party executing broker, and the reference number or mnemonic applicable to you is quoted by such executing broker when a Transaction is submitted to us for clearing. Notwithstanding any provision contained in the relevant give-up agreement, if we accept such Transaction for clearing, such Transaction shall be binding and conclusive on you immediately on its acceptance for clearing by us whether or not the details of such Transaction have previously been confirmed to us by you. We shall not be liable to you for any losses, costs, expenses or damages arising from any discrepancy between details in your instructions to such executing broker and details of Transactions submitted to us for clearing. Any dispute relating to a Transaction given up or attempted to be given up to us for clearing shall be determined under applicable arbitration rules of the relevant Market and where there are no such arbitration rules, then any such dispute shall be determined under such other dispute resolution rules of the relevant Market as applicable.
- 3.5 **Fees and Charges:** We may charge fees and other charges in the provision of services hereunder as notified in advance by us to you from time to time. We will follow regulatory requirements concerning any charges charged to you and in reporting Transaction charges to you.
- 3.6 **Fees paid to executing broker:** Subject to the Rules of any relevant Market, if a give-up agreement between you, us and a third party executing broker provides that the executing broker will invoice us directly for its commissions in relation to the execution of an order, then we shall be entitled to rely on the details specified in any invoice presented to us by such executing broker and, notwithstanding that the amounts specified in the invoice may be incorrect, you shall fully reimburse us for any sum paid to the executing broker in respect of that invoice. We shall have no liability to you for any losses, costs, expenses or damages incurred or suffered by you as a result of an incorrect amount being specified in an invoice.
- 3.7 **Exercise of options:** You understand that Markets have established exercise cut-off times for the tender of exercise instructions in relation to options and that options will become worthless in the event that you do not deliver instructions by such expiration time. You also acknowledge that we may establish exercise cut-off times which may be earlier than the exercise cut-off times established by the relevant Market. We will use reasonable efforts to notify you of any earlier cut-off times that we establish. Subject to clause 3.8, we may automatically exercise any "in the money" options for you, however, will not be under any obligation to do so and you shall have no claims against us arising out of the fact that an option was not exercised.
- 3.8 **Deemed exercise of options:** Where the Rules of any relevant Market provide that an option is exercised automatically under a back-to-back Transaction which has been entered into by us on your instructions, the corresponding Transaction to which you and we are both party will be deemed to have been automatically exercised at the same time.
- 3.9 **Correction of orders:** You understand that Markets may from time to time sanction the making of contracts by us off-exchange in order to satisfy your order, where there has been an error in the

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execution of your order on-exchange. Where a better price (an improvement) can be obtained, we will seek to secure and offer that improvement to you. Where, in response to your order, we have bought or sold in accordance with the instruction in your order to buy or, as the case may be, to sell but have traded the wrong delivery/expiry month or wrong exercise price of the relevant contract, then we may in accordance with the Rules of any relevant Market offset any loss arising from that trade against any improvement achieved for you in the course of correctly satisfying your order, thus offering you only the net improvement, if any.

- 3.10 Market intervention:** You understand that business on a market operated by a Market may from time to time be suspended or restricted or the market may from time to time be closed for a temporary period or for such longer period as may be determined in accordance with the rules of any relevant Market on the occurrence of one or more events which require such action to be taken in the interests of, maintaining a fair and orderly market. Any such action may result in our being unable, and through us, you being unable to enter into Transactions in accordance with the rules of the relevant Market. Furthermore we, and through us, you may from time to time be prevented from or hindered in entering into contracts in accordance with the rules of the relevant Market as a result of a failure of some or all market facilities. We shall have no liability to you for any losses, costs, expenses or damages incurred or suffered by you as a result of any of the circumstances or occurrences referred to above.
- 3.11** We shall, in accordance with clause 10.1, be entitled but not bound to act upon a request from you to carry out a Transaction or give effect to an instruction with respect to a Transaction, but may, without limitation to the foregoing, in our absolute discretion and at any time refuse to accept an order for a Transaction or refuse to enter into any Transaction provided that we shall not refuse to accept an order for a Transaction or refuse to enter into a Transaction that would fully off-set (or close-out) (or have the economic effect of fully off-setting or closing out) an existing Transaction between you and us. If we decline to carry out a Transaction we shall, subject to Applicable Regulations, promptly notify you but shall have no liability for any losses incurred by you by reason of any omission so to do.
- 3.12 Use of Agents:** We may employ agents (who may be our Affiliates) in connection with any services and Transactions (in whole or in part) pursuant to this Agreement on such terms as we think fit provided that we shall exercise due skill, care and diligence in the selection, appointment and monitoring of such agents.
- 3.13 Transfer of positions:** You may at any time request the transfer of any of your Transactions to another clearing broker and provided that no Event of Default or Potential Event of Default in respect of you has occurred and is continuing and that the transfer will not cause any Event of Default or Potential Event of Default in respect of you to occur, we will upon your request take such actions as are reasonably required and in accordance with Applicable Regulations in order to facilitate any such requested transfer.

