

**AGREEMENT No.** \_\_\_\_\_ **VIP** \_\_\_\_\_  
**ON BROKERAGE SERVICES**

<b>Client code</b>
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Riga, \_\_\_\_\_ 20\_\_ . gada „ \_\_\_\_ ” \_\_\_\_\_

**Broker, as one of the parties hereto,**

AS "PNB Banka", Elizabetes street 15-2, Riga, Latvia, registered in the Register of Enterprises of the Republic of Latvia on 29 April, 1992, unified registration No. 40003072918, LEI No.: 549300J610BUEY33QO16, Credit Institution Licence No. 06.01.04.007/210 issued and supervised by the Financial and Capital Market Commission, address: Kungu street 1, Riga, Latvia, LV-1050, e-mail: [ftk@ftk.lv](mailto:ftk@ftk.lv)

**and Client, as the other party hereto,**

Name, surname/company name (hereinafter referred to as the Investment Account Name)		
LEI number (for legal entities) <input type="checkbox"/> _____ <input type="checkbox"/> has not been assigned as of the moment of conclusion of the Agreement		
Personal identity number and date of birth (residents of the Republic of Latvia)/Date of birth (for non-residents of the Republic of Latvia)/Registration number	Identity document series and number (for natural persons only)	
Identity document issue date/Registration date	Identity document issuing country and authority /Country of registration of legal entity	
Declared address of the place of residence/Registered office (street, house number, apartment number, city, postal code, country)		
Mailing address (if different from the declared address of the place of residence or registered office)		
Client's legal representative (name, surname, identity number (for residents of the Republic of Latvia) or date of birth (for non-residents of the Republic of Latvia)	the Client's legal representative acts on by virtue of <input type="checkbox"/> Articles of association <input type="checkbox"/> Power of Attorney <input type="checkbox"/> _____	
Identity document series and number, issuing country and issuing authority		Identity document issue date
Code, telephone	Code, fax	e-mail
Current account number	Investment account number	Financial Instrument account number

**First Priority for Receipt of Information**  
 PNB Internetbanka system  e-mail  Personally at the Broker

I hereby confirm that the Internet is available to me and I agree to receive information, including that not addressed to me personally, via the Internet (at the Broker's page on the Internet [www.pnbbanka.eu](http://www.pnbbanka.eu) and/or via PNB Internetbanka system and/or via e-mail)

\_\_\_\_\_  
 (Client's signature)

**To be completed only by the Client - natural person** (to be completed if the Client, a natural person, has indicated the legal representative of the Client)  
 If an order on execution of an FI Deal is submitted on my behalf by my legal representative, I hereby request the Bank to assess his experience and knowledge regarding the applied FI Deal.

<p><b>CLIENT</b></p> <p>_____                  (signature)</p> <p style="text-align: center;">S.s.</p> <p>_____                  (Name, surname)</p>	<p><b>BROKER</b>                  The Client's and its representative's (if any) powers and identity are verified</p> <p>_____                  (signature)</p> <p style="text-align: center;">S.s.</p> <p>_____                  (Name, surname)</p>
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**have entered into this Agreement on Brokerage Services as follows:**

**1. Terminology used in the Agreement with capital or small letter**

- 1.1. **Agreement** - this Agreement on Brokerage Services entered into between the Parties voluntarily, without coercion, deceit and deception.
- 1.2. **Parties** – the Broker and the Client indicated in the Agreement.
- 1.3. **Financial Instrument (hereinafter referred to as the FI)** – an agreement creating simultaneously financial assets for one person and financial liabilities or financial capital instruments for another person, namely: the share, bond, promissory note, bill of exchange, investment fund certificate or company shares, any other claims against assets as well as attributable or derivative instruments or contracts thereof, for example, options, futures, CFDs, etc.
- 1.4. **FI Operations or FI Deal** – any deal or operation (purchase, sale, deregistration, pledge and other activities) performed by the Client within the framework of services provided by the Broker under this Agreement, with the Client's FI as the subject thereof.
- 1.5. **Issuer** - a person whose transferable securities are admitted to trading on a regulated market, as well as a person who issues or intends to issue transferable securities or other FIs on its own behalf.
- 1.6. **Financial Instrument Account (FI Account)** – the Client's account opened under this Agreement with the Broker and designed for accounting of the Client's FI.
- 1.7. **Investment Account** – a special financial account of the Client opened with the Broker under this Agreement and designed for registration of the Client's cash assets for performance of FI Operations and other operations under this Agreement; Funds from the Investment Account can only be transferred to the Current Account.
- 1.8. **Current Account** – the set of all accounts of the Client, including, but not limited to, a current account, a card account, a deposit account, a margin account, etc. (at least one account) opened with the Broker, and not designed for FI operation settlement.
- 1.9. **Deal Confirmation** - the Broker's approved confirmation form for an FI deal executed in accordance with the Client's order, which is submitted and the Client is provided with the opportunity to become acquainted with it in PNB Internetbanka.
- 1.10. **Assets** – the aggregate of the Client's cash assets and the FI in the Client's Investment Account, the Financial Instrument Account and the related accounts opened as provided by this Agreement.
- 1.11. **Order (application, assignment)** – an order executed according to the Broker's approved form and submitted to the Broker by the Client or its Authorised Representative on performance of an FI Operation or another deal/operation with the Client's Assets or another expression of the Client's will within the framework of this Agreement.
- 1.12. **The Client's Authorised Representative (or Authorised Representative)** – a person indicated in this Agreement or in a written Power of Attorney entitled to act on behalf of the Client with the Client's Assets, including to submit Orders to the Broker on behalf of the Client and to represent the Client in any legal relations within the framework of this Agreement, including, but not limited to, selling, pledging and disposing in any other way of the Assets. Should any of the entitlements specified in this paragraph be restricted for the Client's Authorised Representative, it shall be indicated in the annex to this Agreement or in a written Power of Attorney; For the purposes of this Agreement, the rights of representatives of legal entities shall be equal to the rights of Authorised Representatives.
- 1.13. **Tariffs** the Broker's approved and applicable pricelist indicating commissions collected by the Broker for the services provided to the Client under this Agreement, including for performance of FI operations and other operations. Tariffs shall be an integral part of this Agreement; the applicable Tariffs are available at the Broker's home page on the Internet ([www.pnbbanka.eu](http://www.pnbbanka.eu)) or in person at the Broker.
- 1.14. **Client Identification** – the procedure of verifying the authenticity of the Client's Order and the following procedures (i.e. issuing and execution of the Order).
- 1.15. **Authenticity of the Client's Order** – a set of facts of the Client's Order and data in the Client's Order permitting to make sure that the Order is indeed submitted by the Client or any of its Authorised Representatives.
- 1.16. **Voice Password** – a combination of letters and/or numbers, specified by the Client in Application on voice password conferment and assigned to the Client for his additional identification when receiving his Orders by telephone after submitting the application to the Broker.
- 1.17. **Password** - a combination of letters and/or numbers, which the Client, using the Broker's system PNB Internetbanka, has notified to the Broker and asked to use it for additional identification of the Client receiving his Orders by telephone. The Password can be assigned regardless of whether the Voice password is assigned to the Client or not. If the Client who has the Voice password notifies the Password to the Broker and asks to use for additional identification of the Client receiving his Orders by telephone, the Password shall be used for additional identification of the Client. The Password can be changed by the Client Order.
- 1.18. **GPT** - the General Provisions for Transactions of the Broker, which regulate the general matters of providing services by the Broker and use of services in relations between the Broker and the Client which are not covered by this Agreement or any other documents related to the Agreement.
- 1.19. **FI Event** – any fact or occurrence affecting the FI characteristics, as well as the conduct of the FI issuer in performing its obligations towards the FI owner (Meeting of Shareholders, payment of dividends, etc.).
- 1.20. **REPO Deal** – a deal whereby the Client transfers a particular number of FIs (hereinafter the FIs that are the subject of the REPO Deal) on a concrete date (hereinafter referred to as the Sales Date) to the Broker's disposal for a particular price (hereinafter referred to as the Sales Price) of a particular amount (hereinafter referred to as the Sales Amount) for a particular time (hereinafter referred to as the REPO Period) on the particular terms and conditions and with an obligation to purchase these FIs on a particular date in the future (hereinafter referred to as the Buy Out Date) for a previously agreed upon price (hereinafter referred to as the Buy Out Price) of a particular amount (hereinafter referred to as the Buy Out Amount). The REPO deal does not provide for transfer of the ownership title to the FIs that are the subject of the REPO Deal from the Client to the Broker – only the right to operate with these FIs is transferred.
- 1.21. **REPO Discount Rate** – a coefficient agreed on with the Broker that the Client has indicated in the Order on performance of the REPO Deal, which specifies the proportion of the Sales Price (amount) to the market price (value) of the FI that are the subject of the REPO Deal expressed as percentage as at the date of the REPO Deal.
- 1.22. **REPO Critical Coefficient** – a coefficient agreed on with the Broker that the Client has indicated in the Order on performance of the REPO Deal, which specifies the critical relations expressed as a percentage between the Sales Price (amount) and the market price (value) of the FI that are the subject of the REPO Deal.
- 1.23. **REPO Rate** – an interest rate agreed on with the Broker (annual interest) that the Client has indicated in the Order on performance of the REPO Deal, according to which the increase of the Buy Out Price (amount) of the FI that are the subject of the REPO Deal in relation to the Sales Price (amount) is calculated every day between the Sales Date and the Buy Out Date, assuming that there are 360 days in a year.
- 1.24. **Standardised Futures Contract** – a derivative FI, the obligation to purchase or sell a certain number of assets (FIs, stock exchange indices, currencies, metals, oil and other assets on which the standardised futures contracts are sold on the world's stock markets) for a certain price on a certain date in the future.
- 1.25. **Standardised Futures Contract's Open Position** – the difference between the standardised futures contract of the same name purchased and sold by the Client.
- 1.26. **Close of Standardised Futures Contract's Position** – sale or purchase of standardised futures contract creating a correspondence (or reducing the difference) between the number of standardised futures contracts of the same name purchased and sold by the Client.

