

## General Business Terms for trading in financial instruments Clarksons Securities AS

These general business terms and conditions (the "**Terms**") for Clarkson Securities AS ("**Clarksons Securities**" or "**CS**") are based on Norwegian law and relevant EU and EEA legislation. These Terms supersede in their entirety earlier versions of the Terms.

The clients ("**Client**") of CS are assumed to have accepted these Terms as binding when, after having signed a client agreement or received a copy of the Terms, submit orders to, or enter into contracts or carry out transactions with CS.



The Terms were last revised in May 2023 and is published in English only.

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# 1 Clarksons Securities in brief

## 1.1 Contact Information

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0270 Oslo, Norway

Telephone (main): +47 22 01 63 00  
Company no: 942 274 238  
LEI: 5967007LIEEXZA40G44  
GIIN: HL5VII.99999.SL.578.

## 1.2 Supervisory Authority

CS is under the supervision of the Financial Supervisory Authority of Norway (Norw. *Finanstilsynet*), organization number 840 747 972, with address Revierstredet 3, 0107 Oslo, Norway, web-address: <https://www.finanstilsynet.no/>.

## 1.3 Group Companies

CS is a subsidiary of Clarkson PLC, a Public Limited Company registered in England and Wales and listed on the London Stock Exchange with ticker CKN.

CS has a wholly owned subsidiary in New York, United States, Clarksons Securities, Inc., licensed and supervised by the Financial Industry Regulatory Authority ("**FINRA**"). CS also has an unregulated subsidiary in Calgary, Canada Clarksons Securities (Canada) Inc.

## 1.4 Communication with Clarksons Securities

The Client's written inquiries are to be sent by email, regular mail, text message or Bloomberg chat or message. Clients may communicate with CS in Norwegian or English.

## 1.5 Tied Agents

CS does not have any tied agent.

## 1.6 Clarksons Securities' license

CS is licensed to provide the following investment services and activities:

1. Receipt and transmission of orders on behalf of clients in connection with one or more financial instruments,
2. Execution of orders on behalf of clients,
3. Dealing in financial instruments for own account,
4. Investment advice,
5. Underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis, and
6. Placing of financial instruments without a firm commitment basis.

CS also offers the following ancillary services:

1. Safekeeping and administration of financial instruments,
2. Advice to undertakings on capital structure, industrial strategy and related matters and advice and services related to mergers and acquisitions of companies,
3. Foreign exchange services when these take place in connection with the provision of investment services,
4. Preparation and dissemination of investment recommendations, financial analyses and other forms of general recommendations relating to transactions involving financial instruments,
5. Services relating to underwriting.

CS is licensed to provide investment advice. CS' investment advice is not to be regarded as independent investment advice according to the conditions stipulated in applicable laws and regulations and is therefore considered "restricted".

## 2 The scope of these Terms

These Terms apply to CS' investment services, investment activities and ancillary services as far as appropriate, as well as to services relating to transactions in instruments that are related to financial instruments.

The Terms also apply to separate agreements entered into between CS and the Client. In the event of any conflict between such agreements and the Terms, the agreements are to prevail. A separate agreement or supplementary agreement may be entered into for the following:

1. the trading in and/or clearing of standardised (listed) derivatives contracts,
2. the trading in and/or clearing of non-standardised (OTC) derivatives contracts,
3. services in connection with the underwriting of share issues or other public offerings, including the placement of share issues or offers and services in connection with corporate mergers and acquisitions,
4. the borrowing and lending of financial instruments,
5. the safekeeping and management of financial instruments,
6. entering into interest-rate and foreign exchange contracts,
7. entering into contracts regarding pledges and the provision of financial security,
8. trading in commodity derivatives,
9. trading and settlement, including clearing in foreign markets,
10. providing of research prepared by CS and ancillary services.

Trading and clearing may also be regulated by separate trading rules/standard terms and conditions in the individual execution venue and clearing houses where trading and settlement/clearing take place. In the case of any conflict between these Terms and/or such agreements, the trading rules/standard terms and conditions for the execution venue or clearing house shall apply.

In addition, CS is obliged to comply with the code of business conduct determined for the relevant markets, including ethical norms stipulated by the Norwegian Securities Dealers Association. The ethical standards and procedural rules for complaints regarding these may be found at <https://www.vpff.no/>.

CS reserves the right to amend these General Business Terms and Conditions. Material amendments take effect from the date when they are notified in writing to the Client. The Client is regarded as having agreed to receive notification of amendments by e-mail if the Client has informed us of his/her e-mail address. Other amendments come into force from the date when they are published on our website. Amendments will not have any effect on orders, trades, transactions etc. that are entered into or completed prior to the date when the amendments are notified.

### 3 Conflicts of interest

CS is obliged to take suitable precautions in order to prevent conflicts of interest from arising between CS and clients, and from arising between clients.

CS has guidelines for handling and preventing conflicts of interest. A Summary of the guidelines is available on our website.

The objective of the guidelines is to ensure that CS' business areas operate independently of each other so that the Client's interests are safeguarded in a satisfactory manner. CS will especially emphasise on satisfactory information barriers between the investment banking department and other departments.

