

Terms and conditions of securities account and transactions

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Definitions

Settlement day means any day when the service providers related to fulfilling a securities transaction are open for settlements. A settlement day is generally every day that is not a Saturday, Sunday, public or national holiday. A trading day of securities in the trading venue and a settlement day in the settlement system might not coincide with the banking days and might differ from the calendar day. More detailed information about the processing times of securities transactions are available on the bank's website.

Baltic Central Securities Depository is Nasdaq CSD SE (registry code 40003242879, headquarters in Riga) created as a result of the merger of the central securities depositories of Estonia, Latvia and Lithuania that operates under an activity licence issued by a Latvian competent authority and offers central securities depository services in compliance with a regulation of the European Parliament and of the Council on improving securities settlement¹. Nasdaq CSD SE operates as a branch in Estonia and is the registrar of the Estonian Central Register of Securities.

Non-Baltic Central Securities Depository (BCSD) security means any security that cannot be settled via the Baltic Central Securities Depository.

Baltic security means an Estonian, a Latvian or a Lithuanian security that is settled via a Baltic Central Securities Depository securities account: an Estonian security is registered in the Estonian Central Register of Securities, a **Latvian security** is registered in the Latvian Register of Securities and a **Lithuanian security** is registered in the Lithuanian Register of Securities.

Baltic securities account means a securities account opened in the Baltic Central Securities Depository whereby the securities registered on the account are accounted for in the Baltic Central Securities Depository.

Securities account of a special type means a securities account that is opened on the special terms and conditions established by the Baltic Central Securities Depository or the bank and has partially or fully limited usage or disposal rights. Such account is for example

- a pledge account for pledging securities under a financial collateral agreement;
- a notary public's official securities account for safekeeping Baltic securities handed over to the notary public;
- a bailiff's official securities account for making a claim for payment on Baltic securities;
- a start-up account for making a non-monetary contribution in the form of securities to the share capital of a company that is being founded;
- a special-type securities account of a minor or ward used on behalf of the minor or ward but for purchasing, safekeeping and disposal of securities, on the account of the parent or guardian;
- other securities account of a special type opened at the discretion of the bank.

Nominee account means a securities account intended for keeping the client's assets in the name of the bank jointly with the securities of other clients of the bank or separately from the securities of other clients of the bank.

Fund unit means a unit of an investment fund registered in Estonia or in a foreign country (except for a unit of a mandatory pension fund or voluntary pension fund from the moment the units of a voluntary pension fund are registered on the pension account).

Custodian means a credit institution or financial institution that provides the bank with the service of registration of securities registered in Estonia or in a foreign country and operations performed with such securities, safekeeping securities and settlement of securities transactions (excluding securities register).

Price list means the prices established by the bank for its services.

Internet bank means the bank's Internet-based service channel.

Investor protection website means a website containing investor protection information for clients, which is available at www.seb.ee/investorkaitse.

Corporate event generally means an event or action arising from a decision of a governing body of an issuer which may influence the rights and obligations of the holders of securities, for example

- issue of new shares;
- amendment of the share capital;
- amendment of the nominal value of securities, including share split or reverse split;
- dividend, interest or redemption payments;
- takeover of the shares of an issuer;
- merger, division, transformation, winding up or bankruptcy of an issuer.

¹ Regulation (EU) No. 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No. 236/2012.

Instruction means a guideline given to the bank on the grounds and pursuant to the procedure specified in the terms and conditions (including an order) for exercising the rights and performing the duties arising from securities, and for the execution of securities transactions, settlements or other such operations.

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

Limit order means an order whereby the execution price of a securities transaction shall not be bigger in the case of a purchase transaction and lower in the case of a sales transaction than the price determined by the client.

Order is an order to buy, sell or subscribe to securities traded on the market. An order may also be a market order, a limit order or another type of instruction which the bank executes themselves as a market or non-market transaction in the course of providing investment services or which the bank forwards to a third party for execution.

Intra-bank securities account means a securities account opened in the bank, through which the bank keeps,

- for and on the account of the client, separate accounts of securities kept on a nominee account, another securities account opened for the joint safekeeping of clients' securities or other securities account referred to in clause 45;
- securities, with regard to which a securities register is maintained by the bank.

Bank means AS SEB Pank (registry code 10004252; website www.seb.ee), a credit institution operating in the Republic of Estonia on the basis of an activity licence and an account administrator for the purposes of a legal act of Estonia or some other country. The bank is supervised by the Financial Supervision Authority (website www.fi.ee).

Competent authority means a public or private person or state authority of Estonia or a foreign country, which, on the basis of legislation, an agreement made with market participants or authorisation granted by market participants, organises the functioning of a certain area of financial services in the respective state or financial centre or exercises supervision over such an area. Such a competent institution may be, for example, a central bank, a supervisory institution, an operator of the market, a registrar of the securities register, an operator of the settlement system, etc.

Service fee means a fee payable by the client to the bank for the administration of the client's securities account, safe-keeping of securities and other services related to the securities account and transactions.

Transaction account means a current account and a securities account usually opened in the bank for the settlement and/or securing of securities transactions.

Terms and conditions mean the terms and conditions of the securities account and transactions of the bank.

Market means an exchange, another regulated securities market or a multilateral trading facility or organised trading facility operating in Estonia or in a foreign country.

Market order means an order specifying a securities transaction that the bank will execute for the client at the best possible price offered for the respective quantity of the securities at that moment.

Security means a Baltic security and a non-BCSD security.

Securities account means an intra-bank securities account opened in the bank or a Baltic securities account, including a securities account of a special type.

Securities account agreement means an agreement concluded between the bank and the client specifying the terms and conditions for opening and using a securities account.

Securities register means a register operating in Estonia or in a foreign country (including Estonian Central Register of Securities, the registrar of which is the Baltic Central Securities Depository), which, on the basis of legislation or an agreement concluded with market participants, registers securities and operations made with such securities and settles securities transactions.

Securities transaction means

- the purchase, sale or subscription of securities on or off a market;
- transactions of issue, exchange and redemption of fund units;
- a certain corporate event or transfer of securities not related to the aforementioned transactions;
- pledging securities.

General terms and conditions mean the general terms and conditions established by the bank.

General provisions

Content of the terms and conditions

1. The terms and conditions lay down the following
 - the terms and conditions of opening and using the Baltic securities account, an intra-bank securities account and a securities account of a special type, as well as the procedure for the provision of services related to such accounts;
 - the terms and conditions of entry into securities transactions via the bank and the procedure for the provision of related services, including the following investment services and ancillary services:
 - reception and transmission of orders related to securities;
 - execution of orders related to securities in the name of or for the account of the client;
 - dealing in securities for its own account;
 - safekeeping securities for the client, servicing the securities and related activities.

Application of the terms and conditions and the general terms and conditions

2. The terms and conditions constitute an inseparable part of securities account agreements concluded between the bank and the client and shall be applicable to each
 - securities transaction order submitted by the client;
 - activity related to safekeeping and servicing securities.
3. The general terms and conditions shall apply to securities account agreements and the services provided on the basis thereof, taking into account the exceptions established by the terms and conditions. In matters not regulated by the terms and conditions, the general terms and conditions shall apply (for example identification of the client, maintenance of the confidentiality of information subject to banking secrecy and processing the client's personal data).
4. In the event of a conflict between the terms and conditions and the general terms and conditions, the terms and conditions shall prevail.
5. The terms and conditions shall apply to a special agreement or an agreement of securities account of a special type regulating the entry into certain transactions and/or the use of certain services, unless otherwise agreed in the relevant agreement.

Right to unilaterally amend the terms and conditions

6. The bank has the right to unilaterally amend the terms and conditions and the price list pursuant to the procedure laid down in the general terms and conditions.
7. If the client disagrees with the amendments, they have the right to cancel the securities account agreement, the agreement of securities account of a special type and/or the special agreement and close the securities account pursuant to the procedure specified in clause 190.