4. NO ADVICE

- 4.1 Execution only:** We deal on an execution-only basis and do not advise on the merits of particular Transactions, or their taxation consequences.
- 4.2 Own judgement and suitability:** In asking us to enter into any Transaction, you represent that you have been solely responsible for making your own independent appraisal and investigations into the risks of the Transaction. You represent that you have sufficient knowledge, market sophistication, professional advice and experience to make your own evaluation of the merits and risks of any Transaction. We give you no warranty as to the suitability of the products traded under this Agreement and assume no fiduciary duty in our relations with you.

5. MARGINING ARRANGEMENTS

- 5.1.1 Margin call:** You agree to pay us on demand such sums by way of Margin (i) as are required from time to time under the Rules of any relevant Market (if applicable) ("the Market Requirement") and (ii) such additional margin as we may in our discretion reasonably require for the purpose of protecting ourselves against loss or risk of loss on present, future or contemplated Transactions

under this Agreement (provided that the Margin required by us under this clause 5.1 in respect of a Transaction will not exceed an amount equal to 200% of the Market Requirement).

- 5.1.2 Return of Excess Margin:** Upon us determining that the total amount of Margin is in excess of our requirements under clause 5.1, we may, on request from you, transfer Equivalent Collateral and/or release cash to you in an amount equal to that excess.
- 5.2 Form of Margin:** Margin shall be provided by or on behalf of you in cash or Collateral acceptable to us as determined by us in our absolute discretion and shall be held pursuant to the security provided by you pursuant to clause 5.4 below. The value of any Collateral and the proportion of that value to be taken into account as Margin shall be determined by us in our absolute discretion.
- 5.3 Set-off upon default or termination:** If there is an Event of Default, or if this Agreement terminates, we may set off the balance of any Margin held by us against your obligations (as reasonably valued by us) to us. The net amount, if any, payable between us following such set-off shall take into account the Liquidation Amount payable under clause 8 below.
- 5.4 Security interest:** As a continuing security for the performance of all your obligations (whether actual or contingent, present or future) to us under or pursuant to this Agreement ("**Secured Obligations**") you grant to us, with full title guarantee, a first fixed security interest in all Margin now or in the future provided by you to us pursuant to this Agreement or to our order or under our direction or control or that of a Market or otherwise standing to the credit of your account under this Agreement or otherwise held by us or our Affiliates or our nominees on your behalf pursuant to this Agreement.
- 5.5 Further assurance:** You agree to execute such further documents and to take such further steps as we may reasonably require to perfect our security interest over, be registered as owner of or obtain legal title to the Margin, secure further the Secured Obligations, enable us to exercise our rights or to satisfy any market requirement. [In addition you acknowledge that we may file or register details of the security interest under this Agreement in appropriate jurisdictions to evidence and to establish and maintain the perfection and first priority of the security interest under this Agreement.
- 5.6 Substitution:** You may not withdraw or substitute any property subject to our security interest without our consent.
- 5.7 Negative pledge:** You undertake neither to create nor to have outstanding any security interest whatsoever over, nor to agree to assign or transfer, any of the Margin transferred to us, except a lien routinely imposed on all securities in a clearing system in which such securities may be held.
- 5.8 Power to charge:** You agree that we may, free of any adverse interest of yours or any other person, grant a security interest over Margin provided by you to cover any of our obligations to an intermediate broker or Market including obligations owed by virtue of the positions held by us or other of our clients.
- 5.9 Power of sale:** If an Event of Default occurs, we may exercise the power to sell all or any part of the Margin. The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Agreement or to any exercise by us of our rights to consolidate mortgages or our power of sale. We shall be entitled to apply the proceeds of sale or other disposal in paying the costs of such sale or other disposal and in or towards satisfaction of the Secured Obligations.
- 5.10 General lien:** In addition and without prejudice to any rights to which we may be entitled under this Agreement or any Applicable Regulations, we shall have a general lien on all property provided as Margin under this Agreement held by us or our nominees on your behalf until the satisfaction of the Secured Obligations.
- 5.11 Right to use:** You hereby authorise us at any time to borrow, lend or otherwise use for our own purposes any Collateral without giving notice of such use to you. We may retain for our own account all fees, profits and other benefits received in connection with any such use. Upon such use any Collateral will become our absolute property (or that of any transferee) and you will

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thereupon have a right against us for return of Collateral of an identical type, nominal value, description and amount ("Equivalent Collateral"). Equivalent Collateral will be returned to you by causing it to be transferred or designated to your account(s) charged to us where Collateral was held prior to its use, or to such other of your accounts charged to us as we and you shall agree and shall upon transfer or designation to your accounts(s) become subject to all the provisions of this Agreement. If an Event of Default occurs, instead of delivering Equivalent Collateral to you, we may pay you the fair market value of any such Equivalent Collateral in accordance with sub-clause 8.1. Unless, otherwise notified to you, where we accept Collateral from you, we shall exercise our right of use in relation to such Collateral pursuant to clause 5.11 and we will do so upon receipt of such Collateral from you

5.12 Client Money

5.12.1 We treat money received from you or held by us on your behalf in accordance with the FCA Client Money Rules.

5.12.2 Deposit with approved banks and passing money to other third parties: Subject to the following provisions, we will deposit money received from you with an approved bank. Subject to the FCA Client Money Rules we may also allow a third party (for example, a market, intermediate broker, or clearing house) to hold or control client money in order to effect one or more Transaction through or with that person or to satisfy your obligation to provide Margin in respect of a Transaction. We have no responsibility for any acts or omissions of any third party to whom we pass money received from you where we have done so in a manner permitted by the FCA Client Money Rules. The third party to whom we pass money may hold it in an omnibus account but not in an account in which our own money is held. You agree and acknowledge that where we allow a third party to hold client money, this may involve a transfer of full ownership of the money to that third party, in which case you will no longer have a proprietary claim to such money and the transferee may deal with it in its own right. In the event of the insolvency or any other analogous proceedings in relation to that third party, we may only have an unsecured claim against the third party on behalf of you and our other clients, and you may 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.

