



PARETO SECURITIES AB GENERAL TERMS AND CONDITIONS

Applicable as of 15 November 2024

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SECTION I - DEFINITIONS

This document is a translation of the Swedish original. The Swedish version shall be the sole authentic version and, in the event of discrepancies, shall prevail.

In this document, the following definitions shall apply unless otherwise separately specified.

a) securities

first financial instruments as defined in the Securities Market Act (2007:528), i.e. 1) transferable securities that are negotiable on the capital market, 2) money market instruments, 3) shares in companies for collective investments (fund shares), 4) financial derivative instruments, and 5) emission rights;

second documents of value, by which is meant documents which are not negotiable on the capital market, i.e. 1) shares or debt instruments in name of holder which are not financial instruments according to the above definition, 2) guarantees, 3) deeds of assignment, 4) mortgages are similar documents.

b) contract note a note that an order/a commercial mandate has been executed.

c) regulated market as defined in the Securities Market Act (2007:528), i.e. a multilateral system within the European Economic Area (EEA) which brings together or facilitates the bringing together of multiple third party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that results in a contract;

d) marketplace as defined in the Securities Market Act (2007:528), i.e. a regulated market or a multilateral trading facility (MTF) or an organised trading facility (OTF).

e) execution venue i.e. a marketplace, a systematic internaliser or a market maker within the EEA or another person that provides liquidity within the EEA.

f) trading facility an MTF or OTF.

g) MTF, as defined in the Securities Market Act (2007:528), i.e. a multilateral system within the EEA which brings together multiple third party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that results in a contract.

h) OTF, as defined in the Securities Market Act (2007:528), i.e. a multilateral system within the EEA, which is not a regulated market or an MTF, and within which multiple third party buying and selling interests in bonds, structured financial products, emission rights or derivatives can integrate within the system in a way that results in a contract.

i) systematic internaliser as defined in the Securities Market Act (2007:528), i.e. a securities institution which, in an organised, frequent and systematic manner, trades on its own behalf by executing Client orders outside a regulated market or a multilateral trading facility, without utilising a multilateral system.

j) multilateral system, as defined in the Securities Market Act (2007:528), i.e. a system in which multiple third party buying and selling interests in financial instruments can integrate within the system.

k) storage of securities, both the storage of physical paper-form securities and the storage of such dematerialised securities as arise through registration in custody accounts.

l) third party custodian, a securities institution which, on the instructions of the institution or another third party custodian acquires and holds securities in a custody account on behalf of Clients.

m) securities institution, securities companies, Swedish credit institutions authorised to carry on securities business and foreign companies which carry on securities business through local branches or affiliated representatives established in Sweden, as well as foreign companies authorised to carry on business equivalent to securities business.

n) central securities depository, as defined in the Registration of Financial Instruments Act (1998:1479), i.e. the same as in section 2.1.1 of the Central Securities Depository Regulations, in the original wording.

o) banking day, days in Sweden other than Sundays or other national holidays and, as concerns payment of promissory notes, days similar to holidays (currently such as Saturdays, Midsummer Eve, Christmas Eve and New Year's Eve).

p) central counterparty (CCP), as defined in Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (Emir), i.e. a legal person that interposes itself between the counterparties to the contracts traded on one or more financial markets, becoming the buyer to every seller and the seller to every buyer.

q) the Company, refers to Pareto Securities AB, corporate ID number 556206-8956

r) OTC trade, trade through a securities company that does not involve a systemic internaliser, for the institution's own depository or for another of the institution's client

s) SRD II, Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC regarding the encouragement of shareholders' long-term commitment as it has been implemented in Swedish law through Chapter 3 a. the Act (1998: 1479) on central securities depositories and the accounting of financial instruments, as well as the Commission's Implementing Regulation (EU) 2018/1212 of 3 September 2018 laying down minimum requirements for the implementation of the provisions of Directive 2007/36/EC of the European Parliament and of the Council regarding the identification of shareholders, transfer of information and facilitation of the exercise of shareholder rights.

t) SRD II companies are companies domiciled in the EEA whose shares are admitted for trading on a regulated market and which are covered by SRD II.

u) intermediary, as defined in the Act (1998:1479) on central securities depositories and accounting of financial instruments, i.e. a legal person who, on behalf of shareholders or other persons, holds or administers shares or for securities accounts.

SECTION II TERMS AND CONDITIONS FOR CUSTODY & CASH ACCOUNTS INVESTMENT SAVINGS ACCOUNTS AND TRADING ACCOUNTS

SECTION II A - General terms and conditions for trading in financial instruments

This document is a translation of the Swedish original. The Swedish version shall be the sole authentic version and, in the event of discrepancies, shall prevail.

1. The assignment etc.

Unless otherwise separately agreed, a request from the Client to execute a trade ("request" or "order"), submitted in the manner instructed by the Company, means a request for the Company to seek to enter into an agreement on the Client's behalf regarding trading in financial instruments on the terms and conditions provided by the Client. The Company does not guarantee that an order will result in a trade.

The Company executes orders applying applicable market rules and generally accepted market practice.

The Company is not obliged to accept orders. The Company has the right to cancel or reject orders without providing reasons for doing so if the Company suspects that execution of the order may be in violation of applicable legislation regarding, e.g., market abuse, or other applicable market rules or generally accepted securities market practice, if the Client does not provide the information or documents required for the institution or the Client to fulfil their obligations under this agreement of which follow from applicable EU regulations, laws, directives, general legal principles or the regulations of the execution venue, central securities depository or central counterparty (CCP), or if the Company for any other reason considers that special reasons exist for doing so.

The Client is aware that the Company may record and archive telephone calls or other electronic communication which can result in a transaction, e.g. in connection with the placing of orders by the Client with the Company or the provision of payment or delivery instructions. Copies of recorded telephone calls and archived electronic communications with the Client will be available on request for a period of five years. The Client has the right on request to access recorded telephone calls and archived electronic communications. The Company has the right to charge a reasonable fee for this.

Unless otherwise agreed, the Client's orders shall be valid on the day on which the order is received until the time on the aforesaid day when the Company closes trading in the type of financial instrument to which the order relates.

In order to carry out transactions with instruments that are traded on other execution venues than those in which the Company participates directly in trading, the Company may transmit orders to companies with direct access to such execution venues.

In the execution of orders for Clients who are treated by the Company in general or in special cases as non-professional or professional Clients, the Company's special execution and order-handling policy as set out in Section II B below shall apply.

In addition, applicable rules adopted by, and available at, a Swedish or foreign issuer, execution venue, central counterparty (CCP) or central securities depository apply. At the Client's request, the institution can provide the Client with details on where the information is available, e.g. website or contact details.

2. Commission, combination and acting as a principal, etc.

Where the Client's order is an order on commission, the Company may carry out the Client's order either through an agreement with a third party on behalf of the Client but in the name of the Company (commission), along with another of the Company's Clients (referred to as "combination"), or by the Company itself acting

as buyer or seller (what is commonly referred to as acting as a principal, in Swedish called "självintråde").

3. Execution of orders on the Client's initiative

When executing and/or forwarding orders at the initiative of the Client in respect of such non-complex instruments as set forth in Chapter 9, Section 25 of the Securities Market Act (2007:528), the Company will not generally make an assessment of whether the services in question or the financial instruments are appropriate for the Client.

