

Terms and conditions of financial markets client agreement

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1. Definitions

In the Terms and Conditions of this Financial Markets (**Terms and Conditions**) Client Agreement (**Client Agreement**), the following capitalised terms are used with the following meanings:

Professional Client is the person who is a professional investor as defined in the Estonian Securities Market Act, the person who trades in goods and commodity financial instruments on the market or company that meets at least two of the following conditions: 1) its balance sheet equals or exceeds 20 million euros; 2) its net turnover equals or exceeds 40 million euros; 3) its equity capital equals or exceeds 2 million euros, or a retail client who shall be treated by the Bank as a Professional Client on the Client's request.

Depository is a person who provides financial instruments' custody, registration and/or settlement services used by the bank.

Nominee Account is a special type of securities account by means of which the Bank deposits the Client's financial instruments in the name of the Bank in its name and on its account.

Financial Instrument are the securities or other rights, currency, interest rate, credit, index, raw material that are the object of the deal or the rights and obligations related to them or a combination of the above or other indicators/variables that are usually used on international financial markets as the underlying assets of derivative instruments or derivative transactions.

Order is an order submitted by the Client to the Bank with which the Client requests the Bank to perform a Transaction or another activity related to the Transaction.

Correction Event is an event or circumstance that is independent of a Transaction Party and whose occurrence considerably changes the relations or the contents of mutual obligations in the performed Transaction. Correction Events are also the following events: a change in the method of calculation of the index or its composition, merger, division, reorganisation, termination, bankruptcy of the issuer, increase or decrease in the share capital of the issuer; increase or decrease in the nominal value of the financial instruments that is the object of the Transaction, one currency being replaced by another; a trading interruption in a regulated securities market or a multilateral or an organized trading

facility; another event that inhibits temporarily or permanently the performance of the Transaction in accordance with the terms and conditions agreed due to circumstances independent of the Parties. The occurrence of Force majeure is not deemed as a Correction Event.

Legal Entity Identifier (LEI) means an identifier which is used globally to identify a legal person and contains a 20-character alphanumeric code LEI is a precondition for certain Transactions.

Party is the Bank and/or the Client.

Competent Authority is an Estonian or foreign person in public or private law or a state authority, which on the basis of a legal act, a contract concluded with the market participants or an authorisation issued by the market participants, organises the functioning of a certain area of the financial services in a respective country or financing centre or which exercises supervision over this area. Such a person may be, for example, the central bank, a supervisory authority, an operator of a regulated securities market, a stock exchange, a multilateral or organized trading facility, a manager of a securities register, an operator of a settlement system, or another similar person.

Collateral is funds reserved in favour of the Bank on the Client's account or funds transferred to the Bank or Financial Instruments provided to the Bank or reserved in favour of the Bank on the Client's account with which the Client guarantees the performance of the obligations arising from the Transaction.

Notice is a notice or document aimed at producing a legal effect related to the Client Agreement.

Service is a foreign currency transaction, deposit and over-the-counter derivative transaction (OTC derivative) and execution of client orders in financial instruments or reception and transmission of such orders, as well as ancillary investment services or other related services in connection with the abovementioned investment services.

Service Conditions are the terms and conditions of the relevant Service with which the Bank establishes the content of the Service and the specific conditions and procedure for using the Service. Service Conditions are an integral part of the Terms and Conditions. The definitions defined in the Terms and Conditions shall be used in the same meaning also in the Service Conditions, unless otherwise provided in the Service Conditions.

Transaction is a transaction made on the basis of the Client's Order or an agreement of its mediation, which is the substance of the respective Service.

Transaction Confirmation is a document containing important information about the Transaction that is sent to the Client by the Bank after execution of the Order.

Security Element is a user ID, password or other similar element allocated to and associated with the Client that the Bank may require from the Client upon accepting the Order for additional identification of the Client or the Client's representative. Security Elements allocated to the Client in relation with the Client Agreement have been set out in Annex 2 of the Client Agreement.

Website is the Bank's website at www.seb.ee/investorprotection.

Authorised Representative is the person who has the right to give Orders and perform Transactions on behalf and account of the Client and exercise other rights of the Client arising from the Client Agreement or Services or take obligations on behalf of the Client.

2. General principles for service provision

- 2.1 The description of each Service and more specific conditions and procedure for using the Service shall be stipulated with the respective Service Conditions. A list of the Services with references to the Service Conditions applied with respect to the Service and preconditions, if any, to the Service have been set out in Annex 1 of the Client Agreement. Parties may agree on Transactions which are not regulated by the Services Conditions.
- 2.2 The Bank shall have the right to decide, at its own discretion, regarding which currencies, financial instruments or other financial instruments it will provide the Services, whereas the Bank shall have the right to refuse provision of some Services or provision of Services as regards particular financial instruments or underlying assets at any time. In addition, the Bank shall have the right to establish or amend, at any time, the restrictions on, limits (incl. transaction or position limit) and minimum requirements for the Services, including transaction volumes and/or execution deadlines of Services and restrict or prohibit the submission of certain Orders, depending on the type of the Order, time of submitting the Order, client classification, financial instrument, which the Order concerns, or Transaction value. The Client can receive current information on other restrictions or requirements for the Services from the corresponding contact persons in the Bank specified in the Client Agreement or on the Website.
- 2.3 The Bank shall not provide portfolio management or investment advice services on the basis of the Client Agreement, thus the Client shall be independently liable for the decisions related to its assets, including the selection of financial instruments, acquiring information necessary for making the investment decision and for arranging Transactions with the financial instruments included in its assets. Also, the Bank shall not act as a tax advisor to the Client and this condition shall also apply if the Bank has referred to a certain tax aspect in the information aimed at the Client. Tax aspects depend on the particular characteristics of a transaction and the Client and are subject to changes in the future.

