

Indirect Clearing

A. Indirect Clearing Background

Pursuant to the MiFID II (Regulation (EU) No. 600/2014) rules and the corresponding regulation on indirect clearing arrangements implemented in the United Kingdom on indirect clearing (together the “**Indirect Clearing Rules**”) and as described in more detail below, the Bank is required to offer you a choice of account types at EU or UK central counterparties where the Bank is not a direct clearing member.

The Bank is not a direct clearing member at EU or UK central counterparties (“**CCP**”) and is generally using direct clearing member services (“**Affected CCP Services**”) of its affiliates Goldman Sachs International (“**GSI**”) and/or Goldman Sachs Bank Europe SE (“**GSBE**”) (“**Clearing Broker**”) in this regard.

The Indirect Clearing Rules generally require the Bank to provide you with the option of two indirect client account types at the Clearing Broker with respect to the relevant Affected CCP Service – a basic omnibus indirect client account (a “**Basic Omnibus Indirect Client Account**”) and a gross omnibus indirect client account (a “**Gross Omnibus Indirect Client Account**”), as further described in the “**Goldman Sachs Bank AG – Direct Client Disclosure Document**” available on www.goldmansachs.com/disclosures/mifid, hereinafter referred to as “**Direct Client Disclosure Document**”.

In the event where you are acting as agent on behalf of your underlying clients please note that the Bank’s terms of business do not address indirect clearing services provided by you for your own clients in relation to an EU and/or UK domiciled CCP. Additional requirements may apply to the provision of such services by you and you must inform us if you will be providing such services so that we can address such requirements directly with you. If you do not inform us accordingly and are doing business with us, you will be deemed to represent and warrant to us, unless agreed otherwise between you and the Bank, that you are not using the clearing services provided to you by the Bank as a basis of providing clearing services to any of your clients as part of an indirect clearing arrangement in relation to any CCP established in the EU and/or the UK.

More information about the features and risks of a Basic Omnibus Indirect Client Account and a Gross Omnibus Indirect Client Account are provided in the Direct Client Disclosure Document. The Bank may be providing you with additional information if and when it becomes available from any Clearing Broker or CCP.

Indirect client account elections

There are two options for you in relation to indirect client accounts:

- You can elect for a Basic Omnibus Indirect Client Account at all CCPs. Where you are acting as agent on behalf of one or more underlying clients, this election will apply to all underlying clients.
- Please contact your Goldman Sachs team if you wish to:
 - elect for a Gross Omnibus Indirect Client Account; or
 - where you are acting as agent on behalf of one or more underlying clients, make different elections per any of your underlying clients; or – change any election already made in respect of an indirect client account.

There is no obligation for you to communicate your indirect client account election to the Bank. If you do not provide us with the relevant indirect client account election, we will ask the relevant Clearing Brokers to manage your positions and related margin (or that of your underlying client(s)) in a Basic Omnibus Indirect Client Account.

Indirect clearing documentation / implementation

The general terms and conditions applicable to the Bank indirect clearing services can be found in the Direct Client Disclosure Document. Please carefully review those general terms and conditions as they provide more detail about the operational and documentation requirements of both indirect client account types. Please be aware that these requirements are likely to be more substantial, you might be required to waive Swiss banking secrecy to allow the Bank setting up the appropriate legal and operational framework, and associated costs are likely to be higher, where you have elected for a Gross Omnibus Indirect Client Account.

- The implementation of the indirect client account types shall also be dependent on factors including, without limitation, a Clearing Broker’s and the CCP’s readiness to implement the relevant choice of indirect client account type and the completion by the Bank of any operational or other steps necessary to provide the relevant indirect client account type (including, where relevant, the transfer of your assets and positions into the relevant account), which may result in a delay in the Bank’s provision of the relevant indirect client account. Similarly, any subsequent amendment to your choice of indirect client account types will be subject to the foregoing factors, which may result in a delay in the Bank’s provision of the relevant indirect client account type.