4. Fees and taxes

For orders submitted to the Company according to these terms and conditions, commission and other fees, if any, will be applied in accordance with the Company's valid pricelist, which is available at paretosec.com, or according to a special agreement between the Client and the Company. The Client is responsible for any tax or other fees payable according to Swedish or foreign legislation based on orders executed by the Company on behalf of the Client under these terms and conditions.

5. Purchase orders

5.1 Payment

The following provisions shall apply in the event the Client ("the purchaser") submits an order to the Company for the purchase of financial instruments.

As set forth in the contract note, and unless otherwise agreed, the purchaser shall pay the total amount stated in the contract note in Swedish kronor to the Company no later than 8 a.m. on the morning of the settlement date. If the order has been executed in a currency other than Swedish kronor, the currency will be indicated in the contract note. The exchange rate applied by the Company will be stated in conjunction with any currency exchange carried out by the Company.

The Company may also debit the total amount shown on the contract note from an account that the purchaser has in the Company, to settle the payment arising from a purchase order. In addition, the Company may, from the date of receipt of the purchase order, reserve funds for this purpose from the account that the purchaser has in the Company.

If the purchaser has provided details of an account with another institution for the settling of payments from the purchaser or the Company relating to orders placed by the purchaser with the Company, the Company may instruct such institution to make payments to the Company for instruments purchased on behalf of the purchaser from funds on the account. The purchaser shall instruct the other institution to execute such payments in favour of the Company.

If the purchaser fails to fulfil its payment obligations to the Company in accordance with the procedure outlined above, the Company is entitled to charge interest on its claim until full payment has been made. Interest shall be calculated from the settlement date set forth in a contract note or from such later date on which the instruments became available to the purchaser, up to and including the date the payment is made.

5.2 Transfer of financial instruments

Unless otherwise required by law, regulations of public authorities, special rules for the financial instrument in question or a separate agreement with the purchaser, the financial instruments to which the order relates shall be transferred to the purchaser:

- in respect of instruments which are to be owner-registered with a central securities depository or the equivalent or instruments which are to be registered in a custody account with the Company, by the Company undertaking the necessary registration measures;
- in respect of instruments which are to be registered in a custody account or the equivalent with a third-party custodian, by the purchaser instructing the third party regarding receipt of the instruments to which the order relates; and
- in respect of instruments that have been issued in document form, by delivery to the purchaser.

The Company's obligation to deliver the purchased instruments to the purchaser arises when the purchaser has fulfilled its payment obligation for the purchased instruments. However, the Company is entitled to retain the financial instruments if

the purchaser has an unpaid debt to the Company, e.g. relating to another order which the Company has executed on behalf of the purchaser.

5.3 The company's lien

The Company also has a lien over the purchased instruments as collateral for its claim against the purchaser on account of the order. The Company is entitled to take the necessary steps to perfect such lien. If the purchaser fails to fulfil its payment obligation to the Company, the Company may, in such manner and at such time as the Company deems appropriate, sell the instruments in question or undertake other measures of disposal in order to settle the transaction. For such purposes, the Company may sign on behalf of the purchaser and take any other action that may be required in connection with the settlement. The Company is entitled to retain from the funds received the required amount to settle the Company's claim together with interest thereon as prescribed above as well as compensation for the Company's work and costs and, where applicable, for exchange rate losses.

If, following such sale or other measures of disposal as aforesaid, the proceeds are insufficient to cover the Company's total claim, the purchaser shall be liable for the difference together with interest thereon in accordance with the above. The Company may also in such a case, according to the procedure described above, debit an account that the purchaser has with the Company.

If, following the execution of a trade, the Company fails to fulfil its obligation to make the instruments available to the purchaser within a reasonable time, the purchaser is entitled to revoke the order and be released from its obligations in respect thereof. Revocation under this provision shall take place in accordance with applicable EU regulations (e.g. the Market Abuse Regulation), laws or directives.

The aforesaid shall in no way constitute a limitation of the Company's rights according to EU regulations, laws or directives.

6. Sales orders

The following provisions shall apply in the event the Client ("the seller") submits an order to the Company for the sale of financial instruments. The seller shall ensure that the Company receives full right of disposal in respect of the instruments to which the sales order relates. If the instruments are owner-registered with a central securities depository or the equivalent, or registered on a custody account with the Company, the Company is entitled to undertake the requisite registration measures for the Company to be able to carry out the delivery of the sold instruments to the purchaser of the instruments.

In other cases, unless otherwise agreed, the seller shall at the time the order is placed, take such steps as are required for the Company to obtain unrestricted right of disposal in respect of the instruments. In connection with the aforesaid, the following applies:

- in respect of instruments registered on a custody account or the equivalent with a third party custodian, the seller shall immediately instruct the third party to promptly transfer to the Company the instruments to which the order relates and
- for instruments that are owner-registered with a central securities depository or the equivalent through an account-holding institution other than the Company, the seller shall ensure that the Company is granted power of attorney over the instruments or shall instruct the third party to promptly transfer to the company the instruments to which the order relates, and
- in respect of instruments that have been issued in document form, the seller shall deliver them to the Company.

If the Company has not received full disposal rights with respect to the instruments in connection with the placing of the order, or within such other time as may have been agreed upon, the Company is entitled to fulfil the agreement with the counterparty in a manner the Company deems appropriate. The seller shall compensate the Company for the costs connected therewith, including the cost of the Company's work and where applicable, exchange rate losses, with interest calculated from the date the costs were incurred until and including the date the payment is made.

On condition that the Company has received the right of disposal for the instruments to which the sales order refers and unless otherwise agreed, the seller shall receive from the Company the net amount stated in a contract note no later than 6 p.m. on the settlement date. If the order was executed in a currency other than Swedish kronor, the currency shall be specified in the contract note. In connection with currency exchange, the exchange rate applied by the Company shall be indicated. If the seller has not, at the time the order is placed or at another agreed time, taken the necessary actions in order for the Company to obtain the

full right of disposal with respect to the instruments to which the order relates, the seller will receive funds at the earliest on the second banking day following the day on which the Company has gained access to the instruments, however, not earlier than the stated settlement date. Measures taken by the seller later than 12.00 (noon) on a certain banking day, may in certain cases be deemed to have been taken on the following banking day.

In the event of delay by the seller or where the Company otherwise has reasonable grounds, the Company shall be entitled to cancel an accepted order and thereby be released from its obligations in respect thereof.

If the seller has taken the necessary measures in connection with the order, but the Company does not provide the funds pursuant to the order within a reasonable time following the execution of the transaction, the seller shall have the right to revoke the order and be released from its obligations in respect thereof. Revocation under this provision shall take place in accordance with applicable EU regulations (e.g. the Market Abuse Regulation), laws or directives.

7. Transactions with foreign connections

Departures from the aforesaid terms and conditions regarding purchase and sales orders may occur in connection with transactions with foreign connections.

8. Contract notes

When the Company has executed an order, the Company shall provide information regarding the execution by means of a contract note or the equivalent.