**Client's signature**

- 1.27. **Opening of Standardised Futures Contract's Position** – sale or purchase of standardised futures contract resulting in the creation or increase of the Standardised Futures Contract Open Position for the Client.
- 1.28. **Insurance Deposit** – cash assets withdrawn or blocked (prohibition to the Client to operate with) by the Broker as a security to cover the possible loss of the Standardised Futures Contract Open Position; the Insurance Deposit is either increased by the amount of profit or decreased by the amount of loss following from the Standardised Futures Contract's Open Position. After Close of the Standardised Futures Contract's Position, the amount of the Insurance Deposit is either transferred to the Client's Investment Account or unblocked.
- 1.29. **Initial Margin** – an Insurance Deposit amount approved by the Broker that the Client shall provide in its Investment Account with the Broker when opening the Standardised Futures Contract's Position.
- 1.30. **Maintenance Margin** – the minimum balance of the Insurance Deposit for the Standardised Futures Contract's Open Position approved by the Broker upon reaching of which the Margin Call arises.
- 1.31. **Margin Call** – the Broker's claim against the Client on transfer of cash assets to the Insurance deposit for the Standardised Futures Contract's Open Position to renew the Initial Margin of the Insurance Deposit.
- 1.32. **Contract for Differences (CFD)** a derivative FI that is an agreement between two parties, under which one party agrees to pay to the other party the difference between the market price of a concrete asset (FI, exchange indices, metals, oil or other assets) on the date of opening the contract position (sale or purchase) and on the date of closing the contract position (sale or purchase, respectively). Unless the Broker and the Client have agreed otherwise in writing, the Broker does not provide and disallow the delivery/acceptance of the underlying asset. For the purposes of this Agreement, the CFD is construed as the Standardised Futures Contract without limitation of the performance period and all provisions of this Agreement attributable to the Standardised Futures Contract shall apply to the CFD.
- 1.33. **FI Short Selling** – a deal conducted by the Broker for the Client, by which the Client sells FIs that are not a part of the Client's Assets at the moment of sale and as a result the FI short position is created for the Client, i.e. the obligation to purchase in the future FIs of the same characteristics and of the same number through an agency of the Broker, i.e. to close the FI short position.
- 1.34. **Client Status** – classification granted to the Client pursuant to the provisions of the Financial Instrument market Law of the Republic of Latvia in relation to the investment services provided under this Agreement and the related additional services. The Broker may grant either the status of a private Client, a professional Client or an eligible counterparty to the Client. The Client is entitled to request the change of the status granted to him for another status according to the procedure specified by the Broker.
- 1.35. **Policy of Execution of Financial Instrument Orders (or Policy)** – a publicly available document approved by the Broker specifying the guidelines and the provisions followed and complied with by the Broker when executing the Orders and conducting FI Deals under this Agreement; the Policy shall form an integral part to this Agreement. Should amendments be made to the Policy that are considered essential by the Broker, the Broker shall inform the Client as provided for by this Agreement; the applicable Policy is available on the Broker's home page on the Internet ([www.pnbbanka.eu](http://www.pnbbanka.eu)) or personally by the Broker.
- 1.36. **Order Execution Costs** – all actual costs, expenses, justified claims by third parties and other payments related to execution of the Client's Orders by the Broker.
- 1.37. **Damages to the Broker** – any unpaid costs, damages and obligations undertaken towards third parties, fines and fees, unrealised claims by third parties, as well as lost profits and harmed reputation of the Broker.
- 1.38. **Business Day** (business day) – a business day as specified by the laws and regulations of the Republic of Latvia.
- 1.39. **PNB Internetbanka** – the Broker's automated system for remote access to the Current Account, the right of use of which the Broker has assigned to the Client in accordance with the procedure set forth in the GPT and the terms of use of which are specified in the GPT. During the period of the Agreement, the Client shall independently check that he has access to the PNB Internetbanka system.
- 1.40. **LR** – the Republic of Latvia.
- 1.41. **Off-market Event** - an event or circumstance that occurred independently of the Broker's or FI deal parties' activities, action or omission to act, but the occurrence of which significantly modifies the scope of the rights and obligations of such parties or the subject of the FI deal. Off-market events, including, but not limited to, shall be deemed to be force majeure circumstances (Paragraph 11.8 of the Agreement), changes in the procedure or method of calculating FI's indexes, FI's Issuer's reorganisation, insolvency or other limitation of its operation, changes in the Issuer's equity, changes in nominal value of a FI that is the subject of the FI deal, interruptions in the operation of electronic systems, and other events that are beyond control of the parties to the FI deal, which impede the execution of an FI deal in accordance with its terms.
- 1.42. **LCD** - Joint Stock Company „Latvijas Centrālais deponitārijs”, Unified Registration Number: 40003242879, Registered Office: 1 Valņu Street, Riga.
- 2. Subject of the Agreement**
- 2.1. This Agreement specifies the procedure of opening and servicing the Client's Financial Instrument Account and Investment Account, the procedure according to which the Client's Orders on performance of FI Operations and other operations with the Client's Assets are submitted by the Client and accepted and executed by the Broker, as well as other aspects of the Client and the Broker relations, among others, the procedure of concluding mutual deals by the Parties.
- 2.2. The Client authorises the Broker and by this Agreement grants to the Broker the authority and rights to operate with the Assets in the name of the Broker under this Agreement, but according to the Client's Order, in the Client's interests and at the Client's expense and risk; and to provide holding (custody) of the Assets, including by registering them in the name of the Broker, but for the Client's benefit; to sign any documents, enter into any FI deals and represent the Client's interests in any legal relations regarding the performance of this Agreement, within the capacity provided for under this Agreement and pursuant to the terms and conditions hereof.
- 3. The Broker shall be obligated:**
- 3.1. after the Agreement becomes effective, to open the FI Account and the Investment Account for the Client, as well as to provide servicing thereof and registration of the Client's Assets at these accounts;
- 3.2. to accept for execution and to execute the Client's Orders arranged in due form and submitted to the Broker, containing all data necessary for the Client's identification and the Client's Order authentication as provided for by this Agreement and the identification procedures adopted by the Broker;
- 3.3. upon the Client's request, within 3 (*three*) business days, in the form specified by the Broker, to provide the Client or to arrange for the Client the possibility to become acquainted in the PNB Internetbanka system, with the information on the Client's Assets (account statement), as well as any other information related to the Client's conduct under this Agreement that the Broker is aware of and entitled to provide, and to become acquainted with the Deal Confirmation not later than on the next Business Day after the Client's request (subject to the provisions of the paragraph 7.17 of the Agreement);