5.12.3 Overseas banks, intermediate broker or settlement agent: Subject always to the FCA Client Money Rules, we may hold client money on your behalf outside the EEA. The legal and regulatory regime applying to any such bank or person will be different from that of the United Kingdom and in the event of the insolvency or any other analogous proceedings in relation to that bank or person, your money may be treated differently from the treatment which would apply if the money was held with a bank in an account in the United Kingdom. We will not be liable for the insolvency, acts or omissions of any third party referred to in this sub-clause.

5.12.4 Right of application of client money: Where any obligations owing to us from you are due and payable to us, we may cease to treat as client money so much of the money held on your behalf as equals the amount of those obligations in accordance with the FCA Client Money Rules. You agree that we may apply that money in or towards satisfaction of all or part of those obligations due and payable to us. For the purposes of these client money terms, any such obligations other than fees and commissions become immediately due and payable, without notice or demand by us, when incurred by you or on your behalf.

5.12.5 We shall pay you interest on any positive cash balances held with us in your account(s) (or in the case of any negative interest rate, deduct interest therefrom) at such rates as notified to you from time to time.

5.12.6 Interest (if any) which is received by us in respect of your cash held by us in accordance with the Client Money Rules shall be credited to your account(s) and, for the avoidance of doubt, no deductions other than those referred to in clause 3.5 (Fees and Charges) shall be made by us in respect of such interest.

5.13 *Deemed Substitution:* Notwithstanding any other provision of this Agreement, in the event that a Market or broker returns Collateral to us in respect of Market Transactions of a type different to

the Collateral provided by you to us in respect of the related Transactions (including, for the avoidance of doubt, where the composition of such Collateral is different), then Collateral substitution shall be deemed to have occurred. In such circumstance, the parties agree that with effect from such time, the relevant Collateral originally provided by you to us ("**Original Margin**") will be deemed for all purposes to comprise such amount and type of the substituted Collateral provided by the Market or broker as determined by us as having an equivalent value to such Original Margin. For the purposes of this clause 5.13 only, references to "Collateral" may also include cash.

6 CUSTODY OF COLLATERAL

- 6.1 This clause shall apply to all Collateral transferred by you to, and held by us.
- 6.2 We shall hold all Collateral as custodian in custody in accordance with the Rules of the FCA from time to time in force. The Collateral will be identified and recorded separately from any of our own assets, and we shall establish an account or accounts (each an "**Account**") for such purpose, the title of which will make it clear that the Collateral credited to that Account are Collateral and as such are held for the benefit of you (subject to the security interest granted to us in clause 5.4 above).
- 6.3 We may in our discretion refuse to accept a delivery of any Collateral.
- 6.4 We intend to pool Collateral and shall be entitled to treat it as fungible with assets of the same description of other customers. One of the results of such pooling is that in the course of settlement, Collateral may be used by us for the account of other customers. We may at any time allocate Equivalent Collateral to you and we shall not be bound to return the original Collateral transferred to us, but may return Equivalent Collateral.
- 6.5 We may hold the Collateral in registrable form in the name of a nominee controlled by us, or a nominee which is controlled by a recognised or designated investment exchange, or an eligible custodian, or in the name of an Affiliate of ours, or in your name, or in the name of any other person in accordance with your written instructions.
- 6.6 Collateral will, where appropriate, be held overseas. There may be different settlement, legal and regulatory requirements in overseas jurisdictions from those applying in the United Kingdom together with different practices for the separate identification of Collateral. Where due to the nature of the law or market practice of an overseas jurisdiction, we consider it to be in your best interests to do so, or it is not feasible to do otherwise, we may hold Collateral in our name or that of an eligible custodian. Collateral which is held in our name may not be segregated from our own investments and, in the event of our default may not be as well protected from claims made on behalf of any general creditors.
- 6.7 Where you instruct us in relation to the holding, registration or recording of any Collateral, you acknowledge that the consequences of so doing are at your own risk.
- 6.8 We may at any time or times delegate to any person(s) all or any of our rights, powers and discretions under this clause 6, and may employ custodians, sub-custodians, nominees and securities depositaries (each a "**Sub-Custodian**") on such terms (including the power to sub-delegate) as we see fit. We will exercise due skill, care and diligence in (i) the selection and appointment of each Sub-Custodian, and (ii) carrying out appropriate (as determined by us) periodic reviews of each Sub-Custodian and their arrangements for providing sub-custodial services on an ongoing basis.