Where the order is executed through an agreement directly with the Company, the contract note or equivalent shall state that the order has been executed on the Company's own account, through an internal transaction or with the Company as the Client's counterparty. Where the order is executed through an agreement with another of the Company's Clients (including a legal entity in the Company's group of companies), the contract note, or equivalent shall state that the order has been executed through a mutual trade or internal transaction. The fact that a transaction, according to the contract note, has been carried out on the Company's own account, through an internal transaction or with the Company as the Client's counterparty does not preclude that the order may have been executed within the framework of a trading system involving anonymous trading in competitive conditions.

If, following a separate agreement with the Client, the Company has drawn up a contract note without having purchased or sold the financial instruments on behalf of the Client, such fact shall be stated on the contract note, e.g. through a statement that the Company has only assisted in an exchange of payment and financial instruments.

9. Clearing and settlement of executed orders

9.1 In General

The Company must comply with an execution venue's regulations governing clearing and settlement of transactions which are executed on the execution venue. Such regulations may entail, *inter alia*, a requirement for use of a clearing organisation in the form of a central counterparty. Unless otherwise agreed, as between the Client and the Company an executed order shall be completed pursuant to that which is stated above regarding buy and sell orders.

The Client and the Company are bound by the regulations of the trading venue, the central counterparty (CCP) or the relevant central securities depository and the EU Regulation (EU) 2018/1229 on settlement discipline.

9.2 Replacement purchase, partial delivery or cash compensation

According to EU Regulation (EU) 2018/1229 on settlement discipline, interested parties - clearing members, trading venue participants and counterparties in an individual securities transaction - in cases where a securities transaction cannot be settled in its entirety - carry out replacement purchases, settle the part of the securities transaction that can be settled or pay cash compensation.

In cases where a securities transaction cannot be completed and settled in its entirety, the part of the securities transaction that can be settled through partial delivery shall be completed and settled. The party who is obliged to deliver securities shall in those cases be deemed to have partially fulfilled the securities transaction and its delivery obligation with the delivered securities. The remaining part of the securities transaction shall be completed (i) through replacement purchases and cash compensation and in the case of a securities transaction regulated by EU Regulation (EU) 909/2014 in accordance with it and other applicable regulations, and (ii) otherwise as previously specified in these general terms and conditions or an agreement between the parties, or in accordance with CSDs, central counterparty (CCP) or place of execution regulations or market practices.

9.3 Penalty fees for late delivery

According to EU Regulation (EU) 909/2014 on improved securities settlement, a central securities depository must debit or credit its participants (securities institutions) for penalty fees in the event of delayed settlement of securities transactions.

Sanction fees that the Company has received from a central securities depository may, at the request of clients, be distributed to affected clients when and in the manner the Company deems to be practically possible and appropriate, e.g. taking into account the client's interest, the size of the fee and the delay's impact on the client. The company has the right to consider costs for delivery delays, e.g. for compensation purchases, securities loans or previous sanction fees that the Company has not further debited.

As stated in item 4. Fees and Taxes, etc., item 5 Purchase orders and item 6. Sales orders, the Company has the right to debit the client such fees as have been debited to the Company in connection with purchase and sale orders regarding the client's securities.

10. Annulment of orders and cancellation of trades

The Company is entitled to annul the Client's order or cancel trades executed on behalf of the Client if the order is annulled or the trade is cancelled by the relevant execution venue. The same right applies in other cases if the Company deems that annulment of an order or cancellation of a trade is necessary considering that an obvious error has been made by the Company, a market counterparty or the Client, or if the Client in placing the order acted in violation of EU regulations, laws or other regulations, or if the Client has otherwise acted in violation of generally accepted practices in the securities market.

If an order is annulled or a trade is cancelled, the Company shall notify the Client thereof without undue delay. If, as a result of a suspension in trading, technical fault or suchlike, the execution venue has annulled all relevant orders, the Company will inform the Client only if the Company does not place the order again. If the order is placed again, it would normally be placed subject to unchanged terms and conditions.

11. Other terms and conditions

For other terms and conditions on Notices, Deposit Guarantees and Investor Compensation, Processing of Personal Data, Limitation of Liability, Applicable Law etc., see Section V below.

SECTION II B - Information regarding characteristics and risks relating to financial instruments

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For further information on derivative instruments, see INFORMATION ON TRADING IN OPTIONS, FUTURES AND OTHER DERIVATIVE INSTRUMENTS

1. Risks associated with financial instruments and trading of financial instruments

1.1 Risks in general

Investments in financial instruments are associated with **economic risks**, which will be described in some greater detail in this information. The Client is personally liable for the risk and must, therefore, himself at the retained securities institution - or via his own asset management representative -, become acquainted with the terms and conditions, in the form of general terms and conditions, prospectuses and suchlike, which apply to the trade of such instruments and the characteristics of the instruments and risks associated therewith. The Client must also regularly monitor his investments in such instruments. This is the case even if the Client has received personal advice in conjunction with the investment. The Client should, in his own interests, be prepared to take measures promptly where such prove necessary, for example through selling investments that have performed negatively or by providing additional collateral in conjunction with investments financed through loans and where the collateral value has fallen.

It is also important to consider the risks involved in trading with financial instruments on an execution venue other than a regulated market, where the requirements imposed are generally less stringent.

Financial instruments can provide a return in the form of dividends (shares and funds) or interest (fixed income instruments). In addition, the price of the instrument may increase or decrease compared to the price when the investment was made. In the description below, the word investment also means any negative positions (negative holdings) in the instrument, compare with e.g. that which is stated in section 7 below regarding short selling. The total return is the sum of the dividends/interest and price change for the instrument.

Naturally, the investor seeks a total return that is positive, i.e. yields a profit, preferably as high as possible. However, there is also a risk that the total return will be negative, i.e. that there will be a loss on the investment. The risk of loss varies between different instruments. Normally, the chance of a profit on an investment in a financial instrument is linked to the risk of a loss. The longer the time for which the investment is held, the greater the chance is of a profit or the risk of a loss. In an investment context, the word "risk" is used to express both the risk of loss and the chance of profit. However, in the description below the word "risk" is used solely to designate the risk of loss. There are various ways to invest which may reduce the risk. It is normally regarded as preferable not to invest in a single or only a few financial instruments but, instead, to invest in several different financial instruments. These instruments should then offer a spreading of the risks and do not concentrate risks that can be triggered simultaneously. Normally, a spreading of the investments to include foreign markets also reduces the risk of the total portfolio, even if, when trading in foreign financial instruments, there is also a currency risk.

1.2 Different types of risk concepts, etc.

In conjunction with the risk assessment which you should carry out when you as a Client make an investment in a financial instrument, and also regularly during the holding period, there are many different risk concepts and other factors to consider and weigh-up. A short description of some of the most common risk concepts are set out below.

Company-specific risk – the risk that a certain company performs worse than expected or is affected by a negative event and the financial instruments related to the company may thereby fall in value.

Sector-specific risk – the risk that a certain sector performs worse than expected or is affected by a negative event and the financial instruments related to the company within the sector may thereby fall in value.

Sustainability risk - the risk that an environmental, social or governance-related event or circumstance which, if it were to occur, would have an actual or potentially significant negative impact on the value of an investment. Examples of sustainability risk are the consequences of environmental degradation, (e.g. bans that require activities to be restructured or discontinued, reduced demand, difficulty in obtaining financing. or physical risk such as depletion of resources and natural disasters), consequences of human rights violations, workers' rights, gender equality, corruption and bribery as well as the consequences of a lack of corporate governance. This means that both environmental, social or governance-related events that arise from, for example, a company's own operations and those that occur independently of the operations that the company conducts can entail a sustainability risk for the company.