**Client's signature**

- 3.4. to ensure confidentiality of the execution of the Client's Orders, information about his Assets and FI operations and to provide such information only to the Client himself or his Authorised Persons; provision of such information to third parties is possible only in cases where it is expressly provided for in the valid laws and regulations or is agreed with the Client; In view of the above, the Client assigns to the Broker and confirms the Broker's right to disclose information specified in this clause regarding the Client and his transactions in accordance with the procedure specified in the GPT and this Agreement, incl. the Client agrees that the Broker may provide third parties with information about the Client, the FI Account and the Investment Account, Orders and FI Deals if such information is necessary to ensure the provision of the services to the Client hereunder. In addition to what is indicated in this paragraph, the Broker has the right to transfer the list of relevant FI holders (according to the Client's FIs registered at the FI Account) to the Issuer or intermediaries if the Client has not provided other written instructions to the Broker and, in order to compile the list of FI final holders (also regarding nominal accounts), including, but not limited to, for withholding taxes. The Broker may request from the Client and the Client undertakes to provide the Broker with information about the FI final holders (incl. about the Client's clients) in the form and timeframe as specified by the Broker.
- 3.5. to disclose the Client's FI purchased in the name of the Broker, but at the Client's expense and in his interests, and the Client's cash assets registered in the Broker's accounting as owned by the Client;
- 3.6. to transfer the cash assets due to the Client earned from the Client's FI Deals (profit, gains, interest, fees, cash assets from sale of FI, etc.) and the Client's cash assets not used in the ordered FI Deals for whatever reasons, to the Investment Account immediately, but not later than 3 (three) Business Days after the receipt of these assets by the Broker, unless the Parties have explicitly agreed otherwise;
- 3.7. In the cases specified in the Financial Instrument market Law of the Republic of Latvia, to verify the suitability of the investment services provided under this Agreement to the Client, requesting from the Client (Authorised Person) information about the Client's (Authorised Person's) experience and knowledge of the Client (Authorised Person) on the FI Deals to be closed during the provision of these investment services, in the form specified by the Broker; the Client undertakes to inform the Broker about any changes in such information provided by this Client (Authorised Person); if the Client (Authorised Person) refuses to provide such information or it is incomplete, untrue or does not contain the latest changes, the Broker has the right (but not the obligation) to refuse to provide the Client services under the Agreement, and the Broker warns the Client and, by signing this Agreement the Client confirms that he has been warned, that the Broker will not be able to assess the suitability of the services provided under this Agreement to the Client and the Broker will not be able to notify the Client of cases in which the ordered FI deal is inappropriate to the Client and will not be able to assess whether such FI deal meets the Client's investment objectives and whether the Client is financially able to incur losses that could be caused by such activity, and the Broker is not responsible for the consequences which may result from the Client's refusal to provide the information referred to in this paragraph, the provision of incomplete/untrue information or failure to notify of changes in the above information; If the Client wishes to enter into an FI deal/issue an Order for simple FIs, the Broker does not assess their suitability for the Client (Authorised Person) and the Broker is not obliged to notify the Client (Authorised Person) separately;
- 3.8. to send the information intended for the Client according to the Agreement using, at the Broker's own discretion, any of the Client's details and means of communication indicated in this Agreement or being at the disposal of the Broker, or using PNB Internetbanka, or using other means of communication about that the Parties have agreed on separately or that are indicated in the Order issued by the Client; Furthermore, all information provided to the Client in this manner is deemed received by the Client in person at the moment of dispatching such information, except the mail dispatches that are deemed received by the Client on the fifth calendar day after the date after sending thereof by registered mail; when providing information to the Client, the Broker shall comply, to the extent possible, with the first priority for receiving information indicated by the Client in this Agreement, which, however, it is not binding on the Broker;
- 3.9. where the Client has indicated in this Agreement that he has access to the Internet and he agrees to receive information via Internet, the Broker shall provide the information intended for the Client, but not personally addressed to him, via the Internet (the Broker's website on the Internet [www.pnbbanka.eu](http://www.pnbbanka.eu) and/or via PNB Internetbanka system and/or via e-mail); receipt of information electronically shall not restrict the Client's right to receive the information addressed to the Client in the form of a hard copy by when the Client arrives at the Broker in person.
- 4. The Broker shall be Entitled:**
- 4.1. to determine and introduce amendments to the Order execution provisions and the identification procedures approved by the Broker to the extent these are not specified in this Agreement, informing the Client on it upon the Client's request;
- 4.2. to refuse to accept for execution or not to execute the Client's Orders in the events specified in Paragraph 7.7 of the Agreement, and also in cases when: 1) the Order is not timely submitted, is incorrectly completed, doubts arise regarding the authenticity of the Order; 2) the Order contradicts the laws and regulations or the terms and conditions of this Agreement, or does not comply with the present market situation; 3) the Order contains contain contradictory or incomplete directions as specified in Paragraph 7.2 of the Agreement; 4) in the events specified in Paragraph 7.1 of the Agreement; 5) the Broker has suspicions about possible manipulative transaction performance and/or attempting to money laundering or terrorism financing; 6) the Order cannot be technically executed by the Broker; 7) at the time of submitting the Order, the Client has outstanding obligations towards the Broker; 8) the services (operations) specified in the Order are not included in the Tariffs; or 9) in other events stipulated by the GPT, where the Broker has the right, without warning to the Client, to suspend, temporarily delay or refuse to provide any service, and unilaterally, by warning the Client, to terminate any or all agreements on services;
- 4.3. to refuse to accept for execution or to execute the Client's Order if the Client's Assets are insufficient for the full execution of such Order; the Broker is however entitled to execute the Client's Order in the situation specified in this Paragraph, and at its own discretion:
- 4.3.1. to withdraw the amount insufficient for execution of the Order from the Client's Current Account under uncontested procedure, whereby the Client authorises the Broker to perform such activities;
- 4.3.2. or, by informing the Client, to block the Client's Assets or a part thereof as a security, by granting the Client a loan equal to the insufficient amount on the terms and conditions approved by the Broker, from the date on which the payments related to execution of the Order should be made; the loan interest rate is unilaterally determined by the Broker, but it shall not exceed 36% (thirty-six per cent) annually of the granted loan (the annual interest rate is calculated according to the laws and regulations of the Republic of Latvia), assuming 360 (*three hundred and sixty*) days in a year; the Broker may, at its own discretion, at any time terminate the loan facility by notifying the Client one day in advance and the Client shall repay the loan and the calculated interest; the Broker terminates the loan facility as soon as the Client has repaid it in full with the calculated interest;
- 4.3.3. or to take all necessary measures, including conclusion of deals on the Client's FI so as to limit or cover the Client's obligations related to execution of the Order to the extent possible, whereby the Client authorises the Broker to take the aforesaid measures;
- 4.4. and the Client irrevocably authorises the Broker by assigning and giving him the rights in the implementation of the Agreement, including holding (keeping) of the Client's Assets, to use the services provided by registered and controlled (including abroad) third parties (hereinafter - intermediaries) (for example credit institution, central bank etc.) (which, in turn, may choose further holders of the Client's Assets), and to act through these intermediaries and with their assistance, in each case choosing them at his own discretion; the Client's Assets shall be held by intermediaries on the account opened in the Broker's name according to the laws and regulations applicable to intermediation (hereinafter - nominal account) with an indication of the Assets belonging to Clients of the Broker; Assets belonging to several Clients of the Broker can be held on a relevant nominal account, and consequently there is a risk that Client's Assets are used for the performance of another client's transaction, and there is a risk of total or partial loss of these Assets; the Client confirms that he is aware of the above risks and associated eventual losses and agrees to them, and also agrees that laws and regulations of another state can be applied to the holding (keeping) of his Assets, and the Client's rights in respect of Assets in another state may be different from the rights specified in the laws and regulations of the Republic of Latvia;

**Client's signature**

- 4.5. in cases and order established by laws and regulations of the Republic of Latvia, to keep Client's Assets with intermediaries registered in a foreign country also in those cases where the holding of Assets on a nominal account to the benefit of third parties is not regulated in that country. The Client acknowledges and assumes the risks related to the circumstances referred to in this paragraph, and that in this case the Client's Assets are held together with Assets owned by the Broker or other clients of the Broker, and in which result it is impossible to fully identify ownership of the Clients on the Client's Assets, and the Client in this regard assumes all risks of encumbrance, blocking, compulsory alienation and other risks associated with the holding of the Assets referred to in this paragraph; however, the Broker always keeps a record of the Client's Assets in his holding and ensures that:
- it is possible at any time to separate Assets belonging to one Client from Assets belonging to other Client and assets belonging to the Broker,
  - records are regularly reconciled with the records of these Assets that are kept by the intermediary in which the Broker holds the Client's Assets;
- 4.6. when performing FI Deals, to join the Client's order with other the Broker's or its clients' orders, provided it is possible and would not result in performance of the operations referred to in this paragraph on the conditions less advantageous for the Client;
- 4.7. to exchange the Client's cash assets according to the exchange rate specified by the Broker on the date of exchange where it is necessary for execution of the Client's Order or for payment of costs or charges or settlement of other Client's obligations under this Agreement, even where it is not explicitly indicated in the Client's Order; the Client authorises the Broker to perform the operations referred to in this paragraph;
- 4.8. to purchase FI owned by the Broker or its shareholders for the Client; to purchase the Client's FIs for ownership of the Broker or its shareholders; to perform FI operations in which the Broker or its shareholders or its employees and authorised representatives represent the other party to the deal; to exchange the Client's FIs for FIs owned by the Broker or its shareholders on the condition that all operations referred to in this paragraph are performed at their market prices as at the date of the operation according to the Paragraph 8.10 of this Agreement, unless otherwise indicated in the Client's Order or by separate agreement of the Parties;
- 4.9. to transfer to third parties any of its authority, rights and obligations undertaken subject to this Agreement, informing the Client thereof 3 (three) calendar days prior to transfer of the authority;
- 4.10. to use the Assets and the cash assets in any accounts of the Client opened with the Broker, including the Current Account and other assets of the Client as a security for any of the Client's obligations towards the Broker and any other of the Client's obligations arising for the Client's obligations arising for the Client in relation to performance of this Agreement or otherwise. The Client authorises the Broker to block (prohibit the Client to operate with) fully or in part or sell this security for the free price without additional Client's approval if the Client's Assets are not sufficient for performance of any of the obligations referred to in this paragraph, these obligations are valid and their due date has arrived;
- 4.11. in addition to the statements of Paragraph 4.10 of the Agreement, in the performance of the Orders of the Client, the Broker has the right and the Client, by signing the Agreement and submitting each Order, confirms that it grants the Broker such rights, to use the Client's FIs in the transactions performed by the Broker or intermediaries for their own expenses or for the expenses of another Broker or its intermediary's client's expenses, incl. in securities financing transactions, till the moment when the Client complies with his obligations under the Order (return condition), and the Client certifies that he is aware that in this case the FI can be fully or partially inaccessible/lost, and the Client agrees that in such cases it will not be possible for the Client to set special conditions for such transactions in the Order for the Broker; the general provisions set forth in the Agreement with respect to the duties and responsibilities of the Broker towards the Client in the performance of Orders shall apply in respect of the activities specified in this paragraph;
- 4.12. to conduct FI deals outside the regulated market and the multilateral trading system;
- 4.13. to set limits on FI transactions, their security and extent;
- 4.14. to refuse the Client's operations with the Standardised Futures Contracts (futures), FI Short Sale Transactions, the conclusion of any REPO and/or Reverse Repo Transaction, without explaining the reasons for the refusal;
- 4.15. if the Broker finds out, incl. when receiving information from the LCD or other central securities depository or the intermediary holding the Client's securities, that the Client's FI have been irretrievably lost due to the destruction or damage of the data in the intermediary's accounts, insolvency of the intermediary, insolvency of the FI Issuer, nationalization or expropriation of the FI, application of the relevant laws or regulations, FI Issuer's actions or other similar events, the Broker is entitled, without the Client's Order and other specific instruction or consent, to write off the lost FI from the Client's FI account. If the lost FI have been held in a nominal account keeping the FIs belonging to several Clients, the Broker will debit the FI from these Client's accounts in proportion to the number of lost FIs owned by each Client. At the request of the Client, the Broker shall have the right, but not the obligation, by using the reasonable means, to take action to obtain compensation for irrevocably lost Client's FIs, if such compensation is provided for in the regulations of the investor protection of the country concerned. The Broker is not liable for the Client's losses which may result from the activities specified in this paragraph;
- 4.16. to transfer the FI or the Client's FI-related payments (for example, dividends) back to the sender without the Client's Order, if they are credited to the Client's Investment Account or FI Account as a result of a mistake, incl. in case the Broker has received information from an intermediary or a depository or other persons involved in the FI transaction about an incorrect transfer or actual non-payment of such funds by the FI Issuer. In the case specified in this paragraph, the Broker is entitled, without the Client's Order and other specific instruction or consent, to write off the corresponding amount from the Investment Account, Current Account or any other account of the Client opened with the Broker;
- 4.17. upon occurrence of an Off-Market Event, to amend the terms of an existing and outstanding FI transaction without the Client's Order, in this case in accordance with the internationally recognised and accepted principles and good practices that could be used in similar circumstances. If the Broker exercises the rights specified in this paragraph, the Broker shall notify the Client as soon as possible.
- 5. The Client shall be obligated:**
- 5.1. to provide the Broker with true information on his legal status, details and any other information, approvals and documents requested by the Broker to ensure the execution of this Agreement;
- 5.2. to inform the Broker immediately on any changes in the information indicated in this Agreement in relation to the Client and Authorised Representative, as well as in any other information regarding the Client, the Authorised Person, the legal status of the Client or legal status of the Authorised Representatives, or in other information or document submitted at the conclusion of the Agreement or later during the course of mutual relations between the Parties; until the Broker receives information on the relevant changes, in performing this Agreement the Broker shall be guided by the documents and information at its disposal and shall not be liable for the Client's losses arising from the Client's failure to inform or delay in informing on the changes referred to in this paragraph;
- 5.3. to transfer to its accounts with the Broker and to ensure existence of Assets necessary for execution of the Client's Order in full, and namely: Assets for execution of own FI Deals or other operations indicated in the Client's Order, payment of all charges to the Broker, as well as payment of other costs and fees according to this Agreement;
- 5.4. to fully compensate all damages and expenses incurred by the Broker during the execution of the Client's Order and in the course of fulfilment of other provisions of the Agreement, provided the damages or expenses are not incurred due to the Broker's own fault;

