

# Basic agreement Margin agreement Options and futures agreement

LYNX

# Part 1 – Basic agreement

## The Parties

1. The signatory or signatories to the "LYNX Opening Form" referred to below (jointly if applicable) as: "the Client"; and
2. LYNX B.V., with its registered offices and principal place of business at Herengracht 527, 1017 BV, Amsterdam, registered with the Netherlands Authority for the Financial Markets ([www.afm.nl](http://www.afm.nl)) as a licensed investment firm, referred to below as "LYNX",

Jointly referred to below as: "the Parties";

## Have entered into agreement as follows:

### Article 1: Service and Communication

The service of LYNX is limited to the following: (1) LYNX will open an account in the name and at the expense and risk of the Client with Interactive Brokers (UK) Limited (referred to as "IB") (with its registered offices at Level 20 Heron Tower, 110 Bishopsgate, London, United Kingdom, and registered by the AFM as an investment company in the EEA with a European Passport), (2) within the constraints of its licence, LYNX can provide the Client with certain investment services and additional services if required, such as information on the trading, the products and the settlement of the securities and credits held by the Client. Other than the above, LYNX will not provide the Client with any additional services (derogation notwithstanding), such as investment and tax advice; (3) executing orders for one or more financial instruments.

All information and communication between the Client and LYNX will take place in the Dutch language. Contrary to the above, the Client accepts that the documents of IB, to which LYNX may make reference, are written in the English language. In the event of conflicts arising between the Dutch translation and the original English document, the English document will take precedence. The Client can communicate with LYNX using the contact details given below. The Client is responsible for keeping all information supplied up-to-date and accurate at all times. The Client further declares that he will pass on all changes to details/information to LYNX.

### Article 2: Client classification

The Client will be placed in the category of a non-professional investor. The classification covers all of the investments services provided by LYNX, irrespective of the type of financial instruments that the Client uses to effect transactions. LYNX is not obliged to meet a request of the Client to be classified as a professional investor.

### Article 3: Signing of the IB Client Agreement and Power of Attorney

By filling in and signing the "LYNX Opening Form" the Client specifically gives LYNX permission and authorisation to open a securities account with IB (or have this done) at his expense and risk and in his name and for that purpose to sign any necessary agreements between IB on the one hand and the Client on the other as the Client's authorised representative. By signing the opening form the Client specifically confirms that he agrees to the contractual conditions of IB regarding the service it offers to the Client (the "IB client agreement", as given at our website [www.lynxbroker.com](http://www.lynxbroker.com); the Client is referred to there with the term "Customer").

The content of this IB client agreement will be binding at all times and forms an integral part of the opening form. In the event of conflicts arising between the provisions of the IB client agreement and this basic agreement, the conflicting clause of the IB client agreement will take precedence. The Client specifically authorizes LYNX to perform all acts in the context of the service to the Client and all that which is necessary or conducive to this. This power of attorney can only be legally revoked if this is done expressly and in writing and is also recognised as such by LYNX.

#### **Article 4: Reports**

The client will receive periodic reports via the website of LYNX or IB and/or via the email address provided by the Client, informing the Client about completed orders and the status of the portfolio and a specification of the charges made.

#### **Article 5: Risks and Liability**

The Client hereby expressly confirms that he is aware of the risks inherent to investing in securities and accepts them. The Client hereby confirms that he is aware that investing in securities can result in losses and that he is able to bear those losses.

The Client hereby confirms that he has taken note of all of the information provided by LYNX, including that given in the document 'Basic agreement, Margin agreement, Options and Futures agreement', which includes the characteristics of financial instruments related to the services referred to in this agreement and the specific risks inherent to these financial instruments. LYNX will execute this agreement in good faith and to the best of its ability. LYNX will not be liable for any negative returns, reduction in value and/or losses and/or loss of income suffered by the Client, other than if and to the extent that it is established that they are the direct result of intentional acts or omissions or gross negligence on the part of LYNX in its execution of this agreement. If LYNX or one of the third parties it has engaged is a member of or is affiliated to a stock exchange, a trading system, a clearing house or another organisation, LYNX cannot under any circumstances be held liable by the Client for the acts or omissions of persons related to them or for faults or lack of capacity in computer, communication or other systems, lines, equipment or software used by such stock exchanges, trading systems, clearing houses or other organisations. We advise Clients requiring the highest form of certainty to use an alternative trading platform.

