

## GENERAL BUSINESS TERMS

### 1. DEFINITIONS - INTERPRETATION OF TERMS

1.1. In these General Business Terms the following terms shall, unless the context otherwise requires, have the following meanings and may be used in the singular or plural as appropriate:

“**Account**” shall mean a transaction account of the Client at Private Scandinavian Sparkasse;

“**Account Statement**” shall mean a periodic statement of the transactions credited or debited to an Account;

“**Account Summary**” shall mean a statement of the Client's securities portfolio, open positions, margin requirements, cash deposit, etc. at a specific point in time;

“**Agent**” shall mean an individual person or a legal entity undertaking a transaction in his, her or its own name, but doing so on behalf of another person;

“**Authorised Person**” shall mean a person authorised by the Client to give instructions to Private Scandinavian Sparkasse;

“**Business Day**” shall mean any day on which banks are open for business in Sweden;

“**CFD**” and “**CFD Contract**” shall mean a contract for difference which is a contract in which an investor pays or is paid the difference between the opening and closing price of the relevant security or index;

“**Client**” shall mean you in your capacity as a customer of Private Scandinavian Sparkasse;

“**Collateral**” shall mean any securities or other assets deposited with Private Scandinavian Sparkasse by the Client;

“**Commission, Charges & Margin Schedule**” shall mean the schedule of commissions, charges, margin, interest and other rates which at any time may be applicable to the Services as determined by Private Scandinavian Sparkasse on a current basis;

“**Contract**” shall mean any contract, whether oral or written, for the purchase or sale of any commodity, security, currency or other financial instrument or property, including any option, future, CFD or other transaction relating thereto, entered into by Private

Scandinavian Sparkasse with the Client;

“**Counterparties**” shall mean banks and/or brokers through which or whom Private Scandinavian Sparkasse may cover its Contracts with clients, including the Client;

“**Events of Default**” shall have the meaning given to this term in Clause 16;

“**Inside information**” shall mean non-published information that is likely to have an effect on the pricing of a Contract if it was made public;

“**Introducing Broker**” shall mean a financial institution or an advisor who is remunerated by Private Scandinavian Sparkasse and/or its clients for referring such clients to Private Scandinavian Sparkasse, providing advice to such clients and/or brokering the execution of transactions between such clients and Private Scandinavian Sparkasse;

“**Margin Trade**” shall mean a Contract opened and maintained based on a margin deposit, as opposed to, a Contract based on a purchase price;

“**Market Rules**” shall mean the rules, regulations, customs and practices of any exchange, clearing house or other organisation or market involved in the conclusion, execution or settlement of a transaction or Contract and includes any determination, decision or other exercise of any power or authority by any such exchange, clearing house or other organisation or market;

“**OTC**” shall mean any Contract concerning a commodity, security, currency or other financial instrument or property, including any option, future or CFD which is not traded on a regulated stock or commodity exchange but “over the counter” by Private Scandinavian Sparkasse, whether as a market maker as described in Clause 12 or otherwise;

“**Principal**” shall mean an individual person or a legal entity, which is party to a transaction;

“**Private Scandinavian Sparkasse**” shall mean Private Scandinavian Sparkasse and Credit Corp. SA. (Financial Service

and Clearing Company License Number: 061192) located in World Trade Center 1 Piso, Calle 53 Marbella, Panama and all of its direct and indirect subsidiaries, associates, and affiliates.

“**Services**” shall mean the services to be provided by Private Scandinavian Sparkasse subject to the Terms;

“**Terms**” shall mean these General Business Terms governing the relationship between the Client and Private Scandinavian Sparkasse, as may be amended from time to time;

“**Trade Confirmation**” shall mean a message from Private Scandinavian Sparkasse to the Client confirming the Client’s entry into a Contract;

“**Trading Platform**” shall mean any online trading platform made available by Private Scandinavian Sparkasse under the Terms;

“**Unit**” shall mean a fraction of a UMA and, as such, is an OTC instrument quoted by Private Scandinavian Sparkasse as market maker at buy and sell prices and therefore, should be seen as a derivatives instrument; and

“**Unitized Managed Account**” or “**UMA**” shall mean a pool of the combined investments of a number of investors managed by an asset manager, who may or may not be employed by Private Scandinavian Sparkasse, provided that such pool of investments shall not constitute a separate legal entity nor a stock exchange listed instrument.

- 1.2. If there is any conflict between the Terms and relevant Market Rules, the Market Rules shall prevail.
- 1.3. In the Terms, any reference to a person shall include bodies corporate, unincorporated associations, partnerships and individuals.
- 1.4. Headings and notes in the Terms are for reference only and shall not affect the construction and interpretation of the Terms.
- 1.5. In the Terms, any reference to any law, statute, regulation or enactment shall include references to any statutory modification or re-enactment thereof or to any regulation or order made under such law, statute, regulation or enactment

(or under such modification or re-enactment).

## 2. RISK OF ACKNOWLEDGMENT

- 2.1. The Client acknowledges, recognises and understands that trading and investment in securities, as well as in leveraged and non-leveraged derivatives, is:
  - a. highly speculative;
  - b. may involve an extreme degree of risk; and
  - c. if the Client trades on margin, appropriate only for persons who can assume risk of loss in excess of their margin deposit.
- 2.2. The Client acknowledges, recognises and understands that:
  - a. due to the low margin normally required in Margin Trades, price changes on the underlying asset may result in significant losses;
  - b. when the Client directs Private Scandinavian Sparkasse to enter into any transaction, any profit or loss arising as a result of a fluctuation in the asset or the underlying asset will be entirely for the Client’s account and risk;
  - c. the Client warrants that the Client is willing and able, financially and otherwise, to assume the risk of trading in speculative investments;
  - d. the Client agrees not to hold Private Scandinavian Sparkasse responsible for losses incurred as a consequence of Private Scandinavian Sparkasse carrying the Client’s Account and following the Client’s recommendations;
  - e. the Client accepts that any guarantees of profits or of avoidance of losses are impossible in investment trading;
  - f. the Client has received no guarantees of profits or of avoidance of losses or similar representations from Private Scandinavian Sparkasse, from any of its associates or representatives or from any other entity with which the Client is conducting a Private Scandinavian Sparkasse account, and the Client has not accepted the Terms, nor will the Client act in the future, in consideration of or in reliance upon any such guarantees or similar representations.

## 3. SERVICES

- 3.1. Subject to the Client fulfilling its obligations under the Terms, Private Scandinavian Sparkasse may enter into transactions with the Client in the form of the following investments and instruments:
- futures and CFDs on commodities, securities, interest rate and debt instruments, stock or other indices, currencies and base and precious metals;
  - spot and forward bullion, currencies and OTC derivatives;
  - securities, including shares, bonds and other debt instruments, including government and public issues;
  - options and warrants to acquire or dispose of any of the instruments listed above, including options on options;
  - managed assets, whether as OTC or stock exchange traded instruments; and
  - such other investments and instruments as Private Scandinavian Sparkasse may from time to time agree.
- 3.2. When the Client purchases one or more Units in a UMA or other pool of managed assets, the Client thereby acknowledges and agrees that the designated asset manager of such UMA or pool of managed assets has full power and authority to buy, sell and trade in the financial markets on margin or otherwise, for the account and risk of such UMA or pool of managed assets and thereby indirectly the Client's account and risk.
- 3.3. The Client has no intention of being, and acknowledges, understands and accepts that it may not be, actively involved in the trading and transactions of UMAs or other pools of managed assets, such trading and transactions being undertaken by a designated asset manager.
- 3.4. The Client acknowledges, understands and accepts that a designated asset manager may utilise proprietary trading methods as a basis of all trading and transactions in UMAs or other pools of managed assets under the Terms.
- 3.5. The Client acknowledges, understands and accepts that the trading and transactions undertaken by an asset manager are undertaken on the condition that the Client in all respects renounces and waives any possible claims of compensation against Private Scandinavian Sparkasse, the asset manager and/or the UMAs or other pools of managed assets for any financial or other losses which the Client may suffer as a consequence of such trading and transactions by an asset manager. The Client furthermore acknowledges, understands and accepts that the Client is in all respects solely and exclusively liable for all such financial or other losses without any recourse against Private Scandinavian Sparkasse, an asset manager or the UMA or other pool of managed assets as a consequence hereof.
- 3.6. The Services provided by Private Scandinavian Sparkasse may involve:
- marginated transactions;
  - short sales (i.e. sales where one party to the contract is obliged to deliver an asset which it does not possess); or
  - transactions in investments which are:
    - traded on exchanges which are not recognised or designated investment exchanges;
    - not traded on any stock or investment exchange; and/or
    - not readily realisable investments.
- 3.7. Orders may be placed as market orders to buy or sell an instrument as soon as possible at the price obtainable in the market or as limit and stop orders to trade when the price reaches a predefined level, as applicable to the various instruments offered. Limit orders to buy and stop orders to sell must be placed below the current market price, and limit orders to sell and stop orders to buy must be placed above the current market price. If the bid price for sell orders or ask price for buy orders is reached, the order will be filled as soon as possible at the price obtainable in the market. Limit and stop orders are thus not guaranteed executable at the specified level or amount, unless explicitly stated by Private Scandinavian Sparkasse for the specific order.
- 3.8. In relation to any transaction or Contract, Private Scandinavian Sparkasse will effect such transaction or Contract as Principal unless it is specifically agreed that Private Scandinavian Sparkasse shall act as Agent for the Client.
- 3.9. All transactions in securities are executed as immediate trades, unless otherwise agreed. In immediate trades, Private Scandinavian Sparkasse acts

as the counterparty to the Client, who trades at a price offered by Private Scandinavian Sparkasse.