**Client's signature**

- 5.5. to admit without objection and find binding on himself all acts and operations performed by the Broker, as well as rights and obligations following thereof, provided the Broker has acted in compliance with this Agreement, including when executing the Client's Orders, and has not exceeded the powers granted to him by the applicable laws and regulations;
- 5.6. not to transfer any Assets ownership title to third parties or encumber it with any obligations unless prior approval has been granted by the Broker, and to act exclusively within the framework of this Agreement; the Client represents and warrants and the Broker accepts the Client's representations on that the Assets are the Client's property, that they are free from any encumbrance, pledge or arrest and that the Client is not restricted in any manner to act with the Assets;
- 5.7. to keep in privacy the Password, Voice password and other means of identification, which could be used to submit Order to the Broker and immediately inform the Broker if there is any suspicions that Password/Voice password/any means of identification of the Client become a possession of third parties. The Broker upon receipt of the above information from the Client stops receipt of Orders from the Client via telephone till the moment the Client notifies to the Broker new Password/Voice password (in the PNB Internetbanka system or in the form of a hard copy);
- 5.8. to accept as binding on himself any acts by his Authorised Representatives, and the Client shall be fully liable for their actions as if they were the Client's actions; the Broker shall not be held liable for the damages caused to the Client by his Authorised Representatives; it is assumed that the authority of the Authorised Representatives is legally valid without restriction until the Broker receives from the Client a written notice on annulment or restriction of the Authorised Representative's authority;
- 5.9. to continuously check and monitor the Client's Assets status and executed/performed FI deals and to request from the Broker and/or to learn the information on the Client's Assets (account statement) at least once within 30 (*thirty*) calendar days; should the Client fail to perform this obligation, he shall undertake all risks related thereto and this information is deemed received by the Client;
- 5.10. regardless of the provisions of Paragraph 5.9 of the Agreement, to continuously control the number of FIs, FI transactions, open positions, cash balances, to carefully examine the FI Account, the Investment Account and trading (posting) account statements, Deal Confirmations and immediately in writing (or electronically, in PNB Internetbanka) to inform the Broker if, in the opinion of the Client, any wrong entry has been made on the FI account or the Investment Account, or if the Client has any other claims regarding the received service;
- 5.11. when submitting each Order to the Broker, each time carefully assess the risks and eventual losses associated with the applied FI deal, including, but not limited to, those specified in this Agreement (particularly in Paragraphs 4.4., 4.5., 4.10., 4.11., 11.4., 11.5., 13.1. and 13.6. of the Agreement), in the Description of the Broker's FIs and Investment Services, as well as in other documents relating to the Agreement and services provided by the Broker under the Agreement, and, if necessary, to refrain from submitting the Order.
- 5.12. to submit to the Broker documents (including, if there are any changes, repeatedly), confirming the Client's or the beneficial owner's (including, if the Client has an open nominal account) actual tax residence country, if the laws and regulations of the FI Issuer, the Counterparty or the Custodian/Intermediary registration country or the country of circulation of the FIs, set requirements for the submission of such documents, and also to assign the Broker the right to transfer the documents specified in this paragraph to third parties in order to ensure the correct calculation and withholding of taxes. If the Client has not submitted the documents specified in this paragraph within the deadline set out by the Broker, the tax calculation and withholding may be made after the rates applicable in such cases in accordance with the tax laws and regulations of the respective country.
- 6. The Client shall be Entitled:**
- 6.1. personally or through the Authorised Representatives, to place Orders with the Broker on FI Deals, as well as other operations with Assets according to this Agreement by telephone, using PNB Internetbanka or by submitting in person;
- 6.2. to withdraw Orders, except those that are impossible to withdraw technically or that have already been executed before withdrawal; should the Client's Order be withdrawn, the Client agrees to compensate for all damages incurred by the Broker through execution of the Client's Order before withdrawal thereof or related to its withdrawal;
- 6.3. prior to submission of the Order, to request and receive from the Broker information related to the planned FI Operation, associated eventual losses and risks as well as other information on services provided by the Broker to the Client under this Agreement; under this Agreement, the Broker will not provide to the Client any advice or consultancy and no information and explanations on FI Deals and/or the financial market situation provided by the Broker/Broker's employees shall not and cannot be understood as a recommendation or FI Deal performance advice or investment consultancy, which the Client confirms by signing this Agreement;
- 6.4. to request and receive from the Broker information on the Order completion requirements, the identification procedures adopted by the Broker, the Tariffs, and the regulations, rules, practice and customs accepted on markets where FI Deals are executed or the Client's Assets are placed, as well as the information on the progress of execution of the Order.
- 7. Procedure of Order Execution**
- 7.1. The Client may submit Orders during the Broker's business hours that are indicated on the Broker's homepage at <https://www.pnbbanka.eu/lv/brokerage> and may change. Before giving the Order to the Broker, the Client must familiarize himself with the current information on the Broker's business hours. The Broker may refuse accepting during the Broker's business hours or on Business Days the Orders for FI Deals relating to FIs that are registered or traded abroad, if the day is a non-business day or a holiday or a business day is already over in the respective foreign country.
- 7.2. In any Order, the object and type of the operation, the FI name/ISIN code and the number/nominal value of FIs and/or the name/identification code and amount of the cash assets, the FI price or the principle of its determination (market price, etc.), the Order execution deadline and/or special conditions for the execution of the Order (including the limits for its execution, if any) and other necessary information for the execution of a given FI Deal, as well as instructions and details that are necessary and sufficient for its unambiguous interpretation and execution; corrections, approvals or repetitions must be marked.
- 7.3. When executing the Client's Order, the Broker shall not be liable for damages, errors, incorrect interpretation, etc., arising from inaccurate, unclear or incomplete instructions by the Client, or from distorted wording of the Orders, or due to other reasons beyond the Broker's capacity; the Broker shall neither be liable for errors and inaccuracies permitted by the Client in the details of the Order.
- 7.4. When submitting Order to the Broker, the Client or his Authorised Representative shall identify himself, but the Broker shall identify them with the following data: (a) when Order is submitted to the Broker by telephone: by name and surname of the Client – private individual, by name and surname of Authorised Representative (if the Order is submitted by Authorised Representative) and Password/Voice password, and the Client - legal entity - by name of the Client, name and surname of Authorised Representative, Password/Voice password; (b) when submitting Order to the Broker, using PNB Internetbanka: by name and number of the Investment Account and also identifying itself according to the requirements of the said system; (c) when submitting Order to the Broker in person: by name and number of the Investment Account, the Client's/Authorised Person's signature/seal (for Clients - legal entities). The disclosure of the Password/Voice password and other data specified in this paragraph to any person by the Client shall be deemed to be a Client's authorisation of such person to conclude FI transactions on behalf of the Client and at the Client's expense without the FI transaction amount limitation, and submit the Orders in accordance with the provisions of the Agreement. All FI transactions and operations performed with the use of the Password/Voice password assigned to the Client or other identifiers shall be binding on the Client, even in the event that a FI transaction has been concluded / an operation has been performed using the data specified in this paragraph, by an unauthorised person.