Leverage risk - the construction of derivative instruments which means that there is a risk that the price development of the underlying property will have a greater negative impact on the price/rate of the derivative instrument.

Credit risk - the risk of insolvency of, for example, an issuer or a counterparty. A lack of ability to pay for an issuer or counterparty may lead to bankruptcy or corporate reorganization with a public composition (reduction of the number of receivables). Banks, other credit institutions and securities companies may instead be subject to resolution. This means that the state can take control of the institution and its losses can be managed through the shareholders' and creditors' holdings being written down and/or creditors having their receivables converted to shareholdings (debt write-offs or bail-ins).

Price risk - the risk that the price/rate of a financial instrument goes down.

Legal risk - the risk that relevant laws and regulations are unclear or may change.

Liquidity risk - the risk that the client will not be able to sell a financial instrument at a certain, desired time because the sales and buying interest in the financial instrument are low.

Market risk - the risk that the market is, in its entirety or a certain part thereof where the client has its investment, e.g. the Swedish stock market, is declining.

Price volatility risk - the risk of large fluctuations in the price/rate of a financial instrument having a negative effect on the investment.

Interest rate risk - the risk that the financial instrument the client has invested in decreases in value due to changes in market interest rates.

Tax risk - the risk that tax rules and/or tax rates are unclear or may change.

Currency risk - the risk that a foreign currency to which a holding is linked (e.g. certain fund shares in a fund that invests in US securities listed in USD) weakens.

2. Trading in financial instruments

Trading in financial instruments is mainly done in an organized form at a trading venue. Trading takes place through the investment firms that trade at the trading venue. As a client, you should normally contact such an investment firm to buy or sell financial instruments. For more information on where each investment firm executes your orders, see the current policy for best order execution.

Trading on regulated markets, trading platforms and other places constitutes a secondary market for financial instruments that a company has already issued. If the secondary market works well, i.e. it is easy to find buyers and sellers and there are quotation rates from buyers and sellers as well as closing prices (payment rates) from concluded business transactions on an ongoing basis, the companies also have an advantage in that it becomes easier to issue new instruments and thereby raise more capital for the company's operations. The primary market is called the market where the purchase/subscription of newly issued instruments takes place.

2.1 Trading locations and other execution venues

Trading venues refer to regulated markets and the two forms of trading platforms: MTF platforms and OTF platforms. In addition, clients' trading can be carried out via an investment firm that acts as a systematic internal trader (SI), market guarantor or other person that provides liquidity.

2.1.1 Regulated market

In a regulated market, different types of financial instruments are traded. For financial instruments that have been issued by limited companies, only instruments that have been issued by public limited companies can be listed and traded on a regulated market. Strict requirements are placed on such companies,

e.g. regarding the company's size, business history, ownership distribution and public accounting of the company's finances and operations.

In Sweden, there are currently two regulated markets: NASDAQ Stockholm AB (Stockholm's Stock Exchange) and Nordic Growth Market NGM AB (NGM).

2.1.2 MTF platform

An MTF platform (MTF) can be described as a trading system organized and provided by an exchange or investment firm. There are typically lower requirements, in the form of e.g. information provision and business history, on the financial instruments traded on a trading platform compared to financial instruments traded on a regulated market.

In Sweden, there are currently three MTFs: Spotlight, First North and Nordic MTF.

2.1.3 OTF platform

An OTF platform (OTF) is, in many ways, similar to an MTF platform. However, on an OTF platform, only financial instruments that are not equities or equity-related securities may be traded, such as bonds and derivative instruments. Furthermore, the OTF platform may have freer rules for trading, including order matching, than what regulated markets and MTF platforms may have.

2.1.4 Systematic internal trader, market guarantor or other person providing liquidity

A systematic internal trader (SI) is an investment firm that trades on its own behalf in an organized, frequent and systematic manner by executing client orders outside a regulated market or trading platform. A systematic internal trader is obliged to publish market offers, i.e. purchase and sale prices, for liquid financial instruments traded on a trading venue and for which the systematic internal trader conducts systematic internal trading.

Trading against an institution's own stock or against other clients can also be done through an investment firm without it being a question of systematic internal trading. In which case, the institution in question constitutes a market guarantor or other provider of liquidity.

2.1.5 Trading / listing lists

In the case of shares, the execution venues usually divide the shares into different lists, which are published e.g. on the site's website, in newspapers and other media. A decisive factor for which list a company's shares are traded on can be the company's market capitalization (e.g. Stockholm Stock Exchange's Large, Mid- and Small cap) but also how the company meets different requirements for the size of the share capital, the distribution of the shares to many owners, on business history and on information about finances and operations. The most traded shares can also be on a special list. Some securities institutions also publish their own lists of financial instruments traded via the institution, prices at which the instruments are traded, etc. Shares on lists with high requirements and high turnover are normally considered to involve a lower risk than shares on other lists.

Information about courses etc. regarding shares as well as other types of financial instruments, such as fund shares, options and bonds, are also published regularly via e.g. the websites of the performance venues, in newspapers and other media.

2.2 Funds and fund shares

A fund is a "portfolio" of various financial instruments, e.g. shares and bonds. The fund is jointly owned by all those who save in the fund, the shareholders, and is managed by a fund company or an AIF manager. The fund shareholders receive the number of shares in the fund that corresponds to the proportion of invested capital in relation to the fund's total capital. It is important for you as a client to find out which investment rules apply to a fund in which you want to invest. This is stated in the fund's information brochure and fact sheet. Every fund company and AIF manager that manages special funds is obliged to voluntarily offer potential investors the fact sheet that pertains to the fund. The fact sheet also shows the fund's risk / return profile where the relationship between risk and possible return in the fund is stated in the form of a scale between 1 and 7, where 7 means the highest possible return but also the highest risk for you as an investor. See also section 1.2 above.

Different types of funds are governed by different regulations:

Mutual funds are those funds that meet the so-called The UCITS Directive's requirements for e.g. investment regulations and risk diversification. Both

Swedish and foreign securities funds (which have been granted a license in their home country within the EEA) may, after notification to the competent authority, be sold and marketed freely in all EEA countries.

Alternative investment funds (AIF) are funds that have freer investment rules because the manager can invest in more types of assets and use different investment strategies, without the UCITS directive's requirements for, for example, risk diversification. The person who manages an AIF is called an AIF manager and must follow the rules in the AIFM directive. It is especially important for you as a client to find out which investment rules an AIF you intend to invest in will observe. This is stated in the fund's information brochure / prospectus and fact sheet. Alternative investment funds may not be marketed and sold freely to non-professional clients outside Sweden.

Swedish special funds are a type of AIF. They partly meet the requirements of the UCITS Directive on e.g. investment regulations and risk diversification but have been authorized to deviate in one or more ways from the rules in the UCITS Directive. It is especially important for you as a client to find out which investment rules a Swedish special fund you intend to invest in will observe. This is stated in the fund's information brochure / prospectus and fact sheet. Swedish special funds may not be marketed or sold freely to non-professional clients outside Sweden.