3.10. The Client shall, unless otherwise agreed in writing, enter into Contracts as Principal. If the Client acts on behalf of a Principal, whether or not the Client identifies that Principal to Private Scandinavian Sparkasse, Private Scandinavian Sparkasse shall not be obliged to accept the said Principal as a Client unless otherwise agreed in writing, and until such time, Private Scandinavian Sparkasse shall be entitled to consider the Client as Principal in relation to the Contract.

3.11. In the event Private Scandinavian Sparkasse provides advice, information or recommendations to the Client, Private Scandinavian Sparkasse shall not be responsible for the profitability of such advice, information or recommendation as further stipulated in Clause 18, and the Client acknowledges, recognises and understands that:

- a. all transactions in exchange-traded investments and many Contracts will be effected subject to, and in accordance with, Market Rules;
- b. in particular, Market Rules usually contain wide powers in an emergency or otherwise undesirable situations;
- c. if any exchange or clearing house takes any action which affects a transaction or Contract then Private Scandinavian Sparkasse is entitled to take any action which it, in its discretion, considers desirable in the interests of the Client and/or Private Scandinavian Sparkasse;
- d. Private Scandinavian Sparkasse shall not be liable for any loss as further stipulated in Clause 18.3 and suffered by the Client as a result of the acts or omissions of any exchange, clearing house or other organisation or market or any action reasonably taken by Private Scandinavian Sparkasse as a result of such acts or omissions;
- e. where any transaction is effected by Private Scandinavian Sparkasse as Agent for the Client, delivery or payment (as appropriate) by the other party to the transaction shall be at the Client's entire risk;
- f. Private Scandinavian Sparkasse's obligation to deliver the proceeds of sale of investments to the Client or to an account of the Client or any other person on the Client's behalf shall be conditional upon receipt by Private Scandinavian Sparkasse of deliverable documents or sale

proceeds (as appropriate) from the other party or parties to the transaction;

- g. Private Scandinavian Sparkasse's trading hours are normally 8 p.m. central European Time (CET) on Sunday through 11 p.m. CET on Friday. Private Scandinavian Sparkasse may be closed on the main European holidays;
- h. Private Scandinavian Sparkasse may, without prior notice, in whole or in part, on a permanent or temporary basis withdraw any account facility provided by Private Scandinavian Sparkasse to the Client. Situations where Private Scandinavian Sparkasse may take such action include, but are not limited to, where:
  - i Private Scandinavian Sparkasse considers that the Client may be in possession of Inside information;
  - ii Private Scandinavian Sparkasse considers that there are abnormal trading conditions; and
  - iii Private Scandinavian Sparkasse is unable to calculate prices in a relevant Contract due to the unavailability of relevant market information.

3.12. Private Scandinavian Sparkasse shall not provide any advice to the Client on any tax issues related to the Services provided by Private Scandinavian Sparkasse under the Terms. The Client is advised to obtain individual counsel from its financial advisor, auditor or legal counsel as to any personal tax implications of the Services offered by Private Scandinavian Sparkasse.

3.13. Notwithstanding any other provision of the Terms, in providing Services, Private Scandinavian Sparkasse shall be entitled to take any action it considers necessary, in its absolute discretion, to ensure compliance with the Market Rules and all other applicable laws and regulatory decisions.

#### 4. PRIVATE SCANDINAVIAN SPARKASSE AND THE CLIENT

4.1. The Client may provide Private Scandinavian Sparkasse with oral or written instructions (which shall include instructions provided via the internet or by e-mail as described below). Private Scandinavian Sparkasse may acknowledge instructions orally or in writing, as appropriate.

- 4.2. The persons authorised to give Private Scandinavian Sparkasse instructions on the Client's behalf shall be those notified by the Client to Private Scandinavian Sparkasse and may be varied by written notice to Private Scandinavian Sparkasse. Private Scandinavian Sparkasse shall not be bound by any such variation until written notice is actually received and confirmed by Private Scandinavian Sparkasse. Private Scandinavian Sparkasse shall be entitled to act upon the oral or written instructions of any person who appears to Private Scandinavian Sparkasse to be an Authorised Person, notwithstanding that the person is not, in fact, so authorised.
- 4.3 The Trading Platform provides the ability to execute certain Contracts. Furthermore, details regarding Accounts, Trade Confirmations and messages from Private Scandinavian Sparkasse to the Client may be available on the Trading Platform. The following terms apply to Contracts executed on the internet:
- a. Private Scandinavian Sparkasse shall not be liable to the Client for any loss, expense, cost or liability suffered or incurred by the Client due to failure of the system, transmission failure or delays or similar technical errors whether or not the error might be due to factors under Private Scandinavian Sparkasse's control;
  - b. Private Scandinavian Sparkasse shall not be liable to the Client for any loss the Client might suffer due to errors in quotes which are the result of typing errors committed by Private Scandinavian Sparkasse or Private Scandinavian Sparkasse's erroneous interpretation of information entered into the system by the Client. Private Scandinavian Sparkasse is entitled to make necessary corrections in the Client's Account to fix any such error taking into account the market value of any asset in question at the time when the error occurred;
  - c. Private Scandinavian Sparkasse may offer real-time tradable prices to the Client. Due to delayed transmission between the Client and Private Scandinavian Sparkasse, the price offered by Private Scandinavian Sparkasse may have changed before an order from the Client is received by Private Scandinavian Sparkasse. If automatic order execution is offered to the Client, Private Scandinavian Sparkasse shall be entitled to change the price on which the Client's order is executed
- to the market value at the time at which the order from the Client was received;
- d. the Trading Platform may be available in several versions, which may be differentiated in various aspects including, but not limited to, the level of security applied, products and services available, etc. Private Scandinavian Sparkasse shall not be liable to the Client for any loss, expense, cost or liability suffered or incurred by the Client due to the Client using a version different from Private Scandinavian Sparkasse's standard version with all available updates installed;
  - e. the Client shall be responsible for all orders, and for the accuracy of all information, sent via the internet using the Client's name, password or any other personal identification means implemented to identify the Client;
  - f. the Client is obliged to keep passwords secret and ensure that third parties do not obtain access to the Client's trading facilities;
  - g. the Client shall be liable to Private Scandinavian Sparkasse for Contracts executed by means of the Client's password even if such use might be unauthorised or wrongful; and
  - h. regardless of the fact that the Trading Platform might confirm that a Contract is executed immediately when the Client transmits instructions via the Trading Platform, the Trade Confirmation forwarded by Private Scandinavian Sparkasse or made available to the Client on the Trading Platform constitutes Private Scandinavian Sparkasse's confirmation of a Contract.
- 4.4. Any instruction sent via the Trading Platform or by e-mail by the Client shall only be deemed to have been received and shall only then constitute a valid instruction and/or binding Contract between Private Scandinavian Sparkasse and the Client when such instruction has been recorded as executed by Private Scandinavian Sparkasse and confirmed by Private Scandinavian Sparkasse to the Client through a Trade Confirmation and/or the Account Statement, and the mere transmission of an instruction by the Client shall not constitute a binding Contract between Private Scandinavian Sparkasse and the Client.
- 4.5. The Client shall promptly provide any instructions to Private Scandinavian

Sparkasse as Private Scandinavian Sparkasse may require. If the Client does not provide such instructions promptly, Private Scandinavian Sparkasse may, in its absolute discretion, take such steps at the Client's cost, as Private Scandinavian Sparkasse considers necessary or desirable for its own protection or the protection of the Client. This provision shall also apply in situations when Private Scandinavian Sparkasse is unable to obtain contact with the Client.