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- 6.9 We may hold Collateral with a Sub-Custodian which is in our group (as defined in the FCA Rules). We will be responsible and liable for the solvency, acts or omissions of any Sub-Custodian who is an Affiliate, or nominee company controlled by us or a nominee company controlled by an Affiliate of us. We will not be responsible or liable for the solvency, acts or omissions of any Sub-Custodian who is not an Affiliate of, or nominee company controlled by us, save to the extent that any loss arises directly from our negligence in the selection, appointment and periodic review of any such Sub-Custodian.

7 REPRESENTATIONS, WARRANTIES AND COVENANTS

- 7.1 **Representations and warranties:** You represent and warrant to us on the date this Agreement comes into effect and as of the date of each Transaction that:-
- (a) you have all necessary authority, powers, consents, licences and authorisations and have taken all necessary action to enable you lawfully to enter into and perform this Agreement and such Transaction and to grant the security interests and powers referred to in this Agreement;
 - (b) the persons entering into this Agreement and each Transaction on your behalf have been duly authorised to do so;
 - (c) this Agreement, each Transaction and the obligations created under them both are binding upon you and enforceable against you in accordance with their terms (subject to applicable principles of equity) and do not and will not violate the terms of any regulation, order, charge or agreement by which you are bound;
 - (d) no Event of Default has occurred and is continuing with respect to you; you act as principal and sole beneficial owner (but not as trustee) in entering into this Agreement and each Transaction;
 - (e) any information which you provide or have provided to us in respect of your financial position or other matters is accurate and not misleading in any material respect (including without limitation information furnished in connection with the OCR Rules);
 - (f) you are willing and financially able to sustain a total loss of funds resulting from Transactions;
 - (g) except as otherwise agreed by us, you are the sole beneficial owner of all margin you transfer under this Agreement free and clear of any security interest whatsoever other than a lien routinely imposed on all securities in a clearing system in which such securities may be held;
 - (h) you may lawfully establish and open account(s) with us under this Agreement for the purpose of effecting purchases and/or sales of Transactions through us;
 - (i) you have determined that trading in Transactions is appropriate for you, and any Transactions will not violate Applicable Regulations to which you are subject or any agreement to which you are subject or a party;
 - (j) you have entered into all necessary agreements and are in compliance with all Applicable Regulations in respect of any and all Transactions contemplated by this Agreement including, without limitation, all laws and regulations applicable to pension plans, investment companies, commodity pools or other forms of collective investment vehicles;
 - (k) your assets shall not contain (i) plan assets subject to the provisions of Title I, Subtitle B, Part 4 of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA") or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), (ii) assets of a governmental plan or other plan subject to restrictions similar or analogous to those contained in the foregoing provisions of ERISA or the Code or (iii) assets subject to restrictions that would otherwise be violated by the transactions and investments conducted by you under this Agreement;
 - (l) you are not incorporated or located in the U.S., you do not have your principal place of business in the U.S.;
 - (m) in connection with any swap transactions under this Agreement, you do not fall within any of the U.S. Person Categories under the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, 78 Fed. Reg. 45292 (July 26, 2013), as amended or supplemented by the CFTC from time to time (the "Interpretive Guidance"), and you would not otherwise be deemed to be a "U.S. person" under the Interpretive Guidance; or
 - (n) in connection with listed equity option contracts transacted under this Agreement, your account(s) is/are not managed on a discretionary or similar basis by a U.S. resident professional fiduciary, including, without limitation, a U.S. investment manager or U.S. advisor, whether registered or unregistered in the U.S. under the Investment Advisers Act of 1940, as amended;
 - (o) you are an "eligible contract participant" as such term is defined in the U.S. Commodity Exchange Act, as amended;
 - (p) (i) you are a non-US branch of a foreign person" (as that term is used in Section 1.1441-4(a)(3)(ii) of the United States Treasury Regulations) for U.S. federal income tax purposes and (ii) you are a

"foreign person" (as that term is used in Section 1.6041-4(a)(4) of the United States Treasury Regulations) for U.S. federal income tax purposes;

- (g) you will promptly notify us of any changes to sub-clauses (k) to (p) above.

7.2 Covenants: You covenant to us that:

- (a) you will at all times obtain and comply, and do all that is necessary to maintain in full force and effect, all authority, powers, consents, licences and authorisations referred to in clause 7.1(a);
- (b) you will promptly notify us of the occurrence of any Event of Default or any event which may become (with the passage of time, the giving of notice, the making of any determination or any combination of the above) an Event of Default (a "**Potential Event of Default**") with respect to yourself;
- (c) you will use all reasonable steps to comply with all Applicable Regulations in relation to this Agreement and any Transaction, so far as they are applicable to you or us;
- (d) upon demand, you will provide us with such information as we may reasonably require to evidence the matters referred to in this clause or to comply with any Applicable Regulations.

7.3 OCR Rules: you represent, warrant and agree that:

- (a) you have provided all information and consents required under Applicable Regulations in connection with account ownership and control reporting obligations under the OCR Rules, including without limitation by creating a client profile and providing necessary information through the FIA Portal, and such information is true and accurate in all material respects;
- (b) you shall timely update all information provided in connection with the OCR Rules, including by confirming or updating its information through the FIA Portal as required under Applicable Regulations, which also requires the confirmation of such information on an annual basis; and
- (c) you shall promptly provide all information reasonably requested by us (or our Affiliates) in order to ensure compliance with the OCR Rules; and
- (d) you acknowledge that you must comply with this clause 7.3 in order to establish, maintain and conduct Transactions in the account held with us.

