

The Korea Development Bank London Branch

Terms of Business for Professional Clients and Eligible Counterparties

Terms of Business

1. Introduction

- 1.1 These Terms of Business (“Terms”) govern and shall apply to our provision of service to you where you are a Professional Client or an Eligible Counterparty unless and to the extent that contrary or conflicting terms are agreed in writing.
- 1.2 These Terms constitute a legally binding agreement, governing your use or continued use of our services hereunder and set out the terms on which all business is carried on by The Korea Development Bank - London Branch (“KDB London”, “us” or “we”) in respect of certain products and ancillary services. Transactions and services in certain products and ancillary services may be subject to separate or supplementary terms.
- 1.3 Where we enter into or have entered into supplementary or separate terms, or a separate agreement (including but not limited to ISDA master agreements) with you in respect of transactions and/or the provision of services in relation to such transactions and the contents of those terms conflict with the contents of these Terms, then the contents of the supplementary or separate terms or agreements shall prevail in respect of such transactions or services, except to the extent that it is necessary for these Terms to prevail to comply with legal and regulatory requirements.
- 1.4 In case of any discrepancies or conflict between these Terms and applicable law and regulations, applicable law and regulations will prevail.

2. Regulatory Information

- 2.1 The full name of our firm is The Korea Development Bank London Branch and our address and, our place of business in the United Kingdom is: 99 Bishopsgate, London EC2M 3XD, United Kingdom. KDB London is authorised by the Prudential Regulation Authority (“PRA”), and regulated by the Financial Conduct Authority (“FCA”) (Firm Reference Number: 190652). The address of the FCA is Financial Conduct Authority, 12 Endeavour Square, London E20 1JN and the address of the PRA is 20 Moorgate, London EC2R 6DA.

3. Communication

- 3.1 The client can communicate with us in writing, by email, by fax, by phone or by other electronic means. The address of our place of business is shown above. Should you require the attention of the Compliance Department you can also email us at londoncompliance@kdb.co.kr or contact us by phone at +44-207-426-3593.
- 3.2 Communication between us shall be in English. In addition, any other language for communications may be agreed between the parties.
- 3.3 You acknowledge and consent to receiving information from KDB London via KDB London’s website, as permitted under the FCA Rules.

4. Confidentiality

- 4.1 We shall keep all information about you and any services provided to you confidential, except to the extent that such use or disclosure:
 - a) is to an Affiliate of us;
 - b) is to any service provider or who acts as our agents or professional advisor;
 - c) is to anyone whom we assign or transfer all or any of our rights and obligations under these Terms;
 - d) is to anyone whom we are permitted to delegate any of our functions under these Terms;
 - e) is required by Applicable Regulations including, but not limited to, competent regulatory authorities, fraud prevention and law enforcement agencies, in each case in any jurisdiction; and/or
 - f) is with your prior consent.
- 4.2 Any information which was already in our possession prior to the delivery of these Terms or which comes into the public domain other than as a result of disclosure by us, shall not be considered confidential information in respect of this Clause 4.
- 4.3 The obligations under this Clause 4 will continue to apply if you cease to be our client.

5. Privacy and Data Protection

- 5.1 We process personal data in accordance with applicable data protection rules and regulations, as set out in our Privacy Statement which can be found on our website at www.kdb.co.kr/down/en/KDB_London_Privacy_Notice.pdf

6. Update and Amendment

- 6.1 A copy of these Terms will be available on our website at www.kdb.co.kr. We may amend these Terms by written notice to you. Unless otherwise specified by us, such amendment shall have no impact on any outstanding order or any pre-existing rights or obligations.