- 4.6. If the Client does not provide Private Scandinavian Sparkasse with notice of its intention to exercise an option or another Contract which requires an instruction from the Client at the time stipulated by Private Scandinavian Sparkasse, Private Scandinavian Sparkasse may treat the option or Contract as abandoned by the Client. If a Contract can be prolonged on expiry, Private Scandinavian Sparkasse may, at its sole discretion, choose to prolong or to close such Contract.
- 4.7. Private Scandinavian Sparkasse may (but shall not in any circumstances be obliged to) require confirmation, in such form as Private Scandinavian Sparkasse may reasonably request, if an instruction is to close an Account or remit money due to the Client or if it otherwise appears to Private Scandinavian Sparkasse that such confirmation is necessary or desirable.
- 4.8. The Client shall indemnify Private Scandinavian Sparkasse and keep Private Scandinavian Sparkasse indemnified against all losses which Private Scandinavian Sparkasse may suffer as a result of any error in any instruction given by an Authorised Person or as a result of Private Scandinavian Sparkasse acting on any instruction, which is, or appears to be, from an Authorised Person.
- 4.9. Private Scandinavian Sparkasse may, in its sole discretion and without explanation, refuse to act upon any instruction.
- 4.10. In general, Private Scandinavian Sparkasse shall act according to instructions as soon as practicably possible and shall, as far as trading instructions are concerned, act within a reasonable time frame taking into account the nature of the instructions. However, if after instructions are received, Private Scandinavian Sparkasse believes that it is not reasonably practicable to act upon such instructions within a reasonable time, Private Scandinavian Sparkasse may either defer acting upon those instructions until it is, in Private Scandinavian Sparkasse's reasonable opinion, practicable to do so or notify the Client that Private Scandinavian Sparkasse is refusing to act upon such instructions.
- 4.11. It is possible that errors may occur in the prices of transactions quoted by Private Scandinavian Sparkasse. In such circumstances, without prejudice to any rights it may have under Swedish law, Private Scandinavian Sparkasse shall not be bound by any Contract which purports to have been made (whether or not confirmed by Private Scandinavian Sparkasse) at a price which:
- Private Scandinavian Sparkasse is able to substantiate to the Client was manifestly incorrect at the time of the transaction; or
  - was, or ought reasonably to have been, known by the Client to be incorrect at the time of the transaction.
- 4.12. Trading strategies aimed at exploiting errors in prices (commonly known as "sniping") are not accepted by Private Scandinavian Sparkasse. If Private Scandinavian Sparkasse, at its sole discretion in good faith, determines that the Client is taking advantage or attempting to take advantage of misquotes or is performing other forms of abusive trading, Private Scandinavian Sparkasse is entitled to take one or more of the following countermeasures:
- adjust the price spreads available to the Client;
  - restrict the Client's access to streaming instantly tradable quotes, including providing manual quotation only;
  - retrieve from the Client's Account any historic trading profits that have been gained through such abuse of liquidity as determined by Private Scandinavian Sparkasse in its sole discretion in good faith, at any time during the Client relationship; and/or
  - terminate the Client relationship immediately by giving written notice.
- 4.13. If the Client is more than one person (for example, joint accountholders):
- the liabilities of each such person shall be direct, joint and several;
  - Private Scandinavian Sparkasse may act upon instructions received

- from any one person who is, or appears to Private Scandinavian Sparkasse to be, such a person, whether or not such person is an Authorized Person;
- c. any notice or other communication provided by Private Scandinavian Sparkasse to one such person shall be deemed to have been provided to all such persons; and
- d. the rights of Private Scandinavian Sparkasse under Clause 16 shall apply if an event described in Clause 16 shall be deemed to have occurred in respect of any one of such persons.
- 4.14. The Client agrees that Private Scandinavian Sparkasse may record all telephone conversations, internet conversations (chat), and meetings between the Client and Private Scandinavian Sparkasse and may disclose such recordings or transcripts from such recordings, to any party (including, but not limited to, any regulatory authority and/or court of law) to whom Private Scandinavian Sparkasse, in its entire discretion, believes it to be desirable or necessary to disclose such information in connection with any dispute or anticipated dispute between Private Scandinavian Sparkasse and the Client. However, technical reasons may prevent Private Scandinavian Sparkasse from recording a conversation, and, in any event, recordings or transcripts made by Private Scandinavian Sparkasse will be destroyed in accordance with Private Scandinavian Sparkasse's normal practice. Consequently, the Client should not rely on such recordings or transcripts being available.
- 5.2. If the Client makes any payment which is subject to any withholding or deduction, the Client shall pay to Private Scandinavian Sparkasse such additional amount to ensure that the amount actually received by Private Scandinavian Sparkasse will equal the full amount Private Scandinavian Sparkasse would have received had no withholding or deduction been made.
- 5.3. Payments into the Client's Account are deposited by Private Scandinavian Sparkasse on the condition that Private Scandinavian Sparkasse receives the amounts in question. This shall apply irrespective of whether it has been explicitly stated in receipts or other notices of, or requests for, payment.
- 5.4. With the prior written agreement of Private Scandinavian Sparkasse on each occasion, the Client may, in lieu of cash, deposit Collateral with Private Scandinavian Sparkasse or provide Private Scandinavian Sparkasse with a guarantee or indemnity from a person, in a form acceptable to Private Scandinavian Sparkasse, for the purpose of complying with its obligations. The Client is specifically made aware that Private Scandinavian Sparkasse may, in its entire discretion, determine the value by which Collateral shall be registered and consequently, the amount that Collateral contributes to Private Scandinavian Sparkasse's demand on the Client. Private Scandinavian Sparkasse may change such value of Collateral without prior notice to the Client.
- 5.5. Any Collateral will be held by an intermediate broker or eligible custodian, appointed by Private Scandinavian Sparkasse, and the intermediate broker or eligible custodian shall be responsible for claiming and receiving all interest payments, income and other rights accruing to the Client. Private Scandinavian Sparkasse accepts no responsibility whatsoever for the acts or omissions of any intermediate broker or eligible custodian and shall not be liable to the Client for any losses resulting, directly or indirectly, from acts or

## 5. MARGINS, COLLATERAL, PAYMENTS AND DELIVERY

- 5.1. The Client shall pay to Private Scandinavian Sparkasse on demand:
- a. such sums of money by way of deposits, or as initial or variation margin, as Private Scandinavian Sparkasse may require. In the case of a Contract effected by Private Scandinavian Sparkasse on an exchange, such margin shall be not less than the amount or percentage stipulated by the relevant exchange plus any additional margin that Private Scandinavian Sparkasse may, in its entire discretion, require;
- b. such sums of money as may from time to time be due to Private Scandinavian Sparkasse under a Contract and such sums as may be

omissions of such intermediate broker or eligible custodian.

5.6. Private Scandinavian Sparkasse is entitled to:

- a. pass on any money or Collateral received from the Client in order to satisfy Private Scandinavian Sparkasse's obligations to any third party;
- b. charge, pledge or grant any security arrangement over Collateral in order to satisfy Private Scandinavian Sparkasse's obligations to any third party in which case the Collateral may or may not be registered in the Client's name;
- c. lend Collateral to any third party in which case the Collateral may or may not be registered in the Client's name; and
- d. return to the Client other than the original Collateral or type of Collateral.

5.7. Private Scandinavian Sparkasse shall not be obliged to account to the Client for any income received by Private Scandinavian Sparkasse as a result of carrying out any of the activities described in this Clause 5.

5.8. The Client shall be obliged to promptly deliver any money or property deliverable by it under a Contract in accordance with the terms of that Contract and with any instructions given by Private Scandinavian Sparkasse for the purpose of enabling Private Scandinavian Sparkasse to perform its obligations under any corresponding Contract entered into between Private Scandinavian Sparkasse and a third party.

5.9. If the Client fails to provide any margin, deposit or other sum due under the Terms in respect of any transaction, Private Scandinavian Sparkasse may close any open Contract, without prior notice to the Client, and apply any proceeds thereof to payment of any amounts due to Private Scandinavian Sparkasse. This is further regulated in Clause 16.

5.10. Subject to Clause 9.3, if the Client fails to make any payment when it falls due, the Client shall pay interest (from the due date and until payment takes place) on the outstanding amount at the rate stated in the Commission, Charges & Margin Schedule.

5.11. The Client is advised that Private Scandinavian Sparkasse shall have the right, in addition to any other rights it may have under the Terms, or under Swedish law in general, to limit the size of the Client's open position (net or gross) and to refuse orders to establish new positions. Situations where Private Scandinavian Sparkasse may exercise such rights include, but are not limited to, where:

- a. Private Scandinavian Sparkasse considers that the Client may be in possession of Inside information;
- b. Private Scandinavian Sparkasse considers that there are abnormal trading conditions; and
- c. the value of the Client's Collateral (as determined by Private Scandinavian Sparkasse in accordance with Clause 5.4) falls below the minimum margin requirement.

## 6. MARGIN TRADES

6.1. On the date of the opening of a Margin Trade between Private Scandinavian Sparkasse and the Client, Private Scandinavian Sparkasse may require the Client to have margin on the Account at least equivalent to Private Scandinavian Sparkasse's initial margin requirement.

6.2. Private Scandinavian Sparkasse's margin requirement shall apply throughout the term of the Margin Trade. It is the Client's responsibility to ensure that sufficient margin is available on the Account at any time. Private Scandinavian Sparkasse may or may not notify the Client that the margin requirements are not met. If, at any time during the term of a Margin Trade, the margin available on the Account is not sufficient to cover Private Scandinavian Sparkasse's margin requirement, the Client is obliged to reduce the amount of open Margin Trades or transfer adequate funds to Private Scandinavian Sparkasse sufficient to meet the margin. If Private Scandinavian Sparkasse has notified the Client that the margin requirement is not met and requests the transfer of funds to meet the margin, such transfer must be effected and received by Private Scandinavian Sparkasse immediately after Private Scandinavian Sparkasse's request. Even if the Client effects such transfer, Private Scandinavian Sparkasse may, at its sole discretion and without assuming any responsibility towards the Client for such action, close one or more Margin

Trades or part of a Margin Trade and/or liquidate or sell securities or other property at the Client's account.