Client's signature

- 7.5. Orders on transfer of Assets are permitted only in writing. The Client's cash assets may be transferred only to the Client's Current Account with the Broker, except in the cases specified under this Agreement or in cases separately agreed on by the Parties.
  - 7.6. For the purposes of caution, prior to execution of the Client's Order, the Broker is entitled to request from the Client at his expense and risk additional confirmation through any other communication channels in accordance with Paragraph 3.8 of the Agreement.
  - 7.7. The Broker is entitled to refuse execution of the Client's Order if the Broker has reasoned doubts regarding the authenticity of the Client's Order, and the Broker shall not be liable for damages that may be caused to the Client as a result of such refusal.
  - 7.8. The Broker shall not be liable for possible damages that may be caused to the Client due to malevolence, counterfeiting or fraud by third parties, provided the Broker has complied with all Client identification procedures according to the Broker's adopted regulations and the provisions of this Agreement.
  - 7.9. The Broker is entitled to refuse to accept the Client's Order by telephone at any time.
  - 7.10. The Parties acknowledge that negotiations by telephone regarding performance of FI Operations (using the Password/Voice password and other means of identification specified in Paragraph 7.4 of the Agreement) have legal force and shall be equal to the original documents (personally submitted and signed).
  - 7.11. The Parties are entitled to record the telephone conversation with any technical devices and agree that such records of the telephone conversations shall be sufficient evidence for the Parties in settling any disputes, including in relation to execution of the Client's Orders or performance of other operations under this Agreement. It is accepted by this Agreement, and the Parties agree that, for Client identification by telephone, correctly supplied information of Client, which is mentioned in Article 7.4. of the Agreement, shall replace the signature (seal) of Client and give grounds to consider that the Order is submitted properly and is binding for Client and Broker.
  - 7.12. The Parties acknowledge that any documents dispatched by the Parties to each other or received from each other in the PNB Internetbanka system shall be equal to original documents (personally submitted and signed) and shall be sufficient substantiation for legal liability and, in the event of dispute, shall be deemed sufficient evidence.
  - 7.13. The Broker shall start execution of the Order immediately after its receipt, unless otherwise specified in the Order provisions. Regarding the validity of the Order, unless directly indicated, it is assumed that the Order is valid until the close of the business day on which it is submitted. Regarding other provisions of the Order, unless such provisions are directly indicated in the Order, the Parties shall follow the provisions of Paragraph 12.1. of the Agreement. The Broker shall inform the Client if the Order is not accepted for execution or the execution thereof has been refused to the Client by explaining the reasons of refusal, except in the cases specified under this Agreement.
  - 7.14. The Client agrees to submit written confirmation of the Order to the Broker not later than within 3 (*three*) Business Days after submitting the Order by telephone; where the Client fails to provide such confirmation, the Broker is entitled to execute the Order based on the Order submission confirming conversation records, and the Client in that connection renounces any claims related to execution or non-execution of the Order.
  - 7.15. Prior to FI Short Selling, the Broker may request the Client to provide collateral in the manner and scope specified by the Broker, as well as agree on other terms and conditions for FI Short Selling and closing of the FI Short position, which shall be marked in the Client's Order.
  - 7.16. The Broker may, at any time, at its own discretion, refuse FI Short Selling to the Client and to require full or partial closure of the FI short position, unless the Parties have agreed otherwise in writing. If the Client fails to comply with the Broker's request regarding closure of FI short position before the end of the next Business day, the Broker is entitled to close the FI short position unilaterally at the Client's expense in accordance with the Paragraph 4.10. of the Agreement.
  - 7.17. The Broker shall dispatch to the Client the Deal Confirmation not later than on the next Business Day after the execution of the Order or, if the Broker receives this confirmation from a third party, not later than on the next Business Day after receipt of the corresponding approval from a third party. The Broker does not send the Deal Confirmation to the Client if it contains the same information as in the confirmation, which is sent to the Client immediately by a third party. If the Client has not informed the Broker about the failure to receive the Deal Confirmation within 2 (*two*) Business Days from the conclusion of the FI transaction, or has not objected to it, it is deemed that the Client has received the Deal Confirmation and has confirmed (accepted) it.
- 8. Payments and the Broker Remuneration**
- 8.1. For servicing the Investment Account and FI Account, for performance of FI Operations and other services under this Agreement, the Broker shall withhold from the Client commission fees and other payments determined by the applicable Tariffs or separately agreed with the Client, incl. in the Client's Order.
  - 8.2. For the services not specified in the Tariffs and not being separately agreed on, but provided by the Broker when executing the Client's Order or in relation thereto, the Broker is entitled to specify a relevant and fair charge as it finds fit, which, however shall not be smaller than the Broker's actual expenses related to execution of the concrete Order, and the Client agrees to it in advance by signing this Agreement.
  - 8.3. The Parties may agree on the Broker's charge rate for the concrete operation or type of operations according to a special tariff fixed in the Client's Order or an additional agreement.
  - 8.4. The Client agrees to pay and irrevocably authorizes, empowers and instructs the Broker to withhold (write off) under uncontested procedure charges and all actual costs, damages, detriments and other payable amounts related to performance of the Client's Orders and other provisions of this Agreement from the Client's Investment Account, but in the event the cash assets in the account are insufficient, from the Client's Current Account or from any Client's account opened with the Broker and if necessary converting funds as per exchange rate set by the Broker at the day of operation.
  - 8.5. The charge for servicing the Client's Investment and Financial Instrument accounts is calculated and withheld as a fixed interest indicated in the Tariffs of the net value of the Client's Assets; the net value of the Client's Assets is determined as the difference between the value of the Client's Assets and the amount (value) of the Client's liabilities towards the Broker under this Agreement.
  - 8.6. The Order authorising the Broker to perform FI Operations or other operations within the framework of this Agreement shall also be the assignment by the Client to make relevant records (withdrawal, blockage) in the Client's FI Account and the Investment Account, Trading (Posting) Account, and an additional agreement by the Client to make such records is not necessary.
  - 8.7. Where an account (record) is made / operation is disclosed erroneously in the Client's Investment Account, FI Account or Trading (Posting) Account (electronic trading system), incl. if the Order is executed on the basis of incorrect market information (on the FI price, exchange rate, etc.) or incorrect information about the status of the Customer's Investment Account or FI account (for example due to the FI event), the Broker has the right, without further coordination with the Customer, to correct such account (record) made / operation disclosed by either restoring (returning to the initial position) the position of the Customer Investment Account, FI Account or Trading (Posting) Account or cancelling the relevant FI transaction and/or execute it according to the actual circumstances, and the Broker in such case is not liable for the Client's losses and expenses that may arise in the cases referred to in this paragraph.
  - 8.8. The Broker shall execute the Client's Orders on transfer of Assets immediately but not later than on the next Business day following their receipt in relation to the cash assets and not later than within five Business days in relation to FI, not later than within 5 (*five*) Business Days, provided the circulation mode and existing market situation permits such transfer. Otherwise, the Broker performs the FI transfer within the period stipulated by the international market practice.
  - 8.9. The Broker shall inform the Client on FI Events in accordance with Paragraph 15 of this Agreement.

**Client's signature**

- 8.10. for FI quoted and traded at the stock exchange or inter-bank market, the exchange prices and quotations published on the date of appraisal or the inter-bank market (Broker's business partner) prices and quotations at the Broker's disposal are used;
- 8.10.1. for FI quoted and traded at the stock exchange or inter-bank market, the exchange prices and quotations published on the date of appraisal or the inter-bank market (Broker's business partner) prices and quotations at the Broker's disposal are used;
- 8.10.2. for FI not quoted at the stock exchange or inter-bank market and for the FI specified in Paragraph 8.10.1 above, if the price thereof cannot be determined according to the procedure specified in Paragraph 8.10.1 above (including due to lack of market liquidity), the prices and quotations approximated more to their actual market value are used as the Broker finds fit;
- 8.10.3. when determining the FI value, all existing obligations of the FI Issuer towards the FI holder (accrued interest etc.) are considered even if the maturity thereof has not yet become due.
- 8.11. For the settlement of payments under this Agreement, the Broker shall have the right of setoff in relation to the Client's obligations, FI and cash assets.

#### **9. Standardised Futures Contract**

- 9.1. Upon opening the Standardised Futures Contract's Position, the Client agrees to provide the Initial Insurance Deposit (Initial Margin) and the amount of the Broker's charge on his Investment Account with the Broker. The amount of the Initial Margin and the Maintenance Margin is specified by the Broker and communicated to the Client upon the Client's request.
- 9.2. The Broker is entitled to change the amount of the Initial Margin and the Maintenance Margin, incl. any open position in the Standardised Futures Contract, notifying the Client thereof 1 (*one*) calendar day in advance. If the amount of the Initial Margin and the Maintenance Margin is changed due to changes made by the relevant exchange/contractor/intermediary/person executing the Order, incl. also any open position in the Standardised Futures Contract, the Broker does not have to inform the Client thereof in advance. In any case, the Client is obligated to follow independently the changes on the relevant stock exchange.  
The Broker reserves the right to refuse performance of the Client's operations with the Standardised Futures Contract without explanation of reasons thereof.
- 9.3. If the absolute value of the Client's current loss from the Standardised Futures Contract's Open Position is equal to or larger than the difference between the Initial Margin and the Maintenance Margin, the Margin Call arises on which the Broker may notify the Client.
- 9.4. Should the Margin Call arise, the Client shall either ensure on his Investment Account the amount necessary to renew the Insurance Deposit to the Initial Margin or close the Standardised Futures Contract's Position before 12.00 (noon according to Latvian time) on the next Business day following the date on which the Margin Call arose.
- 9.5. Should the Client fail to comply with the provisions of Paragraph 9.4, the Broker is entitled but not obliged to act as follows after 12.00 (noon according to Latvian time) on the next business day following the date on which the Margin Call arose, without warning the Client:
- 9.5.1. to close the Standardised Futures Contract's Position; or
- 9.5.2. to replenish the Insurance Deposit to the Initial Margin with cash assets from any of the Client's accounts with the Broker, including from the Current Account; or
- 9.5.3. to grant to the Client a loan (overdraft) equal to the amount necessary for renewing the Insurance Deposit to the Initial Margin as provided for by Paragraph 4.3.2.
- 9.6. If the absolute value of the Client's current loss from the Standardised Futures Contract's Open Position is 70 % (seventy per cent) or more of the Initial Margin, the Broker is entitled to close the Standardised Futures Contract Position without warning the Client.
- 9.7. The Client authorises the Broker to calculate the amount of the Insurance Deposit and to perform the actions necessary for increasing/decreasing the Insurance Deposit by the amount of the profit/loss from the Standardised Futures Contract's Open Position.
- 9.8. The Client shall be fully liable towards the Broker for damages arising from the Standardised Futures Contract's Open Positions, including where such damages exceed the Insurance Deposit.