The way in which CS is organised and the special duty of confidentiality provisions that apply may mean that CS' employees who are in contact with the Client are not aware of, or may be prevented from using, information which exists within CS even if the information may be relevant to the Client's investment decisions. In some cases, the Client's contact person(s) with CS will not be permitted to provide advice on specific investments. In such cases, CS may not provide any reason for being unable to provide advice or carry out a specific order.

CS and its employees may have financial or other interests of their own in relation to the transactions the Client wishes to make. This may be a consequence of, for instance:

1. Investment banking services for the investment object in question,
2. the provision of guarantees or participation in underwriting syndicates,
3. advisory services and the execution of orders for other clients,
4. unpublished investment recommendations (research) prepared by CS,
5. the employees' own investments.

### 4 Telephone recordings and other documentation

CS is required by law to record telephone and MS Teams conversations involving investment services and investment activity, or of telephone conversations that are meant to lead to investment services.

CS will record all orders to buy, sell or subscribe for financial instruments that are placed by telephone. CS is not allowed to execute orders placed via unrecorded telephones or electronic platforms.

Voice recordings are stored by CS for the retention period pursuant to prevailing legislation and will normally be deleted following the expiry of the mandatory retention period. Recordings of conversations with the individual client may be traced by searching, among other things, for the time of the call, the telephone number called and the employee with CS who received/placed the call.

CS may be ordered to hand the voice recording over to regulatory authorities and other authorities that may request so pursuant to law. In addition, voice recordings may be handed over to the Ethics Council of the Norwegian Securities Dealers Association, among other things in connection with the handling of complaints by clients.

Documentation of the communication via other communication channels such as e-mail, text messages and Bloomberg chat will similarly be stored by CS.

If so requested by the Client, CS will make voice recordings and other documentation available to the Client. The Client can obtain further information of the procedure for doing so by contacting CS.

## 5 Client Classification

CS has a statutory duty to classify its clients in the following categories; retail/non-professional clients, professional clients and eligible counterparties. The legislation contains provisions governing how this categorisation is to be performed. CS will inform all clients of the category in which they have been classified.

The classification is important for the extent of the client's protection. The information and reports submitted to clients classified as non-professional clients are subject to more demanding standards than those submitted to clients classified as professional clients. In addition, according to the legislation, CS has a duty to obtain information of the Client in order to assess whether the service or the financial instrument/product in question is suitable or appropriate for the Client (suitability test and appropriateness test). The classification is important for the scope of these tests and for the assessment of what will be the "best execution" when carrying out trading for the Client.

Information regarding client classification and the extent of the client protection are described in a separate document "Information on client classification" published on our web page <https://securities.clarksons.com/Investment-Banking/Compliance>.

Clients classified as professional are regarded as having particular prerequisites for assessing the individual markets, investment alternatives, transactions and the advice provided by CS. Professional clients cannot invoke rules and conditions that have been stipulated to protect non-professional clients.

A client may request us to change its client classification. Information on such reclassification and the consequences can be found in the document "Information on client classification" described above.

## 6 The Client's responsibility for information given to CS

In order to meet the requirements of "know your clients" stipulated in the Norwegian Money Laundering Act and Regulations and the Norwegian Securities Trading Act and Regulations regarding suitability and appropriateness tests, CS is obligated to obtain and update information about the Client. Client information is also obtained to meet the information requirements for reporting transactions and for FATCA and CRS reporting in accordance with international agreements by which Norway is bound.

When establishing a business relationship, the Client must inform CS of his/her national ID number/organisation number (if entity)/LEI, address, tax country, telephone number, any electronic addresses, owners or beneficial owners of legal persons, and persons with the authority to place orders. Natural persons must state their citizenship(s).

The Client must provide information about bank accounts and securities accounts in the Norwegian Central Securities Depository (VPS) or another corresponding registers.

CS must be notified of any changes to the information immediately in writing.

The Client is also obliged to give CS satisfactory, correct information on the Client's own financial position, investment experience and investment goals that is relevant to the desired services and financial instruments. Such information is necessary for the Investment Firm to be able to act in the Client's best interests and advise on the financial instruments that it is suitable for the Client to buy,



sell or continue owning. When providing investment advice, CS must also send the Client a suitability declaration. The suitability declaration is to be sent to the Client after an order has been placed if the investment advice has been provided.

The Client also undertakes to inform CS if there are any (major) changes to information that has previously been provided.

The Client understands that the Investment Firm is entitled to conduct its own investigations to make sure that the information which has been obtained is reliable. The Investment Firm is entitled to base its assessment of whether the service or financial instrument is suitable or appropriate for the Client on the information provided by the Client.

The Client also understands that, if CS is not given sufficient information, CS will be unable to determine whether or not the service or financial instrument is appropriate or suitable for the Client. In the case of investment advice, the Client will in such case be informed that the service in question cannot be provided. In relation to the other investment services, the Client will in such case be informed that the information provided to CS is insufficient and that the service or financial instrument is thus to be regarded as inappropriate. Should the Client, despite such a warning, still wish to have the service or financial instrument, this may nonetheless be provided. Information which is lacking or incomplete may thus reduce the investor protection to which the Client is otherwise entitled. If, despite such a warning, the Client still wants the service or financial instrument, the assignment may nonetheless be carried out.

The Client undertakes to comply with the prevailing legislation, rules, terms and conditions that apply to the individual execution venue used for transactions. The same applies to settlement and clearing through the individual settlement or clearing houses.