Scope of the provision of services

8. At any time, the bank has the right to establish restrictions on giving instructions based on the person giving the instruction, for example, on the classification of the client, the type, form and volume of the instruction, the term of execution, the security, the transaction, the operation executed on the basis of the instruction, the manner or time of giving the instruction. The bank shall provide the client with information on the respective restrictions pursuant to the procedure specified in section "Information about the provision of services related to securities accounts and securities transactions". In reasoned cases, the bank may establish such restrictions without an advance notification.
9. The bank has the right to determine, at its own discretion, which services specified in the terms and conditions it provides, with regard to which securities it provides or ends the provision of the services specified in the terms and conditions, unless otherwise specified in the legislation. The bank shall submit the respective information to the client pursuant to the procedure specified in clause 66.
10. The bank has the right to refuse to accept securities of a certain type or issued by a certain issuer or traded in a certain market and the rights related to such securities for safekeeping, and refuse to recognise them in a securities account as well as refuse to provide them with the services related thereto. The bank may refuse, above all, if such securities cannot be accepted for safekeeping via the bank and/or recognised in a securities account.
11. Upon the provision of the services specified in the terms and conditions, the bank shall not provide the client with tax, legal, investment or other advice.

Classification of clients

12. The bank shall classify the client as a retail client, professional client or eligible counterparty.
13. The bank shall consider the client a retail client, unless it notifies the client otherwise.
14. The client may request to be treated as a client of a different type. The conditions of classification of clients and an explanation on the rights that clients may be deprived of by choosing a classification that offers less investor protection is available on the investor protection website.

Assessment of appropriateness

15. In the events provided for in legislation, the bank shall assess the appropriateness of a service or security for the client on the basis of the client's investment knowledge and experience.
16. The bank warns that, upon the reception and transmission of an order related to a securities transaction or upon the provision of the service of execution of an order, the bank is not required to assess the appropriateness of a service or security for the client, if the securities transaction is executed on the client's initiative and the transaction is related to a non-complex security. In such an event, the client's interests may be less protected. An explanation about which securities are non-complex pursuant to legislation is available on the investor protection website.

Other applicable rules

17. In addition to the terms and conditions and the general terms and conditions, the bank shall follow
 - the applicable legislation;
 - the rules established by a competent authority;
 - upon using a securities account and making transfers
 - the practice of the respective market;
 - the agreement concluded with the securities register or the custodian;
 - the rules of the central securities depository and settlement system;
 - in matters not regulated by the aforementioned sources, the custom and practice applied upon the provision of the service of safekeeping securities and the provision of settlement services;
 - upon the provision of investment services and execution of instructions related to securities transactions
 - in the event of execution of a transaction with securities accepted for trading on the market, the rules of the respective trading venue;
 - the rules of securities, prospectus or other similar documents;
 - the terms and conditions of automatic routing of orders established by the bank;
 - the best execution policy, the principles of protection and safekeeping of clients' assets and the rules for the prevention of conflicts of interest published on the investor protection website;
 - in matters not regulated by the aforementioned sources, the normal custom and practice.
18. In the event of a conflict between any provision of the terms and conditions and a provision of law or a rule established by a competent authority, the relevant provision of law or the rule of the competent authority shall apply.

Opening a securities account and special provisions for some securities accounts of a special type

Opening a securities account

19. To open a securities account, the client shall submit the documents and data requested by the bank and enter into a securities account agreement of the respective type with the bank.
20. If a client, who is a legal person, wishes to perform transactions with securities via the securities account subject to transaction reporting requirement by the bank (e.g. securities accepted for trading in the trading venue) to a supervisory authority, the client must have an LEI, which the client has to give to the bank. Additional information about LEI and securities subject to transaction reporting requirement by the bank to a supervisory authority, is available on the bank's website.
21. The securities account shall be bound to the current account specified by the client that is opened in the bank and the main currency of which is the euro. Monetary settlements related to the use of the client's securities account, securities transactions executed via the securities account and other services related to the securities account shall be made via the above current account. Upon the consent of the bank, another current account specified by the client can be used for the operations listed above.

Pledge account

22. A pledge account may be held only by a legal person specified in legislation.
23. A pledge account can be used for the registration of a pledge of securities pledged in favour of the same pledgee concurrently under various financial collateral agreements if the respective financial collateral agreements do not differ from one another with regard to the existence of an irrevocable right of disposal granted to the pledgee.

Official securities account of notary public or bailiff

24. An official securities account of a notary public or a bailiff shall be opened by the bank for the notary public or the bailiff upon the submission of a professional certificate or another document which certifies the official authorisation and which is accepted by the bank, binding the securities account to the official current account opened for the notary public or for the bailiff.
25. Securities may be kept on the official securities account of notaries public or bailiffs on the grounds of and pursuant to the procedure provided for by legislation. Securities belonging personally to notaries public or bailiffs shall not be kept in the official securities accounts of notaries public or bailiffs.
26. The bank shall execute the instructions of notaries public, bailiffs or their locum tenens respectively in connection with the official securities account.
27. A notary public or bailiff shall immediately inform the bank of
 - the appointment of their locum tenens;
 - their release from office or removal of the office;
 - the suspension of the official powers of the notary public or the bailiff.
28. The bank shall not be obligated to verify the legal basis of the transactions executed in the official securities account of notaries public or bailiffs.

Start-up account

29. The bank shall open a start-up account as an intra-bank or a Baltic securities account, depending on the security that constitutes the non-monetary contribution.
30. Until the registration of the company in the commercial register, the start-up account or the securities transferred thereto cannot be disposed in the name of the company being founded. Upon the registration of the company in the commercial register, the bank will release the start-up account from the disposal restrictions established by these terms and conditions and legislation.
31. If the company being founded is not registered in the commercial register, the bank shall allow for the disposal of the start-up account opened in the name of the company and the securities transferred thereto only on the basis of a court decision and pursuant to the procedure established by a court decision.
32. The bank may open other securities accounts of a special type and special securities accounts.

Safekeeping securities

Safekeeping securities in a Baltic securities account

33. Baltic securities can be transferred to a Baltic securities account.
34. The Baltic Central Securities Depository shall keep records of the Baltic securities account opened in the name of the client for the Baltic securities belonging to the client. The bank, being an account operator of the Baltic Central Securities Depository, shall intermediate to the client the services provided by the Baltic Central Securities Depository.
35. Information about different safekeeping options, levels of protection and fees of Baltic securities is available on the bank's website.

Safekeeping securities in an intra-bank securities account

36. Non-BCSD securities can be transferred to an intra-bank securities account.
37. On the basis of a special agreement concluded with the client, the bank shall also accept for safekeeping in an intra-bank securities account Baltic securities. The bank has the right to keep these securities for and on account of the client, along with the securities of other clients of the bank, on the nominee account opened in the Baltic Central Securities Depository in the name of the bank.
38. The bank may restrict safekeeping or acceptance for safekeeping the securities of an issuer of the respective country on the securities account of a client who is a resident or citizen of a specific country. The bank shall publish information on such restrictions on its website.