7. Limitation of Liability & Indemnity

- 7.1 Neither we or our directors, officers, employees or agents, nor any of our Affiliates or its directors, officers, employees or agents shall be liable for any loss suffered by you, unless such loss is caused directly by the negligence, wilful default or fraud of the party sought to be made liable.
- 7.2 To the extent possible under Applicable Regulations, we shall not be liable for any adverse tax implications of any transaction whatsoever.
- 7.3 To the extent possible under Applicable Regulations, we shall not be liable for any loss of expense you incur by of any reasonable delay or change in market conditions before any particular transaction is effected.
- 7.4 We shall not be liable to you or any third party for any loss suffered in connection with or as a consequence of event of any failure, interruption or delay in the performance of our obligations resulting from acts, events or circumstances not reasonably within our control, such as (without limitation) political instability, acts of terrorism or war, breakdowns, power failures, failure or malfunction of the internet, failure or malfunction of communications or computer systems, connections to or availability of any market or investment, labour disputes.
- 7.5 Nothing in these Terms excludes or limits our liability if any such exclusion or limitation is prohibited by Applicable Regulations.
- 7.6 You acknowledge and agree that you have not relied on or been induced to enter into these Terms by a representation other than those expressly set out in the Terms. We will not be liable to you (in equity, contract or tort under the Misrepresentation Act 1967) for a representation that is not set out in these Terms and that is not fraudulent.
- 7.7 You shall fully indemnify us against any loss, liability and cost which we may suffer or incur: 1) as a result of acting on any order or instruction which we reasonably believe to have been approved by you or given on your behalf; or 2) as a result of your breach of any provision of these Terms or any other agreement between us that applies to any service provided under these Terms, except where such loss, liability and cost arise from our negligence, wilful default or fraud.

8. Miscellaneous

8.1 Anti-Money Laundering and Counter Terrorism Financing

Any dealings between you and us will be subject to any Applicable Regulations relating to money laundering and terrorism prevention, and we will deal with you on the understanding that you are complying with any such Applicable Regulations.

8.2 Assignment

These Terms shall be for the benefit of, and binding upon, you and us as well as on your and our respective successors and assignees. You shall not assign, novate, charge or otherwise transfer or purport to assign, novate, charge or otherwise transfer, limit or waive your rights or obligations under these Terms or any interest in these Terms, without our prior written consent. Any purported assignment, novation, charge or transfer by you in violation of this Clause 8.2 shall be void. You agree that we shall be permitted to assign all of our rights under these Terms to any of our Affiliates without your consent.

8.3 Third Party Rights

These Terms are personal to the parties and shall not be enforceable by any third party. A person who is not a party to these Terms has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of these Terms.

8.4 Partial Invalidity

If, at any time, any provision of these Terms is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

8.5 Recording of Communication

Telephone conversations and electronic communication between you and us that result or may result in transactions in Financial Instruments will be recorded for the period required by Applicable Regulations. Such records will be our sole property. You are advised that we may record telephone conversations without the use of a warning tone. We will retain such records for a minimum period of 5 years, and longer if required by an applicable Regulatory Authority (the "Retention Period"). During the Retention Period you may request access to such records, for which we may charge a fee. Subject to any Applicable Regulations, we may provide copies of such records to the applicable Regulatory Authority upon their request.

8.6 Our Records

Our records, unless shown to be wrong, will be evidence of your dealings with us in connection with our services. You will not rely on us to comply with your record keeping obligations, although records may be made available to you on request in accordance with Applicable Regulations.

8.7 Complaints

We have internal procedures for handling complaints fairly and promptly. Should you wish to make a complaint, details of our complaints procedure are available on written request by post to: The Korea Development Bank London Branch, Head of

Compliance, 99 Bishopsgate, London EC2M 3XD, United Kingdom or by email to: londoncompliance@kdb.co.kr

As a Professional Client you may have a right of complaint to the Financial Ombudsman Services (“FOS”). Please contact us for further information on the FOS or visit: www.financial-ombudsman.org.uk.

8.8 Governing Law and Jurisdiction

These Terms and all non-contractual obligations and other matters arising from them or in connection with them shall be governed by and construed in accordance with English law and each party submits to the exclusive jurisdiction of the courts of England and Wales.

8.9 Termination

Both the client and KDB London are entitled to immediately terminate these Terms by giving the other written notice at any time. No penalty will become due from either you or us in respect of any termination of these Terms. Termination will not affect any outstanding transaction or any legal rights or obligations which may already have arisen or may arise from the settlement or fulfillment of any outstanding transaction. These Terms will continue to apply in full force and effect to any such rights and obligations until all transactions have been closed out, settled or delivery effected and all liabilities finally, unconditionally and irrevocably discharged. You are required to settle outstanding transactions by delivery and/or payment and to pay any fees or commissions accruing to us immediately on termination.