- 2.4 In cases provided by law, the Bank shall assess the appropriateness of the provided Service and financial instrument. The Client shall be obliged to submit to the Bank information required by the Bank necessary for the assessment of appropriateness of the provided Service or financial instrument.
- 2.5 Upon providing the Services, the Bank shall regard the Client in accordance with the client classification as indicated in the Client Agreement or separately notified to the Client during the validity of the Client Agreement. Additional information about the categorisation of clients and limits of Clients' protection in relation to treating the Client as a Professional Client has been specified on the Website. The Client has the right to request different classification. The Bank points out that in the event a certain Service can be provided only to a Client classified as a Professional Client or as an eligible counterparty and if the Client applies to be classified as a retail client, the Bank shall have the right to terminate a specific Service from the moment the Client applied to be classified as a retail client.
- 2.6 In case of a Professional Client, the Bank shall assume that the Client has achieved the required level of knowledge and experience with respect to the particular Service or financial instrument, which complies with the Client's investment objectives, and that a Professional Client is able to financially bear the risks related to the investment. The Client shall be responsible for keeping the Bank informed about any change that could affect its treatment as a Professional Client. If the Bank thereby becomes aware that the Client no longer meets the conditions set for Professional Clients (including the conditions that allow the Bank to treat a retail client as a Professional Client), the Bank shall apply the provisions of retail clients to the Client according to the changed circumstances.
- 2.7 In the event a Client who is a legal person concludes a Client Agreement for services other than foreign currency transaction, the Client shall be obliged to acquire LEI code and inform the Bank thereof before making the respective Transaction. The Client shall be obliged to update the LEI as required.
- 2.8 The Bank shall keep records, maintain respective registers and keep accounts in order to distinguish, at any time, the financial instruments held for the Client from financial instruments of other clients and the Bank.
- 2.9 The Bank shall store the documents related to the provision of the Services for the minimum period stipulated by legislation. The Client shall have the right to review the abovementioned documents at the time agreed beforehand by the Parties. If necessary, the Client can make copies of the documents at the disposal of the Bank at the expense of the Client.
- 2.10 Unless provided otherwise in the Service Conditions, each reference to time shall constitute a reference to Estonian local time.
- 2.11 Any delay in the exercise of any of the rights stipulated in the Client Agreement, Terms and Conditions or Service Conditions shall not mean that such a right has been waived, the separate or partial exercise of any right shall not exclude further exercise of such a right or the exercise of any other right.
- 2.12 Declaring a provision of the Client Agreement, Terms and Conditions or Service Conditions null and void or invalid does not result in the declaration of any other provision of the Client Agreement, Terms and Conditions or Service Conditions null and void or invalid.
- 2.13 If there are any differences or ambiguousness in the Estonian and any foreign language versions of the Client Agreement, Terms and Conditions and/or Service Conditions, the Estonian text shall prevail.

3. Submitting and accepting of orders

- 3.1 In order to initiate a Transaction or other action in relation to the provided Service, the Client must give a respective Order to the Bank in writing, via electronic facility for financial transactions accepted by the Bank, by phone or via e-mail. Upon submitting the Order, the Client shall indicate the important terms and conditions of the requested Transaction and all other data required by the Bank (incl LEI code, if the Bank is obliged to report such Transaction to Competent Authorities).
- 3.2 The Bank warns the Client that e-mail is not a safe means of communication and the Bank cannot ensure the safety of the information forwarded via e-mail and the Bank shall not be liable for the fact whether an e-mail reaches the Bank's representative or not. If the Client submits the Order to the Bank via e-mail, the Bank may ask the Client to re-confirm its Order by phone.
- 3.3 The Bank shall record the act of communication with the Client conducted by telephone and via electronic channel, which is related to Instruction or may lead to Instruction. The Client has the right to request the Bank to submit the recordings of the communication between the Client and the Bank during the time the recordings are retained. Pursuant to legislation, the Bank shall retain the recordings usually for five years. If the Client requests the recordings, the Client shall compensate to the Bank for concurrent reasonable expenses. The Client confirms that they agree with recording of the abovementioned act of communication.
- 3.4 The agreement of executing or mediating the Transaction has been concluded at the moment the Parties have agreed on all important terms and conditions of the Order and the Bank has accepted the Order. Important conditions of the Order submitted to the Bank are stipulated in the respective Service Conditions.