You can buy or redeem shares in different types of funds in different ways:

The shares in a fund can be purchased and redeemed through investment companies that distribute shares in the fund or directly with the fund company. Some funds are traded daily or monthly, while other funds may have predetermined times when the fund is "open" for purchase and redemption, which is why regular trading is not always possible. A fund company may, in certain exceptional cases, close or defer trading in the shares of a fund. This means that if you place a purchase or redemption order, the order will not be executed until trading in the fund has resumed. In order to close a fund for trading, it is required that there are "special circumstances" or "special reasons", for example that a market functions unsatisfactorily so that a fund has liquidity problems. A fund company's ability to close a fund for trading must be stated in the fund's fund rules.

The current value of the shares is calculated regularly by the fund company and is based on the price development of the financial instruments included in the fund. The capital invested in a fund can both increase and decrease in value and it is therefore not certain that you as an investor will get back all the invested capital. For funds with a base currency other than SEK, a currency risk is added when trading fund shares.

An **Exchange Traded Fund (ETF)** differs from how a regular fund is traded. Shares in ETFs are traded on the stock exchange in the same way as shares are traded. However, in some cases they can also be bought and redeemed directly with the fund company.

Different funds have different investment orientations. Investment focus refers to the type of financial instruments in which the fund invests. Below is a brief description of some of the most common types of investment orientations for funds. In addition to these, there are also funds that invest in special industries, markets and regions.

In the case of **equity funds**, all or mainly all capital is invested in equities or equity-related financial instruments. The fund is managed after analysis of expectations of future market development. Investing in an equity fund, which has invested in several different shares, reduces the company-specific risk for the investor compared to the risk for the shareholder who invests directly in one or a few shares. In addition, the unit holder does not have to select, buy, sell and monitor the shares and other management work around this.

In the case of **fixed income funds**, all or mainly all of the capital is invested in bonds or interest-bearing instruments. The principle for fixed income funds is the same as for equity funds: investments are made in various interest-bearing instruments to spread risk in the fund and management in the fund takes place after analysis of expectations of future interest rate developments.

In the case of **mixed funds**, capital can be invested in equities, interest rate-related instruments and other funds.

In the case of **index funds**, the fund capital is not actively managed, but the capital is instead invested in financial instruments that follow the composition of a specific index.

In the case of **fund-of-funds**, capital is invested in other funds. A fund-of-fund can be seen as an alternative to choosing to invest in several different funds. An

investor can thus achieve the risk diversification that a well-composed own fund portfolio can have. There are mutual funds with different investment orientations and risk levels.

Hedge funds are AIFs with very free investment rules, which may allow the manager to invest in more types of assets and use virtually any investment strategy. Hedge means to protect in English. Although hedging is intended to protect against unexpected changes in the market, a hedge fund can be a high-risk fund, as hedge funds are often highly leveraged. However, the differences are large between different hedge funds and there are also hedge funds with low risk. The idea with hedge funds is that investors should be able to get returns regardless of whether the markets go up or down. The investment focus can be anything from shares, currencies and interest-bearing instruments to various arbitrage strategies (speculation in changes in, for example, interest rates and / or currencies). Hedge funds often use derivative instruments in order to increase or decrease the fund's risk. Short selling is also a common feature.

Read more about derivative instruments in section 4 and short selling in section 5.

For further information about funds, see Swedish Investment Fund Association's (Sw. *Fondbolagens Förening*) website, www.fondbolagen.se.

2.3 Shares

2.3.1 Shares and limited liability companies

Shares in limited liability companies entitle the owner to a portion of the company's share capital. Where the company makes a profit, the company usually distributes dividends on the shares. Shares also entitle the holder to voting rights at the general meeting of the company, which is the highest-ranking decision-making body in the company. The more shares the holder owns, the greater the portion of the capital, dividends and votes that inure to him. Voting rights may vary depending on the class of shares concerned. There are two types of companies, public and private. Only public companies may cause their shares to be traded on an execution venue.

2.3.2 The share price

The **price** of a share is affected mainly by the supply and demand for the relevant share which in turn, at least in the long term, is affected by the **company's future prospects**. A share is valued upwards or downwards depending primarily on the investors' analysis and assessment of the company's possibilities to make **future profits**. Future **external developments** regarding the global economy, technology, legislation, competition, etc. determine the demand for the company's products or services and, consequently are of fundamental significance regarding changes in the price of the company's shares.

Current **interest rate** levels also play a large role in the pricing. Where the market interest rates increase, fixed interest financial instruments that are issued at the same time (newly issued) provide a better return. In such cases, the prices of shares which are regularly traded normally fall, as well as those already traded fixed interest instruments. The reason is that the increased return on the newly issued fixed income instruments become, relatively speaking, better than the return on shares, as well as on already traded fixed income instruments. In addition, share prices are negatively affected by the fact that the interest payments on the company's debts increase when market interest rates increase, a factor which reduces the scope for profits in the company.

Also, **other factors directly related to the company**, e.g. changes in the company's management and organisation, disruptions in production, etc. may strongly affect the company's future ability to create profits, both in the long and short-term. In the worst case, a limited liability company may perform so poorly that it must be declared bankrupt. The share capital, i.e. The capital invested by the shareholders, is the capital that is used first in order to pay the company's debts. This often results in the shares of the company becoming worthless.

Even prices on major **foreign regulated markets or execution venues** affect the prices in Sweden, *inter alia*, since many Swedish limited liability companies are also listed on foreign execution venues and price equalisation (arbitrage) takes place between different execution venues. Prices in shares in companies that belong to the same **industrial sector** are often affected by changes in the prices of shares of other companies within the same sector. This effect can also apply with respect to companies in other countries.

Investors on the market have different needs for investing cash (liquid funds) or obtaining liquid funds. In addition, they often have different opinions as to how

the price will develop. These factors, which also include the way in which the company is valued, contribute to there being both buyers and sellers. On the other hand, if the investors have the same opinions regarding price trends, they will either wish to buy and thereby creating buying pressure from many buyers, or they will wish to sell and thereby creating selling pressure from many sellers. The prices increase in the event of buying pressure and fall in the event of selling pressure.

Turnover, i.e. the quantity of a certain share which is purchased and sold, in turn affects the share price. In the event of high turnover the difference is reduced between the price the buyer is prepared to pay (**bid price**) and the price the seller demands (**ask price**). (The difference between bid and ask prices are often referred to as the spread.) A share with a high turnover, where large amounts can be traded without affecting the price, enjoys good **liquidity** and is therefore easy to buy or sell. Companies on the regulated markets' lists (e.g. The Stockholm Stock Exchange's Nordic list and NGM's NGM Equity) more often have high liquidity. During the day or during longer periods, different shares can exhibit different degrees of price stability (**volatility**), i.e. increases and declines, as well as in size of the price changes.

The prices at which shares are traded (**transaction prices**), such as highest/lowest/most recently paid during the day, as well as the last quoted bid/ask prices and further information regarding traded volume in kronor is published, *inter alia*, in most major daily newspapers, on text-TV and on various websites maintained by execution venues, securities institutions and media companies. How current such price information is can vary depending on the manner in which it is published.