9. Client Categorisation

- 9.1 Based on the information available to us, we will notify you through a separate letter of your categorisation as either a Professional Client or an Eligible Counterparty as defined by Applicable Regulations.
- 9.2 Before taking a decision to place an order or to deal in any Financial Instrument or when you decide to enter into any transaction or request us to provide a service, you should independently assess its appropriateness (including but not limited to assessing whether the investment meets your objectives and your risk tolerance including your ability to bear financial losses).
- 9.3 As you are categorised as either a Professional Client or an Eligible Counterparty, we assume that you have the necessary knowledge and experience to understand the risks involved in relation to those products and services. We accept no liability on the basis that you claim that you do or did not have the knowledge and experience to understand any Financial Instrument, product, transaction or service. You are responsible for informing us if you no longer meet the criteria to be categorised as either a Professional Client or an Eligible Counterparty.
- 9.4 You have the right to request a different categorisation compared to that we assign to you but we retain discretion to determine whether to comply with this request.
- 9.5 You acknowledge and agree that the level of investor protection will defer depending on your categorisation. More details can be found in our “Client Categorisation Policy” document.

10. Capacity

- 10.1 Unless otherwise stated in the relevant contract or otherwise expressly notified by you, in executing a transaction received from you, we will act as principal in relation to any services undertaken for you.
- 10.2 We will treat you alone as our client subject to Applicable Regulations. In line with COBS 2.4.3 of the FCA Rules, where we are aware that you are acting as agent on behalf of your underlying client(s), we will treat you as our client and otherwise accept no responsibility towards your underlying client(s) unless we separately agree different treatment with you.

11. Services provided

- 11.1 Before you can trade a Financial Instrument with us, you are required to provide us with a valid Legal Entity Identifier (“LEI”). It is solely your responsibility to obtain all relevant LEIs and to ensure such LEIs are renewed and remain valid.
- 11.2 We deal on an execution only basis. We may provide you with services which cover the types of Financial Instruments set out in Appendix 2 and in all markets.
- 11.3 Unless otherwise agreed in writing with you, we will not be acting in a fiduciary capacity or provide any personal recommendations to you in respect of any transaction in Financial Instruments nor provide any investment advice or provide portfolio management services (each as defined by Applicable Regulations). For the avoidance of doubt, general views/advice/recommendations communicated to you on economic climate, markets, investment strategies or investments are not to be perceived as investment advice. Furthermore, advice exclusively issued to the public (i.e. not constituting personal recommendation) does not constitute as investment advice.
- 11.4 We may provide services with or through our Affiliates or other entity or delegate the performance of services to any Affiliate or other entity without your further consent and employ such agents on such terms as we deem appropriate. Without limiting our rights under these Terms, in respect of transactions with or through such third parties, you (and, where you are acting on behalf of a principal or principals, your principal or principals) may be subject to any business terms and conditions of such persons.
- 11.5 In all cases, you should make your own assessment of any transaction. You should not rely on any information, proposal or

other communication from us or our Affiliates as being a recommendation or advice in relation to any transaction. When you deal with us, you are solely responsible for ensuring that the contracts you enter into are in line with your investment objectives and risk tolerance and comply in all aspects with any Applicable Regulations.

11.6 Further information and disclosures as required by Applicable Regulations will be made available on the following website www.kdb.co.kr or/and notified by us to the client.

12. Information about Financial Instruments and Risks involved

12.1 Investing in Financial Instruments involves a degree of risk and some Financial Instruments are riskier than others. Prices can fall or rise and there is a risk you may lose some or all of your investment in a Financial Instrument. Past performance is no indication of future performance. Before entering into a transaction in any Financial Instrument, you are advised to have independently assessed the risks inherent in those Financial Instruments.

12.2 Any information we provide as risk warnings will be given for informational purposes only and should not be understood as constituting a recommendation to enter in any transaction. We do not accept any responsibility for any loss, liability or cost which you might incur in relying on such information. More details can be found at Appendix 2 - Nature and Risk of Financial Instruments.

13. Costs and Charges

13.1 You agree to pay us any costs and charges agreed between you and us in relation to the provision of service and transactions from time to time (including but not limited to applicable taxes and duties) and to reimburse us on demand for any costs and expenses incurred on your behalf on in consequence of dealing with you. We shall be duly authorised to debit any amounts due from you to us from any account.

13.2 We will charge interest on any amount that is due and unpaid by you, at such rate as is reasonably determined by us, with such interest accruing from the applicable due date until the date of actual payment.

13.3 You will pay us any amount which you owe us when due in freely transferable, cleared and available same day funds, in the currency and to the accounts designated by us, and without making any set-off, counterclaim, deduction or withholding.

13.4 Where any part of the total costs and charges is to be paid in or represents and amount of foreign currency we will provide you with an indication of the currency involved and the applicable currency conversion rates and costs.