#### **10. REPO Deals**

- 10.1. The Broker conducts a concrete REPO Deal on the conditions specified in the respective Client's Order and this Agreement; furthermore, the Broker reserves the right to refuse to the Client performance of any REPO Deal without explaining the reasons. The compulsory precondition for any REPO Deal shall be FI that are the subject of the REPO Deal, the REPO Discount Rate and the REPO deadline (or Buy Out Date). If the Client's Order for the conclusion of the REPO Deal does not stipulate otherwise, then:
- 10.1.1. REPO rate - it is deemed that the Client agrees that the Broker specifies it at its own discretion, but it shall not exceed 12% (*twelve per cent*);
- 10.1.2. REPO Critical Coefficient – it is assumed that it is by 5% (*five per cent*) higher than the REPO Discount Rate;
- 10.1.3. REPO Sales Date - it is assumed that it is the date on which the FIs that are the subject of the REPO Deal are transferred into the Client's FI Account (including by paying for the FI deal as a result of which these FIs are purchased);
- 10.1.4. Sales Price (amount) - is specified according to the REPO Discount Rate;
- 10.1.5. Buy Out Price (amount) - is specified according to the Sales Price (amount), the REPO Rate and the REPO Period.
- 10.2. Pursuant to the provisions of any REPO Deal, unless the Parties have agreed and reflected in the Client's Order otherwise, the Client agrees to ensure on the Sales Date the existence on the Financial Instruments Account the FIs that are the subject of the REPO Deal and which the Broker shall withdraw and which are fully transferred at the Broker's disposal, whereby after that the Broker agrees to transfer the Sales Amount to the Client's Investment Account no later than within 3 (*three*) Business days.
- 10.3. Pursuant to the provisions of any REPO Deal, unless the Parties have agreed and reflected in the Client's Order otherwise, the Client agrees to ensure on the Buy Out Date the existence on his Investment Account the Buy Out Amount which the Broker shall withdraw, and whereby the Broker agrees to transfer the FIs that are the subject of the REPO Deal to the Client's Financial Instrument Account no later than within 3 (*three*) Business days after which the abovementioned FIs are deemed fully transferred at the Client's disposal.
- 10.4. If the REPO Deal is suspended prior to the Buy Out Date specified beforehand under the provisions of the REPO Deal, the Buy Out Date shall be the date of suspension of the REPO Deal (except if the REPO Deal is suspended due to failure to comply with Paragraph 10.2) and the Broker shall calculate the Buy Out Price (Buy Out Amount) in line with the REPO Rate on the actual number of days between the Sales Date and the date of suspension (annulment) of the REPO Deal.
- 10.5. Should the FIs that are the subject of the REPO Deal bring any gains or earnings (dividends, premium shares, interest) within the period between the Sales Date and the Buy Out Date, the Broker shall transfer such gains and earnings to the Client's Investment and/or FI Account within 3 (*three*) Business days after the Broker has received them, unless the Parties have agreed otherwise; or should the Parties agree so, direct them for discharge of the Client's liabilities towards the Broker by reducing the Buy Out Amount respectively.
- 10.6. Should any Party fail to comply with the REPO Deal provisions specified in Paragraphs 10.2. or 10.3., the other Party may suspend the REPO Deal and/or claim a contractual penalty equal to 2 % (*two per cent*) of the Sales Amount.
- 10.7. The REPO Deal may be suspended prior to the Buy Out Date specified under the provisions of the REPO Deal, or these provisions may be amended upon the Client's Order, provided the Broker agrees thereof. Pursuant to the provisions of any REPO Deal, the Broker is entitled to suspend the REPO Deal unilaterally by notifying the Client thereof 30 (*thirty*) calendar days in advance. Pursuant to the provisions of any REPO Deal, the REPO Deal is suspended on the date on which the payments related to the maturity of the FI that are the subject of the REPO Deal are made.

**Client's signature**

- 10.8. The Broker may unilaterally at any time suspend the REPO Deal by informing the Client thereof if the proportion expressed as a percentage between the Buy Out Price (amount) of the FIs that are the subject of the REPO Deal and their market price (value) according to Paragraph 8.10 exceeds the REPO Critical Coefficient value.
- 10.9. If on the Buy Out Date the cash assets in the Client's Investment Account are insufficient to fully buy out the FIs that are the subject of the REPO Deal, the Broker shall be entitled at any time to sell all FIs that are the subject of the REPO Deal or a part thereof for a free price, without prior approval of the Client, and to transfer the earned amounts, except the amounts pertaining to the Broker under the REPO Deal, including the Buy Out Amount and contractual penalties, to the Client's Investment Account.
- 11. Liability of the Parties**
- 11.1. The Broker and/or its employees shall not be liable for the damages incurred by the Client, except the direct damages incurred by the Client as a result of purposeful deliberate failure or breach of this Agreement by the Broker.
- 11.2. The Broker shall be entitled to calculate and withhold from the Client a contractual penalty of 0.1 % (one tenth of a percentage point) per day of the total amount payable upon arising of the Margin Call and/or of any other defaulted payments to the Broker. Payment of contractual penalties shall not release the Client from fulfilling of the obligations, including the obligation to eliminate the Margin Call. The contractual penalty shall apply as of the date following the date of arising of the Margin Call or other defaulted obligations of the Client until the final settlement thereof.
- 11.3. The Client shall be liable for his obligations towards the Broker with all his property and cash assets; the Broker shall not be liable for the Client's obligations towards third parties.
- 11.4. Despite the fact that the Broker evaluates and supervises intermediaries, there is always the risk that they may act dishonestly or illegally. Taking into account that rules and regulations and market practice of the country of registration / activity of the intermediary can be applied to the Client's Assets held by foreign intermediaries, and rights arising from them as well as to activities / omission to act and liability of the foreign intermediaries, which may differ significantly from the rules and regulations and market practice of the Republic of Latvia, which are applicable to Assets and associated rights, the Broker shall not be held liable for any losses or expenses of the Clients that may arise in connection with:
- activity / omission to act (e.g., inadequate recording of Assets, negligence and mismanagement, fraud) of the intermediaries, except when Client losses result from gross negligence or malicious intent of the Broker,
  - foreign legal acts regulating activities of the intermediaries or market practice of a foreign country. In case of insolvency / business interruption / default of the intermediaries, the Broker shall not be held responsible for any loss of the Clients that could result from the application of insolvency regulations and other relevant rules of the relevant state.
- 11.5. The Broker shall not be liable for damages caused to the Client by any third parties (including persons to whom the Broker transferred Order for execution according to Policy), including, if these parties fail or delay execution of legally justified the Broker's orders regarding deals with FI or other operations with the Client's Assets, including payments for the FI Deal, nor shall the Broker be liable for any delays in execution of Orders or payments or performance of other contractual obligations that are not the Broker's fault.
- 11.6. The Broker shall not be liable for non-execution of the Client's Orders in the cases specified under this Agreement.
- 11.7. The authenticity and lawfulness of all documents submitted to the Broker shall be examined carefully; however, the Broker shall not be liable for the consequences of possible document counterfeiting or insufficiency thereof, incorrect or incomplete completion and/or translation.
- 11.8. The Broker shall be released from the liability for the full or partial failure of the obligations under this Agreement, where such failure is the consequence of force majeure circumstances (fire, flood, earthquake, military action, terrorist acts, mass riots, strikes and similar events and actions) that the Broker could neither foresee nor prevent and that has directly affected the Broker's ability to perform its obligations as provided for by the Agreement.
- 11.9. The Broker shall not be liable for the consequences caused by the decisions passed by the legislators or executive authorities of the Republic of Latvia or other countries where such decisions make performance of the Broker's obligations under this Agreement impossible.
- 11.10. The Client shall be liable for the genuineness, accuracy and completeness of all information provided to the Broker and releases the Broker and its employees from liability and any obligation to compensate for any damages caused through the Client's failure to comply with the requirements regarding provision of genuine and complete information.
- 11.11. The Client is responsible for all losses, which may occur in the event of non-observance by the Client provisions of Paragraph 5.7. of the Agreement.
- 11.12. The Client is aware that the Client may incur losses or expenses due to changes in FI prices or other circumstances during the period between the acceptance of the Order and its execution, incl. Off-market Event and Broker's actions in this regard (Paragraph 4.17 of the Agreement).
- 12. Applicable Law, Complaints and Dispute Resolution**
- 12.1. In all relations that are not regulated in this Agreement, the Parties shall be first governed by the laws and regulations of the Republic of Latvia, and the laws and regulations of the respective foreign country, the regulations and accepted practices on the markets where FI deals are performed or the Client's Assets are held (kept in custody).
- 12.2. Should any of the provisions of this Agreement be declared invalid pursuant to the laws and regulations, it shall not result in the invalidity of other provisions of this Agreement.
- 12.3. The Client submits a claim or complaint regarding performance of this Agreement to the Broker in writing as soon as possible after the Client becomes aware or should have become aware of the facts or circumstances that, in the Client's opinion, demonstrate the breach of the Agreement by the Broker.
- 12.4. The Broker is entitled to request and the Client shall submit to the Broker all evidence and documents substantiating the relevance of the Client's claims or complaints.
- 12.5. The Broker shall examine the claim or complaint against it within 30 (*thirty*) calendar days after submission of the claim or the complaint and all documents requested in this regard by the Broker and inform the Client on the results in writing.
- 12.6. All disputes and disagreements between the Broker and the Client, who is a consumer within the meaning of the Consumer Rights Protection Law of the Republic of Latvia, incl. in relation to compensation for damages, shall be settled through negotiations or as provided for in Paragraph 12.5, but where no agreement is reached, the disputes shall be referred to the court of the Republic of Latvia according to the jurisdiction, unless the Parties have agreed on another dispute resolution procedure. Applicable adjective law – the law of Republic of Latvia.
- All disputes and disagreements between the Broker and the Client – legal entity or natural person, who is not a consumer within the meaning of the Consumer Rights Protection Law of the Republic of Latvia, incl. in relation to compensation for damages, shall be settled through negotiations or as provided for by Paragraph 12.5, but where no agreement is reached, the disputes shall be referred at the choice of the plaintiff: either to Court of Arbitration of the Association of Commercial Banks of Latvia in Riga (Unified Registration No. 40003746396 in the Register of Arbitration courts) or to the Riga arbitration court of commercial disputes (Riga, Unified Registration No. 40003758338 in the Register of Arbitration courts), which shall hear the dispute in compliance with the applicable laws and regulations of the Republic of Latvia and the Regulations of the Court of Arbitration, in Latvian, on the grounds of the submitted documents, before one Arbitrator, or to the court of Republic of Latvia. Applicable adjective law – the law of Republic of Latvia.

