



Regulation Safeguarding Payment Funds Foundation

The Dutch version will prevail whenever there is a divergent interpretation between the English and Dutch texts.

Franx B.V.
Hogehilweg 5L
1101 CA Amsterdam
088-440 5500
service@franx.com





1. General

1.1 In this Regulation Safeguarding Payment Funds Foundation the following definitions are used:

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| “AFM” | Dutch Authority for the Financial Markets |
| “Bank account Safeguarding Payment Funds Foundation” | A bank account held for the Clients at a credit institution in the name of Safeguarding Payment Funds Foundation |
| “Safeguarding Account” | An administrative account in the Client's name on which a monetary claim against the Safeguarding Payment Funds Foundation is administered |
| “DNB” | Dutch Central Bank |

1.2 Insofar as not otherwise defined in this Regulation Safeguarding Payment Funds Foundation, terms that are written with a capital letter in this Regulation Safeguarding Payment Funds Foundation have the same meaning as set forth in the General Terms and Conditions.

1.3 This Regulation Safeguarding Payment Funds Foundation must be read in conjunction with the General Terms and Conditions and the Base Agreement. This Regulation Safeguarding Payment Funds Foundation is part of the legal relationship between yourself, Franx and Safeguarding Payment Funds Foundation.

2. Safeguarding Account

2.1 As soon as Franx opens a Franx-payment account for the Client, Safeguarding Payment Funds Foundation opens a Safeguarding Account in which the Clients can receive monetary claims from Safeguarding Payment Funds Foundation. The claims administered in the Safeguarding Account are obligations of Safeguarding Payment Funds Foundation towards the respective Client.

2.2 The Client's claims against Safeguarding Payment Funds Foundation are created due to the Client depositing funds into its Franx-payment account and Franx transferring these funds for the Client into the Bank Account Safeguarding Payment Funds Foundation. Safeguarding Payment Funds Foundation holds a Safeguarding Account for every Client. The balance which the Client can see in its Franx-payment account corresponds, in principle, to the balance on the Safeguarding Account, unless other Conditions should determine otherwise. The Client shall not have a corresponding claim against Franx.

2.3 Safeguarding Payment Funds Foundation shall at all times hold such funds in the Bank Account Safeguarding Payment Funds Foundation as corresponds with the total monetary claims of the Clients administered in the Safeguarding Accounts.

2.4 Safeguarding Payment Funds Foundation acts exclusively in the interest of the Clients. Costs which arise from or are related to the funds held by the Safeguarding Payment Funds Foundation shall be for the account of Franx, and thus Safeguarding Payment Funds Foundation shall not run an economic or commercial risk with regard to the funds it holds.

2.5 A Client is not a beneficiary or owner of the funds which are held by Safeguarding Payment Funds Foundation for the Client in the Bank Account Safeguarding Payment Funds Foundation. These are funds belonging to Safeguarding Payment Funds Foundation. For the record: the Client is entitled to the funds which are administered in the Safeguarding Account.

2.6 In the context of and for the purpose of the services provided by Franx to the Client, including the execution of Transactions or the provision of collateral by the Client, Franx and Safeguarding Payment Funds Foundation insofar as necessary, may use the Safeguarding Account of the Client. This means, among other things, that the funds deposited in the Franx payment account shall be transferred to the Client's Safeguarding Account and that funds administered in the Safeguarding Account can be transferred to the Franx payment account for

the execution of Transactions or other actions in accordance with the General Terms and Conditions, the Base Agreement and this Regulation Safeguarding Payment Funds Foundation, and that corresponding transfers are made with regard to the Safeguarding Account respectively the Client's Franx payment account.

3. Execution of transactions

- 3.1 Orders to execute Transactions can only be issued by the Client to Franx and are processed by Franx in accordance with the Base Agreement and this Regulation Safeguarding Payment Funds Foundation.
- 3.2 In order to execute a Transaction, Safeguarding Payment Funds Foundation transfers the necessary funds from the Client's Safeguarding Account to this Client's Franx payment account, after which Franx forwards funds to the recipient of the Transaction. The recipient can also be the Client, for example when exchanging currencies in the context of a Spot transaction.
- 3.3 Safeguarding Payment Funds Foundation is not liable towards a Client, in any way whatsoever, for any direct or indirect damage incurred by the Client as a result of an incorrect, delayed or otherwise faulty processing of a Transaction by Franx or a third party, or as a result of any negligence by Franx or a third party in the processing of a Transaction.
- 3.4 Safeguarding Payment Funds Foundation may be instructed by Franx to transfer funds as Margin to Safeguarding Collateral Foundation if a Client enters into a FX Derivative transaction and during the term thereof. In certain cases, Safeguarding Payment Funds Foundation may also be instructed by Franx to first transfer funds to the Safeguarding Account in a currency other than the euro to the Franx-payment account of the Client in order to be converted by Franx in euros after which the euros are deposited as Margin with Safeguarding Collateral Foundation.