39. Upon the violation of the restriction specified in clause 38, the client undertakes to immediately transfer the respective securities from its securities account.
40. If the client has not submitted an order to transfer the securities by the term specified by the bank, the bank shall have the right to sell the respective securities at the best possible price, which according to the bank, can be reasonably obtained for the securities at that moment, and transfer the funds received from the sale to the client's current account.
41. The client shall bear the costs of sale referred to in clause 40.
42. Upon identifying the client's residence, the bank proceeds from the data on residence notified by the client or from other reliable data (e.g. residence certificate of a tax board).
43. If a security changes from a Baltic security into a non-BCSD security and the bank can keep such security only on a securities account opened for joint safekeeping of the clients' assets, the bank shall ask prior permission from the client for such safekeeping. If the client does not give its permission by the term specified by the bank and the client has an intra-bank securities account opened at the bank, the bank has the right to transfer the specific securities to the securities account opened for joint safekeeping of the clients' assets. The bank shall keep separate accounts of such securities on the intra-bank securities account opened in the client's name at the bank.
44. Non-BCSD securities belonging to the client which have been recognised on the intra-bank securities account shall be kept by the bank for and on the account of the client on an account (nominee account, client account, etc.) opened for the joint safekeeping of securities in a securities register or at a custodian in Estonia or in a foreign country in the name of the bank or the custodian.
45. If in a country where the safekeeping of securities on the account of another person has not been regulated or not been regulated sufficiently (as a result of which the securities belonging to the client cannot be kept in the manner specified in clause 44), but the nature of the securities or the related investment services calls for keeping them in a securities register or at a custodian, the bank may, at its own discretion, keep the client's securities either
 - in a securities account opened in the name of the bank
 - along with the securities belonging to the bank and/or other clients of the bank or
 - separately from these securities or
 - in a securities account opened in the name of the client, whereby the bank shall have the right to administer and dispose of such securities account.
46. The client shall have to take into account the risks accompanying the safekeeping of securities in an account opened for the joint safekeeping of clients' assets (nominee account, etc.) or if pursuant to legislation that regulates safekeeping of securities, it is not possible to identify at the custodian the client's securities from the securities belonging to the custodian or the bank. A more detailed description of such risks is available on the investor protection website.
47. For a client who is considered a professional client, the bank may keep securities in a securities account opened in the name of the client with a third party in a country where the safekeeping of securities in the account of another person has not been regulated or not been regulated sufficiently. It is not important whether the nature of the securities or the related investment services calls for keeping them in a securities register or at a custodian in such country. By the conclusion of a securities account agreement, it shall be deemed that a professional client agrees to the bank keeping the securities belonging to the client in the aforementioned manner and to the bank having the right to administer and dispose of the securities account.
48. The bank asks the client to pay attention to the fact that when safekeeping securities via a custodian in a foreign country, the client has to take into account the legal regulation applicable in the relevant market (incl. regulation on investor protection), various technical solutions, rules established by local market participants and developed market practice.

Choosing a custodian

49. The bank shall choose custodians in which nominee accounts and other securities accounts are opened with due diligence. The bank regularly checks the reliability of these custodians.
50. If, in a jurisdiction where the bank wished to safekeep the client's securities with a third party on a nominee account, stricter requirements apply and heightened supervision is exercised with regard to safekeeping securities in the account of another person, the bank shall not safekeep the securities with such a third party with regard to whom such strict requirements do not apply and such supervision is not exercised.

Use and disposal of securities kept on a nominee account

51. The bank maintains data, keeps relevant registers and accounts to be able to identify the securities safekept for the client from the securities of other clients and/or of the bank at all times.

52. The client is aware of and agrees that the bank has the right to use and dispose of (including borrow) for free and on reasonable terms in the interests of the bank or other clients of the bank and, above all, for the purpose of settlement of the securities transaction which the bank holds for the client.
53. The client is aware of and agrees that the bank may pledge or otherwise encumber the securities that the bank holds for the client, if
 - this is necessary for complying with the terms and conditions or rules established by the counterparty to the transaction or a competent authority for the transaction, executed on the basis of the client's instruction or otherwise executed in the interests of the client; and if
 - such pledging or otherwise encumbering of the client's securities is required under the applicable legislation in this country.

An overview of risks related to such encumbering is provided on the investor protection website.

Information about the provision of services related to securities accounts and securities transactions

Information disclosed before the provision of service

54. Before the commencement of the provision of a service under the securities account agreement, the bank shall submit to the client the following information:
 - classification of the client: retail client, professional client or eligible counterparty;
 - procedure regulating the filing of an application to change the classification of client, the conditions of the classification of clients and an explanation on the rights that the client may be deprived of by choosing a classification that offers less investor protection;
 - general information about the bank and services provided by the bank;
 - information about the service being provided and about the transaction and security specified in the client's instruction, including instructions and warnings related to risks;
 - information about the venues where the client's instructions are executed;
 - information about the costs and charges related to the service, including information about such fees and inducements for the bank, which are paid to the bank by a third person in relation to the client or which are paid to a third person by the bank in relation to the client;
 - the applicable investor protection schemes;
 - the bank's rules for the management of conflicts of interest;
 - the best execution policy for client's instructions;
 - the client's assets protection and safekeeping policy, including risk descriptions.
55. Information specified in clause 54 is made available to the client on the investor protection website. Information about in which language the client prefers to communicate with the bank and receive documents and other information from the bank are specified in the general terms and conditions or in the special agreement.
56. A client has been made available through the investor protection website certain number of key information documents that the bank must provide to the client under packaged retail and insurance-based investment products regulation prior to the transaction.²

Information about securities registered in the client's securities account

57. The Bank shall register transactions made via a securities account as well as the rights and duties related to the securities registered or recorded in the securities account, including certain rights of third parties.
58. The bank shall preserve the data and documents related to a securities account for at least the minimum term prescribed by legislation.
59. Each banking day, the client has the right to request from the bank information
 - on the composition of the securities registered or recorded in the securities account and the transactions executed with these securities;
 - on other data registered in connection with the securities account (e.g. balance notice, securities account statement).
60. The bank shall not issue any certificates about the right of ownership of the securities registered or recognised in the securities account (e.g. share certificate or certificate), unless such an obligation arises from the terms and

² REGULATION (EU) No 1286/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs).

conditions, legislation or a special agreement entered into between the bank and the client.

61. The bank makes for the client available the option to monitor the current state of the securities account via the Internet Bank, provided that the client has entered into an Internet Bank agreement. If the client has not concluded an Internet Bank agreement or the agreement is terminated, the client has the right to ask for information about the state of the securities account at a bank branch.
62. In the information submitted on the securities registered in the client's securities account, the bank has the right to express the value of the security that the bank has determined in the securities account statement, balance notice, price list, special agreement or in another document, for example, on the basis of the closing price, nominal price or net asset value of the fund unit. The bank shall determine the value of the security in such a manner
 - for the purpose of enabling uniform accounting of a service fee or
 - if the actual market value of the security
 - is not available to the bank via the information channels used for this purpose;
 - is not true (e.g. if trading has been suspended or terminated or due to a certain corporate event); or
 - is not clearly determinable (e.g. if the security has not been accepted for trading on the market).
63. Such a value determined by agreement may not reflect the actual market value of the security.
64. Each quarter, the bank shall submit a report on the securities kept for and on account of the client that includes information prescribed by legislation.
65. 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 a 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%. The client is aware of and agrees that the bank shall submit the abovementioned reports to the client via the Internet Bank or send them by e-mail. If the client does not have a valid Internet Bank agreement and an e-mail address, the client has the right to receive the report on paper. Additional information about the nature, frequency and terms of the reports submitted by the bank is available on the investor protection website.
66. Information about the securities account and provision of services related to securities transactions mentioned in the terms and conditions shall be disclosed by the bank to the client on the bank's website, investor protection website, via the Internet Bank or by e-mail. If the client does not have an Internet Bank agreement and e-mail address, the bank shall disclose the information to the client on paper. The client agrees to receive the abovementioned information in the above listed manners.
67. The client agrees that in some cases the bank submits information and documents with regard to the security, securities transaction, securities account or related services (including key information documents regarding a product) in the English language. Submission of information and documents in English may be necessary, above all (but not limited to), if the information and documents have been prepared by a third person.

Rights and obligations arising from securities

Exercising rights arising from securities via the bank

68. In the events provided for by legislation or the terms and conditions, the client shall act via the bank for the purpose of exercising the rights arising from the securities registered or recorded in the securities account by giving the bank the respective instruction.
69. The client shall exercise the rights arising from the securities registered in a Baltic securities account usually personally or via a representative.
70. A security recorded on a nominee account or another account opened for the joint safekeeping of clients' securities shall usually be kept in the name of the bank. Therefore, the client can exercise the rights arising from such securities only via the bank or on the basis of an authorisation issued by the bank.
71. If the bank has not received an instruction from the client on how to exercise the rights arising from the securities kept on the nominee account or an account opened for joint safekeeping of clients' securities, but such an instruction is necessary, the bank shall not exercise such rights on its own initiative, unless otherwise established in the terms and conditions. In certain circumstances, the Bank may, in such case, apply the default option set by the issuer or the event organizer, at its own discretion.
72. The bank's activity in the execution of the instruction, issuing of an authorisation and obtaining of information referred to in clause 70 depends on a third party (e.g. the custodian). The bank shall not be liable for possible delays, accuracy of forwarded information, errors, damages, or expenses incurred by the client, except for in cases set out in the terms and conditions.