Clients warrant that their own trading and settlements take place in accordance with and within the scope of any permits and authorisations that apply to their trading in financial instruments. If requested by CS, the Client shall document such permits and authorisations. Should the Client be a foreign undertaking, CS reserves the right to demand that the Client presents, at the Client's expense, a reasoned legal opinion on the Client's permits and authorisations to enter into the trade in question.

CS may request an overview of the person(s) that may place orders or enter into other agreements relating to financial instruments or that are authorised to accept trades on behalf of the Client. A trade or acceptance from these is binding on the Client unless CS did not act in good faith in relation to the individual's authorisations. The Client is responsible for keeping CS at all times up to date as regards who may place orders or accept a trade on behalf of the Client. CS will not accept authorisations which stipulate limits for the individual Client's transactions unless this has been agreed on in writing in advance. The Client undertakes to ensure that the assets and financial instruments included in the individual assignment are free from liens, charges and encumbrances of any kind, such as a charge, security interest (possessory lien), attachment, etc. The same applies when the Client acts as a proxy for a third party.

If, when placing an order, the Client has stated that the money is to be registered to a Central Securities Depository (VPS) account which is linked to a share savings account (ASK), the Client is bound by this trade even if the financial instruments in question are not covered by the share savings account scheme and thus cannot be registered to the stated share savings account.

## 7 Risk

The Client understands that investing and trading in financial instruments and other related instruments may be subject to risk of loss. The invested capital may increase or decrease in value. The value of the financial instruments depends, among other things, on fluctuations in the financial

markets, and can increase or decrease in value. Historical price developments and yields cannot be used as reliable indicators of future developments in and yields on financial instruments.

The liquidity of financial instruments and other related instruments may vary. It is likely that the most liquid financial instruments can be traded without the price being affected to any great extent, while the opposite may be true for less liquid financial instruments. For some financial instruments a turnover may be difficult to execute. For a more detailed information on the various financial instruments and the risk linked to trading in various financial instruments, please refer to the document "Information to clients regarding the characteristics of, and risk associated with; financial instruments" set out on our web-site: <https://securities.clarksons.com/Investment-Banking/Compliance/RisFinancialInstruments>.

The Client is responsible for evaluating the risk relating to the instrument and market in question. The Client should refrain from investing and trading in financial instruments and other related instruments if the Client does not understand the risks relating to such investment or trade. The Client is urged to seek advice from CS or other relevant advisers and, if required, to seek additional complementary information in the market before making a decision.

All trading carried out by the Client after advice has been obtained from CS is the responsibility of the Client and takes place according to the Client's own discretion and decision. CS under no circumstances accepts any liability if the Client completely or partially disregards the advice provided by CS. CS does not guarantee any specific outcome of a Client's trading.

## 8 Orders and assignments – contract formation

### 8.1 Placing and acceptance of orders and formation of contracts

Orders from clients may be placed orally, in writing or electronically. Restrictions may apply to orders placed via electronic communication channels. Further information is available from CS. The order is binding on the Client when it has been received by CS unless otherwise separately agreed.

CS will not be obliged to carry out orders or enter into contracts that it assumes may lead to a breach of relevant legislation or rules stipulated for the regulated market(s) in question. The Client undertakes to give information to CS if the Client places an order to sell financial instruments that the Client does not own (short sale).

The Client may not engage in programme trading (using algorithms) against or via CS unless this has been specifically agreed on.

Orders from a Client that normally trades for the account of a third party, i.e. for his/her employer or another natural or legal person, will be rejected if, when placing an order, the Client does not clearly state the party for whose account the order is being placed. If the Client simultaneously places orders for his/her own account and for the account of his/her employer or another natural or legal person, CS will prioritise the party represented by the Client.

### 8.2 Trade period for orders

Regarding orders linked to trading in financial instruments, the order applies on the trade date or until the regulated market where the order has been placed closes, and it thereafter lapses unless otherwise agreed on or is apparent for the order type or order specification in question. For other trades, the duration of the trade is to be agreed on separately.



The trade date is the date when the Client's order to CS to buy or sell financial instruments through or to/from another undertaking has been received by CS. When CS initiates a trade, the trade date is to be regarded as the date when CS contacts the Client and obtains acceptance of the trade to purchase or sell the financial instruments in question.

The order may be cancelled to the extent that it has not been executed by CS. If, as part of carrying out the order, CS has placed all or part of the Order with other parties, the order may only be cancelled to the extent that CS can recall cancelled the order it has placed with other parties.

### **8.3 Guidelines for executing orders**

CS is obliged to implement all measures necessary to secure the Client the best possible terms when carrying out received orders during the trade period. The Investment Firm has prepared order execution guidelines that, among other things, state the trading systems in which transactions in various financial instruments may be carried out. Trading will be carried out in accordance with these guidelines unless the Client has given specific instructions on how the trade is to be carried out. The order will in such cases be carried out in accordance with the Client's instructions.

CS reserves the right to aggregate the Client's orders with orders from other clients, persons or undertakings that are or are not linked to CS as described in the order execution guidelines. Orders may be aggregated if it is unlikely that aggregation in general will be disadvantageous to the Clients. However, the Client understands that the aggregation of orders may in individual cases cause drawbacks.