4. Termination

- 4.1 In case of the termination of the relationship between Franx, Safeguarding Payment Funds Foundation and the Client, the funds underlying this Client's claim against Safeguarding Payment Funds Foundation shall be transferred from the Bank Account Safeguarding Payment Funds Foundation through the Client's Franx payment account and into this Client's Counter Account.

- 4.2 If Franx is declared bankrupt or has been granted a suspension of payments, then Safeguarding Payment Funds Foundation shall transfer the funds in the Bank Account Safeguarding Payment Funds Foundation, insofar as not restricted under any (limited) right of Franx, directly into the Client's Counter Account.

5. Non-transferability

A Client is not permitted to transfer its claims against Safeguarding Payment Funds Foundation to third parties or to pledge such claims or to otherwise encumber such claims with a limited right, other than to, or for the benefit of, Franx or Safeguarding Collateral Foundation. This article has a property effect within the meaning of article 3:83 (2) of the Civil Code.

6. Pledging

- 6.1 Based on the General Terms and Conditions, the Client has granted a right of pledge to Franx on all current and future rights and claims of the Client against Safeguarding Payment Funds Foundation for any existing or future claims of Franx on the Client. Safeguarding Payment Funds Foundation is hereby informed of this right of pledge.
- 6.2 As long as Franx does not inform Safeguarding Payment Funds Foundation otherwise, it will always be deemed to waive any right of pledge if and to the extent necessary to enable Safeguarding Payment Funds Foundation to honour the rights of the Client as if no right of pledge existed. However, as soon as Franx informs Safeguarding Payment Funds Foundation that it no longer agrees with this, the waiver of the right of pledge shall no longer be assumed and Safeguarding Payment Funds Foundation shall refuse to honour the rights of the Client based on the right of pledge of Franx.

7. Cooperation with regulatory authorities

Safeguarding Payment Funds Foundation may be instructed by the AFM and DNB to offer its full cooperation, including the provision of information which is necessary for the correct fulfilment by the AFM and DNB of their statutory tasks and responsibilities. In accordance with the General Terms and Conditions, the Client hereby grants permission to Safeguarding Payment Funds Foundation to provide information or to otherwise provide all cooperation required for the correct exercise by the AFM and DNB of their statutory tasks and authorities.

8. Administration

8.1 In accordance with the General Terms and Conditions, Safeguarding Payment Funds Foundation may outsource its own administration, the administration of the Franx payment accounts or the factual execution of its other tasks and actions, in whole or in part, to Franx or to a third party to be designated by Franx with prior written consent. The Client hereby grants its prior consent to Safeguarding Payment Funds Foundation for this.

9. Contract transfer or debt assumption

9.1 The Client grants its cooperation and consent in advance for a whole or partial contract transfer or the assumption of debt by a third party of its legal relationship with Safeguarding Payment Funds Foundation respectively that which Safeguarding Payment Funds Foundation owes to the Client.

10. Choice of law and jurisdiction

- 10.1 This Regulation Safeguarding Payment Funds Foundation is governed exclusively by Dutch law.
- 10.2 All disputes which would arise in connection with this Regulation Safeguarding Payment Funds Foundation between the Client, Franx and/or Safeguarding Payment Funds Foundation shall be brought exclusively before the competent courts of Amsterdam.

11. General information about Safeguarding Payment Funds Foundation

- 11.1 The full statutory name of Franx is Franx B.V. The registered office of Franx is located in Amsterdam and its place of business is located in Amsterdam at the Hogehilweg 5L, 1100 CA Amsterdam. Franx is registered in the trade register of the Chamber of Commerce under number 67283101.
- 11.2 The full statutory name of Safeguarding Payment Funds Foundation is Stichting Derdengelden Franx Payment Services. The registered office of Safeguarding Payment Funds Foundation is located in Amsterdam and its place of business is located in Amsterdam at the Hogehilweg 5L, 1100 CA Amsterdam. Safeguarding Payment Funds Foundation is registered in the trade register of the Chamber of Commerce under number 67372929.

This Regulation Safeguarding Payment Funds Foundation enters into force on January 15, 2018.