- 3.5 Upon submitting the Order, the Client must consider the legislation applicable to financial instruments and transactions in financial instruments, respective market practice, rules of the trading venue and the Depository, its knowledge and experience of financial instruments, as well as the purpose of the Transaction and possible risks and restrictions associated with performing the Transaction.
- 3.6 At the Client's request the Bank shall provide additional information about material aspects and the Service Conditions related to the execution of the Order and using the Service.
- 3.7 In the cases set forth in the Client Agreement, Terms and Conditions or Service Conditions, some or all Transactions or activities associated with such Transaction shall be made automatically, i.e. without the Client's separate Order.
- 3.8 The Client shall ensure that the persons giving Orders to the Bank on behalf and in the name of the Client have the right for such activities. The Bank shall have the right to act on the basis of each Order given in the manner specified in clause 3.1 of the Terms and Conditions for which the Bank can presume in good faith that the Client has given this Order. Should the Bank have reasonable suspicion it may contact the legal representative of the legal person or the natural person him-/herself and ask to confirm the Order. A person acting in the name of the Client who is a legal person is presumed to have the right of representation arising from its position.
- 3.9 When accepting the Order, the Bank shall identify the Client or the Client's representative by taking due care and diligence usually required for rendering financial services, as well as applying certain technical equipment (e.g. telephones which show caller ID, call recording systems, etc.).
- 3.10 When accepting the Order, the Bank may ask the Security Element from the Client.
- 3.11 The Parties shall be obliged to retain the Security Elements allocated to the Client in such a way as to ensure confidentiality of the Security Elements and avoid their disclosure to unauthorised persons. The Client shall be obliged to inform the Bank immediately of the potential disclosure of the Security Elements to unauthorised parties. Upon receiving the corresponding notice, the Bank shall block acceptance of Orders over the phone, or the provision of some of or all of the Services until the allocation of new Security Elements.
- 3.12 The Bank shall accept Orders on all working days during the standard business hours of the Bank. Orders for making transactions with financial instruments registered or traded in a foreign country may also be accepted by the Bank outside standard business hours. An Order submitted to the Bank after the term specified by the Bank for submitting the respective Order shall be executed by the Bank as soon as possible, but the Bank shall not be liable for any damages the Client might bear due to later execution of the Order, and the Bank shall not be liable for any damages which the Client may bear if the counterparty of the Transaction does not submit a counter-order or delays with making it.
- 3.13 The Bank may transmit the Client's Order regarding financial instruments for execution to third party service provider, including persons belonging to the same consolidated group with the Bank. This mainly concerns Orders regarding foreign-traded financial instruments or allowing the Client directly or through third party service provider a direct market access to certain trading venues.
- 3.14 If the Client has not set an expiry date for the Order on transaction mediation, the Order shall, as a rule, remain in force until the end of the standard business hours of the Bank on the working day of the receipt of the Order.
- 3.15 The Bank shall have the right to refuse to accept Orders.
- 3.16 The Bank shall have the right to refuse to execute and/or transmit the Order in, but not limited to, the following cases:
 - 3.16.1 the account required for settlement of a respective Transaction has not been opened for the Client;
 - 3.16.2 the Client has a debt to the Bank or third parties, arising from the use of Services;
 - 3.16.3 there are insufficient funds on the Client's corresponding accounts for the execution of the Order, including insufficient funds for the required Collateral or commission fees of the Bank;
 - 3.16.4 the Transaction intended by the Client does not comply with the Client Agreement, Service Conditions, the nature of the corresponding Service, provisions of the applicable legal act or a regulation of a Competent Authority, or if it does not comply with the generally accepted principles or good business practice;
 - 3.16.5 according to the Bank's professional judgement, the Order cannot be reasonably fulfilled;
 - 3.16.6 the Transaction planned by the Client does not comply with the restrictions established by the Bank as regards the volume, object or other requirements or deadline for execution, including if the intended Transaction exceeds the limit established by the Bank or if the Bank does not accept Transactions regarding currencies, deposits or OTC derivatives on the conditions suggested by the Client;
 - 3.16.7 at least one of the circumstances specified in clauses 12.2 or 12.3 of the Terms and Conditions occurs;
 - 3.16.8 the Bank has submitted to the Client, or received from the Client a notice on the termination of the Client Agreement;

- 3.16.9 according to the Bank's professional opinion, the Client has submitted the Order for the purpose of market abuse;
 - 3.16.10 if a Client who is a legal person does not have valid LEI;
 - 3.16.11 on other grounds for refusing the acceptance, execution or transmission of the Order specified in the Client Agreement, Terms and Conditions, Service Conditions, applicable legal acts or rules and regulations established by a Competent Authority.
- 3.17 If the Bank decides not to act on the basis of the Order, the Bank shall take all possible measures to immediately inform the Client of this.

4. Principles for executing orders

- 4.1 The Parties are obliged to duly and in a timely manner perform their obligations regarding the Transactions.
- 4.2 The Bank shall execute the Client's Order for trading in the best possible way for the Client, by adhering to the Bank's Best Execution rules, as well as other circumstances related to the fulfilment of the Order, including, but not limited to the provisions of the Client Agreement, terms and conditions of the securities account and transactions, applicable legal acts and rules and regulations established by Competent Authorities by following the generally accepted principles and good practice in the fulfilment of similar orders. The Client can obtain information about the state of execution of the Order via e-mail or via another electronic channel.
- 4.3 The Client shall assist reasonably in the execution of an Order and fulfil all preconditions dependent on the Client that the Bank requires for the best execution of the Order. The Client shall also be obliged to ensure, by the established term, the availability of sufficient funds or financial instruments on the Client's accounts for the execution of the Transaction concluded on the basis of the Order, or the fulfilment of the agreement on the mediation of the Transaction, as well as for provision of the established Collateral or increasing of such Collateral and the Bank's commission fees. When accepting an Order, the Bank shall have the right to block the amount of money and/or financial instruments required for execution of the Order on the relevant transaction account of the Client. If the Order is cancelled or its execution fails, the Bank shall release the relevant blocked funds or financial instruments.
- 4.4 The Bank shall have the right to act as the counterparty of the Transaction. The Client hereby agrees that, unless otherwise provided in the Service Conditions, the Bank shall not be obliged to inform the Client of becoming the counterparty to the Transaction.
 - 4.4.1 The Bank shall be obliged, on the execution of the Order, to avoid Transactions, where the Bank's interests contradict the Client's interests (conflicts of interest), and, should an unavoidable conflict of interest occur, act in the interest of the Client. The Bank shall adhere to the Bank's conflicts of interest handling rules in executing Orders.
 - 4.4.2 The Bank shall act as the counterparty of the Transaction in OTC derivative transactions, bond transactions and deposits transactions. The terms and conditions of these Transactions are mutually and independently negotiated. The Bank enters into such Transaction on the terms and conditions economically acceptable to it and best execution rules are not followed unless the Client's Order is executed on the Client's behalf vis-à-vis third party.
- 4.5 The Bank shall have the right, but is not obliged, to conduct, without the Client's separate Order, a Transaction or another transaction at the expense of the Client, if this proves necessary in the cases provided in legal acts, or reasonably necessary for protecting the Client's interests, or preventing breach of the Client's obligation, or remedying a breach by the Client. In case Transactions are made from the Client's accounts without legal basis, or if the Bank detects an error in the execution of the Order, the Bank shall have the right to make the corresponding correction entries in the accounts without the Client's separate Order. The Bank shall inform the Client of the correction entries made and keep records of information on all errors and correction entries.
- 4.6 If, during the execution of the Transaction, an event or circumstance occur, which, pursuant to the Terms and Conditions, Service Conditions, applicable laws, rules and regulations of a Competent Authority, or the corresponding generally accepted principles or good practice, can be deemed a Correctional Event, the Bank shall have the right to correct, without the Client's separate Order, the terms and conditions of the pending Transaction so as to restore the initial correlation or contents of the obligations of the Parties arising from such Transaction. Unless otherwise provided in the Service Conditions, the Bank shall correct the terms and conditions of the Transaction by following the internationally accepted principles and good practice upon correcting transaction conditions under similar circumstances in the financial markets. Upon correcting the Transaction terms and conditions, the Bank shall notify the Client of the nature of the Correctional Event and the changes in the Transaction terms and conditions.
- 4.7 The Bank shall have the right to suspend the execution of the Order if, according to the Bank, the execution of the Order is not in compliance with the applicable legislation, requirements of the Depository, regulations, principles

or practice of the respective market, or the execution of such Order would have obvious disadvantages to the Client. The Bank shall inform the Client of the suspension of the Order and reasons thereof. If the Client has not eliminated the circumstance causing the suspension of the Order within reasonable time, the Order is deemed to be suspended. The Order is deemed to be suspended if, according to the Bank, the Client is not able to eliminate the circumstance causing the suspension of the Order.