The prevailing order execution guidelines will be regarded as having been approved by the Client when the Client Agreement is entered into. In this agreement, the Client has expressly agreed that CS may trade in financial instruments for the Client outside a marketplace.

### **8.4 Further details of special trading rules**

When trading in financial instruments on execution venues, the trading rules at the execution venue also apply to the relationship between the Client and Investment Firm in so far as they are appropriate. These rules normally deal with the registration of orders and trades in the trading system at the execution venue, including the order conditions that can generally be applied and the more detailed rules governing prioritisation and validity.

### **8.5 Cancellation of orders and sales**

In accordance with the trading rules at the execution venue, the individual execution venue may, under certain circumstances, cancel orders and transactions. Such a cancellation will be binding on the Client.

## **9 Delivery and payment (settlement) of financial instruments in Norway**

### **9.1 Securities, funds, derivatives and fixed income**

For trading in Norway involving transferable securities in a regulated market, mutual/securities fund units, standardised financial forward/futures contracts and options to buy or sell financial instruments registered in the Central Securities Depository ("VPS"), as well as interest-bearing

securities, the ordinary period allowed for settlement is three stock exchange days (T+2) unless otherwise agreed. By stock exchange day is meant any day on which the Norwegian stock exchange is open.

The period allowed for settlement is calculated as from and including the trading date and up to and including the settlement date.

Settlement is conditional on the Client making the necessary funds and financial instruments available to the Investment Firm on or before the settlement date. Unless otherwise agreed on separately, the Investment Firm has the Client's permission and authority to, in accordance with the individual trade or transaction, debit the Client's money or bank account or submit a request for such debiting of the Client's money or bank account, unless the bank in question requires a separate written debit authorisation to have been provided by the Client.

The Client is regarded as having paid the purchase price to CS once this has been credited to CS's bank account with value date on the settlement date at the latest.

The Client is to be regarded as having delivered financial instruments registered in VPS to CS when the financial instruments have been received in one of CS's securities accounts with VPS or in another VPS account as instructed by CS.

The Client undertakes to deliver the sold financial instruments to CS or release the sold financial instruments in the Client's securities account in VPS or another corresponding register by the settlement deadline. Unless otherwise agreed on in writing, the placing of an order to sell financial instruments or acceptance of a sales offer means that CS is authorised to request the Client's account operator to release the financial instruments in question. The delivery of physical financial instruments shall take place in accordance with a separate agreement with CS.

For financial instruments that have been admitted for clearance in a CCP or are registered in a CSD or listed in a marketplace, a cover purchase will automatically be initiated if the financial instrument has not been delivered at the latest a certain number of days after the settlement deadline. This will normally be four days after the settlement deadline. This deadline may be extended to seven days for instruments that are traded in less liquid marketplaces, and to 15 days for financial instruments listed on an SME stock exchange.

The individual CCP, CSD or marketplace has its own publicly approved cover-purchase rules that are determined in accordance with the legislation relating to central securities depositories and settlement activities.

Cover purchases are to be initiated by the CCP if the instrument is cleared by the CCP. If the instrument is traded in a marketplace and is not cleared by a CCP, the cover purchase is to be initiated by the marketplace. In those cases where the instrument is neither cleared by a CCP nor traded in a marketplace, the cover purchase is to be initiated by a CSD. If this cover purchase fails, the buyer has an opportunity to choose between delayed delivery and cash compensation. In the case of delayed delivery, a statutory sanction system applies. The CCP, CSD or marketplace will impose a fee/fine on the seller as a result of the breach of contract, irrespective of whether or not a cover purchase is carried out. The size of the fee/fine is standardised and irrespective of the seller's blame (strict liability). The size of the fee/fine is standardised in accordance with prevailing legal rules.

## 9.2 Foreign exchange (spot)

Regarding foreign exchange trading (spot), the ordinary period allowed for settlement is three banking days (T+2) (including the trading day), unless otherwise agreed. By banking day is meant days on which banks in the market in question are open. The settlement period is calculated as from and including the trading date and up to and including the settlement date.

### 9.3 Other financial instruments

Special settlement deadlines and settlement rules apply to other financial instruments. These settlement rules and settlement deadlines will be stated in the separate contracts. For trading in non-standardised derivatives (OTC) and in currency and interest-rate instruments, including currency exchange, the settlement deadlines and settlement rules may be agreed on when the contract is entered into. In such cases, the settlement deadlines and settlement rules will be stated on the confirmation sent to the Client once the contract has been entered into.

## 10 Reporting of services carried out – confirmation of contracts and completed trades

By means of a contract note/confirmation or in some other way, CS will immediately report to the Client the services it has carried out or the contracts that have been entered into. To the extent that this is relevant, the contract note/confirmation will include information on costs related to the trade carried out for the Client in accordance with the legal rules that apply to this. Apart from this, the contract note/confirmation will contain information in accordance with the prevailing law.

Confirmations that are to be signed by the Client must be signed as soon as they are received and then returned to the Investment Firm as stated in the confirmation or as agreed with the Client.

CS reserves the right to correct obvious errors in the contract note or other confirmation. Such corrections shall be made as soon as the error is discovered.

The delivery of financial instruments registered in the VPS may be confirmed by a change notice from VPS to the extent that the Client has agreed with the account operator that the Client is to receive such confirmations.