2.3.3 Various classes of shares

There are various **classes** of shares, commonly class A and B shares which normally refer to voting rights. Class A shares normally entitle the holder to one vote while class B shares entitle the holder to a **restricted voting right**, often one-tenth of the vote. The differences in voting rights are due to, *inter alia*, the fact that in conjunction with diversification of ownership the original founders or owners of the company wish to maintain their influence in the company by being given stronger voting rights. Therefore, newly issued shares are accorded a lower voting value than the original class A shares and are designated with the letters B, C or D, etc.

2.3.4 Market introduction, privatisation and take-overs

Market introduction (Initial Public Offering, IPO) means that the shares in a company are introduced on to the equities market, e.g. are approved for trading on a regulated market or a multilateral trading facility (MTF). The public is then invited to **subscribe for** (purchase) shares of the company. Most often, this is related to an existing company which has not previously been traded on a regulated market or other execution venue, where the owners have decided to expand the number of shareholders and facilitate trading of the company's shares.

Where a state-owned company is introduced on the market, this is called **privatisation**.

A **take-over (company acquisition)** normally involves one or more investors making an offer to the shareholders of a company, on certain terms and conditions, to sell their shares. Where the buyer obtains 90% or more of the number of shares in the acquired company, the buyer can request **compulsory purchase** of the remaining shares from the shareholders who have not accepted the company acquisition offer. These shareholders are then obliged to sell their shares to the buyer for payment which is determined through an arbitration proceeding.

2.3.5 Share issues

Where a company wishes to expand its operations, additional share capital is often required. The company raises additional capital by issuing new shares through a **new issue**. The existing shareholders often receive **subscription rights** entailing a pre-emptive right to subscribe for shares in a new issue. The number of shares that may be subscribed for is normally established in relation to the number of shares previously held by the shareholders. The subscriber must pay a certain price (issue price) which is often lower than the market price, for the newly issued shares. Immediately after the subscription rights (which normally have a certain market value) are detached from the shares, the price of the shares normally declines but, at the same time, shareholders who have subscribed have a larger number of shares. During the subscription period, which often lasts for several weeks, those shareholders who do not subscribe may sell the subscription rights on the marketplace on which the shares are traded. Upon the expiry of the subscription period, the subscription rights lapse and thus become useless and

worthless.

A limited liability company can also carry out a directed **rights issue** (a kind of private placement) which is carried out as a new issue but directed solely to a limited group of investors. The limited liability company can also carry out **non-cash issues** of new shares in order to acquire other companies, business operations, or assets other than cash. In conjunction with both directed issues (private placement) and non-cash issues, **dilution** takes place of an existing shareholder's portion of the voting capital and share capital in the company, but the number of the shares held, and the market value of the invested capital is normally not affected.

If the assets or the reserve funds in a limited liability company have greatly increased in value, the company can transfer part of the value to its share capital through what is commonly referred to as a bonus issue. In conjunction with bonus issues, consideration is given to the number of shares already held by each shareholder. The number of new shares that inure through the bonus issue is established in proportion to the number of shares previously held. Through the bonus issue, the shareholder receives more shares, but the owner's portion of the company's increased share capital remains unchanged. The price of the shares declines in conjunction with a bonus issue but, through the increase in the number of shares, the shareholder retains an unchanged market value for his or her invested capital. Another method of carrying out a bonus issue is for the company to **redenominate** the quotient value of the shares. Following a redenomination, the shareholders have an unchanged number of shares and market value for their invested capital.

2.3.6 Quotient value, split and consolidation of shares

A share's **quotient value** is the equal portion of the company's share capital that each share represents. The quotient value is obtained by dividing the share capital with the total amount of shares. Occasionally, companies wish to change the quotient value, e.g. because the price, i.e. The market price of the share has risen significantly. By dividing up the share into two or several shares through a so-called **split**, the quotient value is reduced and at the same time the price per share is reduced. However, after a split the owner's capital remains unchanged but this is divided into a greater number of shares which have a lower quotient value and a lower price per share.

Conversely, a **consolidation** of shares (reverse split) can be carried out where the price has fallen dramatically. In such case, two or several shares are merged into one share. Following a consolidation of shares, shareholders retain the same capital; however this is divided into fewer shares with a higher quotient value and a higher share price.

2.3.7 Special Purpose Acquisition Companies (SPAC)

Special Purpose Acquisition Companies (SPAC companies) are shell companies that are listed on a trading venue with the intention of acquiring an income-driven business in the future, e.g. another company. The SPAC companies are often backed by people with solid experience and knowledge of the financial sector. It is the expertise of this company management that will attract investors to invest capital in the SPAC company allowing the company management to carry out company acquisitions in the future that can generate income. Anyone who invests capital in an empty SPAC company thus does so without knowing what type of business the SPAC company will conduct in the future.

The life cycle of an SPAC company is usually divided into three phases:

1. The first step is a market introduction in which investors are offered the opportunity to subscribe for shares in the empty SPAC company to be listed.
2. The second step is when the listed SPAC company is looking for a target company to acquire.
3. The third and final step is the acquisition of the target company, which is usually carried out through a merger.

The different phases of the SPAC company are associated with different levels of risk. In general, the first two phases are associated with the highest risk. This is because the investment at this stage is only speculative - the investor does not know for sure what activities will be conducted by the company and can not make any concrete analyses of what the company's future income and costs may amount to. In addition, the investor is exposed to acquisition-related risks because he does not know when the intended company acquisition will take place (or even if it will take place at all). The SPAC companies sometimes aim for that a company acquisition must take place within, for example, 36 months from the market introduction, but the SPAC housing company can not provide any guarantees in this regard. There is thus a risk that the empty SPAC housing

company will be forced into liquidation and delisted from the trading venue without a company acquisition even succeeding.

However, if the SPAC company finds a suitable target company and succeeds in acquiring it, the SPAC company's risk profile will be transferred to that of a commonly listed limited company.

2.3.8 Index bonds/Share-index bonds

Index bonds/share-index bonds are bonds where the yield, instead of interest, depends on, e.g. a share index. Where the index develops positively so does the return. In the event of a decline in the index, there may be no return. However, the nominal value of the bond is always repaid on the maturity date and therefore has a limited risk of loss compared to e.g. shares and fund shares. The risk with an investment in a share index bond can, except for any paid premium, be defined as the alternative interest income, i.e. The interest the investor would have received on the invested amount with an alternative investment. Index bonds can have different names, such as share index bonds, SPAX, share bonds, credit basket bonds, interest basket bonds, currency basket bonds, etc. depending on the underlying type of asset that determines the bond's return.

When talking about index bonds, these are also often termed as capital-guaranteed or capital-protected products. These concepts are meant to describe, as stated above, that irrespective of whether or not the product yields a profit or not, the nominal amount is repaid, i.e. normally the same as the amount invested less any paid premium.

2.3.9 Depositary receipts

Swedish Depositary receipts are receipts regarding the right to foreign shares which the issuer of the receipt holds on behalf of the holder. Depositary receipts are traded just as shares on a regulated market or other execution venue and the price normally follows the price on the foreign execution venues on which the share is traded. In addition to the general risks associated with trading of shares or other types of participating interests, currency risks should be considered.

2.3.10 Convertible Instruments

Convertibles (convertibles or convertible instruments) are fixed income securities (loans to the issuer of the convertible) which may be exchanged for shares within a certain period of time. The return on the convertible, i.e. The coupon interest is normally higher than the dividend of the shares received in exchange. The price of the convertibles is expressed as a percentage of the nominal value of the convertible.

