

Goldman Sachs's Standard Spot Foreign Exchange Terms of Dealing

Although Goldman Sachs ("GS" or "the Firm") believes its spot FX practices are well-known to its counterparties, the purpose of this letter is to describe certain of the Firm's practices and the nature of its relationship with its counterparties that trade, or offer to trade, in spot foreign exchange with Goldman Sachs or any of its affiliates. The Firm's spot FX dealing with all its clients (together with other market participants, "counterparties") is conducted strictly as principal for its own account as a dealer or market-maker. As part of its risk management, the Firm may maintain positions as principal in various currencies and other instruments, whether as the result of trades with or orders received from counterparties, as part of its hedging strategy or in advance of reasonably expected near-term demand. Accordingly, in all of the Firm's communications and transactions with its counterparties relating to spot FX trading, including in the handling of requests for firm or indicative quotes, placement and execution of orders and all other expressions of interest that may lead to the execution of transactions, there exists the potential that the Firm's principal trading and market-making activity may conflict with or diverge from the interests of its counterparties. As principal, GS does not act as agent, fiduciary or financial advisor or in any similar capacity on behalf of its counterparties.

GS is dedicated to upholding a high level of integrity and adhering to best practices and requirements published by relevant international groups and regulatory bodies in its dealings with counterparties. If GS acts in circumstances where it has a conflict of interest, GS will manage its activities through the relevant policies, procedures and other controls it has in place to mitigate these conflicts, consistent with its status as a market maker and a regulated entity. GS, in its discretion, may also decline to act in such circumstances.

Except as otherwise expressly agreed between GS and its counterparties, provided in other applicable GS terms of dealing, or required by law and/or regulation, the Firm's dealing in spot FX transactions will be on the basis of the terms described in this letter. For the avoidance of doubt, this letter is not intended to exclude any mandatory obligations that the Firm may owe its counterparties under any applicable law or regulation (the terms of such obligations may vary depending on the precise nature of the Firm's relationship with the relevant counterparty and the jurisdiction(s) in which such relationship is maintained).

Principal Trading

- When GS acts in a principal capacity, it acts as an arm's-length party to transactions with its counterparties. The Firm does not act as agent, fiduciary, financial advisor or in any similar capacity on behalf of a counterparty and thus does not undertake any of the duties that an entity acting in that capacity ordinarily would perform, unless otherwise explicitly agreed between GS and the counterparty, and then only where GS acts with discretion in execution. GS's spot FX sales and trading personnel and FX electronic solutions do not serve as brokers or agents to a counterparty and accordingly any statements made by, or communicated through, them should not be construed as recommendations or advice. A

counterparty is expected to evaluate the appropriateness of any transaction based on the counterparty's own facts and circumstances and its assessment of the transaction's merits.

- When GS accepts a counterparty's "order" (as such term is used herein) which involves GS "working" that order, GS is indicating a willingness to attempt, and not a commitment, to enter into the trade at or near the price requested by the counterparty. GS's receipt of an order or any indication given by GS that GS is working an order does not create a contract between the counterparty and GS that commits the Firm to execute any or all of the order in any particular way.
- Unless otherwise specifically agreed, GS will exercise its reasonable discretion in accordance with its internal policies when deciding which orders it would be willing to accept and execute, when it would be willing to accept and execute them, and how it would execute them, including whether to execute all or part of the order unless otherwise expressly agreed to different terms of execution. As it relates to timing, GS may look for market opportunities that satisfy both a price where it can execute a counterparty's order at the counterparty's price and earn a reasonable return for that activity, including while managing and prioritizing other interests, positions and executions for GS and other counterparties.

Market Making

- In addition, as a market maker, GS may receive requests for quotations and multiple orders for the same or related currency pairs. GS acts as principal and may seek to satisfy the requests of all of its counterparties and its independent risk management objectives, but it retains discretion with respect to how to satisfy its counterparties, including with respect to order execution, aggregation, priority and pricing. GS will exercise this discretion in accordance with policies established consistent with its status as a market maker and a regulated entity. GS is not required to disclose to a counterparty when the counterparty attempts to leave an order that GS is handling other counterparties' orders or that GS has its own orders ahead of, or at the same time as, or on an aggregated basis with, the counterparty's order.
- As principal, GS attempts to execute an order when it can expect to make an appropriate return on the transaction, taking into account market conditions at the time, GS's position, including its inventory strategy and overall risk management strategies, its costs, its risks and other business factors and objectives it elects to consider. If and when a counterparty's order becomes executable, it does not mean that GS holds, acquired, or will be able to acquire, sufficient inventory to complete the transaction at the order price level (after taking into account any spread or similar adjustment reflecting GS's return on the transaction) or that there exists a tradable market at that level.
- Any firm or indicative price or spread that a counterparty may receive or overhear is an "all-in" price or spread that incorporates sales and trading mark-ups over the price or

spread at which GS traded or may have been able to trade with other counterparties. Whenever GS provides a bid/offer spread, that spread may be greater on the bid or offer side in GS's discretion, depending on a variety of considerations, including whether GS anticipates that the particular counterparty will, based on its trading history, be more likely to buy or sell. GS's all-in prices and spreads are tailored to individual counterparties and are based on a broad range of standard commercial factors, including market conditions, GS's own costs and transactions, overall services provided by Sales or the Firm and GS's relationship with the counterparty. GS may provide different price quotations by trading platform, venue or communication method, and may change any of its pricing strategies at any time without notice. GS is not obligated to disclose the components of its all-in price on any particular transaction.