- 6.3. The Client is specifically made aware that the margin requirements are subject to change without notice. When a Margin Trade has been opened, Private Scandinavian Sparkasse is not allowed to close the Margin Trade at its discretion but only at the Client's instruction or according to Private Scandinavian Sparkasse's rights under the Terms. Consequently, if Private Scandinavian Sparkasse considers that its risk on a Margin Trade has increased as compared to the risk on the date of opening such Margin Trade, Private Scandinavian Sparkasse will increase the margin requirements.

## 7. ACCOUNTS

- 7.1. Private Scandinavian Sparkasse will make available to the Client a Trade Confirmation in respect of each transaction or Contract entered into by Private Scandinavian Sparkasse with or for the Client and in respect of each open position closed by Private Scandinavian Sparkasse for the Client. Trade Confirmations will normally be available instantly following the execution of the transaction in accordance with Clause 7.3.
- 7.2. An Account Summary and Account Statement are available to the Client through the Trading Platform. The Account Summary will normally be updated periodically during Private Scandinavian Sparkasse's opening hours. The Account Statement will normally be updated every Business Day with information for the previous Business Day. By accepting the Terms, the Client agrees not to receive any Account Summaries or Account Statements in printed form from Private Scandinavian Sparkasse, other than upon specific request.
- 7.3. Any note or other communication to be provided by Private Scandinavian Sparkasse under the Terms, including Account Statements and Trade Confirmations, may be sent by Private Scandinavian Sparkasse at its option to the Client in electronic form by email or by display on the Client's Account Summary on the Trading Platform. The Client is obliged to provide Private Scandinavian Sparkasse with an email address for this purpose. An email

message is considered received by the Client when sent from Private Scandinavian Sparkasse. Private Scandinavian Sparkasse is not responsible for any delay, alteration, redirection or any other modification the message may undergo after transmission from Private Scandinavian Sparkasse. A message on the Client's Account on the Trading Platform is considered received by the Client when Private Scandinavian Sparkasse has placed the message on the Trading Platform.

- 7.4. The Client is obliged to verify the contents of each document, including documents sent in electronic form from Private Scandinavian Sparkasse. Such documents shall, in the absence of manifest error, be deemed conclusive unless the Client notifies Private Scandinavian Sparkasse in writing to the contrary within 24 hours after having received such document. In the event that the Client believes to have entered into a transaction or Contract which should have produced a Trade Confirmation or otherwise a posting on the Client's Account, but the Client has not received such confirmation, the Client must inform Private Scandinavian Sparkasse immediately as to when the Client ought to have received such confirmation. If the Client fails to inform Private Scandinavian Sparkasse immediately that the Client did not receive such confirmation, the transaction or Contract may at Private Scandinavian Sparkasse's absolute discretion be deemed non-existent.
- 7.5. By accepting the Terms, the Client consents to the fact that Private Scandinavian Sparkasse keeps the Client's securities in omnibus accounts together with securities belonging to other Clients. Private Scandinavian Sparkasse shall keep a register clearly specifying the individual Client's right of ownership to the securities registered. The Client accepts that such securities are not registered with the relevant clearing institution or custodian in the Client's name but in Private Scandinavian Sparkasse's name. Consequently, the Client will not be personally entitled to compensation for errors committed by the relevant clearing institution or custodian, if any.

## 8. COMMISSIONS, CHARGES AND OTHER COSTS

- 8.1. The Client shall be obliged to pay to Private Scandinavian Sparkasse the

- commissions and charges set out in the Commission, Charges & Margin Schedule.
- 8.2. Private Scandinavian Sparkasse may vary such commissions and charges without notice when changes are to the Client's advantage, or the grounds for changes are due to external circumstances beyond Private Scandinavian Sparkasse's control, namely:
- a. changes in the relationship with Private Scandinavian Sparkasse's counterparties affect Private Scandinavian Sparkasse's cost structures; and
  - b. there are changes in commissions and charges that are ordinarily passed on to the Client by Private Scandinavian Sparkasse, such as changes in commissions and charges of exchanges, clearing houses, information providers or other third party providers.
- 8.3. Private Scandinavian Sparkasse may vary such commissions and charges with one month's notice if:
- a. market conditions, including competitive behaviour, call for changes to Private Scandinavian Sparkasse's commissions?;
  - b. Private Scandinavian Sparkasse, for commercial reasons, wishes to change its general cost and pricing structure; or
  - c. significant particulars of the Client, based on which individual conditions were provided, have changed.
- 8.4. In addition to such commissions and charges, the Client shall be obliged to pay all applicable VAT and other taxes, storage and delivery charges, exchange and clearing house fees and all other fees incurred by Private Scandinavian Sparkasse in connection with any Contract and/or in connection with maintaining the Client relationship.
- 8.5. Furthermore, Private Scandinavian Sparkasse shall be entitled to demand that the following expenses are paid separately by the Client;
- a. all extraordinary disbursements resulting from the Client relationship, e.g., telephone, telefax, courier and postal expenses where the Client requests hardcopy Trade Confirmations, Account Statements, etc, which Private Scandinavian Sparkasse could have delivered in electronic form;
- b. any expenses of Private Scandinavian Sparkasse caused by non-performance by the Client, including a fee determined by Private Scandinavian Sparkasse in relation to forwarding of reminders, legal assistance, etc;
  - c. any expenses of Private Scandinavian Sparkasse in connection with replies to inquiries by public authorities, pursuant to Swedish legislation, including a fee determined by Private Scandinavian Sparkasse in relation to forwarding of transcripts and enclosures and for the preparation of copies;
  - d. administration fees in connection with security deposits, and any expenses of Private Scandinavian Sparkasse in relation to a pledge, if provided, including any insurance premium payments; and
  - e. any expenses of Private Scandinavian Sparkasse in connection with auditor's comments/reports if such is requested by the Client.
- 8.6. The fees will be charged either as a fixed amount corresponding to costs incurred, or as a percentage or hourly rate corresponding to the service performed. The methods of calculation can be combined. Private Scandinavian Sparkasse reserves that right to introduce new fees.
- 8.7. Private Scandinavian Sparkasse may share commissions and charges with its associates, Introducing Brokers or other third parties or receive remuneration from them in respect of Contracts entered into by Private Scandinavian Sparkasse. Details of any such remuneration or sharing arrangement will not be set out on the relevant Trade Confirmation. Private Scandinavian Sparkasse (or any associate) may benefit from commission, mark-up, mark-down or any other remuneration where it acts on behalf of the Counterparty to a Contract.
- 8.8. Unless specified otherwise in the Terms, all amounts due to Private Scandinavian Sparkasse (or Agents used by Private Scandinavian Sparkasse) under the Terms shall, at Private Scandinavian Sparkasse's option;
- a. be deducted from any funds held by Private Scandinavian Sparkasse for the Client; or
  - b. be paid by the Client in accordance with the provisions of the relevant

difference account, Trade Confirmation or other advice.

8.9. In respect of any transactions to be effected OTC, Private Scandinavian Sparkasse shall be entitled to quote prices at which it is prepared to trade with the Client. Save where Private Scandinavian Sparkasse exercises any rights it may have under the Terms to close a Contract, it is the Client's responsibility to decide whether or not it wishes to enter into a Contract at such prices. The prices quoted on Trade Confirmations sent to the Client will be inclusive of any charges, which will not be separately identified and disclosed. The Client agrees to receive Trade Confirmations in this form. Additional charges may apply. Private Scandinavian Sparkasse's actions as market maker are further described in Clause 12.

8.10. Furthermore, the Client acknowledges, recognises and accepts that the procedures described in Clause 9 (Interest and Currency Conversions) and Clause 12 (Market Making) may result in additional costs to the Client.

## 9. INTEREST AND CURRENCY CONVERSIONS

9.1. Subject to Clause 9.2 below and save as otherwise agreed in writing, Private Scandinavian Sparkasse shall not be liable to:

- a. pay interest to the Client on any credit balance in any account or on any other sum held by Private Scandinavian Sparkasse; or
- b. account to the Client for any interest received by Private Scandinavian Sparkasse on such sums or in connection with any Contract.

9.2. If the net free equity of an Account exceeds certain amounts then Private Scandinavian Sparkasse will pay interest at such rates as published in Private Scandinavian Sparkasse's Commission, Charges & Margin Schedule.

9.3. If there is a negative net free equity on an Account, the Client will pay interest to Private Scandinavian Sparkasse on the full amount of that negative net free equity at such rate as published in Private Scandinavian Sparkasse's Commission, Charges & Margin Schedule.