8 DEFAULT, NETTING AND TERMINATION

8.1 Default: On an Event of Default or at any time after we have determined, in our absolute discretion, that you have not performed (or may not be able or willing in the future to perform) any of your obligations to us, we shall be entitled without prior notice to you:

- (i) instead of returning to you investments equivalent to those credited to your account, to pay to you the fair market value of such investments at the time we exercise such right, and/or
- (ii) to sell such of your investments as are in our possession or in the possession of any nominee or third party appointed under or pursuant to this Agreement, in each case as we may in our absolute discretion select or and upon such terms as we may in our absolute discretion think fit (without being responsible for any loss or diminution in price) in order to realise funds sufficient to cover any amount due by you hereunder, and/or
- (iii) to close out, replace or reverse any Transaction, buy, sell, borrow or lend or enter into any other Transaction or take, or refrain from taking, such other action at such time or times and in such manner as, at our sole discretion, we consider necessary or appropriate to cover, reduce or eliminate our loss or liability under or in respect of any of your contracts, positions or commitments; and/or
- (iv) to treat any or all instructions received from you that we have not yet effected, as having been repudiated by you, in which event our obligations under such instruction or instructions shall thereupon be canceled and terminated; and/or
- (v) terminate this Agreement immediately.

8.2 Netting.

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8.2.1 Liquidation Date: Subject to the following sub-clause, at any time following the occurrence of an Event of Default, we may, by notice to you, specify a date (the "Liquidation Date") for the termination and liquidation of Transactions in accordance with this clause.

8.2.2 Calculation of Liquidation Amount: Upon the occurrence of a Liquidation Date:

- (i) Neither party shall be obliged to make any further payments or deliveries under any Netting Transactions which would, but for this clause, have fallen due for performance on or after the Liquidation Date and such obligations shall be satisfied by settlement (whether by payment, set off or otherwise) of the Liquidation Amount;
- (ii) We shall (on, or as soon as reasonably practicable after, the Liquidation Date) determine (discounting if appropriate), in respect of each Netting Transaction referred to in clause 8.2.2(i), the total cost, loss or, as the case may be, gain, in each case expressed in the Base Currency (and if appropriate, including any loss of bargain, cost of funding or, without duplication, cost, loss or, as the case may be, gain, as a result of the termination, liquidation, obtaining, performing or re-establishing of any hedge or related trading position) as a result of the termination, pursuant to this Agreement, of each payment or delivery which would otherwise have been required to have been made under such Netting Transaction (assuming satisfaction of each applicable condition precedent and having due regard, if appropriate, to such market quotations published on, or official settlement prices set by, the relevant Market as may be available on, or immediately preceding, the date of calculation).
- (iii) We shall treat each cost or loss to us, as determined above, as a positive amount and each such gain by us, so determined, as a negative amount, and aggregate all of such amounts to produce a single, net positive or negative amount, denominated in the Base Currency (the "Liquidation Amount").
- (iv) If the Liquidation Amount determined pursuant to this clause is a positive amount, you shall pay it to us and if it is a negative amount, we shall pay it to you. We shall notify you of the Liquidation Amount, and by whom it is payable, immediately after the calculation of such amount; and
- (v) The Liquidation Amount shall be paid in the Base Currency by close of business on the Business Day following the completion of the termination and liquidation under this clause (and provided always that any balance due from us to you shall be subject to the security granted to us in clause 5.4 above and any other security interest, pledge or lien granted by you to us under any other agreement) or, if payable by you to us, by close of business on the Business Day following us having notified you of the Liquidation Amount. Any Liquidation Amount not paid on the due date shall bear interest at a rate reasonably determined by us.

8.2.3 CS Event. Upon the occurrence and continuation of a CS Event, you shall be entitled, upon five (5) Business Days' prior written notice to us, to designate a date (the "Mandatory Liquidation Date") for the termination and liquidation of Transactions in accordance with this clause 8.2 *provided that* such Mandatory Liquidation Date shall be no earlier than the effective date of the written notice provided by us to you specifying such Mandatory Liquidation Date. .

Subject at all times to Applicable Regulations, upon the occurrence of a Mandatory Liquidation Date: (1) for the purposes of clause 8.2, the Mandatory Liquidation Date shall be deemed to be a "Liquidation Date"; (2) the terms of clause 8.2.2 shall apply in respect of such Mandatory Liquidation Date; and (3) we shall be entitled to exercise our rights under clause 8.1 (iii)-(iv) and (v) inclusive.

8.2.4 Single Agreement. This Agreement, the particular terms applicable to each Netting Transaction and all amendment to any of them shall together constitute a single agreement between us.