73. The client shall compensate to the bank for all expenses related to the execution of the instruction, including any service fees of a third person. The bank shall have the right to immediately debit the client's current account.
74. For the purpose of exercising the rights arising from a security, the client shall, at the bank's request, submit additional information and/or documents by the date set by the bank. If necessary, the bank shall specify the requirements established for exercising the rights arising from the security on the respective market with the help of a custodian, securities register or another person.
75. If the bank holds the clients' securities on a nominee account or another account opened for joint safekeeping of clients' securities, where the securities are kept on behalf of the bank, and a client wishes to exercise their rights arising from the security, the bank shall have the right to disclose the client's data to the registrar or a person recording the securities.
76. For the purpose of exercising the voting right, the client shall, not later than within five banking days before the general meeting of shareholders (or sooner, if a longer term of advance notification arises from the legislation of the country of location of the issuer or from the rules of the custodian – the client may request the respective information from the bank), submit a written request in compliance with the requirements of the bank and/or the custodian for the issue of a power of attorney. The bank shall issue a power of attorney to the person indicated in the client's application and the bank shall not be required to check the grounds for representation of the person named in the application.
77. In the event of non-fulfilment of the conditions specified in clause 74 and/or the term specified in clause 76 by the client, the bank shall execute the late instruction or an instruction of exercising the rights arising from the securities registered on a nominee account opened with a custodian only if it is reasonably possible. The bank shall rely on the information available to the bank at that moment.

Corporate event

78. By the entry into the securities account agreement, it shall be deemed that, in the event of replacement, exchange, division, cancellation, redemption, repurchase or nominal value amendment of the securities registered or recognised in the client's securities account, the client has given the bank an instruction to perform the respective transaction or operation required on each occasion.
79. After a corporate event, the bank has the right to cancel or change an instruction for a transaction received from the client in accordance with the terms and conditions of corporate events.
80. The bank has the right to delete from the client's securities account the cancelled securities on the basis of information obtained from a securities register or a custodian.
81. The bank has the right, but not the obligation, to disclose, on the bank's website, information obtained on corporate events or make it available to clients in any other manner. The bank publishes information about corporate events only for the purpose of drawing attention. Information about a corporate event may be in a form of a summary and/or a translation of the original text. The bank is not liable for the correctness, accuracy or completeness of such information, nor for the consequences that the client may suffer due to relying on the information received from the bank.

Making payments

82. By the signing of the securities account agreement, it shall be deemed that the client has given the bank an instruction
 - to accept, on each occasion, payments made to the securities registered or recognised in the securities account in money or in securities and the redemption and/or repurchase payments of the securities; and
 - transfer them to the client's current and/or securities account within a reasonable term after the accrual of such payments, after learning of the accrual or after communication of the accrual (by, for example, a custodian) to the bank.
83. If the issuer of securities or the person intermediating a payment (e.g. a custodian)
 - submits to the bank a claim for the refunding of the payments specified in clause 82, the bank shall have the right to debit the client's current and/or securities account to the extent of this payment and return the respective payment to such an issuer or to the person intermediating the payment;
 - presents a choice for making the payment specified in clause 82 either in money or in securities and the bank, within a reasonable term, has not obtained from the client any instructions on making the choice, the bank shall make the choice at its own discretion.
84. If, at the moment of making a payment of securities, the securities account has been closed and the client cannot be contacted within a reasonable time for the purpose of obtaining an instruction, the bank shall have the right to sell such securities at the best possible price that according to the bank, can be reasonably obtained at that moment for the securities and replace the payment of the securities with a monetary payment to the client's current account.

85. When making the payment, the bank shall not be obligated to follow the rules of the issuer or the person intermediating the payment on calculating the quantities of securities and the amounts of money. The bank shall make these calculations at its own discretion by following the quantity of securities held by the client, from which the right of the client to the payment arises.
86. If the quantity of securities held by the client on a nominee account or another account opened for joint safekeeping of clients' securities gives the right to receive a payment in a fractional part of securities, but not all clients are ensured securities proportionally to the amount of their securities, the bank shall have the right to distribute the securities between the clients at own discretion.
87. The client shall be responsible for the performance of the obligations arising from or related to the client's securities safekept for and on account of the client. If the client's respective obligation is claimed at the expense of the bank or other clients of the bank, the bank shall have the right to immediately debit the client's transaction account with the claimed obligations or the monetary equivalent of such obligations.
88. The bank has the right to withhold or debit from the client's current account in connection with the client's instructions, securities or transactions taxes, fees and other charges and expenses incurred by the bank foreseen in the legislation or rules established by a competent authority.
89. If the client wishes to reclaim the taxes or fees excessively paid or withheld by the client in connection with non-BCSD securities kept on the client's securities account, the client shall submit a respective application to the bank. To execute the request, the bank has the right to request additional information, documents or advance payment of the concurrent expenses from the client by the date indicated by the bank. The bank shall fulfil the client's request if the client has compensated for the concurrent expenses and the custodian offering the service, the rules, and terms in the respective market enable fulfilling such a request.

Qualifying holding

90. The client is obligated to fulfil the obligations related to applying for the necessary permission to acquire and dispose of securities and the obligations related to notification with regard to a qualifying holding. The client shall inform the bank, the issuer, the relevant supervisory authority in the market and other persons specified in legislation thereof. Legislation or the rules of a supervisory authority set out the respective shareholding levels, which if exceeded, entail an obligation to notify about the acquisition or disposal of a qualifying holding and apply for a relevant permit. If necessary, the client shall apply for the consent of a competent authority.
91. If the bank keeps securities for the client in the name of the bank in the event described in clause 45, the client shall apply for the bank's consent before the acquisition of a qualifying holding in the share capital of the issuer of the securities kept in such an account. The bank has the right not to approve such a request or open a separate securities account in the name of the client for the purpose of keeping the client's securities in the country where the respective securities are registered. The client shall bear the costs of opening a separate securities account pursuant to the price list.
92. If the bank keeps securities for the client in the way described in clause 45, the client shall immediately notify the bank of a circumstance due to which the bank has to fulfil the notification obligations referred to in clause 90.

Client's responsibility when performing the rights and obligations arising from securities

93. Upon exercising the rights and performing the obligations arising from the securities registered or recorded in the client's securities account, the client is personally responsible for the identification, analysis and use of the necessary information. Therefore, the bank is not obligated (unless such an obligation arises from legislation, rules established by a competent authority or a special agreement concluded with the client)
 - to identify the contact details, financial position and legal status of the issuer of the securities, the security agent or another such person or verify the correctness of the respective information;
 - to inform the client of the rights and obligations arising from the securities;
 - to inform the client of corporate events or issue preliminary information about any income or payment related to a corporate event;
 - to identify the reason for any corporate event, verify its legal basis or intermediate the respective information and documentation to the client;
 - to inform the client of legislation, rules of a competent authority, custom or market practice applicable to the securities and securities transactions.

Instructions

Principles of executing instructions

94. Unless otherwise provided by the terms and conditions, rules established by a competent authority or applicable legislation, the bank shall execute securities transactions and other operations and provide services related to the securities account only on the basis of the instruction given by the client on each occasion, which expresses the data and conditions required by the bank for the execution of the instruction.
95. In the events provided for by legislation, the bank shall follow the legal orders of a bailiff, trustee in bankruptcy, pledgee or another entitled person regarding the execution of transactions related to the securities account and/or the securities registered or recorded in the account, and other operations.
96. In the events specified in the terms and conditions, the bank has the right to execute a transaction or take another step on the account of the client which is reasonably necessary for the protection of the client's interests, prevention of a breach of the client's obligation or remedying the breach.
97. The bank has the right, but not the obligation, to execute an instruction given by the client with defects, provided that the execution of the instruction is reasonably possible.
98. The client shall compensate to the bank for any and all expenses (including taxes, fines, fees for not performed or late transactions, interests, etc.)
 - in connection with submitting, forwarding, changing, cancelling, executing of or other operation related to the client's instruction;
 - that the bank incurs in connection with a client's dispute with a custodian, central securities depository, settlement system or some other third person.
99. The bank, after incurring such expenses, shall have the right to debit the respective amount from the client's current account or withhold it from the amount received by the client.