## 11 Right to cancel

There is no right to cancel during a cooling-off period for services and financial instrument trading covered by the Terms.

## 12 Complaints

If the Client has agreed to receive a contract note or other confirmation by e-mail or other electronic medium and has not received such a contract note or confirmation by the end of the first stock exchange day/banking day after the contract has been entered into or the trade period has expired, the Client must notify CS of this as soon as possible and at the latest by the end of the second stock exchange day/banking day after the contract has been entered into or the trade period has expired.

If the Client has agreed to receive a contract note or other confirmation by ordinary post and has not received a contract note or other confirmation within three stock exchange days, or within seven stock exchange days for clients with a foreign address, after the contract has been entered into or the assignment period has expired, the Client must notify CS of this as soon as possible and at the latest by the end of the fourth stock exchange day or eighth stock exchange day respectively after the contract has been entered into or the assignment period has expired.

The Client must check the contract note or other confirmation immediately following receipt and must notify the relevant entity in CS as soon as possible after receipt and at the latest by the end of the next stock exchange day/banking day – if no complaint could be made by the end of normal office hours on the date of receipt – if the Client wishes to allege that anything stated on the contract note/confirmation conflicts with the order, assignment or trade agreed to. Should the Client fail to complain as stated above, the Client may be bound by such a contract note/confirmation even if this does not agree with the contract entered into for the trade.

If the delivery to the Client of financial instruments registered in the VPS has not taken place by the settlement date and the Client has made the necessary funds available to CS, the Client must immediately contact CS and possibly give notice to CS that the contract is terminated if the Client wishes to invoke the delay as basis for terminating the contract. However, the notice of termination will not have any effect if the Client receives delivery within the deadlines set for cover purchases by the relevant CCP, CSD or the VPS. During this period, the Client is not entitled to enter into a cover contract for CS' account and risk.

"Immediately" in the previous paragraph is understood to mean the same day or – if a complaint or objection could not be submitted by the end of normal office hours – at the latest by the end of the next stock exchange day. The deadline is counted from the earliest of:

- the point in time when the Client became aware or ought to have become aware that delivery had not taken place by checking the VPS account, using an electronic confirmation system, being informed by a fund manager or in some other way; or,
- the point in time when notice of a change from the VPS arrived at or, according to the period taken for normal postal deliveries, ought to have arrived at the address stated by the Client.

If payment to the Client has not taken place by the time stipulated in the contract and the Client has delivered the financial instruments in question or made these available to CS, the Client must contact CS as soon as the Client has ascertained or ought to have ascertained that no settlement has been received. The Client may only invoke the delay as grounds for claiming interest on the overdue payment.

Regarding trading in financial instruments through CS, the normal rules governing the invalidity of contracts apply correspondingly to the relationship between the buyer and seller. A Client wishing to assert that a contract is not binding due to invalidity must submit an objection regarding this as soon as the Client becomes aware or ought to have become aware of the circumstances that are pleaded as grounds for the invalidity. In all cases, the objection must be put forward within six months of the contract being entered into. Such an objection will have the effect on CS that follows from the normal rules governing the invalidity of contracts.

Verbal complaints or objections must be confirmed in writing immediately.

A partial delivery to the Client does not entitle the Client to terminate the contract unless the Client has expressly stipulated a proviso of full delivery.

For contracts concerning trading in foreign currency (currency spot contracts), the complaints deadlines are to be calculated on the basis of banking days and not stock exchange days.

If the Client has not complained during the period stated above, the right to complain is to be regarded as having lapsed.

If CS is the registrar for the VPS account, the Client shall immediately notify CS of any errors in the registration in the VPS account. If no such notification is received by CS by the end of the next stock exchange day after the Client received a change notice from the VPS, the Client is to be regarded as having accepted CS' registration.

## 13 Breach of contract

The Client is considered to have breached his/her obligations under these Terms when, among other things:

- The delivery of financial instruments or money does not take place within the agreed settlement deadline or the Client fails to meet any other significant obligation under the Terms,
- The Client enters into a separate agreement with his/her creditors regarding a deferment of payments, becomes insolvent, enters into debt negotiations in any form, suspends payments, has bankruptcy proceedings initiated against him/her or is placed under public administration, or
- The Client terminates his/her activities or substantial parts of these.

In the case of a breach of contract, CS is entitled, but not obliged, to:

- Declare that all unsettled trades have been breached and that trades which have not been carried out are cancelled and terminated, or
- Exercise its right to retain security.