8.4 Termination without Default.

Unless required by Applicable Regulations either party may terminate this Agreement (and the relationship between us) by giving thirty (30) Business Days' written notice of termination on the other. Within said (30) Business Days' notice period, you shall liquidate or close-out any open Transactions or transfer any existing Transactions in your account with us to another clearing broker and shall pay all amounts in connection therewith whereupon this Agreement shall terminate. We may terminate this Agreement immediately if you fail to observe or perform any provision of this Agreement.

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Upon terminating this Agreement, all amounts payable by you to us will become immediately due and payable including (but without limitation):

- (a) all outstanding fees, charges and commissions; and
- (b) any dealing expenses incurred by terminating this Agreement; and
- (c) any losses and expenses realised in closing out any transactions or settling or concluding outstanding obligations incurred by us on your behalf.

- 8.5 **Existing rights:** Termination shall not affect then outstanding rights and obligations which shall continue to be governed by this Agreement and the particular terms agreed between us in relation to any Transactions until all obligations have been fully performed.

9 EXCLUSIONS AND INDEMNITY

- 9.1 **General exclusion:** Neither we nor our directors, officers, employees or agents shall be liable for any direct or indirect losses, damages, costs or expenses incurred or suffered by you under this Agreement (including any Transaction or where we have declined to enter into a proposed Transaction) unless such loss is a reasonably foreseeable consequence and arises directly from our or their respective gross negligence, wilful default or fraud. In no circumstances shall we have any liability for consequential or special damage, loss of profits, loss of goodwill or loss of business opportunity arising under or in connection with this Agreement whether arising out of negligence, breach of contract, misrepresentation or otherwise.

- 9.2 **Indemnity:** You shall pay to us such sums as we may from time to time require in or towards satisfaction of any debit balance on any of your accounts with us and, on a full indemnity basis, any losses, liabilities, costs or expenses (including legal fees), taxes, imposts and levies which we may incur or be subjected to with respect to any of your accounts or any Transaction or any matching Transaction on an Market or with an intermediate broker or as a result of any misrepresentation by you or any violation by you of your obligations under this Agreement (including any Transaction) or by the enforcement of our rights.

- 9.3 **Claims from your customers:** To the extent you have entered orders for the account of your customers, you shall on demand indemnify, protect and hold us harmless from and against all losses, liabilities, judgments, suits, actions, proceedings, claims, damages and costs resulting from or arising out of claims raised by your customers. This clause shall not be affected by the termination of this Agreement.

- 9.4 **Limitation of Liability.** We shall not be liable to you for any partial or non-performance of our obligations hereunder by reason of any cause beyond our reasonable control, including without limitation any breakdown, delay, malfunction or failure of transmission, communication or computer facilities, industrial action, act of terrorism, act of God, acts and regulations of any governmental or supra national bodies or authorities or the failure by the relevant intermediate broker or agent, agent or principal of our custodian, sub-custodian, dealer, exchange, clearing house or regulatory or self-regulatory organisation, for any reason, to perform its obligations. Nothing in this Agreement will exclude or restrict any duty or liability we may have to you under the regulatory system (as defined in the FCA's Rules), which may not be excluded or restricted thereunder.

10 MISCELLANEOUS

- 10.1 We may rely and act on any instruction, request or demand (whether received in written form, facsimile, telephone, email or other electronic form) which we reasonably believe to be from or authorised by you.

- 10.2 **Set-off.** 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 you to us against any amount (whether actual or contingent, present or future) owed by us to you. For these purposes, we may ascribe a commercially reasonable value to any amount which is contingent or which for any other reason is unascertained.

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- 10.3** No failure by either party to exercise or delay by such party in exercising any right, power or privilege hereunder shall operate as a waiver thereof or prejudice any other or further exercise by such party of any of our rights or remedies hereunder. The rights and remedies herein are cumulative and not exclusive of any right or remedies provided by law.
- 10.4** **Notices.** Any notice to be given by a party shall be effective if sent to the other party at the address, facsimile number or email address set out in the Individually Agreed Terms Schedule (or such other address details as a party notifies to the other in writing) or if no such address has been specified, the principal or registered address of that party.
- 10.5** This Agreement (save as expressly provided otherwise herein) represents the entire terms on which we will provide to you the services set out in this Agreement. The invalidity of any provision in this Agreement shall not affect the validity of any other provision.
- 10.6** No person other than you and us shall have any right under the Contract (Rights of Third Parties) Act 1999 to enforce this Agreement or any of its terms.
- 10.7** This Agreement, all Transactions and any non-contractual obligations arising out of or in relation to this Agreement and/or any Transaction shall be construed in accordance with and governed by English law. Each party irrevocably agrees that the courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of this Agreement and/or all Transactions and/or any non-contractual obligations arising out of or in relation to this Agreement and/or any Transaction and that accordingly any proceedings arising out of this Agreement and/or Transactions and/or any non-contractual obligations arising out of or in relation to this Agreement and/or any Transaction are to be brought in such courts. Each party irrevocably submits to the jurisdiction of such courts and waives any objection to proceedings in any such court on the grounds of venue or on the grounds that the proceedings have been brought in an inconvenient forum. Your submission is made for the benefit of us and shall not limit our right to take proceedings in any other court of competent jurisdiction nor shall the taking of proceedings by us in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction whether concurrently or not.
- 10.8** You appoint the person identified as your process agent in the Individually Agreed Terms Schedule of this Agreement as your agent to receive on your behalf service of process in the English courts. If such process agent ceases to be your agent, you will promptly appoint and notify us of a new process agent in England.
- 10.9** We may by thirty days' prior written notice to you, transfer all or any part of our rights and obligations under this Agreement to any Affiliate by delivering to you written notice of transfer specifying the Affiliate to which any such transfer is to be made and the date of transfer. On delivery of a transfer notice to you, and to the extent set out in any such transfer notice, we and you shall be released from all obligations to each other and the Affiliate specified in the transfer notice and you shall assume all the rights and obligations to each other under this Agreement as were previously owed to or by us.
- 10.10** This Agreement may be executed and delivered in counterparts, each of which will be deemed an original.