Giving instructions

100. For the purpose of initiation of a securities transaction, the client shall submit an instruction to the bank, where the client shall specify the essential terms and conditions of the securities transaction and other data requested by the bank. The client shall have to ensure that the data in the instruction is correct.
101. The bank may establish a mandatory form for and manner of submission of instructions and amend these. The bank shall execute the instruction themselves or forward the instruction for execution to a third person.
102. The client shall give an instruction by handing it over to a client executive in a bank branch, via the Internet Bank or in another manner accepted by the bank.
103. The instruction is given to the bank by the client personally or by their representative. If the client or their legal representative does not give an instruction personally, the authorisation granted to the client's representative shall be notarised or laid down in an asset management agreement or another similar agreement concluded with a professional participant of the securities market. The bank also accepts authorisation contained in a power of attorney, agreement or another similar document drawn up in the presence and confirmed by the signature of a representative of the bank.
104. In order to execute a securities purchase and sales transaction, the client may submit to the bank market orders, limit orders and instructions of another type determined by the bank.
105. In order to subscribe to securities, the client shall submit an instruction in compliance with the conditions of issue of such securities.
106. In order to execute a transaction of issue or redemption of fund units, the client shall submit an instruction in the format requested by the bank.
107. Upon making a securities transfer, both party to the transaction shall give to their respective account operator the relevant instruction:
 - the client that transfers securities shall give an instruction for the transfer of the securities from their securities account;
 - the client that purchases the securities shall give an instruction for the transfer of relevant securities to their securities account.
108. The bank has the right, but not the obligation, to verify the adherence to the restrictions arising to the instructor from the terms and conditions of securities and other documents.

Restrictions upon the submission of instructions in the name of minors or wards

109. Instructions given in the name of a minor or ward as well as personally by a minor or ward with the consent of their parent or guardian or by the authorised representative of a minor or ward shall be executed by the bank only upon the submission of a court approval of the transaction in accordance with the Family Law Act.
110. The approval of a court is necessary for the partial or complete deletion of a pledge of securities established in favour of the minor or ward.
111. Approval of a court is not necessary
 - if a minor or ward acquires securities specified in subsection 188 (1¹) of the Family Law Act on the account of a parent or a guardian, and a securities account of a special type opened on behalf of the minor or ward and the associated current account are used as transaction accounts;
 - for the disposal of securities registered or recorded in a securities account of a special type, as specified in the previous clause, provided that the sales proceeds remain in the current account of special type of the minor or ward or on the account thereof, new securities are acquired on behalf of the minor or ward to the securities account of a special type;
 - for transferring securities to another securities account opened in the name of the same minor or ward, except for securities transfers between the ordinary securities account and special-type securities account of the minor or ward; or
 - if the Family Law Act in force in the Republic of Estonia is not applicable.
112. For the acquisition or disposal of securities in the name of the minor or ward without the approval of a court, only the securities account of a special type and the related current account of the minor or ward may be used. The bank has the right to refuse to accept an instruction or execute an accepted instruction without the approval of the court, if another type of account is specified in the instruction as a transaction account.
113. Upon the performance of the transactions specified in clause "Restrictions upon the submission of instructions in the name of minors or wards", the bank may demand the submission of additional information, documents or confirmation.

Acceptance of instructions

114. The bank usually accepts instructions during the regular working hours of the bank on each banking day. The bank may accept instructions for executing transactions with non-BCSD securities also outside of the regular working hours.
115. Regular working hours shall be determined by the bank. The bank may communicate any time limits of execution of banking operations and transactions on its website or via the Internet Bank.
116. The bank shall inform the client of the acceptance of an order during the trading hours of a market operating in a foreign country, but outside of the regular working hours of the bank, on the website or via the Internet Bank. Upon the receipt of an order outside of regular working hours, the bank shall take any and all reasonable steps to transmit the order to the market or to a person providing the trading service for execution.
117. Upon the receipt of an order by the bank
 - outside of
 - the working hours of the bank;
 - the settlement time of the respective securities register;
 - the trading time of the respective market;
 - the working hours of the investment fund management company;
 - in accordance with the investment fund documents, postponement of receipt, shall be deemed presented on the first banking day following the day the instruction was actually received.
118. Upon the acceptance of the instruction, the bank has the right
 - to specify the terms and conditions of the instruction, request the submission of additional data or documents and then accept the instruction for execution or forward it to a third person for execution;
 - to reserve necessary funds or securities for the execution of the instruction on the client's respective transaction account or debit it from the client's transaction account. The bank has the right to reserve upon the purchase of securities (and when settling the transaction, debit it from the account) a larger sum of money to the extent that corresponds to the limit of the settlement sums established in the settlement system (tolerance matching). More detailed information is available on the bank's website.
119. Upon the cancellation of an instruction, refusal to execute an instruction or failure to execute an instruction, the bank shall release the respective reserved funds or shall refund the money debited from the transaction account.

120. If the client has the right to give instructions to the bank by telephone or any electronic communication channel under a special agreement, the bank shall record the act of communication with the client conducted by telephone and via electronic channel to fulfil the obligation arising from legislation. The client has the right to request the bank to submit the recordings of the contact 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.

Refusal to accept or execute an instruction

121. The bank has the right to refuse to accept an instruction or execute an accepted instruction, if
- the client, who is a legal person, does not have a valid LEI;
 - the client has outstanding obligations towards the bank in connection with the securities account (e.g. overdue maintenance fee) or a previous securities transaction (e.g. unpaid purchase price, service fee or expenses incurred by the bank);
 - the client has a debt to the bank or a person belonging to the same group as the bank which arises on other grounds, notably from a credit, loan, suretyship, guarantee, leasing or factoring agreement;
 - the respective securities or current account of the client or the funds on the account have been blocked or seized;
 - there are insufficient funds in the client's securities or current account (including if in the securities account, there is an insufficient quantity of securities specified in the instruction or funds to the extent of the limit of the settlement sums established in the settlement system (tolerance matching)) for the execution of the order, for providing or increasing the prescribed security deposit or the bank's service fees or for compensating for other expenses;
 - the instruction is in conflict with a restriction or a requirement established by the bank;
 - the transaction planned by the client is not in compliance with the terms and conditions, the terms and conditions of the security, the rules or prospectus of the investment fund, legislation, the rules established by a competent authority or issuer (including one-time requirements) or is not in accordance with good practice (including if the terms and conditions of the instruction differ significantly from the current market conditions);
 - the bank suspects that the instruction has been given for the purpose of market abuse;
 - according to the bank's professional estimate, the instruction cannot be reasonably executed (for example, the security specified in the instruction cannot be intermediated to the client);
 - the adjustment of the instruction under the circumstances described in clause 167 is not possible;
 - the instruction has been cancelled;
 - on other grounds specified in the general terms and conditions, legislation or rules established by a competent authority.

Amendment or cancellation of instructions

122. The client has the right to request the amendment or cancellation of a submitted instruction by submitting the respective request to the bank at a bank branch, via the Internet Bank or in another manner accepted by the bank.
123. The bank has the right, but not the obligation, to satisfy the client's request if the amendment or cancellation of the instruction is possible (above all, if the instruction has not yet been executed or submitted for execution by the bank).
124. Before the commencement of the execution of an instruction or in the course of execution of an instruction, the bank has the right to consider the instruction as having been cancelled by the client, if
- the client submits a request for the amendment of the instruction which can be granted (thereby the request for the amendment of the instruction is treated as a new instruction);
 - 20 calendar days have passed from the acceptance of the instruction and it was not possible to execute the instruction during this period due to reasons independent of the bank;
 - within a reasonable term, the client has not eliminated a circumstance serving as the basis for the bank's refusal to accept the instruction, execute the accepted instruction or forward it;
 - the execution of the instruction is impossible either according to the bank's estimate (thereby the client cannot eliminate the circumstances specified in clause 121) or due to the rules of the securities register, the rules established by the custodian or a corporate event.