13.5 We may withhold or deduct an amount for or on account of, or which represents, taxes which are required to be withheld or deducted to comply with any Applicable Regulations from any payment to you, or to or from your account or any account.

13.6 We will disclose to you, in good time, appropriate information of all costs and associated charges related to our investment services, and any Financial Instruments that KDB London markets to you. This information will be provided to you at the point of sale and the information will be reviewed on a regular basis. You agree that, to the extent possible, we can provide you with limited information on costs and charges. More details can be found in our separate "Costs and Charges Disclosure" document.

14. Order and Instructions

14.1 We accept instructions received by writing, fax, telephone, electronic communication or as otherwise agreed between the parties from time to time. We will not be liable for any loss suffered on account of any instruction not being received by us or not being acted upon by us.

14.2 If we have not agreed otherwise, we may act on any appropriate order or instruction which we reasonably believe to have been given by or for you and which we accept in good faith as having been given from a person authorised to act on your behalf. We will have no responsibility for further enquiry into such apparent authority and no liability for any loss or cost arising as a result of any unauthorised instruction.

14.3 We may at our absolute discretion refuse to accept any instruction given by you. If we decline to follow your instructions, we will notify you of our refusal but we are not obliged to give a reason and we shall have no liability for any expense, loss or damage you may incur in relation to such refusal.

14.4 If you request an instruction be amended or cancelled, we may, in our absolute discretion, amend or cancel such instruction if it has not yet been executed.

15. Best Execution

15.1 We maintain a Best Execution Policy which applies where we execute an order or we transmit an order to other entities for execution. This can be found on our website at www.kdb.co.kr and we will notify you of any material changes to our Best Execution Policy.

15.2 Our Best Execution Policy only applies to Professional Clients, hence does not apply to Eligible Counterparties. Our Best Execution Policy does not apply including (without limitation) where we act as principal and you request quotes from us.

15.3 Where you give us a specific instruction on how we should execute an order and we execute an order following those specific instructions and in accordance with our Best Execution Policy.

15.4 By accepting these Terms and by placing an order with us, you are deemed by us to have accepted our Best Execution Policy and you consent that we will execute your orders in accordance with our Best Execution Policy.

15.5 Your orders may be executed on a Trading Venue as well as outside a Trading Venue.

15.6 When order handling we may combine the client's orders with our own orders or with those we execute on behalf of an Affiliate or with orders of another of our clients. When combining orders, we must reasonably believe that the aggregation works to the overall advantage of our clients. However, in certain circumstances the aggregation may work to a client's disadvantage in relation to a particular order.

15.7 When we place or transmit orders for clients (i.e. not executing the orders ourselves) through brokers and other counterparties, who may or may not be an Affiliate of ours, we will be responsible for the selection, oversight and monitoring of the broker or other counterparty.

16. Trade Confirmations

16.1 Unless a third party is required to do so, we will provide you with a notice in a durable medium confirming the execution of an order and the trade confirmation no later than one business day following the execution of that transaction, or, if later, within the time required by the FCA Rules or other Applicable Regulations, as amended from time to time.

17. Transaction Reporting

17.1 When we execute an order, we may be obliged under Applicable Regulations to report the details of certain transactions to executing entities, execution venues, Approved Publication Arrangements, national competent authorities and/or to the public.

17.2 To enable us to comply with our trade and/or transaction reporting obligations (as applicable), you agree to promptly deliver to us any information that we may from time to time request to enable us to complete and submit transaction reports to the relevant national competent authority. You consent to us providing information about you (or, where applicable, your principal(s)) and transactions executed with or for you (or, where applicable, your principal(s)) to national competent authorities in the course of submitting transaction and/or trade reports and to us making public relevant details of quotes provided to you and transactions executed for you in accordance with Applicable Regulations.

17.3 Where we have introduced your order to another broker (including but not limited to an Affiliate), KDB London will not be responsible for transaction reporting or trade reporting.

17.4 You must advise us of, and any change to, your Legal Entity Identifier ("LEI") and we accept no responsibility for the accuracy of your LEI. If you fail to provide an LEI we may not be able to trade on your account.

17.5 Under Applicable Regulations, we are required to report and provide details when you engage in short selling. If you engage in short selling, you acknowledge and agree to notify us. In the event that you do not notify us about short selling, we may assume that the transaction does not qualify as short selling and we shall report the transaction to the Competent Authorities that we have been unable to determine whether the transaction was a short sale.