11 DEFINITIONS**11.1** In this Agreement:

"Affiliate" means any entity controlled by us (directly or indirectly), any entity that controls us (directly or indirectly), or any entity under common control with us (directly or indirectly). For this purpose, "control" of an entity means ownership of a majority of the voting power of the entity;

"Applicable Regulations" means:

- (i) FCA's Rules or any other rules of a relevant regulatory authority (including, without limitation, the Prudential Regulation Authority or its successor entity);

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- (ii) the Rules of the relevant Market; and
- (iii) all other applicable laws, rules and regulations as in force from time to time;

"Base Currency" means United States Dollars;

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for business in London;

"Client Money Rules" means the provisions of set out in Chapter 7 of the FCA's Client Asset's Sourcebook relating to client money (as amended, replaced and/or supplemented from time to time);

"Collateral" means any securities, financial instruments or other property other than cash.

"CS Event" means if at any time:

- (a) we commence a voluntary case or other procedure seeking or proposing liquidation, reorganisation, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to us or our debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any corporate or other law with potential application to us, if insolvent), or seeking the appointment of a trustee, receiver, liquidator, conservator, administrator, custodian, examiner or other similar official (each a "Custodian") of us or any substantial part of our assets;
- (b) an involuntary case or other procedure is commenced against us seeking or proposing liquidation, reorganisation, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to us or our debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any corporate or other law with potential application to us, if insolvent) or seeking the appointment of a Custodian of us or any substantial part of our assets;
- (c) we are unable to pay our debts as they fall due or are bankrupt or insolvent, as defined under any bankruptcy or insolvency law applicable to us;

"Currency" shall be construed so as to include any unit of account;

"EEA" means the European Economic Area;

"Event of Default" means if at any time:

- (a) you fail to make any payment when due under or to make or take delivery of any property when due under, or to observe or perform any other provision of this Agreement;
- (b) you commence a voluntary case or other procedure seeking or proposing liquidation, reorganisation, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to you or your debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any corporate or other law with potential application to you, if insolvent), or seeking the appointment of a trustee, receiver, liquidator, conservator, administrator, custodian, examiner or other similar official (each a "Custodian") of you or any substantial part of your assets; or if you take any corporate action to authorise any of the foregoing; and, in the case of a reorganisation, arrangement or composition, we do not consent to the proposals;
- (c) an involuntary case or other procedure is commenced against you seeking or proposing liquidation, reorganisation, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to you or your debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any corporate or other law with potential application to you, if insolvent) or seeking the appointment of a Custodian of you or any substantial part of your assets;
- (d) you are unable to pay your debts as they fall due or are bankrupt or insolvent, as defined under any bankruptcy or insolvency law applicable to you;
- (e) any indebtedness of yours in an amount greater than the Threshold Amount is not paid on the due date therefore or becomes, or becomes capable at any time of being declared, due and payable under agreements or instruments evidencing such indebtedness before it would otherwise have been due and payable, or any suit, action or other proceedings relating to this Agreement are commenced for any execution, any attachment or garnishment, or distress against, or an encumbrancer takes possession of, the whole or any part of your property, undertaking or assets (tangible and intangible);

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- (f) you are dissolved, or, if your capacity or existence is dependent upon a record in a formal register, the registration is removed or ends, or any procedure is commenced seeking or proposing your dissolution, removal from such a register, or the ending of such a registration;
- (g) you (or any Custodian acting on behalf of either of you or a Credit Support Provider) disaffirm, disclaim or repudiate any obligation under this Agreement or any guarantee, hypothecation agreement, margin or security agreement or document containing an obligation of a third party ("Credit Support Provider"), or of you, in favour of us supporting any of your obligations under this Agreement (individually a "Credit Support Document");
- (h) any representation or warranty made or given or deemed made or given by you under this Agreement or any Credit Support Document proves to have been false or misleading in any material respect as at the time it was made or given or deemed made or given;
- (i) any Credit Support Document expires or ceases to be in full force and effect prior to the satisfaction of all your obligations under this Agreement, unless otherwise agreed in writing by us; or
- (j) any event of default (however described in the relevant agreement) occurs in respect of you under any other agreement between us;

"FCA" means The Financial Conduct Authority of the United Kingdom or any successor entity;

"FIA Portal" means the FIA Technology Services Inc. website at <http://www.fia-tech.com>;

"FSMA" the Financial Services and Markets Act 2000 (as amended, replaced and/or supplemented from time to time);

"Margin" means cash or Collateral as more fully set out in clause 5.2;

"MiFID" means the Markets in Financial Instruments Directive 2004/39/EC (as amended, replaced and/or supplemented from time to time);

"MiFID Business" means Investment and ancillary services and activities as listed in Section A and B of Annex 1 to MiFID;

"Market" means any regulated market, exchange, multilateral or other trading facility, clearing house or central clearing counterparty;

"Mandatory Liquidation Date" has the meaning given in clause 8.3.