**Client's signature**

- 12.7. In executing Orders as well as transferring them to the Broker's business partners/intermediaries, the Broker's activities may be regulated by laws and regulations of foreign country, binding regulations of foreign financial market supervisory authorities, regulations of Latvian or foreign stock exchanges, depositories, clearing houses and other institutions. The Broker is not liable for any losses and expenses incurred by the Client as a result of the application of or amendments to the above regulations. No activities performed by the Broker in the compliance with these regulations can be considered an infringement of the FI Deal, the Agreement or the Client's rights and cannot create an obligation for the Broker to compensate the Client for the losses and expenses incurred.
- 12.8. In addition to the indicated dispute and claim settlement options, the Client has the right to submit a complaint regarding the non-compliance of the service provided by the Broker with the provisions of the Agreement to the Financial and Capital Market Commission, but the Client, who is considered to be a consumer within the meaning of the laws and regulations of the Republic of Latvia, also to the Consumer Rights Protection Centre.
- 13. By Signing this Agreement, the Client Represents, Warrants and Declares that:**
- 13.1. he is informed, capable to assess and assumes all the risks associated with/arise from: (a) FI Operations, including risk of loss due to adverse market conditions or adverse price fluctuations of certain Assets and FI, (b) default of third parties (including, but not limited to, intermediaries or FI issuers) involved in Client's transactions or due to its insolvency (bankruptcy) / restriction of activities / default / inadequate accounting for Assets / negligence / mismanagement or fraud, (c) nationalisation or blockage of Client's Assets, and also incomplete market information, force majeure, or the lack of liquidity in certain markets or for certain Assets; Client assumes all the risks in all the cases specified in this paragraph, and Client waves any claims to the Broker for possible losses, if the Broker faithfully fulfils his obligations to the Client within this Agreement and laws and regulations of the Republic of Latvia;
- 13.2. the Client shall individually make all decisions regarding performance of FI operations within the framework of this Agreement, and where the Broker provides services to the Client under this Agreement, the Broker does not consult or advise the Client; the Client understands that the Broker is not and cannot be liable for the consequences of the decisions made individually by the Client;
- 13.3. the Broker has provided full information to the Client relating to the investment services and associated investment services provided hereunder and procedure for the provision thereof, to which the Client agrees, and has provided the information relating to associated risks and possible losses and the consequences, of which Client is aware and to which agrees, and he fully understands the same, shall take into account and assess submitting each Order;
- 13.4. he has become acquainted and agrees with the Broker's Policy for Financial Instruments, and confirms that the submission of Order to the Broker certifies that the Client has also become acquainted and agrees with the Broker's Policy effective at the submission of Order and that Order shall be executed in accordance with the above-mentioned Policy principles;
- 13.5. the submission of Order to the Broker certifies that all the assurances of the Client granted in the Agreement, and other confirmations and certifications of the Client specified in other documents that have been signed by the Client are in force and are binding for the Client, the Client has carefully evaluated the risks and eventual losses that are related to the applied FI transaction, including, but not limited to, those specified in this Agreement (particularly in Paragraphs 4.4., 4.5., 4.10., 4.11., 8.7., 11.4., 11.5., 13.1. and 13.6. of the Agreement), in the Broker's Description of Financial Instruments and Investment Services, as well as in other documents relating to the Agreement and services provided by the Broker under the Agreement, fully understands them and is aware of the consequences that may result from the submission of Order, and therefore undertakes with this assurance not to make claims / waves rights to make any claims towards the Broker.
- 13.6. he was warned by the Broker, has considered, **fully understands and agrees** that intermediaries may have the right to encumber the Client's Assets in their holding, and the right to clearing of the Client's Assets in their holding, and that the holding of Assets by intermediaries, due to circumstances beyond control of the Broker, may create a risk for the Client that Assets can be partially or completely unavailable for a shorter or longer period, or even completely lost due to circumstances beyond control of the Broker. These risks, in addition to those specified herein (particularly in Paragraphs 4.4., 4.5., 4.10., 4.11., 11.4., 11.5. and 13.1. of the Agreement), are related to the fact that:
- insolvency / restriction of activities / default of an intermediary may occur;
  - activities of the intermediary can abide by rules and regulations of another state, which may differ from the rules and regulations of the Republic of Latvia and can be applied or interpreted in a different way, as a result of which the Client's right to the Client's Assets may differ from the rights set by the rules and regulations of the Republic of Latvia.
- In this regard, the Client undertakes not to make claims / waves rights to make any claims towards the Broker, except when the Client's losses result from gross negligence or malicious intent of the Broker.
- 13.7. has familiarised himself with and agrees to the costs he may incur in relation to the performance of this Agreement, has familiarised himself with the Broker's Tariffs applicable at the signing of this Agreement;
- 13.8. agrees that if the Client, despite a warning by the Broker that the applied FI transaction indicated in Order is not suitable to him (as per the Broker's opinion), nevertheless is willing and conducts such FI transaction, the Client must be aware that he exposes himself to risks for the proper evaluation, control and reduction of which he does not have sufficient knowledge and experience, and in this case the Broker shall not be responsible for any consequences that may arise from such the Client's actions.
- 13.9. Authorises and irrevocably assigns to the Broker all rights specified in the Agreement and approves it. This statement of the Client is considered to be a contractual obligation, which can be amended or withdrawn only by written agreement between the Parties.
- 13.10. The Client is informed about the Client status granted to him in accordance with this Agreement.
- 14. General Provisions**
- 14.1. This Agreement is made in 2 (two) counterparts in English one counterpart for each Party, and shall be valid as of the moment it is signed by the both Parties, the Agreement shall be deemed concluded for an unspecified period. Any Party may terminate this Agreement by notifying the other Party thereof in writing 10 (ten) calendar days prior; this Agreement shall not expire before the Parties have fully performed their obligations hereof. This Agreement shall be binding on legal successors of the Parties. The Broker has the right, without warning to the Client, to suspend, temporarily delay or refuse to execute any Order, as well as unilaterally, by warning the Client thereof, to terminate the Agreement immediately upon occurrence of the cases specified in the GPT regarding the termination of provision of Brokerage Services.
- 14.2. For this Agreement to take effect, it is compulsory that the Client shall have an opened Current Account and arranged connection to the Broker's PNB Internetbanka system, and this Agreement shall be terminated by the Broker without additional noticing the Client thereof upon closing of the last of the Client's Current Accounts in the cases and on deadlines specified for closing the particular Client's Current Account.
- 14.3. In the event that the Client violates or fails to fulfil any of the provisions of this Agreement, as well as in other events indicated in the GPT where the Broker has the right to terminate any service agreement, the Broker is entitled to unilaterally, without prior notice to the Client, to terminate this Agreement. The Broker is entitled to unilaterally suspend this Agreement and/or amend the terms of this Agreement notifying the Client thereof not less than 10 (ten) calendar days in advance (by placing the relevant information on the Broker's website on the Internet, at the Broker's premises or by warning the Client in PNB Internetbanka), and the Client has the right to terminate this Agreement before the respective amendments to the Agreement become effective. If the Client has not notified the Broker of the termination of the Agreement before the respective amendments to the Agreement become effective, it is considered that the Client has agreed to these amendments. The submission of any Order by the Client after the indicated deadline will also be considered as such additional confirmation.