9.4. Private Scandinavian Sparkasse may vary such interest rates without notice

when changes are to the Client's advantage, or the grounds for changes are due to external circumstances beyond Private Scandinavian Sparkasse's control, namely:

- a. changes in the monetary or credit policies domestic or abroad affect the general interest level in a way that is of importance to Private Scandinavian Sparkasse;
- b. other developments occur in the general interest rate level, including in the money and bond markets, in a way that is of importance to Private Scandinavian Sparkasse; and
- c. changes in the relationship with Private Scandinavian Sparkasse's Counterparties affect Private Scandinavian Sparkasse's cost structures.

9.5. Private Scandinavian Sparkasse may vary such interest rates with one month's notice if:

- a. market conditions, including competitive behaviour, call for changes to Private Scandinavian Sparkasse's conditions;
- b. Private Scandinavian Sparkasse, for commercial reasons, wishes to change its general cost and pricing structure; and
- c. significant particulars of the Client, based on which individual conditions were provided, have changed.

9.6. Private Scandinavian Sparkasse is entitled to (but shall not in any circumstances be obliged to) convert:

- a. any realized gains, losses, option premiums, commissions, interest charges and brokerage fees which arise in a currency other than Client's base currency (i.e. the currency in which the Client's Account is denominated) to the Client's base currency;
- b. any cash currency deposit to another cash currency deposit for the purpose of purchasing an asset denominated in a currency other than the Client's base currency; and
- c. any monies held by Private Scandinavian Sparkasse for the Client into such other currency as Private Scandinavian Sparkasse considers necessary or desirable to cover the Client's obligations and liabilities in that currency.

9.7. Whenever Private Scandinavian Sparkasse conducts currency conversions,

Private Scandinavian Sparkasse will do so at such reasonable rate of exchange as Private Scandinavian Sparkasse shall select. Private Scandinavian Sparkasse shall be entitled to charge and retain for its own account a mark-up on the exchange rates for arranging such conversion as Private Scandinavian Sparkasse may from time to time specify and publish in the Commission, Charges & Margin Schedule.

## 10. PLEDGE AGREEMENT

10.1. Any and all Collateral transferred to Private Scandinavian Sparkasse by the Client or held by Private Scandinavian Sparkasse or by Private Scandinavian Sparkasse's Counterparties on behalf of the Client is pledged as a security for any liability that the Client may have, now or in the future, to Private Scandinavian Sparkasse. Without limitation, such Collateral shall comprise the credit balances on Accounts, the securities registered as belonging to the Client on Private Scandinavian Sparkasse's books and the value of the Client's open positions with Private Scandinavian Sparkasse.

10.2. If the Client fails to fulfil any obligation under the Terms, Private Scandinavian Sparkasse is entitled to sell any pledged Collateral immediately without any notice or court action. Such sale shall take place by the means that Private Scandinavian Sparkasse, in its reasonable discretion, determines and at the price that Private Scandinavian Sparkasse, in its reasonable discretion, determines to be the best obtainable price.

## 11. NETTING AGREEMENT

11.1. If on any date the same amounts are payable under the Terms by each party to the other in the same currency, then, on such date, each party's obligations to make payment of any such amount will be automatically satisfied and discharged. If the amounts are not in the same currency, the amounts will be converted by Private Scandinavian Sparkasse in accordance with the principles referred to in Clause 9.

11.2. If the aggregate amount that is payable by one party exceeds the aggregate amount that is payable by the other party, then the party by whom the larger

aggregate amount is payable shall pay the excess to the other party and the obligations of each party to make payment will be satisfied and discharged.

11.3. If the Client relationship is terminated according to Clause 16, the claims that the parties have against each other shall be finally discharged by means of netting (closed). The value of open Contracts shall be determined according to the principles set forth below in Clauses 11.4 to 11.7 inclusive and the final amount to be paid by one of the parties shall be the difference between the payment obligations of the parties.

11.4. The rates based on which the Contracts shall be closed shall be the market rates applicable on the day on which Private Scandinavian Sparkasse decides to close the Contracts due to the Event of Default.

11.5. Private Scandinavian Sparkasse may, at its reasonable discretion, determine the rates by obtaining an offer from a market maker in the asset in question or by applying rates from electronic financial information systems.

11.6. When determining the value of the Contracts to be netted, Private Scandinavian Sparkasse shall apply its usual spreads and include all costs and other charges.

11.7. This netting agreement shall have legal effect towards an estate and creditors of the parties to the Client relationship.

## 12. MARKET MAKING

12.1. When Private Scandinavian Sparkasse executes orders as Agent for the Client on a recognised stock or futures exchange, Private Scandinavian Sparkasse will not be a party to such a trade, as such, orders will be executed in the trading system of the relevant exchange at the best price and the most favourable conditions available at the time of the order or according to the Client's specific instructions, e.g., in a situation where the Client has chosen to limit the order, Private Scandinavian Sparkasse will not include any additional spread in the price of the execution achieved for the Client but will be remunerated according to the Commission, Charges & Margin Schedule.

- 12.2. The Client is specifically made aware that in certain markets, including, but not necessarily limited to, foreign exchange markets, OTC foreign exchange options and CFD Contracts, Private Scandinavian Sparkasse may act as a market maker.
- 12.3. Private Scandinavian Sparkasse will, upon the Client's written request, disclose to the Client whether Private Scandinavian Sparkasse may act as a market maker in a certain instrument.
- 12.4. When acting as a market maker, Private Scandinavian Sparkasse will, under normal market circumstances, quote the Client bid and ask prices.
- 12.5. In order for Private Scandinavian Sparkasse to quote prices with the swiftness normally associated with speculative trading, Private Scandinavian Sparkasse may have to rely on available price or availability information that may later prove to be faulty due to specific market circumstances, for instance, but not limited to, lack of liquidity in or suspension of an asset or errors in feeds from information providers or quotes from Counterparties. If so, and if Private Scandinavian Sparkasse has acted in good faith when providing the price to the Client, Private Scandinavian Sparkasse may cancel the trade with the Client but shall do so within a reasonable time and shall provide the Client with a full explanation for the reason for such cancellation.
- 12.6. Following execution of any position with a Client, Private Scandinavian Sparkasse may, at its sole discretion, subsequently offset such Client position with another Client position, or a position with one of Private Scandinavian Sparkasse's Counterparties or retain a proprietary position in the market with the intention to obtain trading profits from such positions. Such decisions and actions may therefore result in Private Scandinavian Sparkasse offsetting Client positions at prices different from prices quoted to the Client, resulting in trading profits or losses for Private Scandinavian Sparkasse. This in turn can raise the possibility of the Client incurring what may be seen as an implied cost (i.e. the difference between the price at which the Client traded with Private Scandinavian Sparkasse and the price at which Private Scandinavian Sparkasse subsequently traded with Counterparties and/or other clients) due to any profits realised by Private Scandinavian Sparkasse as a result of the market making function. However, the market making function may involve significant costs to Private Scandinavian Sparkasse if the market moves against Private Scandinavian Sparkasse as compared to the price at which Private Scandinavian Sparkasse traded with the Client.
- 12.7. As a result of Private Scandinavian Sparkasse's activity as a market maker, the Client accepts that Private Scandinavian Sparkasse has no obligation to provide the Client with best execution in such markets. Furthermore, the Client accepts that Private Scandinavian Sparkasse in such markets may hold positions that are contrary to positions of the Client, resulting in potential conflicts of interest between Private Scandinavian Sparkasse and the Client.
- 12.8. In markets where Private Scandinavian Sparkasse acts as a market maker, Private Scandinavian Sparkasse may or may not charge commissions. However, irrespective of whether or not Private Scandinavian Sparkasse charges any commissions, the Client accepts that Private Scandinavian Sparkasse will seek to make additional profits out of its performance as a market maker and the size of any such profits may be considerable if and when compared with the Client's margin deposit.
- 12.9. The Client acknowledges, recognises and accepts that the price quoted to the Client includes a spread when compared with the price to which Private Scandinavian Sparkasse may have covered or expected to be able to cover the Contract in a trade with another client or a Counterparty. Furthermore, the Client acknowledges, recognises and accepts that the said spread constitutes remuneration to Private Scandinavian Sparkasse and that such spread cannot be calculated as far as all Contracts are concerned and that such spread will not be specified in the Trade Confirmation or otherwise revealed to the Client.
- 12.10. Any commission costs, interest charges, costs associated with and included in the spread quoted by Private Scandinavian Sparkasse as a market maker in certain markets and other fees and charges will consequently influence the Client's trading result and will have a negative effect on the Client's trading performance compared to a situation if such commission costs, interest

charges, costs associated with and included in the spreads did not apply.

12.11. Whilst dealing spreads and commissions are normally considered moderate seen in relation to the value of the underlying assets traded, such costs may be considerable when compared with the Client's margin deposit. It is a consequence thereof that the Client's margin deposit may be depleted by trading losses that the Client may incur and by the directly visible dealing costs such as commissions, interest charges and brokerage fees, as well as by the said not visible costs for the Client caused by Private Scandinavian Sparkasse's performance as a market maker.