- 4.8 The Bank shall not be liable for the damages or expenses the Client bears due to the changes in prices of financial instruments or other market conditions during the period between accepting and executing the Order.
- 4.9 In the cases provided by law, the Bank shall submit to the Client the Transaction Confirmation immediately after executing the Client's Order. Transaction Confirmation shall serve as additional verification of the terms and conditions of the corresponding Transaction, but shall not replace or amend the terms and conditions agreed by phone when the Order was accepted. In case of discrepancies between the terms and conditions described in the Transaction Confirmation, and those agreed on acceptance of the Order, the Parties shall be guided by the corresponding phone call recording(s) or information on the electronic facility used for accepting the Order.
- 4.10 The Bank shall send the Transaction Confirmation to the Client's contact person in Estonian or English by e-mail (as indicated in Annex 3 to the Client Agreement), as a rule, on the transaction date. If the Client has any objections regarding the data contained in the Transaction Confirmation, the Client shall inform the Bank thereof within 24 hours after the Transaction Confirmation is delivered. If the Client fails to notify the Bank within 24 hours from the delivery of the Transaction Confirmation that the data on the Transaction Confirmation does not conform to the agreed terms, the Client shall be deemed to have agreed with the data contained in the Transaction Confirmation and the Transaction shall be deemed to be duly confirmed by both Parties. The Client must take into account that even if it informs the Bank of any objections regarding the data contained in the Transaction Confirmation, the Bank may not be able to suspend the Transaction.
- 4.11 At the request of the Bank the Client shall be obligated to provide their agreement with the data on the Transaction Confirmation in the manner and during the deadline stipulated by the Bank either via telephone, fax, e-mail or other means acceptable to the Bank or by returning the Transaction Confirmation signed by the Client's Authorised Representative or legal representative to the Bank.
- 4.12 The Bank shall submit to the Client additional reports on the securities and related services in the cases and by the terms prescribed by legislation. Such report may be an annual report on the costs and charges of the securities and related services or a report submitted in case the value of a leveraged security or a security containing conditional obligations related to the securities kept for and on the account of the client decreases 10%. Additional information about the nature, frequency and terms of the reports submitted by the bank is available on the Website.

5. Settlement

- 5.1 The Service-related settlements shall be made via the securities and/or current accounts opened for the Client in the Bank. The Client shall be obliged to ensure that the current account has sufficient funds for fulfilling the Service-related obligations and paying the commission fees established by the Bank.
- 5.2 In order to grant authorisation for the use of the Service, the Bank may demand from the Client previous opening of accounts(s) of a certain type or account(s) denominated in certain currencies. Depending on the contents of the Transaction ordered by the Client, or the type or currency of financial instrument used for the Transaction, the Bank may demand from the Client an opening of an additional account or the Bank may open itself such an additional account for the Client on the basis of the Client's Order.
- 5.3 If a sum in foreign currency is transferred to the Client's current account in which it does not hold such currency, the Bank shall convert this sum, on the basis of the Bank's exchange rate, to the principal currency of the Client's account, unless the Client and the Bank agree otherwise.
- 5.4 The Bank shall carry out all calculations required for specifying the amounts of the obligations arising from the Transactions executed within the framework of the corresponding Service and the related operations (incl. the Collateral cover obligation, or amendments thereto, amounts payable at termination) or for determining the value of the rights thereof. If the Transaction concluded or the Service Conditions refer to a particular index value, a particular interest rate, a particular market price for financial instrument or a particular exchange rate, the Bank shall determine such value in good faith on the basis of its professional judgement.
- 5.5 The Client instructs the Bank to credit and debit the Client's Service-related current account and, if necessary, convert the money on the current account. Unless otherwise provided in the Service Conditions, the Client instructs the Bank to debit Client's account in the sum necessary to meet the Client's obligations. The Bank shall debit Client's account in the amount of the payment obligation.
- 5.6 The Bank shall not be obliged to credit or debit the securities and/or current account before the Bank has received an acceptable confirmation on the finality of the corresponding Transaction and/or settlement from the settlement system operator, payment agent or Depository. When concluding Transactions with specific Financial Instruments (e.g. bonds), the Client must take into account that stemming from standard market practice there may be delays in settlement of the Transactions.

- 5.7 Unless otherwise provided in the Service Conditions or the terms and conditions of the corresponding Transaction, the Parties shall fulfil the payment obligation arising from the transaction executed on the basis of the Order in the currency in which the payment obligation is denominated.
- 5.8 If the execution of mutual payments in the same currency arising from one or several Transactions falls on the same day, the Bank can debit from or credit to the Client's account the difference between the payments, i.e. the balance. The calculation of the debited or credited amount shall be performed by the Bank and a respective balance notice shall be sent to the Client.