Pledging securities

Principles of pledging

125. The bank shall accept instructions related to pledging securities on the conditions and pursuant to the procedure provided for in the terms and conditions, legislation and rules established by competent authorities (including the Baltic Central Securities Depository).
126. Estonian securities can be pledged in a client's Baltic securities account. Under the terms and conditions acceptable to the bank, the bank shall allow for the pledging of Latvian and Lithuanian securities and non-BCSD securities via the bank.
127. The bank shall not be obligated to evaluate the relevance of an instruction in connection with the establishment, amendment, termination, realisation of a pledge or some other instruction, correspondence to the pledge agreement, validity of the pledge agreement or existence of a legal basis for the realisation of a pledge. The bank shall not be liable for any possible damages arising from the above.

Pledging Estonian securities

128. In order to pledge Estonian securities, the holder of Estonian securities (pledgor), for whom a Baltic securities account has been opened in the bank, shall submit to the bank a registration instruction. The pledgee shall submit a pledge registration instruction with the same content to their account operator with whom a required securities account has been opened for the pledgee. If the pledgee does not have the required securities account, the pledgee may submit their instruction via the bank.
129. The bank shall verify that the pledge registration instructions submitted by the pledgor and the pledgee are in compliance. In the event of a difference between the data, the bank shall inform the client thereof.
130. In order to amend the data entered into the register regarding pledging Estonian securities (the number of pledged securities, notations made to the register, etc.), the pledgor and the pledgee shall submit instructions of the same content to the bank.

Transfer or disposal of pledged Estonian securities

131. In order to transfer or dispose of pledged Estonian securities, the pledgor shall submit to the bank a securities transaction instruction. If the person that acquires these securities is not a client of the bank, that person shall submit a securities transaction instruction of the same content to their account operator.
132. Upon the receipt of the instruction specified in clause 131, the bank shall verify whether the Estonian Register of Securities contains a notation of the pledgee's consent required for the purpose of disposing of the Estonian securities. If such consent is required, the bank shall inform the pledgor thereof. The pledgee can submit the consent via its account operator.
133. The pledged Estonian securities shall be transferred to the account indicated in the instruction along with the pledge notations and other notations made to the register.
134. Upon the transfer of the pledge of Estonian securities to a new pledgee, the bank shall amend the data of the pledgee on the basis of an application of the former pledgee. If the pledgee's rights transfer by way of succession or the merger, division or reorganisation of an entity, the bank shall amend the pledgee's data on the basis of an application of the new pledgee.

Realisation of pledged Estonian securities

135. The bank shall execute the pledgee's instruction for the disposal of the pledged Estonian securities from the pledgor's account for the purpose of selling the securities if a notation regarding the disposition of the pledgee has been made in the Baltic securities account.
136. If the Baltic securities account does not have a notation concerning the disposition of the pledgee, the bank shall accept an order of a bailiff or another entitled person specified in legislation in order to transfer the pledged Estonian securities from the pledgor's account for the purpose of selling the securities.
137. Upon realising the pledged securities, the bank shall verify the notations made in the Baltic securities account.
138. The pledgee shall submit to the bank the respective instruction for the deletion of the pledge of Estonian securities.

Financial collateral agreement

139. In order to pledge Estonian securities on the basis of a financial collateral agreement, the pledgor shall submit to the bank a pledge instruction along with instructions for the transfer of Estonian securities from the pledgor's account and acceptance of them to the pledge account.

140. In order to amend the data entered into the register regarding pledging Estonian securities (the number of pledged securities, notations made to the register, etc.), the pledgor and the pledgee shall submit an additional pledge instruction to the bank.
141. Before the acceptance of an instruction to pledge the securities, the bank has the right
 - to verify whether information on the pledge instruction corresponds to the terms and conditions of the pledge agreement;
 - to request other relevant information and documents from the pledgor and/or the pledgee.
142. If the pledgor and/or the pledgee fail to present the abovementioned information and documents, the bank has the right to refuse to accept the instruction.
143. The disposal of the securities transferred to the pledge account shall take place pursuant to the procedure provided for by legislation and on the terms and conditions indicated on the pledge instruction. Upon the disposal of the pledged securities (i.e. transfer from the pledge account), the pledge of the financial collateral over securities with regard to the third parties shall terminate.
144. Upon the termination of the pledge established on the basis of the financial collateral agreement, the pledgee shall submit to the bank an order for the deletion of the pledge. If necessary, the pledgee shall submit an order for the transfer of the pledged securities from the pledge account to the pledgor's securities account and the pledgor shall give a respective acceptance instruction.

Execution of orders

Principles of acceptance and execution of orders

145. The bank has the right to refuse to accept an order for any reason.
146. If the bank has accepted the order, the bank executes the client's order in the best possible manner for the client, thereby following the procedure in the best execution policy. The bank shall take into account the price, expenses and speed of execution of the order, the probability of execution and settlement, the size of the order and other circumstances related to the execution of the order.
147. The bank shall have the right to execute the order in parts as well as partially if, during the term of validity of the order, the bank has failed to fully execute it. In this case, the client is obligated to accept the execution of the order in parts as well as its partial execution, unless the terms and conditions of the client's order have established otherwise. The performance of repeat partial transactions for the execution of the order may increase the total amount of service fees payable and settlement expenses.
148. The client agrees that the bank may, on the basis on an order, take up the position of the counterparty of the purchase or sales transaction intermediated to the client and the bank shall not be obligated to inform the client thereof on each occasion.
149. The bank shall, upon the execution of an order, be obligated to refrain from transactions from which the interests that arise are in conflict with the client's interests (conflict of interests). In the event of a conflict of interests that cannot be avoided, the bank shall act in the client's interests.
150. The bank has the right to automatically forward to the respective market an order submitted by the client via the Internet Bank for the execution of transactions with securities accepted for trading on the market. The client confirms that they consent to the automatic forwarding of the order. The bank has the right to terminate at any time the automatic forwarding of the order to the market and the bank shall notify the client thereof via the website of the bank.

Transaction confirmations

151. After the execution of an order, the bank shall submit to the client a transaction confirmation on the conditions of the transaction which the client can usually access not later than on the next banking day following the execution of the transaction in the Internet Bank (securities account statement) or at any branch. If an intermediary was used for the transaction, the bank shall submit the confirmation of the transaction not later than on the next banking day after the receipt of confirmation from the intermediary.
152. The client can obtain information about the state of execution of the order by e-mail or via another electronic channel.
153. Upon the receipt of a respective application by the client, the bank shall always send the client a transaction confirmation by e-mail or via another electronic channel after the execution of the order. The client has the right to cancel the sending of transaction confirmations at any time.
154. The accuracy of the data of transaction confirmations is presumed.

155. The client is deemed to have accepted the transaction confirmation, if the client has not informed the bank otherwise within 24 hours from the moment the transaction confirmation is submitted pursuant to the procedure prescribed in clause 151 or sent pursuant to the procedure prescribed in clause 153. In case an error is detected, the bank shall make everything reasonably possible to change or cancel the transaction.

Validity of an order

156. The bank has the right to suspend the execution of an order if circumstances independent of the bank exist, which impede the execution of the order (for example, suspension of trading on the market, failures of communication systems). The bank shall continue the execution of the order as of the end of the respective circumstances.
157. The order shall remain in force until the date indicated therein, unless a shorter or a longer term has been established by the rules of the market.
158. If the term of validity of an order has not been established, such an order shall remain in force until the end of the regular working hours of the bank on the date of submission of the order or until the termination of the execution of the order by the bank based on the grounds specified in clause 160.
159. In an unfavourable market situation, the order may remain partially or completely unexecuted.

Termination of the execution of an order

160. The bank has the right, but not the obligation, to immediately terminate the execution of an order before its date of expiry, if
- the client submits to the bank a request for the cancellation of the order or the unexecuted part thereof;
 - the client violates the payment obligation arising from or concurrent to a securities transaction executed via the bank (above all, the obligation to transfer money, securities or another financially assessable right specified in the transaction), including if it becomes evident that the client's transaction accounts lack sufficient funds for the execution of an order at the prescribed time, for giving or increasing the prescribed security deposit and/or payment of the bank's service fees or concurrent expenses;
 - the market exercises the right to cancel the transaction order, for example, if it does not reflect the current market value of the security due to a corporate event (order flushing) or for any other reason;
 - another circumstance specified in the terms and conditions, general terms and conditions, rules established by competent authorities or legislation occurs, terminating the further execution of the order.