18. Settlement

18.1 Our obligation to settle any transaction or to deliver any securities purchased by you is conditional upon receipt by us on or before the due date for settlement (or satisfactory confirmation of such receipt by our settlement agent) of all necessary documents and/or funds and/or securities due to be delivered by the client or on his behalf on such date.

19. Conflicts of Interest

19.1 We have policies and procedures to identify, consider and manage potential conflicts of interest and protect the integrity of our relationships with our clients. More details can be found in our "Conflicts of Interest Policy". This can be found on our website at www.kdb.co.kr and we will notify you of any material changes to our Conflicts of Interest Policy. Further information regarding the Conflicts of Interest Policy is available on request.

19.2 Where we do not consider that the arrangements under the Conflicts of Interest Policy are sufficient to manage a particular conflict of interest, we will inform you of the nature of such conflict so that you can decide how to proceed.

20. Inducements

20.1 From time to time, in relation to the products and services provided to you by us, we may receive from or provide to third parties (including Affiliates), fees, commissions or other minor non-monetary benefits and may share charges in respect of the services provided to you under these Terms with third parties (including Affiliates) provided that such payments or benefits are designed to enhance the quality of the relevant service to the client and they do not impair compliance with our duty to act honestly, fairly and professionally in accordance with the best interest of the clients.

20.2 Where we pay or receive such amounts, we will disclose the existence, nature and amount of the payment or benefit, or where the amount cannot be ascertained, the method for calculating that amount, will be made known to you separately in accordance with the Rules. Minor non-monetary benefits that we may provide or receive may be described in a generic way. More details can be found in our "Third Party Inducements" document.

21. Title Transfer Collateral Arrangements

21.1 Disclosure details, regarding the risks involved and the effect of title transfer collateral arrangements on your cash and non-cash assets, can be found in our "Title Transfer Collateral Arrangements" document. This can be found on our website at

22. Compliance with Applicable Regulations

22.1 If we are required by any Applicable Regulations to file or disclose information relating to: 1) you; 2) persons making investment decisions on your behalf; 3) the services we provide; or 4) transactions we carry out for you to any exchange, clearing house or any other regulatory or governmental authority, then you undertake to provide us with any information that we need in order to comply with Applicable Regulations, and we shall be entitled to rely on any such information. If Applicable Regulations require you to file or disclose any such information directly then you undertake to do so.

23. Client Money and Assets

23.1 We do not offer safe custody facilities for your investments or other assets. If any investments are provided to us as collateral on a title transfer basis (that is where you transfer full ownership to us for the purpose of securing your obligations), such collateral will not be treated as safe custody assets subject to Applicable Regulations.

23.2 Money held by us on your behalf in an account with ourselves will be held by us as a banker and not as trustee. As a result, we will not hold your money in accordance with the FCA's Client Money rules (the "Client Money Rules"). If we were to fail or become bankrupt, the Client Money Distribution and Transfer Rules (as defined by the FCA Rules) will not apply and you will not be entitled to share any distribution under the Client Money Distribution and Transfer rules. In particular, we will not segregate your money from ours and we will not be liable to account to you for any profits made by our use as banker of such funds.

24. Client Representations and Warranties

24.1 On a continuing basis, you represent, warrant, covenant and undertake to us and agree that (including on behalf of any principal(s) for whom you are acting as agent):

- a) you are duly incorporated, have obtained all required governmental and regulatory authorisations and licenses, and are in compliance with all Applicable Regulations (where relevant);
- b) you have full power, authority and capacity to enter into and perform your obligations under these Terms;
- c) you have obtained and are in compliance with all authorisations, consents and approvals of a government or other regulatory body necessary to enable you to contract to receive all services, and conduct all transactions under these Terms;
- d) any information, representation, warranties or covenants provided by you will not be misleading and will be complete, true and accurate in all material aspects;
- e) you shall provide us with copies of any authorisations, consents or approvals as we may reasonably require;
- f) you will inform us of any changes as a result of which any representation, warranties or covenants becomes misleading, inaccurate or untrue or circumstances arise that may impact your capacity and your ability to trade with us;
- g) unless otherwise agreed by us, you act as principal and sole beneficial owner under these Terms and for each transaction;
- h) no event of default or potential event of default have occurred and is continuing with respect to you. For any occurrence of any event of default or potential event of default of you or any Credit Support Provider, you will promptly notify us.
- i) Financial Instruments or other assets provided by you are legally and beneficially owned by you, or you have full power to deal with the investments, and such Financial Instruments or other assets shall be free to from all security interests, options, equities, claims or other third party rights of any nature whatsoever;
- j) no litigation, arbitration or similar proceedings are current or, to your knowledge pending or threatened, which may if adversely determined, impact your capacity and your ability to perform your obligations under these Terms;
- k) by entering into these Terms and any transaction with us, you will not violate any Applicable Regulations;
- l) you will ensure that every time you give us an order, you will provide us with all relevant information, documentation and funds in order to execute the order in accordance with Applicable Regulations, in a timely manner;
- m) you are not a public sector body, local public authority, municipality, or a private individual investor, or if you are, you have elected and are capable of being treated as an elective professional client in accordance with Applicable Regulations and will notify us immediately of any changes to your status that means you are no longer capable of being treated as such;
- n) in the event you are acting as agent for your underlying client(s), in your relationship with us you are dealing with us as principal meaning we face you, not your underlying client(s) and these Terms apply to you as principal.