2.3.10.1 Reverse convertibles

Reverse convertibles are a cross between an interest and a share investment. The reverse convertible is connected to one or several underlying shares or indexes. This investment yields an interest, i.e. a fixed, guaranteed return. Where the underlying shares or indexes perform well, the invested amount is repaid plus the fixed return. However, where the underlying shares or indexes fall, there is a risk that the investor instead of the invested amount receives one or several shares included in the reverse convertible or an equivalent amount in cash.

2.3.11 Stock options and stock index options

Various types of stock options are available. Acquired call options give the holder the right to buy previously issued shares at a predetermined price within a certain period of time. Put options, conversely, give the holder the right to sell shares within a certain period of time at a predetermined price. An issued option corresponds to each acquired option. The risk for the person who acquires an option is that it decreases in value or expires worthless on the closing date, unless risk mitigation measures are taken. In the latter case, the premium paid for the option at the time of acquisition is completely used up. The issuer of an option runs a risk that in some cases can be unlimited, unless risk mitigation measures are taken. The price of options is affected by the price of the corresponding underlying shares or indices, but usually with larger price fluctuations and price effects than these.

The most extensive trading in stock options takes place in the regulated markets. There is also trading in stock index options. These index options provide a gain or loss directly in cash (cash settlement) based on the development of an underlying index. See also 4 on derivatives.

2.3.12 Equity futures and equity index futures

A future means that the parties enter into a mutually binding agreement with each other on the purchase or sale of an underlying asset at a pre-agreed price and with delivery or other enforcement, e.g. cash settlement, of the agreement at a time

specified in the agreement (closing date). No premium is paid because the parties have corresponding obligations under the agreement.

There are two main types of futures, and they are called **futures and forwards**. The difference between a future and a forward consists of how the settlement is made, i.e. when you as a party to a contract get paid or pay depending on whether the position has resulted in a profit or loss. For a future, a daily settlement takes place in the form of ongoing payments between buyers and sellers on the basis of the change in value day by day of the underlying asset. For a forward, settlement only takes place in connection with the instrument's end date. See also section 4 on derivatives.

2.4.13 Swap Agreements

A swap agreement means that the parties agree to make payments to each other on an ongoing basis; e.g. calculated on a fixed or variable interest rate (interest rate swap), or to exchange (in English: to swap) some form of property with each other, e.g. different types of currencies (currency swap).

2.4.14 Warrants

Trading also occurs with certain call and put options with longer maturities, in Sweden commonly called **warrants**. Warrants can be used to buy or sell underlying shares or in other cases provide cash if the price of the underlying share develops in the right way in relation to the warrant's exercise price. Subscription warrants regarding shares can be exercised within a certain period of time for subscription of the corresponding newly issued shares. See also section 4 on derivatives.

2.4.15 Leverage certificates

Leverage certificates, which are often called **certificates** or in some cases **receipts**, are often a combination of, for example, a call and a put option and are dependent on an underlying asset, e.g. a stock, an index or a commodity. A certificate has no nominal amount. Leverage certificates should not be confused with e.g. commercial paper, which is a type of promissory note that can be issued by companies in connection with the company borrowing money on the capital market.

A distinctive feature of leverage certificates is that relatively small price changes in the underlying asset can lead to significant changes in the value of the holder's investment. These changes in value can be to the investor's advantage, but they can also be to the investor's disadvantage. Holders should pay particular attention to the fact that leverage certificates may fall in value and even expire completely without value. All or part of the invested amount can then be lost. Corresponding reasoning can in many cases also apply to options and warrants. See also section 4 on derivatives.

2.4.16 Crypto assets and financial instruments with cryptocurrencies as the underlying asset

Crypto assets (or **cryptocurrencies**) lack a generally accepted definition. In simple terms, however, they can be described as a digital asset that can be transferred and stored electronically using technology for distributed loggers (e.g. blockchain) or similar technology. Cryptocurrencies can vary greatly in price. It is possible to acquire and own crypto assets and thus directly benefit from, or suffer from, the ups and downs of the assets. However, investors often choose instead to acquire financial instruments with the crypto asset as the underlying asset.

Regardless of how the investor exposes themselves to the cryptocurrency, the investment is risky for several reasons. Among other things, there are risks linked to the transparency of the cryptocurrency asset, its volatility and valuation, as well as a lack of consumer protection. This means that instruments that have cryptocurrency as an underlying asset must be traded with great caution. These instruments, mainly certificates and so-called tracker certificates, are complex in themselves and acquire an additional dimension of complexity when the underlying asset itself is difficult to evaluate and difficult to understand. See also section 2.13 on derivatives.

3. Fixed Income instruments

A **fixed income financial instrument** is a **claim** against the issuer of a loan. The return is normally paid in the form of **interest**. There are various types of fixed income instruments depending on the issuer that has issued the instrument, the collateral provided for the loan by the issuer, the **term** until the maturity date and the type of payment of interest. The interest (the coupon) is normally paid annually.

A common type of interest-bearing financial instrument is bonds. Bonds can, for example, be issued by companies (**corporate bonds**), a government (**government bonds**) or a municipality (**municipal bonds**), instead of another type of debt financing. Bonds are current promissory notes that certify that the holder has lent money to the person who issued the bond. There are different types of bonds, and it is important that you as an investor understand what type of bond you will invest in and what risks the investment entails. See below about different types of interest-bearing instruments and risks.

The **risk** associated with a fixed income instrument is based on the fact that price changes (**price risk**) may occur during the term of the instrument due to changes in **market interest rates**, and that the issuer might be unable to **repay** the loan (credit risk). Therefore, bonds for which satisfactory security has been provided for redemption are typically less risky than fixed income instruments without security. However, in purely general terms, it can be stated that the risk of loss associated with fixed income instruments may be deemed lower than for shares. A fixed income instrument issued by an issuer with high creditworthiness may therefore be a good alternative for someone who wishes to minimise the risk that the capital saved decreases in value and may be preferable for short-term savings. Also for long-term savings where the capital is not to be jeopardised, e.g. for pension commitments, fixed income-related investments are commonly included. The disadvantage of a fixed income investment is that, as a rule, it yields a low increase in value. Examples of fixed income investments are savings accounts, private bonds and interest funds.

The prices are determined each day both for instruments with short terms until maturity (less than one year), e.g. treasury bills, and for instruments with longer terms until maturity, e.g. bonds. This takes place on the money market and bond market. The market interest rates are affected by analysis and assessments which are conducted by the Central Bank of Sweden and other major institutional market players regarding short-term and long-term trends with respect to a number of economic factors such as inflation, the state of the global economy, and interest rate changes in Sweden and other countries. The Central Bank of Sweden also conducts monetary policy operations in order to control changes in market interest rates to ensure that inflation does not exceed an established target. The financial instruments traded on the money market and bond market (e.g. treasury bills, treasury bonds and bonds issued by home loan institutions) are often traded in large quantities (multi-million amounts).

Where market interest rates increase, the price of already issued fixed income financial instruments will fall if they provide fixed interest, since new bonds are issued bearing rates of interest that follow current market rates of interest and thereby provide a higher rate of interest than the already issued instruments. Conversely, the price of already issued instruments increases when market interest rates decline.