Settlement

161. The bank usually arranges the settlement related to a securities account and the transactions executed via the securities account, crediting or debiting the client's respective transaction accounts in accordance with these terms and conditions, legislation and rules established by competent authorities.
162. Depending on the securities transaction, the bank shall take the following steps for the settlement of a transaction:
- in the event of a securities purchase transaction, the bank shall transfer the securities indicated in the instruction to the client's transaction account and debit from the client's transaction account the purchase price of the securities, which may be different from the prescribed sum within the limit established on the market in the event of a difference of settlement sums (tolerance matching);
 - in the event of a securities sales transaction, the bank shall debit from the client's transaction account the securities specified in the instruction and transfer to the client's transaction account the amount received from the sale of the securities;
 - in the event of issue of fund units, the bank shall debit the investment amount from the client's transaction account and transfer the issued fund units to the respective transaction account of the client;
 - in the event of redemption of fund units, the bank shall transfer to the client's transaction account the amount of money received from the redemption of the fund units and delete the redeemed fund units from the client's respective transaction account;
 - in the event of a securities delivery without payment, the bank shall debit the transferred securities from the client's securities account and transfer them to the account indicated in the client's instruction in accordance with the respective acceptance instruction of the counterparty;
 - when executing an instruction to accept the securities accruing to the client, the bank shall transfer the securities related to the instruction to the respective securities account of the client.
163. If the bank executes or intermediates the execution of the client's order and unless otherwise provided for by legislation or rules established by competent authorities or agreement concluded between the bank and the client, it shall be deemed that, along with the order, the client has given the bank an instruction to make the settlement under the purchase and sales transaction of securities on each occasion.

164. If the order has not been executed or transferred for execution by the bank, the client shall submit the respective order to the bank for making the settlements under the securities transaction.
165. The bank shall make settlements arising from securities transactions executed on or off the market on the basis of an instruction of the client on the settlement day of the respective securities transaction, provided that the securities transaction has been registered and finally settled in the securities register or with the custodian on the settlement day and the bank has received from the securities register or the custodian the respective confirmation. The bank may disregard this prerequisite if the bank is the executor or intermediary of the client's order or if the respective market does not enable applying the above prerequisite.
166. If the bank has not concluded an agreement for the intermediation of fund units with the management company, the execution of the issue and redemption order depends on the conditions, the terms and actions established by the management company and the person that intermediates the execution of the transaction. Therefore, the bank cannot preclude delays in the execution of these orders and the bank shall not be liable for such delays or possible damages.
167. If money or securities that the client was not entitled to are received in the transaction account tied to the settlement, the client shall immediately notify the bank thereof and refrain from using and disposing of the money or securities that do not belong to the client.
168. Upon entry into a securities account agreement, the client is deemed to have given the bank the instruction in the case of a transfer made in error or in some other way without legal basis to the client's transaction account or in error or regardless of the existence of a legal basis a transfer has not been performed
 - to make an appropriate correction entry on each occasion (including additionally debit the transaction account); and
 - in a justified case, adjust the number indicated on the securities transaction order or other conditions of the transaction.
169. If an issuer, custodian, settlement system, securities register or intermediary of payment debits money or securities from the bank in relation to a transaction executed under a client's order, the bank shall debit the client's transaction account the corresponding amount of money or securities without an additional order. If the expense of such transaction is collected from the bank, the client shall compensate for it.
170. Upon entry into a securities account agreement, the client is deemed to have given the bank the instruction to carry out, on each occasion, on the basis of the exchange rates of the bank, any conversion of currencies that proves necessary in connection with the transactions and operations performed via the securities account.
171. The client is obligated to keep in their current account sufficient funds
 - for the performance of the financial obligations related to the securities account and the transactions executed via the securities account;
 - compensate for or allow the bank to withhold service fees, expenses and taxes and other payments established by the terms and conditions, the rules established by a competent authority and legislation which the client has to pay.
172. The bank and the client have agreed that the bank shall make payments of service fees payable under the securities account agreement and other payable sums from the client's current account. This agreement shall be valid until the expiry of the securities account agreement.
173. If, pursuant to the rules of the settlement system, it is allowed to settle orders in part, the bank may settle the client's order in part. In this case, the client is obligated to accept the settlement of an order in parts. Partial settlement of an order may increase the total sum of service fees and settlement expenses.

Client's confirmations and special obligations

Client's confirmations

174. The client confirms that before the provision of the service on the basis of the securities account agreement, the bank has made available to the client information specified in clauses 54, 56, 65 and 66 on the investor protection website and agrees with the method of presentation of this information and the conditions included in this information.
175. The client confirms that they have familiarised themselves with the price list and have information about the service expenses and fees.
176. The client is aware of and agrees that taxation regarding investment services and securities is dependent on the services and the securities serving as the object of the transaction as well as circumstances related to the person of the client (including the client's residence and legal form) and that taxation may change in the future. This confirmation is valid if the bank has referred to a specific taxation aspect in information intended for the client.

Formalisation of client's approvals and confirmations

177. The client shall give the bank the approvals and confirmations serving as the prerequisites for the provision of services on the basis of the securities account agreement upon signing the securities account agreement, upon giving a securities transaction instruction in the events specified by the bank or in another manner.
178. The bank has the right to demand that upon the submission of each instruction, the client provide certain confirmations, including provision of new confirmations, if necessary. Each approval and confirmation given to the bank upon the submission of an instruction shall serve as an inseparable part of the securities account agreement.

Client's notification obligation

179. In addition to information given in the general terms and conditions, the client shall submit to the bank information on its investment knowledge and experience and other information required by the bank for the performance of the obligations arising from the agreement entered into with the client and from legislation.
180. The client shall inform the bank of any and all changes in the information submitted to the bank by the client, including (but not limited to) in information that may influence
 - the treatment of the client as a retail client, professional client or eligible counterparty;
 - the results of evaluation of the appropriateness of a transaction executed on the basis of an instruction given by the client or of a service rendered to the client.
181. The client shall notify the bank immediately of changes in information, but not later than upon giving the first instruction after the information changed.
182. The client warrants and represents that it is aware of the fact that in the event of submitting false or insufficient information to the bank or in the event of failure to notify of changes to the submitted information, the bank cannot adequately identify whether the service sought or the transaction planned by the client is appropriate for the client.
183. The bank has the right to presume the correctness and relevance of the information submitted by the client, including the personal and contact details of the client, the information concerning the authorised representatives of the client and other information required by the bank for the performance of obligations arising from the securities account agreement and legislation.

Client's other obligations

184. The client shall verify the correctness of the securities account statements, balance notices, reports, transaction confirmations and other information given to the client by the bank. The client shall also follow the execution of the orders submitted to the bank.
185. Upon the improper execution of the client's orders by the bank or in the event of the insufficiency and/or incorrectness of the information or reports received from the bank, the client shall immediately inform the bank thereof. Upon the discovery of an error, the bank makes everything possibly reasonable to eliminate the error or adjust information.
186. The client shall, upon entry into a securities transaction, follow the principles of honest trading as well as good practice and custom. The client shall refrain from any activity that may be considered market abuse.

Blocking and closing a securities account

Blocking a securities account

187. The bank has the right to partially or fully block the use of a securities account and/or the securities registered or recognised thereon, if
 - this is necessary to ensure the performance of the client's instruction and/or a corporate event (e.g. participation in a general meeting, correct processing of a corporate event);
 - the client repeatedly or to a significant extent breaches their obligations arising from the terms and conditions, legislation or a special agreement related to the securities account;
 - the client's current account tied to the securities account is blocked;
 - the client closes the current account tied to the securities account without specifying another current account for the servicing of the securities account;
 - the client's acts or omissions (including refusal to give the required information) substantially limits or impedes, in the view of the bank, the exercising of the rights and/or the performance of the obligations arising from the terms and conditions and/or legislation;
 - the bank has submitted to the client a declaration of extraordinary cancellation of the securities account agreement, but the client has failed to give the bank an instruction for the transfer of the securities from the

securities account within the term prescribed in the declaration;

- the bank has notified of the termination of the provision of the service with regard to a certain security, but the client has not given the bank an order within the term communicated by the bank for the transfer of this security from the securities account;
- the custodian has blocked the account opened for joint safekeeping of clients' securities or the securities therein because of the client's securities;
- there are other circumstances which, pursuant to the terms and conditions, general terms and conditions, applicable legislation or rules established by a competent institution, may serve as the basis for blocking the securities account and/or the securities.