24.2 In relation to any transaction carried out pursuant to these Terms, if you are acting as agent for any principal or principals then, on a continuing basis (and with respect to clauses 24.2(a) and 24.2(b) below, on behalf of yourself and any principal or principals), you additionally represent, warrant, covenant and undertake to us and agree that:

- a) you have full power, authority and capacity from your principal or each of your principals to enter into and perform your obligations under and pursuant to these Terms including, without limitation, entering into transactions under these

Terms on your principal's or principals' behalf;

- b) in so doing, you are expressly authorised by your principal or each of your principals to instruct us in relation to any such transaction and each transaction is entered into on the relevant principal's or principals' behalf and the relevant principal or principals shall be liable in respect of all obligations and liabilities to be performed in respect of any such transaction;
- c) where you are not an investment manager, but are acting as agent on behalf of one or more principals in relation to business conducted pursuant to these Terms, you and the relevant principal will be jointly and severally liable to us in respect of all obligations and liabilities to be performed in respect of any such transaction;
- d) you have carried out all due diligence required under Applicable Regulations, including without limitation, all applicable prevention and detection of money laundering, client identification, sanctions (for the avoidance of doubt, including any prevention and detection of terrorism legislation), laws and regulations, to satisfy yourself of the good standing of your principal or each of your principals and that your principal or each of your principals is not involved in any money laundering or criminal activity;
- e) you assume full responsibility for, and shall ensure compliance with, without limitation, any and all suitability, supervision control, registration, credit review, market abuse laws, rules and regulations and other requirements and restrictions of Applicable Regulations in respect of your principal's or each principal's use of services under these Terms;
- f) you will use all reasonable endeavours to ensure that any principal or principals on whose behalf you act as agent complies with and fulfils all of its obligations under any transactions entered into pursuant to these Terms;
- g) you hold and will at all times hold all requisite authorities from your principal or each principal to grant security interests in respect of the investments, monies or other property of such principal and to take any further action as might be required by us in respect of selling or realising any such investment; and
- h) each of your principals is able to, and hereby does, make the representations in clause 24.1, and any other representations in these Terms, as if all references to "you" in clause 24.1 are references to each of your principals, and you have carried out the requisite due diligence to satisfy yourself of this.

24.3 You will notify us if any of the representations, warranties and undertakings contained in clauses 24.1 and/or 24.2 ceases to be true.

25. Set-Off

25.1 Without prejudice to any other rights to which we may have, we may at any time and without notice to you set-off any amount or obligation or amount owed or due by you to us in connection with the provision of services as set out in these Terms, with any amount or obligation owed (whether actual or contingent, present or future) or due by us to you. For the purpose of any cross-currency set-off, we may convert either obligation at the applicable market rate selected by us on the relevant set-off date.

26. Waivers

26.1 The rights and remedies provided herein are cumulative and not exclusive of any rights or remedies provided by law. No failure to exercise, nor any delay in exercising, on our part, any right or remedy under these Terms shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy.