"Netting Transaction" means a Transaction which is intended to be subject to the clause entitled "Netting" and which on the occurrence of an Event of Default is either or (i) an "open" Transaction with (or with the potential to create) obligations and liabilities between us and you, (ii) a "closed" Transaction but only in respect of, and to the extent that, settlement of any and all obligations and liabilities between you and us is still outstanding;

"OCR Rules" means the rules set out in Parts 15, 17, 18 and 20 of the CFTC Regulations (as amended, replaced and/or supplemented from time to time);

"Regulated Business" shall have the meaning given to "regulated activities" in the FSMA including MiFID Business;

"Rules" means articles, rules, regulations, agreements, trading protocols, procedures and customs, as in force from time to time with respect to any Market on which Transactions are traded or cleared;

"Threshold Amount" means the lesser of three percent (3%) of the members' equity of Jefferies Group, LLC as shown in the most recent audited financial statements of Jefferies Group, LLC, or USD10,000,000 (including the United States Dollar equivalent of obligations stated in any other currency or currency unit); and

"Transaction" means:

- (i) a contract made on a Market or pursuant to the Rules of a Market;
- (ii) a contract which is subject to the Rules of a Market; or

- (iii) a contract which would (but for its term to maturity only) be a contract made on, or subject to the Rules of a Market and which, at the appropriate time, is to be submitted for clearing as a contract made on, or subject to the Rules of a Market;

in any of cases (i), (ii) and (iii) being a future, option, contract for differences, spot or forward contract of any kind in relation to any commodity, metal, financial instrument (including any security), Currency, interest rate, index or any combination thereof;

- (iv) a transaction which is matched with any transaction within paragraph (i), (ii) or (iii) of this definition;
- (v) any other transaction which we both agree shall be a Transaction.

11.2 General interpretation: A reference in this Agreement to a "clause" or "Schedule" shall be construed as a reference to, respectively, a clause or Schedule of this Agreement, unless the context requires otherwise. References in this Agreement to any statute or statutory instrument or Applicable Regulations include any modification, amendment, extension or re-enactment thereof. A reference in this Agreement to "document" shall be construed to include any electronic document. The masculine includes the feminine and the neuter and the singular includes the plural and vice versa as the context admits or requires. Words and phrases defined in the FCA's Rules have the same meaning in this Agreement unless expressly defined in this Agreement.

11.3 Schedules: The clauses contained in Schedule(s) including the Individually Agreed Terms Schedule and Applicable Schedules (as amended from time to time) shall apply. We may from time to time send to you further schedules in respect of Markets or Transactions. In the event of any conflict between the clauses of any Schedule and this Agreement, the clauses of the Schedule shall prevail. The fact that a clause is specifically included in a Schedule in respect of one Market or Transaction shall not preclude a similar clause being expressed or implied in relation to any other Market or Transaction.

11.4 Headings: Headings are for ease of reference only and do not form part of this Agreement.

Individually Agreed Terms Schedule**Address for Notices and Service of Process**

Our respective details for notices are as follows:
Credit Suisse International
One Cabot Square,
London, E14 4QJ
England
Telephone No : +44 20 7888 8888
Contact Name: Legal and Compliance Department

Customer's details for Notices:

Jefferies International Limited
Vintners Place
63 Upper Thames Street
London
EC4V 3BJ

Attention: Legal Counsel – Sales and Trading
Telephone: +44 (0) 207 029 8795
Email: London_Legal@jefferies.com

Customer's Process Agent details: Not applicable

Customer's OCR number: OCRI3339


Applicable Schedules

The LME Schedule (Guide to the Structure and Market Terminology of the London Metal Exchange), ICE Futures Europe – Disclosures, Notice to Clients Regarding Hong Kong Position Limit and Large Open Position Rules and Disclosures, Risk Disclosure Statement for Futures and Options and CME Clearing Europe Limited Notice to Clearing Members' Clients attached to this Agreement and the Options Clearing Corporation "Characteristics and Risks of Standardized Options" disclosure document (accessible at: <http://www.optionsclearing.com/components/docs/riskstoc.pdf>) shall form Schedules to this Agreement.

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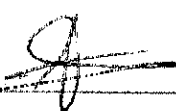
CONFIDENTIAL

Signed for and on behalf of **JEFFERIES INTERNATIONAL LIMITED:**

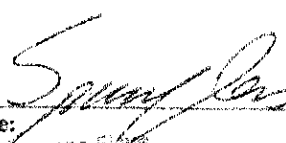

Date: 23/07/15

Date: _____

Signed for and on behalf of **CREDIT SUISSE INTERNATIONAL:**


Date: 24 July 2015

Angela Chung
Authorised Signatory


Date: _____
Suzanne Flett
Vice President