#### **Article 6: Costs and charges**

LYNX undertakes not to charge any custody fees, subscription fees, management fees, dividend payment costs or administrative fees other than those stated in the summary of the various costs to be charged for the transactions (see [www.lynxbroker.com](http://www.lynxbroker.com)). LYNX can change her fees at any time and with immediate effect. Any changes will be made public via the website.

The execution of orders takes place on the platform of IB. LYNX receives a part of the transaction costs paid by the client depending on how many transactions all LYNX clients perform in the settlement period (one month) and the type and volume in which is being traded. This part can range between 0 and 100% of the total transaction costs that the client has paid.

Transaction costs will be debited from the cash balance on the LYNX account directly after the transaction took place. Interest costs are debited from the cash balance on the LYNX account daily or monthly, depending on the type of interest.

#### **Article 7: Stock Yield Enhancement Program**

The client agrees on the fact that his shares can be lend out for the purpose of the Stock Yield Enhancement Program. As a result, shares can be made available for short selling. If investors want to borrow these shares, the client will receive an interest for this.

#### **Article 8: Inducements**

LYNX will inform the Client of the existence of any inducements. LYNX makes use of external parties such as IB in the provision of its investment service. If LYNX receives a commission from an external party in this context, this is referred to as an inducement. Under current legislation LYNX is not allowed to receive any inducements.

#### **Article 9: Supervisory Obligation in respect of LYNX**

The Client hereby confirms agreement that LYNX does not perform any checks on the actions taken by IB or by any third parties that could be engaged by IB. LYNX does not bear any liability in that regard. Nor is LYNX responsible for any errors or mistakes made by IB or any third parties. The Client is fully aware of the fact that LYNX does not verify whether IB is acting in conformity with the laws, guidelines or codes of conduct to which it is subject.

#### **Article 10: Policy governing conflicts of interest**

During the provision of the service it is possible for conflicts of interest to arise between LYNX and its clients or between its clients mutually. LYNX has taken all reasonable measures to prevent conflicts of interest and to deal with them should they none the less arise. LYNX will provide more detailed information about its policy on conflicts of interest on the Client's request.

### **Article 11: Telephone recordings**

In the context of the services provided, LYNX is authorized to record the telephone calls and any other form of communications between LYNX and the client. These recordings can be used for the purpose of, amongst others, the administration of the settlement and establishment of orders and instructions and training- and control purposes. These recordings will be destroyed after time.

### **Article 12: Order execution policy**

Orders are executed with due observance of IB's order execution policy. For the most recent version of the order execution policy reference is made to [www.lynxbroker.com/](http://www.lynxbroker.com/) documents. The Client accepts IB's order execution policy.

The Client undertakes to accept all actions corresponding to the order instructions given. Transactions will not be executed if the account balance is insufficient. If the transaction is none the less executed (and settled), the Client cannot claim any profit made. Nor is the Client responsible for any losses suffered.

### **Article 13: Complaints**

If the Client has a complaint about LYNX's service, he can send it, stating his account number and a description of the complaint, by email to [info@lynxbroker.com](mailto:info@lynxbroker.com) or post it to the address given below. LYNX will endeavour to settle complaints within two weeks.

### **Article 14: Validity and termination**

This agreement, which has an indefinite term, can be terminated by both parties. The termination done by the Client will come into effect when LYNX receives the notification. Positions that are still open on the account after termination, will be settled in accordance with the client. During the settlement these term and conditions will apply.

### **Article 15: Governing law and jurisdiction**

Parties agree that this agreement shall be governed in accordance with the laws of The Netherlands. LYNX has the right to change the terms and conditions of this agreement at any time. Changes will be made available through the website of LYNX. Client has the right to terminate the agreement immediately. Parties submit to the exclusive jurisdiction of the competent court of Amsterdam.

### **Article 16: Personal data clients**

16.1 Client declares that he is aware and agrees that LYNX processes personal data that was obtained from the client for the purpose of the services provided.

16.2 Client hereby explicitly gives permission to LYNX to disclose the data mentioned in article 1 to third parties, such as supervisory authorities, when there is a legal obligation to do so. Client commits himself to provide LYNX with any information that is necessary on legal grounds and vouches for the correctness of that information.

