

TERMS AND CONDITIONS OF INVESTMENT ADVICE SERVICES OF AS SEB PANK

Valid from 24.10.2011

1. GENERAL PROVISIONS

1.1 These terms and conditions of investment advice services (hereinafter: the terms and conditions) of AS SEB Pank (hereinafter: the bank) shall be the basis for rendering investment advice services by the bank or a company belonging in the same group as the bank to a client or a potential client or their representative (hereinafter: the client).

1.2 The terms and conditions shall apply to the investment advice service which means the provision of personal recommendation to a client. The personal recommendation will be made after the fulfilment of the personal investment advice questionnaire (hereinafter: the questionnaire) and is based on the information provided by the client in the questionnaire.

1.3 For the provision of investment advice services, there is a contractual relationship between the bank and the client. The client shall confirm the accuracy of data given by him and agreement on the present terms and conditions either by (a) his/her signature on the questionnaire and/or personal recommendation or (b) via the internet bank before receiving the personal recommendation.

1.4 The bank shall make the amendments to the terms and conditions available on the bank's webpage at least 1 month in advance of coming into effect of the amendments.

1.5 In issues not regulated with these terms and conditions, the general terms and conditions of the bank shall be applied, as far as they are not in conflict with the provisions of these terms and conditions.

1.6 At the provision of the investment advice services, the bank shall take into consideration the terms and conditions as well as the rules for the prevention of the conflict of interest of the bank and the principles established in legislation about the provision of investment services.

2. DEFINITIONS

2.1 **Investment advice** shall be for the purposes of the terms and conditions investment service, which involves provision of personal recommendations to the client as regards decisions for the allocation (investment) of the client's funds, including in relation to the selection of investment products and collection of information required for making investment decisions.

2.2 **Investment product** shall be for the purposes of these terms and conditions the products offered by the bank or any of the companies belonging in the same group as the bank for purposeful allocation of the client's funds, including deposits, fund units, pension or funded insurance products and other financial instruments.

2.3 **Personal recommendation** shall mean the advice given personally to the client which is suitable for the client or based on the client's circumstances for the selection of investment products, as well as a recommendation for the purchase, sale, subscription, exchange, holding, redemption or guarantee of a certain security or in respect of exercising or not exercising said rights arising from the security.

2.4 **Following of personal recommendation** shall mean giving any transaction order about the investment product mentioned in the personal recommendation made by the bank independently by the client and during the time limit set forth in clause 3.5 of the terms and conditions or entry into any service or product contract, or, in case of the existence of authorisation agreement entered into with the bank, giving an order for accepting the respective transaction order, service or product contract. If the personal recommendation involves several different investment products, the client shall not be obliged to

decide in favour of the investment product that is considered by the bank to be the most suitable available.

3. TERMS AND CONDITIONS OF AND PROCEDURE FOR PROVISION OF INVESTMENT ADVICE SERVICES

3.1 The bank shall provide the investment advice services duly and lawfully, with adequate expertise, accuracy and foresight, considering in particular the interests of the client.

3.2 Investment advice is directed personally for the client. The personal recommendation made by the bank on the basis of individual circumstances related to the client cannot be generalised, does not extend to any third party nor to identical or similar circumstances in the future or in the past and shall not be disclosed nor made known or available for the public through any information channel.

3.3 Any opinions or assessments directed to the future and made by the bank within the framework of providing investment advice and concerning the circumstances or events in the event of which no verification of trueness or ensuring of materialisation cannot reasonably be expected from the bank, might not prove true nor materialise.

3.4 The client cannot rely on the personal recommendation made by the bank in legal relations with third parties, including legal disputes.

3.5 The client has the right to rely on and follow the personal recommendation either:

3.5.1 until the twenty-first (21.) calendar day at the latest at 24.00 o'clock after the investment advice;

3.5.2 during the time limit set in the personal recommendation, if specified.

3.6 In case of any changes in the client's circumstances and/or the personal recommendation validity has been expired at the request of the client new investment advice by the bank will be provided.

3.7 The bank shall not be obliged to update the personal recommendation made known to the client nor notify the client after provision of the personal recommendation or any change of circumstances up to the decision made by the client and not depending directly on the bank (incl. market situation, price of the financial instruments, etc).

3.8 In order to recommend an investment product to the client, the bank shall beforehand obtain necessary information about the knowledge and experience of the client in relation to the type of investment service and product and about the client's financial situation and investment objectives, to understand any distinct features arising from the classification of the client and to have reasonable bases with regard to the essence and extent of the investment service for assuming that the personal recommendation meets the following criteria:

3.8.1 the client has the knowledge and experience in order to understand the risks involved with following the personal recommendation;

3.8.2 the client is able financially to bear investment risks consistent with his/her investment objectives related to following the personal recommendation;

3.8.3 the personal recommendation corresponds to the investment objectives of the client.

3.9 Upon the provision of investment advice services, the bank shall proceed from the assumption that all information received from the client about his knowledge and experience in relation to investment products, as well as his financial situation and investment objectives is correct, accurate and complete.

3.10 The bank will assess all information given by the client as a whole in order to determine suitability of the investment

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3.11 The bank shall refuse from making a personal recommendation and/or the client has no right to rely on and follow the personal recommendation, if:

3.11.1 the bank does not receive at the provision of investment advice sufficient information from the client about the circumstances stated in the clause 3.8;

3.11.2 The client shall not confirm the correctness of the data submitted or agreement to the terms and conditions in accordance with the clause 1.3;

3.11.3 When the circumstances related to the client and disclosed to the bank have changed and/or the validity of the personal recommendation has been expired and the client does not apply for the provision of new investment advice according to the clause 3.6;

3.11.4 Under other circumstances if these circumstances do not enable, at the professional assessment of the bank, to provide the client with a personal recommendation;

3.12 On the ground of the circumstances set forth in clause 3.11, any transaction performed by the client (incl. the transaction, the intermediary or counterparty of which is the bank) shall be deemed to have taken place on the initiative of the client, without any investment advice or observance of a personal recommendation.