12.12. If the Client is an active trader and is undertaking numerous transactions, the total impact of visible, as well as not visible costs, may be significant. Consequently, the Client may have to obtain significant profits in the markets in order to cover the costs associated with trading activities with Private Scandinavian Sparkasse. For very active traders, such costs may, over time, exceed the value of the margin deposited. Normally, when trading margined derivatives, the lower the percentage of the applicable margin rate, the higher the proportion of the costs associated with executing a transaction.

12.13. The Client is specifically made aware that in the area of market making in foreign exchange, OTC foreign exchange options, CFD Contracts and other OTC products, substantial implied costs can arise as a consequence of the profits made by Private Scandinavian Sparkasse performing in its capacity as a market maker.

12.14. Private Scandinavian Sparkasse's performance as a market maker may negatively affect the Client's Account with Private Scandinavian Sparkasse and the said implied costs are neither directly visible nor directly quantifiable for the Client at any time.

12.15. Private Scandinavian Sparkasse is at no time under any obligation to, nor will Private Scandinavian Sparkasse at any time disclose, any details of its performance or income produced as a market maker or details related to other commissions, charges and fees.

12.16. The Client is specifically made aware that CFD Contracts may be OTC products quoted by Private Scandinavian Sparkasse whilst operating as a market maker and not traded on a recognised stock exchange. As a result, the description above of the implied, not visible costs related to Private Scandinavian Sparkasse's performance as a market maker may also apply to any CFD Contract.

### 13. AGGREGATION AND SPLIT

13.1. The Client's orders may, at the discretion of Private Scandinavian Sparkasse, be aggregated with Private Scandinavian Sparkasse's own orders, orders of any of Private Scandinavian Sparkasse's associates and/or persons connected with Private Scandinavian Sparkasse (including employees and other clients). Furthermore, Private Scandinavian Sparkasse may split the Client's orders, as well as aggregated orders, when executing such orders. Although orders will only be aggregated or split where Private Scandinavian Sparkasse reasonably believes it to be in the overall best interests of its clients, aggregation and splitting may on some occasions result in the Client obtaining a less favourable price than if the Client's orders had been executed separately or mutually.

### 14. CONFLICTS OF INTEREST

14.1. Private Scandinavian Sparkasse, its associates or other persons connected with Private Scandinavian Sparkasse may have an interest, relationship or arrangement that is material in relation to any transaction or Contract effected, or advice provided by Private Scandinavian Sparkasse, under the Terms. By accepting the Terms, the Client agrees that Private Scandinavian Sparkasse may transact such business without prior reference to the Client.

14.2. In addition, Private Scandinavian Sparkasse may provide advice, recommendations and other services to third parties whose interests may be in conflict or competition with the Client's interests, and Private Scandinavian Sparkasse, its associates and the employees of any of them may act on behalf of other clients who may take positions opposite to the Client or may be in competition with the Client to acquire the same or a similar position.

**15. COUNTERPARTIES AND INTRODUCING BROKERS**

15.1. Private Scandinavian Sparkasse may instruct a Counterparty, selected at Private Scandinavian Sparkasse's discretion, to give effect to the Client's instructions, and Private Scandinavian Sparkasse shall so instruct a Counterparty where the transaction is to be subject to the rules of an exchange or market of which Private Scandinavian Sparkasse is not a member.

15.2. Private Scandinavian Sparkasse shall not be responsible for errors committed by any such Counterparty unless it is proven that Private Scandinavian Sparkasse did not act with sufficient care when selecting the Counterparty.

15.3. The Client may have been referred to Private Scandinavian Sparkasse by an Introducing Broker. If so, Private Scandinavian Sparkasse shall not be responsible for any agreement made between the Client and the Introducing Broker and to which Private Scandinavian Sparkasse is not a party.

15.4. The Client is specifically made aware that the Client's agreement with the Introducing Broker may result in additional costs to the Client as Private Scandinavian Sparkasse may pay fees or commission to such person. The Client acknowledges that any such Introducing Broker will either be acting as an independent intermediary or an Agent for the Client and that no such persons shall be authorised to make any representations concerning Private Scandinavian Sparkasse or the Services.

**16. DEFAULT AND DEFAULT REMEDIES**

16.1. The provisions contained in this Clause 16 supplement any other rights that Private Scandinavian Sparkasse or any of its associates have according to the Terms, including but not limited to the pledge agreement referred to in Clause 10, and furthermore, any other rights Private Scandinavian Sparkasse has according to Swedish law.

16.2. Private Scandinavian Sparkasse reserves the right to retain, or make

deductions from, any amounts which Private Scandinavian Sparkasse owes to or is holding for the Client if any amounts are due from the Client to Private Scandinavian Sparkasse or its associates.

16.3. The Client authorises Private Scandinavian Sparkasse, at Private Scandinavian Sparkasse's discretion, at any time and without notice or liability to the Client, to sell, apply, set-off and/or charge in any manner any or all of the Client's property and/or the proceeds of any of the same of which Private Scandinavian Sparkasse or any of its associates or Agents has custody or control, in order to discard any or all of the Client's obligations to Private Scandinavian Sparkasse or to Private Scandinavian Sparkasse's associates.

16.4. Each and any of the following events shall constitute an Event of Default:

- a. if the Client fails to make any payment or fails to do any other act or thing required under the Terms or by Private Scandinavian Sparkasse, at its reasonable discretion;
- b. if the Client fails to remit funds necessary to enable Private Scandinavian Sparkasse to take delivery under any Contact on the first due date;
- c. if the Client fails to provide assets for delivery, or take delivery of assets, under any Contract on the first due date;
- d. if the Client dies or becomes of unsound mind;
- e. if an application is made in respect of the Client for any action pursuant to the Swedish Bankruptcy Act or any equivalent act applicable to the Client or, if a partnership, such an application is made in respect of one or more of the partners, or if a company, a receiver, trustee, administrative receiver or similar officer is appointed;
- f. if a petition is presented for the winding-up or administration of the Client;
- g. if an order is made or a resolution is passed for the winding-up or administration of the Client (other than for the purposes of amalgamation or reconstruction with the prior written approval of Private Scandinavian Sparkasse);
- h. if any distress, execution or other process is levied against any property of the Client and is not removed, discharged or paid

- within seven days;
- i. if any security created by any mortgage or charge becomes enforceable against the Client and the mortgagee or chargee takes steps to enforce the mortgage or charge;
  - j. if any indebtedness of the Client or any of its subsidiaries becomes immediately due and payable, or capable of being declared so due and payable, prior to its stated maturity by reason of default of the Client (or any of its subsidiaries) or the Client (or any of its subsidiaries) fails to discharge any indebtedness on its due date;
  - k. if the Client fails to fully comply with any obligations under the Terms or any Contract;
  - l. if any of the representations or warranties given by the Client are, or become, untrue;
  - m. if Private Scandinavian Sparkasse or the Client is requested to close a Contract (or any part of a Contract) by any regulatory agency or authority; or
  - n. an event occurs or circumstances arise such that Private Scandinavian Sparkasse reasonably considers it necessary for its own protection or the protection of its associates that an Event of Default be held to exist.
- 16.5. Upon the existence of an Event of Default, Private Scandinavian Sparkasse shall be entitled to, and is authorised, at its discretion:
- a. to sell or charge in any way any or all of the Client's Collateral, assets and property which may from time to time be in the possession or control of Private Scandinavian Sparkasse or any of its associates or Agents or call on any guarantee;
  - b. to buy any Collateral, investment or other property where this is, or is in the reasonable opinion of Private Scandinavian Sparkasse likely to be, necessary in order for Private Scandinavian Sparkasse to fulfil its obligations under any Contract and the Client shall reimburse Private Scandinavian Sparkasse for the full amount of the purchase price plus any associated costs and expenses;
  - c. to deliver any Collateral investment or property to any third party, or otherwise take any action Private Scandinavian Sparkasse considers to be desirable in order to close any Contract;
- d. to require the Client immediately to close and settle a Contract in such manner as Private Scandinavian Sparkasse may, in its sole discretion, request;
  - e. to enter into any foreign exchange transaction, at such rates and times as Private Scandinavian Sparkasse may determine, in order to meet obligations incurred under a Contract;
  - f. to re-invoice all or part of any assets standing to the debit or credit of any Account (including commuting Private Scandinavian Sparkasse's or the Client's obligation to deliver an asset into an obligation to pay an amount equal to the market value of the asset (determined by Private Scandinavian Sparkasse in its sole discretion) on the date re-invoicing takes place).
- 16.6. The Client authorises Private Scandinavian Sparkasse to take any or all of the steps described in this Clause 16 without notice to the Client and acknowledges that Private Scandinavian Sparkasse shall not be responsible for any consequences of it taking any such steps. The Client shall execute such documents and take such other action as Private Scandinavian Sparkasse may request in order to protect the rights of Private Scandinavian Sparkasse and its associates under the Terms or under any agreement the Client may have with any of them.
- 16.7. If Private Scandinavian Sparkasse exercises its rights to sell any Collateral or property of the Client under this Clause 16, it will effect such sale, without notice or liability to the Client, on behalf of the Client and apply the proceeds of sale in or towards discharge of any or all of the Client's obligations to Private Scandinavian Sparkasse and/or to Private Scandinavian Sparkasse's associates.
- 16.8. Without prejudice to Private Scandinavian Sparkasse's other rights under the Terms or under Swedish law, Private Scandinavian Sparkasse may, at any time and without notice, combine or consolidate all or any of the Accounts maintained by the Client with Private Scandinavian Sparkasse or any of its associates and off-set any and all amounts owed to, or by, Private Scandinavian Sparkasse or any of its associates in such manner as Private

Scandinavian Sparkasse, at its sole discretion, may determine.