CS is entitled to retain the financial instruments that it has purchased for the Client, if the Client has not paid the purchase price within three – 3 – days after the settlement deadline, CS may, unless otherwise agreed in writing, without further notice sell the financial instruments for the Client's account and risk to cover CS' claim. Such a sale shall normally take place at the stock exchange price or a price that is reasonable with regard to the market's position. If the financial instruments in question have been transferred to the Client's securities account with the VPS or another corresponding register for financial instruments, the Client is regarded as having released the financial instruments or as having authorised such a release in order for the cover sale to be carried out,

1. Realise assets other than those covered above, and the Client is regarded as having consented to such an enforced sale through an independent broker,
2. Close all the positions that are subject to the provision of collateral and/or the calculation of a margin,
3. Offset all CS' receivables from the Client arising from other financial instruments and/or services, including claims for brokerage, outlays for taxes and duties, claims for interest, etc, and expenses or losses caused by the Client's breach of one or more obligations to CS, against any amounts owed to the Client to CS on the date of the breach, irrespective of whether the claims are in the same or different currencies. Claims in foreign currencies are to be converted into Norwegian krone (NOK) at the market rate applicable on the date of the breach of contract,
4. For the Client's account and risk, take the steps CS deems necessary to cover or reduce the loss or liability arising from agreements entered into for or on behalf of the Client, including reversing transactions,
5. Should the Client fail to deliver the agreed performance or amount, including failing to deliver the financial instruments to CS at the agreed time, CS may immediately purchase or borrow financial instruments for the Client's account and risk in order to satisfy its obligation to deliver to its counterparty. If no cover purchase is carried out by the Investment Firm, a cover purchase will be initiated according to legal rules stipulated in the legislation applicable to CCPs, CSDs or regulated marketplaces.

Correspondingly, CS may carry out the actions it believes necessary to reduce the loss or liability arising from the Client's breach of a contract with CS, including actions to reduce the risk of loss linked to changes in exchange rates, interest rates and other rates or prices to which the Client's trade is linked. The Client undertakes to cover any loss made by CS with the addition of interest on arrears and any charges,

1. Demand payment of all costs and losses that the Investment Firm has incurred as a result of the Client's breach of contract, including, but not limited to, fees or fines imposed on the Investment Firm by the relevant CCP, CSD or marketplace, costs incurred in connection with cover purchases or the borrowing of financial instruments, price losses in connection with cover trades and reversal transactions, losses due to changes in exchange rates, interest rates and other charges for delays.

In the case of transactions which follow from the Client's breach of contract or anticipatory breach of contract, the Client bears the risk of changes to prices or in the market until the date when the transaction has been carried out.

The provisions of the Norwegian Sale of Goods Act relating to anticipatory breach, including cancellation in the case of such a breach, otherwise apply.

## **14 Interest in the case of a breach of contract**

In the case of a breach of contract by CS or the Client, interest equal to the prevailing interest on overdue payments is payable unless otherwise separately agreed on.

## **15 Trading abroad including the safekeeping of the Client's assets**

For trading in and the settlement of foreign financial instruments, reference is made to the trading rules and settlement or delivery conditions stipulated in the country or by the regulated market where the financial instruments were bought or sold. Reference is also made to the separate contract that may be entered into for this type of trade.

Should financial instruments or client assets be stored in another jurisdiction in connection with the provision of investment services or associated services, CS will inform the Client of this. The Client understands that his/her rights in connection with such assets may deviate from those which apply in Norway. The Client also understands that settlement and the provision of security in foreign markets may mean that the Client's assets that have been provided as settlement or security are not kept separate from the assets of the foreign investment firm and/or settlement representatives used by CS. The Client understands that he/she bears the risk relating to his/her own assets that are transferred to foreign banks, investment firms, clearing agents, clearing houses, etc., in the form of settlement or security, and that CS' liability to the Client for such assets is limited in accordance with the laws and regulations in the country or market in question. In no case does CS accept liability in excess of that which will follow from Norwegian law, cf item 20 unless this has been agreed upon in writing with the Client.

## **16 Remuneration**

CS' remuneration in the form of brokerage fee, price differences, etc, possibly with the addition of charges related to trading and clearing, etc, will be subject to individual agreement.

Brokerage fee is a commission (remuneration) that is added to or deducted from the value of the financial instruments bought or sold by the Client. Brokerage fee is normally stated as a percentage. Up to a stated investment amount, the Client pays a specific minimum brokerage fee. Alternatively, the remuneration may be calculated as a difference in price, ie, a markup on



the buying price or a deduction from the sales price. For derivatives and complex financial instruments, the Client's cost elements will normally be different to those stated above.

Prior to a service being provided, the Client will receive more detailed information on payment conditions and the total expenses the Client is to pay for the individual financial instrument, investment service or associated service. This shall include information on commissions, fees and all the taxes and charges payable via CS. Should it be impossible to state the expenses precisely, the basis for the calculation shall be stated. In addition, it shall be stated whether there may be other charges and/or expenses that are not payable or imposed via CS.

For further information on CS' remuneration, we refer to our website.

CS reserves the right to deduct expenses mentioned in the first paragraph, as well as any taxes, sales taxes, etc, from the Client's credit balance.

In the event that a trade is not executed, CS will not demand any remuneration unless otherwise specifically agreed.

## **17 Account operation in the VPS and other depositories**

Unless otherwise agreed, this clause applies to account operation in the VPS and other custody depositories.

If it is to act as the Client's Account Operator in the VPS, CS is authorised to make the registrations in the VPS accounts that are covered by the Client's instructions, including transferring from the VPS account transferable securities that are covered by sales orders submitted to CS. The Client understands that bought or subscribed for transferable securities will be registered to the VPS account in question unless another account is stated on the order. CS is entitled to know the contents of the Client's VPS account. The Client is also aware that CS' registrations in the VPS account take place in accordance with the provisions stated in VPS' own general business terms available on its website, <https://www.vps.no/pub/about-us/rules-and-regulations/?lang=en> and in accordance with prevailing laws and regulations.