6. Additional terms and conditions for derivative transactions

- 6.1 Clauses 6.1 to 6.6 apply only if the Client enters into Transactions with OTC derivatives (in clauses 6.1 to 6.6 referred to as "Transactions") as stipulated in Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories and its delegated acts (hereinafter: "EMIR"). For the purposes of EMIR, the Client is obligated to inform the Bank whether the Client is a financial counterparty or a non-financial counterparty under EMIR. If the Client fails to inform the Bank thereof, the Bank shall assume that the Client is a non-financial counterparty under EMIR. The Client can find additional information related to EMIR on the Website.
 - 6.1.1 If the Client is a non-financial counterparty under EMIR, the Bank shall assume that the Client is below the EMIR clearing threshold, that the Client concludes all Transactions for hedging purposes (including, but not limited to, reducing risks directly relating to the commercial activity or treasury financing activity) only and that the Client is the beneficiary of the rights and obligations of the Transaction. If any of these assumptions are inaccurate (or become inaccurate), the Client is obligated to inform the Bank thereof during each submission of the Order to the Bank.
 - 6.1.2 If the Client is a financial counterparty under EMIR, the Client is obligated to notify the Bank regarding what type of financial counterparty the Client is and the Bank shall assume that the Client is the beneficiary of the rights and obligations of the Transaction. If this assumption is inaccurate (or becomes inaccurate), the Client is obligated to inform the Bank thereof during each submission of the Order to the Bank.
- 6.2 The Bank shall initiate portfolio reconciliation with the Client in line with the requirements and terms of EMIR. For this purpose the Bank shall send to the Client an informative confirmation regarding the value of the Client's outstanding Transactions with the Bank, and where relevant, a summary of assets provided as Collateral by the Client. If the Client has any objections regarding the data contained in the confirmation, the Client shall inform the Bank thereof within 5 (five) working days after the confirmation is delivered. If the Client fails to notify the Bank within 5 (five) working days from the delivery of the confirmation that the data on the confirmation does not conform to the Client's data, the Client shall be deemed to have agreed with the data contained in the confirmation and the portfolios of the Client and the Bank shall be deemed to be reconciled.
- 6.3 If a Party has any complaints against or disputes with the other Party or disagreements with any data or document provided by the other Party in connection with Transactions under EMIR, the Party shall present the relevant claim to the other Party. If the Client wishes to present a claim to the Bank, the Client shall send the claim to the Bank's e-mail address provided in the Transaction Confirmation or in the confirmation described in clause 6.2 or to the Bank's general e-mail address clearly stating that the claim should be forwarded to the Trading and Capital Markets Division. The Parties shall immediately commence negotiations to resolve the claim. If the negotiations are not successful within 5 (five) working days, the Parties may, depending on the nature of the dispute, resolve the dispute upon mutual agreement with market polling, escalating the dispute within their organizations to senior members, or with other resolution methods according to standard market practices. If the dispute is not resolved within 15 (fifteen) working days as of the commencement of negotiations, the Parties may file a complaint to the courts of Estonia or other competent dispute resolution authorities under Estonian law. The Client shall, with the signing of the Client Agreement, consent to the Bank notifying the competent supervisory authorities of outstanding disputes and their details according to the terms and conditions stipulated in EMIR.
- 6.4 If the Client is obligated under EMIR to acquire a LEI or carry out any other actions, the Client shall acquire a Legal Entity Identifier or carry out other actions in due time and on the terms and conditions stipulated in EMIR.
- 6.5 According to the stipulations of EMIR, both parties to a Transaction have to report the conclusion, modification and termination of Transactions to a trade repository. The Client is obligated to provide, by the time specified by the Bank, to the Bank any and all data that the Bank may request for the purposes of Transaction reporting.
 - 6.5.1 If the Client itself wishes to report the Transaction on the Client's behalf, the Client shall notify the Bank thereof during the submission of the Order to the Bank and shall follow the Bank's instructions regarding Transaction reporting in order to ensure duly coordinated reports.
 - 6.5.2 If an error has been made in the process of reporting Transactions or in the reported data, the Parties undertake to make all reasonable efforts in good faith to resolve such error in reasonable time and present a new or amended report.

- 6.6 If the Client has i) provided to the Bank false or misleading information regarding clause 6.1 and its sub-clauses (or fails to provide said information), or ii) fails to acquire a LEI or carry out any other actions required by EMIR under clause 6.4; or iii) fails to provide to the Bank any and all data that the Bank may request for the purposes of Transaction reporting under clause 6.5 (or provides false or misleading data) or fails to follow the Bank's instructions under clause 6.5.1 or fails to make reasonable efforts to correct Transaction reporting errors under clause 6.5.2, the Bank has the right, in its sole discretion, to refuse to accept Orders from the Client, to refuse to conclude Transactions with the Client, to refuse to report Transactions on behalf of the Client (in which case the Client shall be obligated to report Transactions themselves), to immediately terminate all Transactions and the Client Agreement with the Client or, in cooperation with the Client, carry out any necessary actions and make modifications necessary to rectify the errors caused by said circumstances.