188. Upon blocking a securities account and/or securities, the bank shall partially or fully suspend the service of the respective securities account. The blocking of the securities account and/or securities shall not release the client from the performance of the duties and obligations provided for by the terms and conditions, including the obligation to pay the service fee and compensate for the expenses.

189. In case the client remedies a breach serving as the basis for the blocking or upon the lapse of another respective circumstance, the bank shall continue servicing the securities account. If the bank has submitted to the client an application for extraordinary cancellation of the securities account agreement because of a significant breach by the client of the obligation arising from that agreement or the client has failed to fulfil their obligation during the term allowed for the elimination of the breach of obligation, the bank shall execute only the instruction for the transfer of securities from the securities account and thereafter closes the securities account.

Closing a securities account

190. The securities account agreement shall expire and the bank may close the securities account

- if the bank cancels the securities account agreement on the grounds listed in the general terms and conditions;
- if the client has submitted a respective written application for the cancellation of the securities account agreement and no securities have been registered or recognised in the securities account and the client does not have any outstanding obligations towards the bank in connection with the securities account;
- if the bank has submitted a declaration to the client for the extraordinary cancellation of the securities account agreement due to a fundamental breach of an obligation or duty arising from the securities account agreement and the term granted for the termination of the breach of the obligation or duty has expired without results;
- upon the liquidation or compulsory dissolution of a client, who is a legal person, or death or declaration of death of a natural person, provided that there are no securities registered or recognised in the securities account and the securities account is not tied to the right of security.

191. In addition to the conditions set out in clause 190, the bank has the right to terminate the securities account agreement and close the securities account by informing the client thereof at least 15 days in advance via the Internet Bank or, upon the absence of an Internet Bank agreement, by mail, if

- the client has a debt to the bank during three consecutive months in connection with the securities account;
- no securities are registered or recognised in the securities account and no transaction has been made in the securities account over three consecutive months.

192. If the bank has informed the client of ending the provision of a service in respect to a security held in the account, the client shall give an instruction to the bank for transferring or selling such securities within a reasonable time specified by the bank. If the client has not submitted a respective instruction by the term specified by the bank, the bank shall have the right to decline from keeping securities and register these securities to the securities register in the name of the client or sell the securities at the best possible price, which according to the bank can be reasonably obtained for the securities at that moment. The bank shall transfer the funds received from the sale to the client's current account. The client shall bear the costs of sale of the securities.

Obligations arising from the termination of a securities account agreement

193. Upon the termination of the securities account agreement, all agreements related to the securities account agreement shall be deemed to have ended, if the existence of a securities account is a material condition to the performance of such an agreement. The term of execution of obligations shall arrive with the termination of these agreements, unless otherwise agreed.

194. After the termination of the securities account agreement, the relationship of the parties shall be subject to those clauses of the securities account agreement, terms and conditions and general terms and conditions that in essence stipulate rights and obligations of the parties for the time after the termination of the securities account agreement. The above shall apply primarily for clauses that lay down rules for the resolution of disputes between the parties, the liability of the parties, as well as the recovery, submission and settlement of claims.

Liability

Liability of parties

195. A party is liable before the other party for the wrongful failure to perform or for the improper performance of the obligations specified in the securities account agreement and the terms and conditions. The rules of liability are set out in the general terms and conditions and in the terms and conditions.

Disclaimer

196. The bank is not liable for the loss of the client's securities or for another such circumstance, unless it was caused by the bank's wrongful act or omission.
197. The bank shall replace securities that have been lost due to the fault of the bank with equal securities or compensate to the client for the market value of the lost securities
- which in the event of tradable securities, is determined on the basis of the market value of the securities at the moment of loss;
 - in the event of fund units, on the basis of the net asset value of the fund unit; and
 - in the event of other securities, on the basis of their usual value.
198. The bank shall not be liable for any expenses, losses, loss of profit or pecuniary penalties imposed by legislation or the rules of a competent authority which arise in connection with the following circumstances:
- the execution or non-execution of the client's instructions by the bank on the grounds specified in the terms and conditions, including situations
 - where the instruction was given to the bank late, in the wrong form, with insufficient, incorrect or misleading data, repeatedly, for the purpose of misuse;
 - there were insufficient funds and/or securities in the account indicated by the client for the execution of the instruction;
 - the non-submission or late submission of a counter-instruction by the counterparty of the securities transaction, or a similar situation;
 - amendment of the price of the securities or other market terms and conditions during the period of acceptance and execution of an instruction;
 - a delay by the bank, arising from the submission or non-submission of the documents and additional information required for the execution of an order, application for rights or approval, cancellation of the restrictions of disposition, re-registration of encumbrances or the right of ownership;
 - the lack of the right of representation and the illegitimate activities of the client's representative specified in the power of attorney required for the representation of the bank upon exercising a right arising from the securities belonging to the client and kept for and on account of the client (including on a nominee account);
 - the non-performance or incomplete or late performance or complete avoidance of performance of the client's duties and obligations arising from the terms and conditions, general terms and conditions, legislation or rules of a competent authority (notification or tax payment obligation);
 - performance by the bank of duties and obligations arising from the terms and conditions, general terms and conditions, legislation or rules established for the bank by competent authorities;
 - the disclosure to a third party, belatedness or non-receipt of any information submitted by the bank if the client has not informed the bank of a change in their contact details or other important information;
 - the exercising or non-exercising of rights granted to the bank by the terms and conditions, general terms and conditions, legislation or rules established by competent authorities and the operations arising therefrom. These operations include debiting the client's current accounts or securities account for the purpose of settlement of claims emerging against the client upon the use of the securities account or securities transactions, or the sale of the securities;
 - the bankruptcy, reorganisation, insolvency, revocation of the activity licence, deprivation of a licence vital for the continuance of the activities or existence of similar circumstance of persons providing a service via the bank.
199. The bank is not responsible for damages or expenses arising from
- acts or omissions of the securities register or custodian, unless the bank has violated due diligence in the selection or control of the respective securities register or custodian or on other grounds provided by legislation;
 - acts or omissions by the Baltic Central Securities Depository or the settlement system.
200. The bank is not responsible for the content or validity of the rights arising from the securities belonging to the client or for their validity or for the gains to be obtained from the client's investment activities.

Client's investment decisions

201. The client is responsible for making decisions related to investing their assets, including for the selection of the securities, acquisition of information required for the exercising of the rights and performance of the obligations arising therefrom and for accessing the information presented for the making of investment decisions.

Claims and exercising rights

202. Upon the failure by the client to pay a service fee or any other financial obligation arising from the securities account agreement, including from a securities transaction, the bank shall have the right to charge the client default interest at the rate of 0.1% (zero point one percent) of the overdue sum per calendar day of delay.
203. The bank has the right to settle claims against the client which arise from the use of the securities account or from the execution of securities transactions or from servicing securities by debiting any current and/or securities account of the client. Upon concluding the securities account agreement, the client shall be deemed to have given the bank the instruction to debit the amounts necessary for the settlement of debts from any current account of the client or sell, at the best possible price that the bank estimates can be obtained from the respective quantity of the securities at that particular moment, a quantity of the securities from any securities account of the client for the settlement of the debt.
204. The bank has the right to waive claims arising from the securities account agreement to third parties, enter into an agreement with a third party to recover the bank's claim or otherwise use third parties with the aim of having the bank's claims against the client settled. The client shall compensate to the bank for any and all expenses related to the recovery of the bank's claims, including expenses related to services provided by third parties.
205. A delay upon the exercising of any right of the bank specified in the terms and conditions does not mean a waiver of such a right. Partial exercising of any right of the bank does not preclude the further exercising of the right to the full extent. Even if the bank exercises one right in a situation where it has the right to exercise other rights, it does not mean that the bank has waived other rights.