4 CLASSIFICATION OF CLIENTS

4.1 The bank shall regard the client as a retail client in the provision of investment advice services, unless the client has informed the bank or the bank has learnt in any other manner that the client meets the criteria set for being regarded as a professional client.

4.2 A retail client may request to be regarded as a professional client in the case and pursuant to the procedure provided for by law. The criteria set for being regarded as a professional client and the circumstances related to that, including the description of the rights guaranteed for a retail client, but not for a professional client, are given on the website of the bank at www.seb.ee/investorprotection.

4.3 If the bank regards the client as an eligible counterparty for certain services offered by the bank, then in providing the investment advice service, the bank shall regard such client as a professional client.

4.4 When providing the investment service to a professional client the bank shall be entitled to assume that:

4.4.1 the client possesses the required level of knowledge and experience in order to understand the risks related to following the personal recommendation in relation to such products, transactions or services in the case of which he has been classified as a professional client; and

4.4.2 the client is financially capable to bear any and all risks related to the investment advice service, which are in conformity to his investment objectives (only the investment objectives are assessed).

4.5 A professional client shall be obliged to advise the bank of any changes that may have an impact on their regarding as a professional client. If the bank becomes aware that the client no longer fulfils the conditions set for professional clients or the conditions that allow the bank to regard as a retail client as a professional client, the bank shall regard the client as a retail client according to the changed circumstances.

5 REPRESENTATIONS, WARRANTIES AND SPECIAL OBLIGATIONS OF THE CLIENT

5.1 The client consents to the provision of information set forth in the clauses 4.2 and 5.2.2 exclusively by the means of a website and has access to the internet.

5.2 The client confirms that before providing investment advice bank has represented and the client has carefully examined:

5.2.1 the terms and conditions and the general terms and conditions and he/she agrees with the aforementioned terms and conditions;

5.2.2 The information provided on the website www.seb.ee/investorprotection, incl.:

5.2.2.1 the bank's overview of the features of securities and associated risks;

5.2.2.2 information about the bank and its investment services, incl. the applying investor protection schemes;

5.2.2.3 the rules for the prevention of the conflict of interests;

5.2.3 The client confirms that the bank has provided the information about the expenses and fees related to the investment advice.

5.3 The client shall submit to the bank adequate and correct information about his/her investment knowledge and experience and his/her financial situation and investment objectives and circumstances and any other information which is necessary for the bank for the provision of investment services and for determining the suitable investment products for the client.

5.4 The client must advise the bank of any changes in the information submitted to the bank, including (but not limited to) the information that may have an effect on:

5.4.1 whether the client is regarded as a retail client or a professional client;

5.4.2 the personal recommendation given to the client.

5.5 The client confirms that the bank has warned him/her that in the event he/she submits incorrect or insufficient information to the bank or does not submit information to the bank (non-disclosure) or does not notify of the changes that have occurred in submitted information pursuant to the order set forth in clause 5.4, it is difficult or impossible for the bank to assess adequately whether the investment product is suitable for the client.

5.6 The client must independently and continuously monitor his/her investments in investment products.

5.7 The client is aware that the taxation of the investment products depends on the individual circumstances related to the client and can change in the future. The client must the given circumstance even if the bank has referred to the specific taxation aspect in the information communicated to the client.

6 SERVICE FEES

6.1 The bank shall have the right to charge for the provision of the investment service pursuant to the valid general price list or the special agreement arising from the authorization agreement concluded between the client and the bank.

7 LIABILITY

7.1 The bank and the client shall be responsible for any damage caused to the other party by non-fulfilment of these terms and conditions within the extent and pursuant to the procedure stipulated in legal acts and the terms and conditions.

7.2 The bank shall indemnify any loss caused to the client at the provision of investment advice service only if such loss occurred as a result of wrongful activities or inactivity of the bank.

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7.3 The final selection of investment products, the decision to follow the personal recommendation, including a decision about giving a certain transaction order, entry into a product or service contract or assumption of any other financial obligation, shall be made independently by the client, taking into consideration his knowledge and investment experience, financial possibilities, investment objectives and any risks relating to following the personal recommendation, including their possible effects and consequences, and his/her own risk tolerance.

7.4 The bank shall not be responsible for the content of any rights and obligations taken as a result of following the personal recommendation by the client nor for the return of the client's investment activities.

7.5 The bank shall not be obliged to, after following of a personal recommendation by the client, manage the investments of the client, give any assessment in respect thereof (incl. the assessment of the value of the investment), further recommendations, taxation or legal advice nor provide the securities portfolio management or property management, unless a corresponding written agreement has been entered into between the bank and the client.

7.6 The client is aware of and agrees that the bank shall not be responsible for any loss that the client suffers as a result of a transaction upon execution of which the client does not follow the personal recommendation, or a transaction which is performed by the client while following the personal recommendation, but the validity of the personal recommendation has expired and/or any circumstances related to the client have been changed or are incorrect.

7.7 The bank shall be entitled when assessing the suitability of an investment product to be based on the information submitted by the client, except for when the bank was aware or should have been aware of the fact that such information is clearly outdated, inaccurate or incomplete.