7. Collateral

- 7.1 In the cases stipulated by the Service Conditions or determined by the Bank, the Client shall be obliged to provide Collateral in order to guarantee any (payment) obligation(s) arising from the Client Agreement and the Transaction(s). The Collateral shall guarantee all obligations arising from the Client Agreement and Transaction(s), unless otherwise agreed between the Parties. The Collateral provided by a Client who is entitled to provide financial collateral under applicable legal acts is deemed as financial collateral for the purposes of the Client Agreement.
- 7.2 As a rule, the Client shall ensure fulfilment of the payment obligation arising from the Transaction by providing cash collateral, which shall be transferred to the Bank or blocked on the Client's account for the benefit of the Bank. In cases stipulated in the Service Conditions or when agreed between the Parties, the Client shall guarantee fulfilment of its payment obligations by providing certain financial instruments which shall be transferred to the Bank or blocked on the Client's account for the benefit of the Bank. The provision of other assets as collateral shall be agreed in a separate collateral agreement.
- 7.3 The Client and the Bank shall deem the Collateral to be established when the Collateral is transferred or financial instruments or cash collateral is blocked by the Bank, unless agreed otherwise by the Parties. The Parties may conclude a separate agreement on the terms and conditions of the Collateral.
- 7.4 The Bank shall determine and notify the Client of the amount of the cash collateral or financial instruments upon accepting an Order in accordance with the Collateral thresholds set forth in the Service Conditions or otherwise established by the Bank.
- 7.5 The Bank may waive from demanding the Collateral for Transactions to be concluded within the framework of a Service, if a corresponding limit has been established for the use of such a Service. Even if no such limits have been established, the Bank may waive from demanding the Collateral for a Transaction. However, if circumstances occur during the course of the Transaction, which, according to the Bank's judgement, are bound to have a material effect on the Client's ability to fulfil the obligations arising from such a Transaction or if the Bank decides to request Collateral due to any other circumstances, the Bank may still demand from the Client the provision of Collateral.
- 7.6 Unless otherwise provided in the Service Conditions, the Client shall provide the Bank with the Collateral in the following way: on the day of accepting the Order, the Bank shall debit the Collateral amount or financial instruments from the Client's corresponding account. The Bank shall send a Transaction Confirmation regarding the Collateral to the Client. The Bank shall be obliged to keep the funds or financial instruments, which have been provided as the Collateral, separate from its own assets.
- 7.7 The Bank shall have the right to dispose over the funds or financial instruments, which have been provided as the Collateral. If the Bank disposes the Collateral, it shall ensure the return of an equal value of financial instruments or funds to the Client on the maturity date of the Collateral.
- 7.8 The Client shall be obliged to provide or increase the Collateral to the level established in the Service Conditions or by the Bank upon accepting the Order each time, if the ratio between the amount of the Collateral and the comparative amount established upon accepting the Order falls below the minimum threshold stipulated in the corresponding Service Conditions or the minimum level established by the Bank upon accepting the Order and also if the Bank instructs the Client to provide or increase the Collateral. The Client is obliged to ensure, by the time established by the Bank, which is usually the same working day, the availability of sufficient funds or financial instruments required by the Bank on its account for providing or increasing the Collateral.
- 7.9 If the Client fails to fulfil the payment obligations arising from the Client Agreement or the Transaction, the Bank shall have the right to realise any Collateral granted to the Bank or other financial instruments held in the Client's account at any time.
- 7.9.1 If the object of the Collateral is financial instruments, then, upon occurrence of the realisation event, the Bank shall sell these financial instruments in a way and order as it considers appropriate and at the best price available.
- 7.9.2 If the objects of the Collateral are other assets, then, upon occurrence of the realisation event, the Bank shall sell these assets at its own discretion in accordance with the law and/or the collateral agreement.

- 7.9.3 Unless otherwise provided by law, the Bank shall have the right to acquire or retain and not re-transfer the financial instruments, funds or the Client's monetary claims against the Bank which serve as the Collateral, by immediately informing the Client of the occurrence of the realisation event.
- 7.9.4 Upon the acquisition of the financial instruments provided as the Collateral, the value of the financial instruments shall be specified on the basis of the principles and methods established for the corresponding type of financial instruments in the Procedure for Establishing the Net Asset Value of Investment Fund Assets of the Ministry of Finance of the Republic of Estonia.
- 7.10 The Bank shall have the right to set off its claims with the Collateral or with the sums received as a result of realisation of the Collateral, if it facilitates the execution of mutual payments arising from the Client Agreement and/or the Transaction or in other cases and if the Bank considers it justified. In the event of set-off, the Bank shall send the Client a separate notification by indicating the calculations of claims subject to set-off.
- 7.11 In case of insufficiency of the Collateral, the Bank shall have the right to seek reimbursement from other funds or financial instruments on the Client's accounts opened with the Bank. In addition to the above rights, the Bank shall also have the right to withhold the funds necessary for the settling of the Client's debt from the payments transferred to the Client by third parties.
- 7.12 The Bank shall return the Collateral provided for the Transaction, or the remainder of such Collateral (if the Transaction was executed at the expense of the Collateral) after complete fulfilment of the payment obligations arising from the Transaction. The Bank shall have the right to deduct from the sums returned to the Client all sums payable by the Client (including default interest, interest, etc.) and expenses incurred by the Bank with the sales of financial instruments.
- 7.13 The Bank shall conclude title transfer collateral agreement (collateral which shall be transferred to the Bank) only with Clients which are classified as Professional Clients or eligible counterparty.
- 7.14 The Bank draws Client's attention that by concluding title transfer collateral agreement (collateral which shall be transferred to the Bank) the following risks and consequences may occur: Client's rights in the relevant financial instruments will be replaced by an unsecured contractual claim for delivery of equivalent financial instruments; those financial instruments will not be held by the Bank in accordance with client asset rules stated in legislation (eg asset segregation requirements); the Client shall not have the right to participate in the general meeting of the issuer including no right to vote or exercise other similar rights; in the event of insolvency or default under the Agreement Client's claim against the Bank for delivery of equivalent financial instruments will not be secured and, accordingly, you may not receive such equivalent financial instruments or recover the full value of the financial instruments.

8. Commission fees

- 8.1 The Bank shall have the right to charge a commission fee for the Services provided to the Client pursuant to the price list agreed at the submission of Order and, upon the absence of such agreement, the Bank's price list valid at the time the Transaction is executed. The Client shall be obliged to pay the commission fee in accordance with the procedure and in the amount stipulated by the Bank. The Bank shall have the right to add the commission fee to the sums payable by the Client pursuant to the Transaction. The Bank points out to the Client and the Client is aware that other fees or taxes may be charged from the Client in association with the Transaction or Service in addition to the fees, including taxes, payable through the Bank or to the Bank.
- 8.2 The Client Agreement and the respective Service Conditions regulate the relations between the Parties related to the Client Agreement as regards to providing information about the performance of the mandate as well as the Bank giving an overview to the Client of the expenses and revenues related to the performance of the Client Agreement and Service Conditions and specifying the evidence proving it. Section 624 subsections (1) and (2) of the Law of Obligations Act shall not be applied in this matter.
- 8.3 The Client agrees to the Bank presenting the Client with the information on the expenses and fees associated with the Service for each Transaction and operation whenever the Client requests the corresponding information.

9. Representatives of parties and contact details

- 9.1 The Client who is a natural person may perform Transactions either personally, through a legal representative or an Authorised Representative. The Client who is a legal person may perform Transactions through a legal representative or an Authorised Representative.
- 9.2 The Client's Authorised Representatives and their personal and contact details have been specified in Annex 3 of the Client Agreement. The Bank shall presume that each Authorised Representative shall have the right to represent the Client in executing the Transaction(s), including providing the Client assets as Collateral, in accordance with existing laws. At the request of the Bank the Client shall be obligated to present to the Bank without delay the sample signatures of its Authorised Representatives and legal representatives.