## 17. CLIENT WARRANTIES & REPRESENTATIONS

17.1. The Client warrants and represents to Private Scandinavian Sparkasse that:

- a. it is not under any legal disability with respect to, and is not subject to any law or regulation which prevents its performance according to the Terms or any Contract or transaction contemplated by the Terms;
- b. it has obtained all necessary consents and has the authority to operate according to the Terms (and if the Client is not an individual person, it is properly empowered and has obtained necessary corporate or other authority pursuant to its constitutional and organisational document);
- c. investments or other property supplied by the Client for any purpose shall, subject to the Terms, at all times be free from any charge, lien, pledge or encumbrance and shall be beneficially owned by the Client;
- d. it is in compliance with all law to which it is subject including, without limitation, all tax laws and regulations, exchange control requirements and registration requirements; and
- e. the information provided by the Client to Private Scandinavian Sparkasse is complete, accurate and not misleading in any material respect.

17.2. The above warranties and representations shall be deemed to be repeated each time the Client provides instructions to Private Scandinavian Sparkasse in the future for the duration of the Client relationship.

17.3. The Client is obliged to inform Private Scandinavian Sparkasse immediately should the foundation of any warranty or representation or information previously given change.

## 18. INDEMNITY AND LIMITATION OF LIABILITY

18.1. The Client shall indemnify Private Scandinavian Sparkasse and keep Private Scandinavian Sparkasse indemnified against all losses, taxes, expenses, costs and liabilities whatsoever (present, future, contingent or otherwise and including reasonable legal fees) which may be suffered or incurred by Private

Scandinavian Sparkasse as a result of or in connection with:

- a. the client's breach of the Terms;
- b. Private Scandinavian Sparkasse entering into any transaction or Contract; or
- c. Private Scandinavian Sparkasse taking any of the steps which Private Scandinavian Sparkasse is entitled to take in an Event of Default; unless and to the extent only that such losses, taxes, expenses, costs and liabilities are suffered or incurred as a result of Private Scandinavian Sparkasse's gross negligence or wilful default.

18.2. This indemnity shall survive any termination of the Client relationship.

18.3. Private Scandinavian Sparkasse shall not be liable for:

- a. any loss (including consequential and other indirect losses), expense, cost or liability (together referred to as "Loss") suffered or incurred by the Client as a result of or in connection with the provision of the Services unless and to the extent only that such Loss is suffered or incurred as a result of Private Scandinavian Sparkasse's gross negligence or wilful default;
- b. any Loss due to actions taken by Private Scandinavian Sparkasse according to its rights under the Terms, whether Private Scandinavian Sparkasse would have been liable for such Loss according to general liability rules under Swedish law or not;
- c. any consequential or other indirect loss suffered or incurred by the Client whether arising from Private Scandinavian Sparkasse's negligence or otherwise; or
- d. any Loss suffered or incurred by the Client as a result of any third party (including any Counterparty to, or any person whom Private Scandinavian Sparkasse engages in connection with, a Contract) failing to perform its obligations to Private Scandinavian Sparkasse and, in such circumstances, Private Scandinavian Sparkasse shall not be liable to perform its obligations to the Client to the extent that it is unable to do so as a result of the third party's default.

18.4. The Client acknowledges, recognises and accepts that any market recommendation and any information communicated by Private Scandinavian

Sparkasse does not constitute an offer to buy or sell a Contract and that such recommendation and information, although based upon information from sources believed by Private Scandinavian Sparkasse to be reliable, may be based solely on a broker's opinion and that such information may be incomplete and may be unverified and unverifiable. Private Scandinavian Sparkasse makes no representation, warranty or guarantee as to, and shall not be responsible for, the accuracy or completeness of any such recommendation or information furnished to the Client.

## 19. CONFIDENTIALITY AND DISCLOSURE OF INFORMATION

19.1. Neither party shall disclose to any person (unless required to do so by any applicable law or by any regulatory or supervisory authority or by any other person entitled by law to require disclosure, or to enable it properly to perform its obligations under the Terms) any information relating to the business, investment, finances or other matters of a confidential nature of the other party of which it may in the course of its duties or otherwise become possessed, and each party shall use all reasonable endeavours to prevent any such disclosure.

19.2. By accepting the Terms, the Client authorises Private Scandinavian Sparkasse to disclose such information relating to the Client as may be required by any law, rule or regulatory authority, including any applicable Market Rules, without prior notice to the Client. Furthermore, Private Scandinavian Sparkasse may disclose requested and relevant information relating to the Client to third parties in or outside Sweden in order to facilitate a transfer of funds by credit card initiated by the Client.

## 20. AMENDMENTS

20.1. Private Scandinavian Sparkasse is entitled to amend the Terms at any time by giving at least 30 days' notice, including but not limited to notice given by e-mail, to the Client. Such changes shall become effective on the date specified in the notice.

## 21. TERMINATION

21.1. The Client relationship shall remain in force until terminated.

21.2. Either party is entitled to terminate the Client relationship immediately by giving written notice to the other party. No penalty shall be payable by either party on termination of the Client relationship. Termination shall not affect any accrued rights and obligations.

21.3. On termination, each of Private Scandinavian Sparkasse and the Client undertakes to complete all Contracts that are already in progress and the Terms shall continue to bind both parties in relation to such transactions. Private Scandinavian Sparkasse is entitled to deduct all amounts due to it before transferring any credit balances on any Account to the Client and it is entitled to postpone such transferring until any or all Contracts between Private Scandinavian Sparkasse and the Client are closed. Furthermore, Private Scandinavian Sparkasse is entitled to require the Client to pay any charges incurred in transferring the Client's investments.

21.4. At any time after the termination of the Client relationship, Private Scandinavian Sparkasse is entitled, without notice, to close any Contract between Private Scandinavian Sparkasse and the Client.

## 22. REGULATORY AUTHORITY AND THE GUARANTEE FUND

22.1. Private Scandinavian Sparkasse is registered with the Ministry of Commerce and Industry and regulated by the Panama Financial Services Act.

22.2. The Client's funds will not be segregated from Private Scandinavian Sparkasse's funds. The Client's funds may be used by Private Scandinavian Sparkasse in the course of Private Scandinavian Sparkasse's business and the Client will lend as an ordinary creditor of Private Scandinavian Sparkasse.

22.3. All funds of the Client up to USD 50,000 will be guaranteed by **Nordic Financial Trust KB** (Formerly known as Private Scandinavian Sparkasse and Trust, EF.) in case of Private Scandinavian Sparkasse's financial default.

**23. COMPLAINTS AND DISPUTES**

- 23.1. In the event the Client has a complaint against Private Scandinavian Sparkasse, the Client is obliged to advise Private Scandinavian Sparkasse's Legal Department of the complaint in writing. Private Scandinavian Sparkasse is thereafter obliged to investigate the complaint promptly and fully.
- 23.2. In the event the Client is not satisfied with Private Scandinavian Sparkasse's response, the Client may file a complaint with Private Scandinavian Sparkasse and Credit Corp., SA., Stureplan 4, 114 35 Stockholm, Sweden.
- 23.3. Without prejudice to any of Private Scandinavian Sparkasse's other rights under the Terms, in any case when the Client and Private Scandinavian Sparkasse are in dispute over a Margin Trade or alleged Margin Trade or any instruction relating to a Margin Trade, Private Scandinavian Sparkasse is entitled, at its sole discretion and without notice, to close any such Margin Trade or alleged Margin Trade, if Private Scandinavian Sparkasse reasonably believes such action to be desirable for the purpose of limiting the maximum amount involved in the dispute. Private Scandinavian Sparkasse shall not be responsible for, or under any obligation to the Client in connection with, any subsequent fluctuations in the level of the relevant Margin Trade. If Private Scandinavian Sparkasse closes a Margin Trade under this Clause 23.3, such action shall be without prejudice to Private Scandinavian Sparkasse's right to contend that such Margin Trade had already been closed by Private Scandinavian Sparkasse or was never opened by the Client. Private Scandinavian Sparkasse shall take reasonable steps to inform the Client that Private Scandinavian Sparkasse has taken such action as soon as practicable after doing so. Where Private Scandinavian Sparkasse closes a Margin Trade or alleged Margin Trade in accordance with this Clause 23.3, the closing shall be without prejudice to the Client's rights to open a new Margin Trade, provided that such new Margin Trade is opened in accordance with the Terms. When calculating the margin or other funds required for such new Margin Trade, Private Scandinavian Sparkasse is entitled to do so on the basis that Private Scandinavian Sparkasse's view of the disputed events or instructions is correct.