16.3 Client hereby explicitly gives permission to LYNX to use the data mentioned in article 1 for the purpose of engaging in and executing this agreement and managing any other relationship resulting from this agreement. Client has the right to request a summary of the personal data processed about him. Client has the right to have his personal data rectified, deleted or blocked, if the data is factually incorrect, incomplete for the purpose or purposes of processing, not relevant or are otherwise processed in conflict with a statutory provision. Client also explicitly gives permission to LYNX, and any associated entity, to use his personal data for the purpose of marketing, risk management, analysis of markets and statistics and the global vision of clients (without resulting in any obligation for LYNX). A client can protest against this use at any time without any costs at the below mentioned address.

16.4 The processing of the personal data can be outsourced by LYNX to, for example, a publicity agency or a company that takes care of (a part of) the administration. These parties are processors in the sense of the Privacy Regulation (2016/679). LYNX and the processor will keep each other posted on any possible changes in the data to make sure that all data that is being processed is up-to-date at all times.

16.5 For more information on how LYNX treats personal data, a reference is made to the privacy statement on the website.

# Part 2 – The IB / LYNX Margin agreement

## General

This agreement serves to inform the Client about the potential risks of trading with a margin account. Before instructing LYNX to execute a transaction with your margin account, you should carefully read this agreement and contact LYNX if you have any questions. Margin trading involves having transactions carried out in which shares are purchased in part by a margin loan issued by IB. The shares are used as collateral. Margin trading also implies that you trade in futures or options for which an initial margin is required to ensure that you meet your subsequent obligations. A change to your positions can give rise to additional margin requirements being stipulated. If necessary, IB can itself take action to sell certain assets so that you once again meet your margin requirement. IB will never itself deposit funds. IB will not contact the Client in advance in the event of liquidation, and nor will the opportunity be given to select which assets are to be sold at the time of liquidation.

## Risks

The Client could lose more capital than what he originally deposited. A fall in the portfolio assets could call for additional payments. IB can proceed with the forced sale of certain assets without informing the Client of this. The Client is responsible for any account deficit following such a forced sale. At the time of the forced sale the Client cannot himself decide which assets are to be sold and the order in which this is to be done. IB can raise the margin requirement at any time without prior notification. Changes such as these come immediately into effect and may prompt the forced sale of certain assets.

## Recommendations

Depending on the financial situation margin trading may be unsuitable. Margin trading (including options and future trading) implies a high risk level and can result in the loss of more capital than what was originally deposited. The Client must himself decide whether he is suitable for margin trading, taking into account the financial situation, the risk aversion, the number of years prior to retirement and other factors. It is advisable to consult a financial expert. The Client must closely monitor the status of his account and, in the event of any deficits, himself take action by making an additional deposit or selling assets.

# Part 3 – The IB / LYNX

## Options and futures agreement

### General

This agreement is included to inform the Client about the potential risks of trading in options/futures. Before having options/futures transactions executed, you should carefully read this agreement and contact LYNX if you have any questions.

If you buy an option, you will be entitled to buy or sell a certain underlying value at a predetermined price during or at the end of a certain period. A purchase price is payable for this right. If you write options you are obliged to deliver or buy a certain underlying value at a predetermined price when the other party exercises the option. The option writer receives a premium for this. A margin will be stipulated to ensure that the writer is able to meet his obligations.

If you buy or sell a future you are obliged to buy or sell a predetermined quantity of a certain underlying value at a set price with forward delivery. The buyer is obliged to receive and pay for the delivery. The seller is obliged to deliver the underlying value. When entering into the contract only part of the actual value will have to be paid. In this case, too, a margin will be needed to be able to meet the obligations.

### Risks

Buyer of an option: The purchase price paid could be lost in its entirety. Options have a leverage effect: changes to the underlying value will bring about a larger change in percentage terms in the option. The more the exercise price differs from the current price of the underlying value, the bigger the risk of losing the purchase price in its entirety will be.

Writer of an option: The writer of an option can suffer unlimited losses that greatly exceed the price received. This is because you will be obliged to buy an underlying value for a price much higher than the market price or to deliver an underlying value for a price much lower than the market price.

Buyer/seller of a future: Since only part of the actual value has to be deposited, futures also have a leverage effect: a minor price change could result in big profits or losses. A loss on a futures contract could lead to bigger losses than the margin commitment or the original deposit.

### Recommendations

Depending on the financial situation options/futures may be unsuitable. Options and futures trading implies a high risk level and can result in the loss of more capital than what was originally deposited. The Client must himself decide whether he is suitable for options and futures, taking into account the financial situation, the risk aversion, the number of years prior to retirement and other factors. It is advisable to consult a financial expert.

# LYNX



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