- 9.3 The Authorised Representative of the Client shall have the right to independently exercise any of the Client's rights arising from the Client Agreement or the used Service, including the right to give Orders, conclude Transactions which form the contents of the Service, specify the accounts to be used for executing Transactions, make inquiries, etc.
- 9.4 Only the Client personally, the Client's legal representative or other person, whose corresponding right has been clearly stipulated in an authorisation document granted to them, shall have the right to amend the Client Agreement and its Annexes (incl. the right to determine the Authorised Representatives) and to specify the necessary Services or to cancel the Services.
- 9.5 The Client shall be obliged to inform the Bank immediately of any changes to the information specified in Annex 3 of the Client Agreement. The Bank shall have the right to treat the Authorised Representatives set forth in Annex 3 of the Client Agreement as Authorised Representatives until the Bank receives the written notice about the termination of the respective person's authorisation from the Client. The previous sentence shall be valid also if an entry has been made about the right of representation in a public registry, data about it has been published in the mass media, including the official publication *Ametlikud Teadaanded*, or a court decision has taken effect concerning the right of representation.
- 9.6 The Bank shall not be responsible for any damages incurred by the Client with Orders submitted in relation to the Transactions or the Collateral that were made by the Authorised Representative before the Bank received the notice about the termination of the Authorised Representative's authorisation. The Client shall be obliged to compensate the Bank for all damages the Bank incurred due to the breach of the notification obligation stipulated in clause 9.5 of the Terms and Conditions.
- 9.7 The Bank's rights and obligations arising from the Client Agreement (including accepting Orders, concluding Transactions, etc.) shall be carried out, depending on the area of responsibility, on the Bank's behalf, by the staff of markets department. In accordance with the Bank's organisational structure the Services may be provided also by another unit within the Bank. The list of employees providing Services is available on the Website together with the corresponding contact details and areas of responsibility.

10. Notices

- 10.1 Unless the Client Agreement, Terms and Conditions or the Service Conditions provide a different form or method of submission of the notice, each Notice related to the Client Agreement shall be submitted to the Authorised Representative of the other Party by phone or in an electronic form.
- 10.2 Unless otherwise provided in Annex 3 of the Client Agreement the Client's contact person shall be any of the Authorised Representatives specified in Annex 3.
- 10.3 If the Client sends the Notice to the Bank's other departments than Markets department it shall not be deemed to have received by the markets department.
- 10.4 If under the Client Agreement the Notice shall be submitted to the other Party in a written form, it shall bear, in addition to other elements set forth in the Client Agreement, the signature of the Party or their Authorised Representative. As a rule, the Bank shall not sign Transaction Confirmations to be submitted to the Client.
 - 10.4.1 A personal signature on a Notice may be replaced by a mechanically copied signature, unless the other Party immediately demands a personal signature.
 - 10.4.2 9.4.2 For the purposes of the Client Agreement, a signature stamp, or a signature impression which has been printed or typed on the Notice shall be considered a mechanically copied signature, unless the Party was aware of, or was supposed to be aware of the fact that the signature was copied against the will of the signatory.

11. Liability of the parties

- 11.1 The Party shall be liable for the breach of the Client Agreement, and/or the Transactions concluded thereunder pursuant to and to the extent provided in the Client Agreement and legal acts.
- 11.2 The Bank shall not be liable for:
 - 11.2.1 violation of the Client Agreement, if this has been caused by suspension of or hindering of the activities of the Bank by third parties, force majeure, Correction Event, activities of Competent Authorities or other circumstances beyond the control of the Bank;
 - 11.2.2 any damage caused to the Client through execution, receipt or transmission of the Order or rejection of the Order;
 - 11.2.3 services provided and information forwarded by third parties with the Bank's mediation, unless this constitutes outsourcing of Service-related activities by the Bank. The Bank shall not be liable for any damage caused by the actions of third parties or their failure to act, insolvency, or for violation of the Transaction mediated to the Client on the basis of the Order by a third party, who serves as a counterparty

to such a Transaction. In the event of such a violation, the Bank shall reasonably do all in his power to assist the Client in the application of legal remedies and remedying the damage, presuming that the Client compensates the Bank for all the expenses incurred with such activity.

- 11.3 The Client shall reimburse the Bank any costs and damages, which the Bank incurs as a result of third party claims in connection with the Services provided, unless any such claim has been caused due to Bank's negligence in providing the Services.
- 11.4 All rights arising from the Client's assets held on Nominee Account(s) belong to the Client and the Client is also responsible for the fulfilment of any obligations arising from such assets. If the Client's corresponding obligation is collected at the expense of the assets of the Bank or the assets of other clients of the Bank, which are held in the name of the Bank, the Bank shall have the right to seek immediately reimbursement of such assets from the Client and debit the Client's account respectively.
- 11.5 In case of delays in the fulfilment of the payment obligation arising from the Service, the Party who delays payment shall pay the other Party a non-accumulative fine for delay in the amount of 0.1% of the delayed payment amount for each day of delay.