CS may enter into an agreement with another depository regarding management or safekeeping for the Client. The choice of such a depository will be made to the CS' best effort and the Client is assumed to have accepted the choice of depository unless otherwise stated in a separate management or depository agreement with CS. CS accepts no responsibility for any breach of contract by such a depository when dealing with or managing the Client's assets.

## **18 Authorised representatives (intermediaries), managers and settlement agents**

Should the Client place orders or assignments as an authorised representative, manager, settlement agent or the like for a third party, the Client and the party on whose behalf or for whom the Client is acting must comply with the Terms. The Client is jointly and severally liable to CS for this third party's obligations to the extent that the obligations are a consequence of the Client's order or assignment.

Should the Client make use of a manager, settlement bank or other intermediary, this is required to be regulated in a separate agreement. The use of such intermediaries does not exempt the end-client from its responsibilities under these Terms.

## 19 Safekeeping of clients' assets – Client accounts

The Investment Firm will ensure that the Client's assets are held separately from the Investment Firm's own assets and, as far as possible, protected from the Investment Firm's other creditors. The Client will be credited with interest accrued on his/her assets in accordance with the Investment Firm's general terms.

Assets which are being held in safekeeping for the Client by CS will be deposited in CS' client account with a credit institution or approved money-market fund pursuant to the written consent of the Client. This account may be a combined account for assets being held in safekeeping for several of CS' clients. Should the credit institution be wound up, the account will be covered by the rules governing the Norwegian Banks' Guarantee Fund. For deposits in credit institutions that are members of the Norwegian Guarantee Fund Scheme, a combined client account of up to NOK 2,000,000 will be covered. The Client's right to claim compensation will in such cases be reduced correspondingly. Should assets be deposited in a credit institution that is not a member of the Norwegian Guarantee Fund Scheme, the cover will be stipulated in the rules governing the guarantee scheme in the country where the credit institution is a member. In such a case, too, the right to compensation may be reduced.

If the Client's financial instruments are registered in the VPS or a similar securities register, they will be transferred to the Client's account with this register. If the financial instrument is not registered, it will be held in safekeeping by a bank or other depository. Should a register, bank or other depository become insolvent, the Client's financial instruments will normally be protected by being kept separate from the bankruptcy estate.

CS accepts no liability to the Client for the assets that have been transferred to Client accounts with a third party (including combined accounts) provided such a third party has been chosen in accordance with prevailing law and CS has otherwise complied with normal requirements of due care. This will also apply if a third party becomes insolvent or goes bankrupt.

If information is not given in any other way, CS will send the Client an overview of the assets it is holding in safekeeping for the Client at least once a year. This does not apply if such information is included in other periodical overviews. Unless otherwise expressly agreed, CS may not use financial instruments that it is holding for safekeeping on behalf of the Client.

## 20 Liability and exemption from liability

CS is liable to the Client for the fulfilment of purchases or sales it has entered into on behalf of or with the Client. However, this does not apply if the Client has approved the other party as the counterparty to the deal in advance.

CS accepts no liability for settlement if the Client does not make available to it the agreed funds and/or financial instruments on or before the settlement date. Nor is CS liable if an unsuitable or inappropriate service is provided as a result of the Client giving CS incomplete or incorrect information, cf item 5.

CS accepts no liability for indirect harm or loss that the Client incurs as a result of the Client's contract(s) with third parties lapsing in whole or in part or not being correctly performed.

Furthermore, CS and its employees are not liable for the Client's losses as long as CS or its employees have complied with normal requirements of due care when providing advice or carrying out orders or assignments. In the event that CS has used credit institutions, investment firms, clearing houses, managers or other similar Norwegian or foreign assistants, CS or its employees will only be liable for these assistants' acts or omissions if CS has not complied with

reasonable standards of due care when selecting its assistants. If assistants as mentioned in the previous sentence have been used on the orders or demands of the Client, CS accepts no liability for errors or breaches by them.

CS is under no circumstances liable for harm or loss that is due to impediments or other circumstances outside CS' control, including power cuts, errors in or interruptions to electronic data processing systems or telecommunications networks, etc, fires, water damage, strikes, legislative amendments, orders of the authorities or similar circumstances.

Should a transaction be carried out in a Norwegian or foreign execution venue on the orders or demands of the Client, CS will not be liable for errors or breaches committed by this execution venue or any associated clearing house. The Client is hereby assumed to understand that the individual execution venue or individual clearing house may have stipulated separate rules governing its liability to members of the execution venue or clearing house, clients, etc, including greater or lesser disclaimers of liability.

CS is not liable in those cases where a delay or omission is due to the settlement of money or securities being suspended or terminated as a result of circumstances outside CS' control.

Limitations on CS' liability in addition to those stated above may follow from a separate agreement with the Client.

If rules or public authorities order the Client to be registered with a Legal Entity Identifier (LEI), it is the Client's responsibility to obtain and maintain this. The Client is to indemnify CS for any loss, claim and costs that CS incurs as a result of the duty to obtain and maintain an LEI not being complied with.

## **21 Withholding of taxes, etc.**

When trading abroad, CS may be obliged, pursuant to laws, regulations or a tax treaty, to withhold amounts corresponding to various forms of taxes and duties. The same may apply when trading in Norway on behalf of foreign clients.