- As a market maker that manages a portfolio of positions which arise from trades with multiple counterparties with competing interests, as well as GS's own interests, GS acts as principal and, subject to its internal policies outlining the balance of these competing interests consistent with its status as a market maker and regulated entity, may trade prior to or alongside a counterparty's transaction to execute transactions for GS or to facilitate executions with other counterparties, to manage risk, to source liquidity or for other reasons. These activities can have an impact on the prices GS offers a counterparty on a transaction and the availability of liquidity at levels necessary to execute counterparty orders. They may also trigger or prevent triggering of stop loss orders, take profit orders, barriers, knock-outs, knock-ins and similar conditions. In conducting these activities, GS endeavors to employ reasonably designed means to avoid undue market impact.
- GS is a market maker across currencies and products, with employees trading across global locations on a continuous basis whenever markets are open for trading. As a result, GS's global operations may result in a trader other than the trader handling a counterparty's order executing a transaction for the benefit of GS or another customer at a price that could satisfy such counterparty's order, which could leave that counterparty's order unfilled or only partially filled.
- When solicited for, and prior to the execution of, a transaction, GS may risk-mitigate or hedge any exposure that would be created by such transaction. Where a counterparty instructs GS to use discretion in executing its order (for example, an instruction to work an order over the course of the day or subject to other parameters), GS may enter into risk management transactions at different times and prices to be able to execute the order, including in a manner that may result in a mark-up, mark-down or spread relative to the price at which the order is executed.
- It should be expected that GS's sales, trading and other personnel will consult with one another, including with respect to a counterparty's interests, trading behavior and expectations, mark-up, mark-down, spread, and any other relevant factors, as part of its market making activities.

Order Communication Method

- Counterparties selecting e-mail or another form of electronic messaging (e.g., chats, instant messages, etc.) as the mode of communicating their FX trade orders should understand and accept that these orders, if accepted by GS, will only be actioned once the GS representatives responsible for their handling have actually opened and read the e-mail or other electronic communication. This could result in the order either not being filled (if a limit order) or filled at a much later time than when first received into the Firm's e-mail or other electronic messaging system. During the period between the electronic transmission of an order and the point at which the e-mail or other communication is opened and read, the counterparty will be exposed to the risk that its order may not be filled (including where the market has moved in the counterparty's favor) or may be filled at a worse level because market conditions have changed in the interim. Because of the manual operational processes GS employs to execute e-mail and other orders transmitted by electronic messaging systems, they may be filled at less favorable levels than those FX trade orders communicated through other modes of communication.

Information Handling

- A counterparty should understand that GS makes use of information provided to it as principal in order to effectuate and risk manage transactions. Specifically, unless otherwise agreed, GS may use the economic terms of a transaction (but not the counterparty identity) in order to source liquidity in anticipation of counterparty needs, execute hedging or risk-mitigating transactions, and/or manage the associated trading risk GS assumes as market maker. In addition, as a regulated entity, GS also shares counterparty information with, or as requested by, contract markets and its global regulators.
- With regard to executed transactions, GS analyzes this information on an individual and aggregate basis for a variety of purposes, including counterparty risk management, sales coverage, quotation levels and transaction pricing and execution, and counterparty relationship management.
- GS also may analyze, comment on, and disclose appropriately non-specific information regarding orders and executed transactions (e.g., information that has been anonymized and aggregated), and other relevant market information, internally and to certain counterparties, in order to provide its views on the general state of and trends in the market and/or to provide market color. Counterparties should understand that information regarding their flows may form a constituent part of the market color the Firm provides to its counterparties.

Dealer Polls and Benchmarks

- In some cases, the terms of a foreign exchange transaction may provide that the value of an exchange rate or fallback exchange rate is to be determined based on a dealer poll. The Firm may be requested to provide quotations from time to time in such dealer polls. Any such quotations may affect, materially or otherwise, the settlement of foreign exchange transactions. If the Firm, or an affiliate, provides such quotations and also acts as principal in foreign exchange transactions that refer to the corresponding exchange rate, then it faces an inherent conflict of interest, which will be managed through the relevant policies, procedures and other controls the Firm has in place to mitigate these conflicts and enhance the integrity of its submitted dealer poll quotations.
- From time to time GS may enter into a contract with a counterparty to execute a transaction at a rate calculated by a third-party based on trading during a specified time of day (commonly referred to as the “Fixing Window”). Risk management related to such transactions may lead the Firm to execute hedging transactions before, during or after the Fixing Window. Although such hedging activities, as well as unrelated transactions and other ordinary course of business activities executed by GS prior to and during the Fixing Window, or at other times, are not undertaken with the intention of impacting the benchmark fixing or related markets, this activity may have such an unintended effect in certain cases.