12. Termination of client agreement and/or transaction

- 12.1 The Parties shall have the right for ordinary cancellation (i.e. at any time and for any reason) the Client Agreement by notifying the other Party in writing or in a format that can be reproduced in writing at least seven calendar days in advance. The Client Agreement shall terminate at the end of the notice period or at a later time specified in the Notice.
- 12.2 In addition to other grounds set forth in the Terms and Conditions, the Party shall have the right for extraordinary cancellation of the Transaction and/or Client Agreement without any prior notice only with a good reason. Good reasons can be any of the following events:
 - 12.2.1 the Party violates any payment obligation arising from or associated with the Transaction, especially the obligation to transfer money, financial instruments or any other monetary rights defined with a Transaction and the Party has not rectified the violation within one day after receipt of relevant notice by the other Party;
 - 12.2.2 any of the representations given by a Party in the Client Agreement proves to be partially or completely untrue.
- 12.3 In addition to the grounds set forth in the Service Conditions, the Bank shall have the right for extraordinary cancellation of the Transaction and/or Client Agreement without any prior notice with good reason and, if necessary, close the Client's position in the respective currency or financial instrument or act in the manner provided for in the respective Service Conditions. Good reasons can be, inter alia, any of the following events:
 - 12.3.1 the Client does not fulfil its obligation to provide, transfer or increase a Collateral or it breaches the terms and conditions of any collateral agreement and it has not rectified the breach within one day after receipt of relevant notice by the Bank;
 - 12.3.2 the Client does not fulfil the Client Agreement, Transaction and/or any other contract concluded with a person belonging in the same group as the Bank, especially a credit, loan, surety, guarantee, leasing, factoring or other contract and does not terminate the violation within the term established by the Bank or the person belonging in the same group as the Bank;
 - 12.3.3 in the reasonable opinion of the Bank, the Client cannot perform one of its obligations vis-à-vis the Bank or a person belonging in the same group as the Bank at the due date of the obligation;
 - 12.3.4 a temporary administrator in bankruptcy is appointed for the Client, liquidation, execution, criminal or other similar proceeding is initiated or a moratorium is declared with respect to the Client who is a credit institution or a special regime is declared with respect to the Client who is an insurer;
 - 12.3.5 the Client's assets have been or will be expropriated, arrested or confiscated in a manner or extent that might have a material adverse effect on the Client's financial position in the reasonable opinion of the Bank;
 - 12.3.6 the Client has given false information to the Bank in the documents related to the Client Agreement or has not submitted information known to the Client that affect the performance of the Client Agreement;
 - 12.3.7 the Client withdraws the consent to process the data specified in clause 2.5 of the Client Agreement or limits it in a manner that impedes the Bank to reasonably perform its obligations arising from the Client Agreement;
 - 12.3.8 the Client significantly violates any payment obligation arising from a contract concluded with a third person;
 - 12.3.9 the Client who is a legal person undertakes merger, division or reorganisation as a result of which, in the reasonable opinion of the Bank, the creditworthiness of the Client is materially adversely affected;
 - 12.3.10 the Client who is classified as a Professional Client or an eligible counterparty applies for classification

as a retail clients with regard to Service that can only be provided to a Professional Client or an eligible counterparty.

- 12.4 The Party shall inform the other Party of extraordinary cancellation of the Client Agreement in writing or in a format that can be reproduced in writing.
- 12.5 Parties shall immediately inform each other of any legal act, rules by Competent Authority or generally accepted principles or practices which render or will render the Transaction(s) illegal or otherwise hinder the provision of Services. The Parties shall negotiate in good faith to seek alternative solutions to continue, amend or terminate the Transaction(s). If no agreement is reached within 10 working days after sending the relevant notice, the affected Party may cancel the Client Agreement and/or the Transaction(s) under this section.
- 12.6 In the event of extraordinary cancellation of the Client Agreement no Services shall be provided to the Client and all Transactions shall be deemed to be terminated and the value date of all payment obligations of the Parties as arrived, unless the Parties agree otherwise regarding specific Transaction.
- 12.7 Pursuant to the Client Agreement or legislation, the Bank shall calculate the sums payable by both Parties under the Transaction(s) as per the date of the termination. The Bank shall determine the present value of future payments under the Transaction based on its professional opinion, unless otherwise stipulated in the Service Conditions. The Bank shall sum up all sums payable under the Transactions by the Parties. The Bank may translate sums in different currencies into the official currency of the Republic of Estonia in accordance with the official exchange rate on the date of termination.
- 12.8 In the event of cancellation of the Client Agreement and/or Transaction, the Bank shall have the right to set off all mutual claims arising from the Client Agreement in a current account for the purposes of section 203 of the Law of Obligations Act, whereby the restrictions on set-off stipulated in section 200 subsections (2), (3) and (4) of the Law of Obligations Act shall not be applied. The Bank shall submit to the Client a balance notice thereof in writing or in a format that can be reproduced in writing. Unless the Client contests the received balance within three days, the balance is deemed to be correct.
- 12.9 The sums receivable by the other Party under the Client Agreement and any unpaid sums under the Client Agreement must be paid by the Party to the other Party within five working days after the termination of the Client Agreement at the latest.
- 12.10 Upon termination and mutual execution of the Transactions and Services concluded on the basis of the Client Agreement, the Parties shall proceed from the terms and conditions of the Client Agreement until the mutual claims have been settled in full. After the cancellation of the Client Agreement, the Parties have the right to apply all legal remedies arising from legislation and the Client Agreement. After the cancellation of the Client Agreement, the right of the Parties to demand inter alia compensation for damages, payment of default interest and other payments arising from the Client Agreement remains valid.
- 12.11 Upon cancellation of the Client Agreement and/or Transaction by the Bank, the Client shall compensate to the Bank all damages the Bank bears with extraordinary cancellation of the Transaction due to changes in exchange rates and market prices within the period between the extraordinary cancellation of the Transaction and the day the Bank made calculations.

13. Amendment of the client agreement

- 13.1 Client Agreement shall only be amended with a written agreement between the Parties. Amendments not prepared in writing shall be null and void.
- 13.2 The Bank shall have the right to introduce unilateral amendments to the Terms and Conditions, the Service Conditions and Appendices 1 and 4 to the Client Agreement. The Bank shall notify the Client of any amendments made to the conditions at least 30 days before the respective amendments enter into force by sending the Client the amended conditions or by referring to the place where the Client can review the amended documents.
- 13.3 If the Client does not agree with the amendments made to the Terms and Conditions or Service Conditions, the Client has the right to cancel the use of the respective Service or the Client Agreement. In order to do that, the Client shall submit the relevant application to the Bank not later than the day before the amendments made to the Terms and Conditions or Service Conditions shall enter into force. If the Client has not exercised the right specified in this clause in a timely manner and has subsequently submitted an Order, then it shall be deemed that the Client has accepted the amendments.

The terms and conditions valid at the time of the conclusion of a Transaction shall apply to such Transaction, except if the amendments are based on the legal acts or rules established by Competent Authorities or changes in market practice.