In the event that such withholding is to take place, the Investment Firm may provisionally calculate the amount in question and withhold this amount. When a final calculation is available from a competent authority, any excess amount withheld as tax shall be paid to the Client as quickly as possible. The Client is responsible for producing the necessary documentation for this and for the documentation being correct.

## **22 Termination of the business relationship**

Trades or transactions that are in the process of being settled when the business relationship is terminated shall be carried out and completed as quickly as possible. On termination of the business relationship, CS shall carry out a final settlement in which CS is entitled to offset its receivables, including brokerage, taxes, duties, interest, etc, against the Client's credit balance.

## **23 Provision of security**

CS is a member of the Norwegian Investor Compensation Scheme in accordance with prevailing legislation.

The Norwegian Investor Compensation Scheme is intended to provide compensation for claims which are due to its members' inability to repay money or hand back financial instruments that

are held in safekeeping, administered and managed by the members in connection with the provision of investment services and/or certain additional services. Each Client is covered for up to NOK 200,000.

This scheme does not cover claims arising from transactions covered by a legally enforceable money laundering conviction or clients that are responsible for or have benefited from circumstances affecting CS when such circumstances have caused CS' financial difficulties or contributed to a worsening of CS' financial situation. Nor does the scheme cover claims from financial institutions, credit institutions, insurance companies, investment firms, mutual/securities funds and other collective management undertakings, pension institutions and pension funds, or from any companies in the same group of companies as CS.

## 24 Anti money laundering measures

On establishing a business relationship, clients shall, by providing proof of identity, etc, document their identity, document their owners or beneficial owners if they are a legal person, and specify and document any powers of attorney or authority to represent others so that the Investment Firm can at all times meet its obligations pursuant to the prevailing Norwegian Money Laundering Act.

The Client is aware that CS is or may be obliged to provide public authorities with all relevant information related to its relationship with the Client or individual transactions. This may be done without the Client being informed that such information has been provided.

## 25 Duty to provide information to the authorities, complaints body, etc

Notwithstanding the statutory duty of confidentiality, CS will furnish information on the Client, the Client's transactions, the balance of the Client's account, etc, to any public bodies that demand such information pursuant to prevailing law.

The Client is regarded as having agreed that information which is subject to a duty of confidentiality may also be given to those that request such information pursuant to laws, regulations or other rules laid down for these bodies. Similarly, the Client is assumed to have agreed to such information being furnished to the Ethics Council of the Norwegian Securities Dealers Association or the Norwegian Financial Services Complaints Board (*Finansklagenemnda*) if this is necessary for dealing with complaints.

## 26 Amendments

CS reserves the right to amend the Terms. Significant amendments take effect as from the date when they are notified in writing to the Client. The Client is regarded as having agreed to receive notification of amendments by e-mail if he/she has informed CS of his/her e-mail address. Other amendments come into force from the date when they are published on CS' website. Amendments will not affect orders, trades, transactions, etc, that are entered into or completed prior to the date when the amendments are notified.

## 27 Interpretation

In the case of any conflict with legislation that may be waived by agreement, the Terms are to take precedence.

Should there be a reference to legislation, other regulations or these Terms, this shall be understood to be a reference to the prevailing legislation, regulations and terms and conditions.

## 28 Complaints by clients

Clients may submit complaints to CS. These should clearly state that they concern a complaint. CS' guidelines for dealing with clients' complaints are published on its website.

If the Client is dissatisfied with the way in which CS has dealt with the complaint, the Client may submit the complaint to the Ethics Council of the Norwegian Securities Dealers Association in accordance with the ethical norms and procedural rules for cases relating to ethical norms. If CS is affiliated to the Norwegian Financial Services Complaints Board (*Finansklagenemnda*), the complaint may alternatively be submitted to this complaints scheme if the Norwegian Financial Services Complaints Board deals with this type of complaint. CS can provide further information on the way in which complaints regarding the individual products are dealt with.

Foreign clients, including Norwegians domiciled abroad, that can invoke legislation or regulations which provide protection against prosecution by CS in relation to their obligations to CS waive this right in so far as this does not directly contravene the laws or regulations in question.

## 29 Legal venue, choice of law and dispute resolution

Disputes arising in the relationship between the Client and CS, including disputes relating to the Terms, are to be resolved pursuant to Norwegian law, with Oslo District Court as the (non-exclusive) legal venue. Clients with a foreign legal venue waive any right they have to oppose a lawsuit related to these Terms being heard by Oslo District Court. Irrespective of the above, clients with a foreign legal venue may be sued by CS in such a legal venue should CS wish to do so.

## 30 Processing of personal data

CS, represented by its Chief Executive Officer, is the data controller in relation to personal data.

Personal data will be processed and kept in accordance with prevailing laws and regulations. The purposes of processing personal data are to execute the agreements entered into between the Investment Firm and the Client, administration, invoicing/settlement and the marketing of investment products and services.

Should there be a statutory duty to disclose information, personal data may be handed over to public authorities.

The Client may request information about the processing of personal data carried out by CS and may ask what data is registered. The Client may demand that incorrect or defective information be rectified, and that information is to be deleted when the purpose of the processing has been completed and the information cannot be used/archived for other purposes.

\* \* \*

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