27. Events of Default

An event of default occurs:

- a) if you fail to make any payment due, or you fail to deliver any Financial Instruments or other assets, or if you fail to meet any obligations against us;
- b) if you breach any provision of these Terms or of the terms of any other agreement applicable between you and us, including but not limited to any ISDA Master Agreement;
- c) if any representation or warranty you have made, or are deemed to have made, in relation to any of these Terms or any other agreement between you and us is incorrect, untrue or ceases to be true in any material respect at any time, or you fail to comply with any undertaking made by you under these Terms or any other agreement between you and us;
- d) if you fail to comply in any material respect with any Applicable Regulations;
- e) if any material adverse change (i.e. significantly affecting the ability to perform its obligations and to repay the necessary amount, and must not be merely temporary) in your financial condition or business occurs;
- f) if you are unable to pay your debts as they fall due or become insolvent or bankrupt or become the subject of any insolvency, bankruptcy or administration proceedings, or a petition is presented for your winding up or liquidation or a trustee, receiver or manager is appointed over all or substantially all of your assets;
- g) if you lose the regulatory authorisations and/or licenses which are needed for you to lawfully perform your obligations under these Terms or any other agreement applicable between you and us;
- h) if you disclaim, repudiate, reject or challenge, in whole or in part, the validity of, these Terms or of the terms of any

other agreement applicable between you and us;

- i) if any guarantee provided by you is, or becomes invalid or inaccurate or any of the obligations of the guarantor as mentioned in a guarantee are not complied with.

28. Closing out and Netting

28.1 If an event of default occurs, any amount, property, asset or liability or obligation due by you to us will become immediately due, payable or deliverable and we may without giving you prior notice (without limitation):

- a) treat any or all outstanding transaction as having been immediately cancelled and terminated;
- b) close out, replace or reverse any such transaction, enter into any other transaction or take, or refrain from taking, such other action at such time or times and in such manner as, in its absolute discretion, we consider necessary or appropriate to cover, reduce or eliminate our loss or liability under or in respect of any transaction, position or commitments undertaken for you;
- c) in respect of any outstanding transactions which are non-cash settled transactions, determine the market value of those transactions as we, in our sole discretion, deem fit and attribute to those transactions a cash settlement amount to be due and payable;
- d) take any other steps (whether similar to the above) which we may consider to be necessary to meet any obligations which you have under these Terms or otherwise to protect our position.

28.2 After closing out your transactions, we will determine a net sum representing the present value of the net amount which is either due to you or owed to us. If that single net amount is a debt we owe you, we will pay that amount to you provided that your liabilities to us have been finally and unconditionally paid and discharged in full. If that single net amount is a debt you owe us, you will pay that amount immediately upon notification.



Appendix 1 – Definitions

“Affiliate” means an undertaking in the same group, a representative whom we or an Affiliate appoint, or any other person with whom we have a relationship that might reasonably be expected to give rise to a community of interest between us and them;

“Applicable Regulations” means the FCA and PRA Rules, the rules of any other relevant regulatory authority or exchange and any applicable laws, rules, procedures, guidance, codes, standards and regulations (including, without limitation, accounting rules and anti-money laundering or sanctions legislation) in force from time to time;

“Approved Publication Arrangements” as defined within the FCA Rules;

“Best Execution” as defined within the FCA Rules;

“Client Money Rules” means the provisions in the Client Assets Sourcebook as set out in the FCA Handbook relating to the treatment of client money;

“Credit Support Provider” means any person who has entered into any guarantee, hypothecation, agreement, margin or security agreement in our favour in respect of your obligations under these Terms;

“Eligible Counterparty” has the meaning provided under COBS 3.6 of the FCA Rules;

“Financial Instruments” means the financial instruments listed in Annex I, Section C of MiFID II;

“FCA Rules” means any applicable rules as published in the FCA Handbook (as amended);

“Market” means any regulated market, multilateral trading facility or organised trading facility (as such terms are defined in the FCA Rules);

“MiFID II” means Directive 2014/65/EU of 15 May 2014 on markets in financial instruments, as amended, and all rules and regulations made thereunder, including in the relevant EU Member State(s) and/or in the United Kingdom (as appropriate);

“PRA Rules” means any applicable rules published in the PRA Rulebook (as amended);

“Professional Client” has the meaning provided in the FCA Rules;

“Trading Venue” means (i) a regulated market, a multilateral trading facility (“MTF”) or an organised trading facility (“OTF”) as defined in MiFID II, and/or (ii) where the context so requires, an equivalent venue located in a third country.



Appendix 2 – Nature and Risk of Financial Instruments

Introduction

This information sheet is for potential clients and clients of The Korea Development Bank London Branch and is intended to give you a general description of the nature and risks of Financial Instruments. This information sheet is provided to you in accordance with the Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”). It aims to support you in making informed decisions when making an investment and it is important that you do not trade in a Financial Instrument unless you are fully aware of the risks involved. If you are unclear as to the meaning or effect of any of the disclosures or warnings described below, you should seek independent legal or financial advice. This document should be read in conjunction with any other documentation and any product specific disclosures provided separately to you which may highlight a non-exhaustive set of additional risks particular to such product or service. You acknowledge and agree that the information provided in this notice does not constitute investment advice or a recommendation to make an investment.