**Client's signature**

- 14.4. The Broker has the right to amend the Tariffs in accordance with the procedure specified in the GPT, and the Client has the right to terminate this Agreement before the respective amendments become effective. If the Client has not notified the Broker of the termination of the Agreement before the respective amendments to the Agreement become effective, it is considered that the Client has agreed to these amendments. The submission of any Order by the Client after the indicated deadline will also be considered as such additional confirmation.
- 14.5. Amendments or supplements to the Agreement may be made by the Parties either in writing or by using the Broker's rights specified in Paragraph 14.3 of the Agreement.
- 14.6. Where the Client has open Standardised Futures Contract's Positions or FI short positions as at termination of this Agreement, the Broker shall individually provide for final closure thereof; where the Client has entered into REPO Deals that are valid as at termination of the Agreement, the Client hereby irrevocably authorises and instructs Broker and Broker has rights to suspend these deals unilaterally.
- 14.7. The Client agrees to submit to the Broker the Order on transfer of Assets from the FI Account and the Investment Account before cancellation/termination of this Agreement (regardless of the grounds for cancellation/termination). Where the Client fails to issue this Order, the Client hereby irrevocably authorizes and instructs the Broker and the Broker has rights to sell the Client's FI at a market price (in case if it is impossible to determine the market price, the Broker determines the price according the principle of providing the best result for the Client), and to transfer the earned cash assets and all balances of the cash assets in the Client's Investment Account to the Client's Current Account, afterwards closing the Client's Investment and FI Accounts.
- 14.8. If upon cancellation/termination of this Agreement (regardless of the grounds for cancellation/termination) there exist Assets for which operations are suspended due to decisions by competent state authorities or other reasons beyond the control of the Broker, the validity of this Agreement shall be suspended for the period of existence of these circumstances after compliance with the provisions of Paragraphs 14.6 and 14.7 hereof, to the extent the Broker finds fit, except as to the validity of the provisions related to custody of the Client's Assets, including the Client's obligation to pay charges to and cover all expenses of the Broker.
- 14.9. Client acknowledges and agrees that the Broker, FI Issuers, depositaries and intermediaries and other persons involved in the FI Deal or FI Event can deduct taxes, fees and other payments from the cash assets received from FI Deals, if they are entitled to exercise such deductions in accordance with laws and regulations of the Republic of Latvia or requirements of the said persons' activity governing laws and regulations, and the Broker has the right to withhold funds from the Client's Investment Account or Current Account, or any other account opened by the Client with the Broker, if this is necessary for tax payments in accordance with laws and regulations of the Republic of Latvia or the respective country. The Client provides individually the payment of other taxes and fees, which arise during the execution of the Agreement, for non-payment of which the Broker shall not be responsible. The Broker is not responsible for notifying the Client of taxes and/or fees that are set out in the Republic of Latvia or other relevant country and applicable to FI transactions or other FI related incomes and the amount of such taxes and/or fees, and the Client must request such information from his tax advisor.
- 14.10. The Broker shall process the personal data of Client in accordance with the procedures specified in GPT.
- 14.11. The remaining provisions, which are not covered by this Agreement or any other documents related to the Agreement and services provided by the Broker under the Agreement, shall be governed in accordance with the GPT and internationally accepted financial market practices.
- 14.12. The person signing this Agreement on behalf of Client declares that is informed by the Broker of the order in which:
- The Broker supplies the Client's details to the Credit register of the Bank of Latvia, his obligations and their fulfilment thereof,
  - The Broker receives the Client's details available in the Credit register of the Bank of Latvia; the Client could receive details about him available in the Credit register of the Bank of Latvia.
- 15. Other provisions. FI Events. EMIR requirements.**
- 15.1. The Broker informs the Client about FI events that are attributable to the Client's FI, which are registered for public circulation in the Republic of Latvia. The Broker is not obliged to inform the Client about FI events or to provide the Client with the related consultations. The Client is obliged, using public information sources, to independently obtain information about FI events related to FIs on the Client's FI account. The Client is obligated to independently evaluate this information, the effect of the FI event or FI-related offer on the Client and make an independent decision about the necessary actions. The Broker is not liable for the losses and expenses incurred by the Client as a result of execution or non-execution of the FI event, as well as in case the Client is not informed about the FI event or offer related to the FI event.
- 15.2. If the Broker receives information about the FI event, the Broker may at its sole discretion notify this information to the Client in the PNB Internetbanka system or through other means of communication. When notifying the Client of the information received from third parties, the Broker is not responsible for the accuracy and completeness of this information.
- 15.3. Upon occurrence of the FI event, the Broker acts in accordance with the relevant Central Securities Depository's regulations or instructions received by the Broker from the Central Securities Depository or the intermediary holding the relevant FI. The Broker is not liable for the Client's losses or expenses that may result from the fulfilment of the abovementioned regulations and instructions, incl. in the event that the Broker receives incomplete or inaccurate information about the FI event or activities necessary for the FI event.
- 15.4. The implementation of the Client's rights arising from certain FI events requires the submission of a Client's Order (for example, the participation in the shareholders' meetings in certain jurisdictions requires the Client's Order for the blocking of shares in the FI Account). The Client undertakes to independently evaluate the necessity of submitting such Order. The Broker is not liable for the Client's losses and expenses, if the Client's Order has not been submitted in a timely manner in above cases. If the Client has submitted to the Broker the Order for blocking FIs on the FI Account for participation in the shareholders' meeting, such FIs may be unblocked in accordance with the procedure set out in the relevant Central Securities Depository's regulations, orders or laws.
- 15.5. By special agreement of the Parties, the Broker may secure the exercise of voting rights arising from the FI's on the FI Account at the shareholders', bondholders' or investment fund investors' meetings.
- 15.6. If, in connection with the FI event or received offer, the Client gives the Broker Order or provides any information, statement, certification, guarantee or approval, the Broker shall execute such Orders or transfer the information provided by the Client to the addressee (for example, the offeror or the relevant holder of foreign securities), but is not liable for losses and expenses incurred by the Client as a result of execution of such Order or transfer of information.
- 15.7. The Broker has the right to request from the Client the information necessary for the execution of the FI event, and the Client undertakes, at the Broker's request, to provide the requested information in the form and within the time specified by the Broker. The Broker is not responsible for the execution of the FI event, if the Client, at the Broker's request, has not provided information/data in the form and within the time specified by the Broker or has submitted incomplete or inaccurate information.
- 15.8. To execute a certain FI Event (such as stock split, reverse stock split), the Broker has the right, without receipt of the Client's Order, to block the FI on the Client's FI account until execution of the FI event. The Broker is not liable for damages or expenses that may be incurred by the Client in this regard.
- 15.9. The Client understands and agrees that due to the peculiarities of FIs keeping (custody) in foreign markets, the Client may not have the opportunity to implement the Client's certain FI events (incl. exercise of voting rights at the shareholders' meeting), and the Broker is not obliged to provide this possibility to the Client

**Client's signature**

- 15.10. The Broker has the right, in order to provide the Client with the opportunity to participate in the implementation of the FI event, to provide the FI Issuer, the intermediary keeping the FI, the depository or respective FI registry holder with information about relevant FI Issuer's FIs presence on the Client's FI Account without the Client's additional Order or consent.
- 15.11. The Clients (legal entities registered in the European Union) and the Broker are bound by the requirements of the EMIR ((European Market Infrastructure Regulation) Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012), for the following of which each Party bears individual responsibility. The EMIR provisions are related to OTC derivative transactions (for example, but not limited to: 1) options; 2) currency forward; 3) swap; 4) futures; and other transactions). Within the meaning of the EMIR, such transactions shall be approved by the Client in the general manner specified in the Agreement. In turn, the approval of such transactions by the Broker within the meaning of the EMIR will be deemed to be the notification of its unique identifier (UTI) to the Client in the PNB Internetbanka system. Within the EMIR, the Broker classifies the Client as a non-financial counterparty. The Broker may assign the Client a financial counterparty classification if it is found that the Client meets the characteristics of the financial counterparty indicated in the EMIR or receives from the Client a separate notice of it. The Broker will specially inform the Client about the assignment of a new status. The Broker believes that the Client provides the Broker with a daily confirmation that the Client is not subject to any clearing obligations under the EMIR until the Broker receives a written statement from the Client to the contrary.
- 15.12. In addition to statements in Paragraph 15.11 above, it is necessary for the Parties, depending on their classification (financial or non-financial counterparty), to carry out matching portfolios in accordance with the procedures and terms specified in the EMIR. For this purpose, the Client must note that the Broker is the Portfolio Data Sending Entity, but the Client is the Portfolio Data Receiving Entity.
- 15.13. The Client grants the Broker the right to report to the trade repository or a third party, with the aim of reporting to the trade repository, all information necessary for the fulfilment of the relevant rules of the EMIR. In this case, the Broker is not bound by privacy or data protection requirements and regulations.
- 15.14. In addition to the dispute settlement procedure specified in the Agreement, in the event of a dispute between the Client and the Broker in respect of a concluded transaction with FI derivatives, the Broker registers the period during which the dispute remains unresolved, the parties involved in the dispute and the amount of the dispute, and hereby declares that in the event that such dispute cannot be resolved within 5 (*five*) Business Days, the Brokers' senior management will also take part in the settlement. In the event that the dispute relates to a transaction amounting over EUR 15 million, and such dispute is not settled within 15 (*fifteen*) Business Days, the Broker shall notify such matter to the Financial and Capital Market Commission.
- 15.15. Additional binding information for the Client regarding the EMIR and its requirements is placed on the Broker's website on the Internet <https://www.pnbbanka.eu/lv/emir>.
- 15.16. If the Client as of the moment of conclusion of the Agreement has no LEI number (Legal Entity Identifier, hereinafter – LEI) assigned, the Client authorises the Broker to receive for the Client the LEI number with any registrar entitled to assign such number, and to maintain the number in accordance with the procedure set by the LEI number registrar. The Client confirms his consent to disclose information about the Client to third parties in accordance with the provisions laid down in this clause. The Client agrees and authorises the Broker to debit the Client's accounts opened with the Broker with the amount of the respective costs for this service and the Broker's commission in accordance with the Broker's Tariffs.
- 15.17. The Client confirms his being aware that in accordance with the Regulation (EU) No 600/2014 on markets in financial instruments, European Commission Delegated Regulation (EU) 2017/590 of 28 July 2016, EU Regulation No 2017/105 and Regulation (EU) No 648/2012 of the European Parliament and of the Council as from 01 November 2017 a requirement becomes effective to identify legal entities with valid LEI numbers when performing transactions with derivatives (including but not limited to currency margin trading), while as from 03 January 2018 – with all other financial instruments. Thus, the Client undertakes not to submit any orders to the Broker for execution of the respective transactions with financial instruments within the said terms and not to raise any claims against the Broker for non-execution of such transactions if the Client has not been assigned the LEI number or the number is not valid.
- 15.18. The Client is aware that certain activities must be periodically performed and expenses borne to maintain the LEI number in accordance with the procedure set by the LEI number registrar. If the Client fails to perform the activities and bear the expenses independently and in due time, during the effective term of the Agreement the Broker is authorised to do it in the Client's stead with any LEI number registrar at the Broker's discretion debiting the Client's accounts opened with the Broker with the amount of the respective costs for this service and the Broker's commission in accordance with the Broker's Tariffs.
- 15.19. The provisions of clauses 15.16. – 15.18. of the Agreement are applicable to the Clients-legal entities only.

I confirm that I have read all terms and conditions of this Agreement, incl. also on pages 2 - 12 of the Agreement, and fully agree with them.

**Client's signature**