**24. GOVERNING LAW AND CHOICE OF JURISDICTION**

- 24.1. The Client relationship and the Terms are subject to and shall be constructed in accordance with Swedish law as the sole and exclusive governing law.
- 24.2. The Client and Private Scandinavian Sparkasse have agreed that Stockholm District Court shall have exclusive jurisdiction and be the sole and exclusive venue in disputes regarding the Client relationship and the Terms and any and all dealings between the Client and Private Scandinavian Sparkasse. However, Private Scandinavian Sparkasse reserves the right to commence proceedings in any competent court and jurisdiction that it may find suitable, including but not limited to jurisdictions in which the Client is a citizen or resident and jurisdictions in which the Client possesses assets.
- 24.3. This Clause 24 shall survive any termination of the Client relationship.

**25. MISCELLANEOUS**

- 25.1. If at any time any provision of the Terms is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of the Terms under the law of that jurisdiction nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected.
- 25.2. Private Scandinavian Sparkasse shall not be liable to the Client for any failure, hindrance or delay in performing its obligations under the Terms where such failure, hindrance or delay arises directly or indirectly from circumstances beyond its reasonable control. Such force majeure events shall include, without limitation, any technical difficulties such as telecommunications failure or disruptions (e.g., due to maintenance downtime), declared or imminent war, revolt, civil unrest, catastrophes of nature, statutory provisions, measures taken by authorities, strikes, lock-outs, boycotts, or blockades, notwithstanding that Private Scandinavian Sparkasse is a party to the conflict and including cases where only part of Private Scandinavian Sparkasse's functions are affected by such events.

- 25.3. Furthermore, Private Scandinavian Sparkasse is entitled, in its reasonable opinion, to determine that an emergency or an exceptional market condition exists that may also account for any failure, hindrance or delay in performing its obligations under the Terms. Such conditions shall include, without limitation, the suspension or closure of any market or the abandonment or failure of any event to which Private Scandinavian Sparkasse relates its quote or the occurrence of an excessive movement in the level of any Margin Trade and/or underlying market or Private Scandinavian Sparkasse's reasonable anticipation of the occurrence of such a movement. In such cases, Private Scandinavian Sparkasse may increase its margin requirements, close any or all of the Client's open Margin Trades and/or suspend or modify the application of all or any of the Terms, including but not limited to, altering the last time for trading a particular Margin Trade, to the extent that the condition makes it impossible or impracticable for Private Scandinavian Sparkasse to comply with the term in question.
- 25.4. The Client may not assign any of the Client's rights or delegate any of the Client's obligations under the Terms or according to any Contract to any person. Private Scandinavian Sparkasse may assign its rights or delegate its obligations under the Terms or according to any Contract to any regulated financial institution.
- 25.5. With respect to various investments, instruments and groups of clients, Private Scandinavian Sparkasse may provide additional business terms. The Client acknowledges, understands and accepts that:
- such business terms made available to clients shall constitute an addition to Terms; and
  - the Client should not undertake any transaction unless the business terms applicable for such investments, instruments or group of clients have been understood and accepted the Client.
- By entering into a transaction and thereby accepting the terms of such transaction, the Client will be deemed to have understood and accepted the terms of such transaction, notwithstanding sub-clause b. above.
- 25.6. The rights and remedies contained in the Terms are cumulative and not exclusive of any rights or remedies provided by law.
- 25.7. No delay or omission on the part of Private Scandinavian Sparkasse in exercising any right, power or remedy provided by law or under the Terms, or partial or defective exercise thereof, shall:
- impair or prevent further or other exercise of such right, power or remedy; or
  - operate as a waiver of such right, power or remedy.
- 25.8. No waiver of any breach of any clause in the Terms shall (unless expressly agreed in writing by the waiving party) be construed as a waiver of a future breach of the same clause or as authorising the continuation of the particular breach.
- 25.9. The Client hereby ratifies all transactions with Private Scandinavian Sparkasse effected prior to the Client's acceptance of the Terms and agrees that the rights and obligations of the Client in respect thereto shall be governed by the Terms.
- 25.10. By accepting the Terms on behalf of a body corporate or other legal entity, the person signing represents and warrants that he or she is authorised to act on behalf of such body corporate or legal entity and to bind the same to the Terms and all obligations arising hereunder. If at a later stage it becomes apparent that the signatory was not duly authorised to bind the body corporate or legal entity, Private Scandinavian Sparkasse will have the right to seek restitution from this person. Furthermore, the signatory shall indemnify Private Scandinavian Sparkasse against all liabilities, losses, damages, costs, and expenses in relation to any claims or actions brought against Private Scandinavian Sparkasse as a result of the signatory holding out to be authorised to act and bind any such body corporate or legal entity.
- 25.11. Client shall be able to communicate with Private Scandinavian Sparkasse in English or any other language as Private Scandinavian Sparkasse may offer from time to time.
- 25.12. Private Scandinavian Sparkasse or third parties may have provided the Client

with translations of the Terms. The original English versions shall be the only legally binding versions for the Client and Private Scandinavian Sparkasse. In case of discrepancies between the original English versions and other translations in the Client's possession, the original English versions provided by Private Scandinavian Sparkasse shall prevail.

## Risk Disclosure Statement for Foreign Exchange, CFD's, Futures and Options

This brief statement does not disclose all of the risks and other significant aspects of trading foreign exchange, contracts for difference (CFD's), futures and options. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationship) into which you are entering and the extent of your exposure to risk. Trading in foreign exchange, CFD's, futures and options is not suitable for many members of the public. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

### FOREIGN EXCHANGE, CFDs AND FUTURES

#### 1. Effect of "Leverage" or "Gearing"

Transactions in foreign exchange, CFD's and futures carry a high degree of risk. The amount of initial margin is small relative to the value of the foreign exchange, CFD's or futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit: this may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with the firm to maintain your position or margin levels and you may be called upon to pay substantial additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss and you will be liable for any resulting deficit.

#### 2. Risk-Reducing orders or strategies

The placing of certain orders (e.g., "stop-loss" orders, where permitted under local law, or "stop-limit" orders), which are intended to limit losses to certain amounts, may not be effective because market conditions make it impossible to execute such orders. Strategies using combinations of positions, such as "spread" and "straddle" positions, may be as risky as taking simple "long" or "short" positions.

Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarise themselves with the type of options (i.e. put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options must increase for your position to become profitable, taking into account the premium and all transaction costs.

The purchaser of options may offset or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a future, the purchaser will acquire a futures position with associated liabilities for margin (see the section on Foreign Exchange, CFD's and Futures above). If the purchased option expires worthless, you will suffer a total loss of your investment, which will consist of the option premium plus transaction costs. If you are contemplating purchasing deep-out-of-the-money options, the probability of those options becoming profitable is ordinarily remote.

Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavourably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is in a future there are associated liabilities for margin (see the section on Foreign Exchange, CFD's and Futures above). If the option is

### OPTIONS

#### 3. Variable degree of risk

"covered" by the seller holding a corresponding position in the underlying interest or a future or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability of margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

#### ADDITIONAL COMMON RISKS

#### 4. Terms and Conditions of Contracts

You should ask the firm with which you deal about the terms and conditions of the specific futures or options which you are trading and associated obligations (e.g., the circumstances under which you may become obligated to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restrictions on the time for exercise).

Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

#### 5. Suspension or Restriction of Trading and Pricing Relationships

Market condition (e.g., illiquidity) and/or the operation of the rules of certain markets (e.g., the suspension of trading in any contract month because of price limits or "circuit breakers") may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions. If you have sold options, this may increase the risk of loss.

Further, normal pricing relationships between the underlying interest and the future, and the underlying interest and the option may not exist. This can occur when, for example, the futures contract underlying the option is subject to price limits when the option is not. The absence of an underlying

reference price may make it difficult to judge "fair" value.

#### 6. Deposited Cash and Property

You should familiarise yourself with the protections accorded money or other property you deposit for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

#### 7. Commission and Other Charges

Before you begin to trade, you should obtain a clear explanation for all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

#### 8. Transactions in Other Jurisdictions

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulation, which may offer different or diminished investor protection. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected.

#### 9. Currency Risks

The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency denomination of the contract to another currency.

#### 10. Trading Facilities

Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or member firms. Such limits

may vary: you should ask the firm with which you deal for details in this respect.

**11. Electronic Trading**

Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. You will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all.

**12. Off-Exchange Transactions**

In some jurisdictions, and only then in restricted circumstances, firms are permitted to effect off-exchange transactions. The firm with which you deal may be acting as your counterpart to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should familiarise yourself with applicable rules and attendant risks.