Debt Securities/Bonds

Debt securities are an investment in a Financial Instrument that generally obligates a company to pay interest and repay the principal to the security holder. Debt securities may be subject to the risk of the issuer’s inability to meet principal and/or interest payments on the obligation and may also be subject to price volatility due to many of the general risk types including, but not limited to, market risk, credit risk, currency risk, interest rate risk, as well as perception of the strength of the issuer’s business. A structured debt instrument will contain an embedded feature and will therefore expose the structured debt instrument holder to additional risk depending on the feature. If you are uncertain about any of the risks relating to structured debt instruments you must determine on your own behalf or through independent professional advice the merits and risks of the transaction prior to any decision to invest.]

Derivatives

A derivative is a Financial Instrument whose value is derived from the value of an underlying asset. Derivative agreements give investors rights, which may be optional, to buy or sell certain underlying assets or request a cash settlement. The value of these agreements is based on the development of these underlying factors from the contract date to the settlement date. Investments in derivatives are often leveraged so that a change in the value of the underlying assets can have a bigger impact on the value of the derivative agreement with potential positive or negative consequences for the investor. Derivative agreements are temporary and therefore can be worthless when they expire. Investors in derivatives should be prepared for the possibility of withstanding considerable losses prior to entering into any agreement. Investments in derivatives agreements are subject to certain terms, such as collateral requirements and margin calls, which investors are advised to acquaint themselves with before making an investment.

Forwards and Futures

Forward contracts stipulate the obligations of the contracting parties to buy or sell certain assets at a certain price and a predetermined time. Contracts of this kind can also be settled in cash. Forward contracts are risky investments, particularly in view of the fact that investors often only have to contribute a part of the amount that is invested and therefore take a loan for the difference. This leverage means that a slight change in the prices of the underlying assets can have a bigger impact on the value of the agreement and consequently the instrument’s market value.

Options and Warrants

An option is a contract which gives the buyer, the right but not the obligation to buy or sell specified assets at a predetermined price at a specified time or within specified time limits. As a payment for that right, the seller, receives a certain fee which is determined by the market value of the option at the beginning of the contract. There are many different types of option agreements and each has its own characteristics. What matters the most, though, is whether the investor is the buyer or seller of such an agreement. The purchase of an option agreement entails less risk than the sale of one because, if the price development of the underlying assets is unfavourable for investors, they can decide not to exercise their option. The maximum loss of the investor is therefore the option fee that was paid at the beginning of the agreement. The sale of an option agreement entails considerably more risk than the purchase of one. By selling an option agreement, the investor assumes the obligation to buy or sell the underlying asset if the buyer of the option exercises their right. The investor who sells the option agreement may need to put up collateral at the beginning of the agreement and additional collateral if the value of the agreement develops unfavourably for the seller and, at the moment of settlement, the seller may suffer a loss which far exceeds the option fee which

the seller was paid at the beginning of the option agreement. In the case of a put option in which the investor owns the assets, which they have undertaken to sell, the risk is less. If the investor does not own the assets they have undertaken to sell the risk can be unlimited.

Swaps

A swap is a contract by which parties exchange currencies or interest flows. A currency swap involves the exchange of principal and interest in one currency for the same in another currency. The arrangement is to swap currencies by establishing an interest rate, an agreed upon amount and a maturity date for the exchange. An interest rate swap is a bilateral agreement to exchange interest flows calculated on the basis of the underlying principal. The interest payments are effected at predetermined dates during the exercise period of the swap. There is no exchange of a principal. There are different variations on the interest rate swap, but in case of a standard interest rate swap, one party pays the fixed interest rate while the other party pays the variable interest rate on the principal. In other words, a variable interest payment commitment can be traded for a fixed interest payment commitment. Swaps may involve risks including but not limited to: i) interest rate risk: uncertainty concerning rate movements means investors carry the risk that the interest develops differently than anticipated in the swap agreement; and ii) FX risk: though the price at the reversal of the swap is determined, there is uncertainty concerning the exchange rate. This carry the risk that the exchange rate moves the price unfavourably against the agreed-upon price.