Loans issued by the state and municipalities are deemed to be risk-free with respect to redemption, which thereby applies to treasury bonds and municipal bonds. Issuers other than the state and municipalities may occasionally, in conjunction with the issuance of bonds, provide security in the form of other financial instruments or other asset (security in the form of property or real security).

There are also other fixed income instruments associated with a higher risk than bonds if and when the issuer encounters difficulties to repay the loan, e.g. subordinated debentures. A type of fixed income-related instrument is **secured bonds**. These are associated with a specific priority right according to special legislation. The regulations concerning secured bonds aims at ensuring that an investor will receive full payment according to the agreed term even where the issuer of the bond was to be placed in insolvent liquidation/declared bankrupt, provided that the assets which secures the bond has a sufficient value.

4. Derivative instrument

Derivative instruments are a financial instrument whose value depends on another underlying asset. Derivative instruments can be, for example, item options, futures, warrants, swaps, contracts for difference (CFD). There are different types of underlying assets, e.g. stocks, bonds, commodities and currencies. Derivative instruments can, for example, be used to provide protection against an undesirable price development on the underlying asset or to achieve a profit or return with a smaller capital investment than is required to make a corresponding transaction directly in the underlying asset.

The price of a derivative instrument depends on the price of the underlying asset. A special circumstance is that the price development of the derivative instrument is usually stronger than the price development of the underlying asset. The price impact is called leverage and can afford greater gains on invested capital than if

the investment had been made directly in the underlying asset. However, the leverage effect may just as well lead to a greater loss on the derivative instrument compared with the change in value of the underlying asset, if the price development of the underlying asset is different than expected. The leverage effect, i.e. the derivative instrument's increased price change compared to the price change in the underlying asset varies depending on the derivative instrument's design and mode of use. Great demands are therefore placed on monitoring the price development of the derivative instrument and on the underlying asset. The investor should, in his own interest, be prepared to act quickly, often during the day, should the investment in derivative instruments develop in an unfavourable direction. It is also important to consider in their risk assessment that the possibility of liquidating a position / holding may be made more difficult in the event of a negative price development.

For further information on derivative instruments, see INFORMATION ON TRADING IN OPTIONS, TERMS AND OTHER DERIVATIVE INSTRUMENTS.

5. SHORT SELLING

Short selling means that the person who borrowed financial instruments, and at the same time undertook to return instruments of the same type to the lender at a later date, sells the borrowed instruments. Upon the sale, the borrower expects to be able to acquire the instruments on the market at a lower price than at the time of the return at which the borrowed instruments were sold. Should the price have risen instead, a loss arises, which in the event of a sharp price increase can be considerable and in principle there is no ceiling for how large the loss can be.

Unlike some parts of the world, in the EU it is in principle, so-called naked short selling is not allowed. Naked short selling means that the seller at the time of the short sale has not borrowed the security or ensured that it can be borrowed.

6. BORROWING

It is possible to borrow financial instruments. To do so, however, an approved credit assessment and a credit agreement are required. This means that the borrower borrows money with the financial instruments as security (mortgage). With the borrowed money, the borrower can invest more money in financial instruments than he would have had the opportunity to do without the loan.

If you invest borrowed money in financial instruments, this means, in addition to the possibility of higher returns, that you are also exposed to higher risk. This increased risk works in a similar way as when trading financial instruments with built-in leverage (see, for example, section 2.4.15 on leverage certificates).

If you have financed an investment with borrowed money and the investment then falls sharply in value, this can have the consequence that the lender on its own sells the securities that you pledged as security for the loan and you may also need to add additional cash to heal the lack of security.

As a Client, you must be fully aware of the following:

- **that investments or other positions in financial instruments are made at the client's own risk, and it is therefore important that you understand the characteristics and risks of the financial instruments before you invest in them.**
- **as a Client you must carefully review Pareto Securities' general terms and conditions for trading in that financial instruments as well as other relevant information about the certain financial instrument, its features and risk**
- **that when trading in financial instruments you must review contract notes and other documentation on your holdings and positions and immediately report any inaccuracies**
- **that you must constantly monitor variations of values in holdings and positions in financial instruments**
- **that you as a Client must initiate measures required to reduce the risk of losses in your own investments or other positions**

Information regarding various types of financial instruments and trading in financial instruments as well as suggestions of other literature within this area

may also be found, e.g. on the Swedish Consumers' Bank and Finance Bureau's website, www.konsumentbankbyran.se, and on SwedSec's website, www.swedsec.se.

SECTION II C - Information on the trading of Options, Futures and Other Derivative Instruments

This document is a translation of the Swedish original document. The Swedish version shall be the sole authorised version and, in the event of discrepancies, shall prevail.

1. GENERALLY REGARDING RISKS ASSOCIATED WITH DERIVATIVE INSTRUMENTS

Trading in derivative instruments is associated with particular risks which are described in further detail in this information. The Client is personally responsible for the risks and must, therefore, at the retained securities institution - or through its own asset management representative - become acquainted with the terms and conditions, in the form of general terms and conditions, prospectuses and suchlike, which apply to the trade of such instruments and the characteristics of the instruments and risks associated therewith. The Client must also regularly monitor his investments (positions) in such instruments. The information to be monitored (price information, etc.) can be obtained, e.g. on execution venues' websites, in daily newspapers and other media as well as from the Client's securities institution. Further, the Client should, in his own interests, be prepared to take measures promptly where such prove necessary, for example, by providing additional collateral or by ending his investments in derivative contracts (redeem or close his positions).

For further information regarding trading in financial instruments in general, various risk concepts and risk reasoning, see also **INFORMATION REGARDING CHARACTERISTICS AND RISKS IN RELATION TO FINANCIAL INSTRUMENTS**.

2. THE USE OF DERIVATIVE INSTRUMENTS

Derivative instruments are a form of agreement (contract) where the agreement itself is negotiable on the capital market. The derivative instrument is connected to an underlying property or an underlying value. This property or value (hereinafter referred to as "property") may consist of a financial instrument, any other assets of economic value, e.g. currency or commodity, or some form of value measurement, e.g. an index. A derivative instrument can be used to create protection against an undesired change in price of the underlying asset. It can also be used to yield a profit or return through a lower capital investment than that which would be required for an equivalent transaction directly in the underlying asset. Derivative instruments may also be used for other purposes. The use of derivative instruments is based on a certain expectation regarding the changes in the price of the underlying asset over a certain period of time. Therefore, before trading is commenced in derivative instruments, it is important that the Client, personally, sets out the aim thereof and the price changes in the underlying asset which can be expected and based on this, chooses the correct derivative instruments or combination of such instruments.

3. VARIOUS TYPES OF DERIVATIVE INSTRUMENTS

Trading in derivative instruments can be described as trading in or transferring risks. Those who, for example, fear a price decline in the market can buy put options that increase in value if the market falls. To reduce or avoid the risk of price decline, the buyer pays a premium, i.e. what the option costs.

Derivatives trading can in many cases be said to be less suitable for beginners, as such trading requires special expertise. It is therefore important to pay attention to the following characteristics of derivative instruments for those who intend to trade in such instruments. The construction of derivative instruments means that the price development of the underlying property has an impact on the price or price of the derivative instrument. This price impact is often stronger in relation to the investment (premium paid) than the change in value of the underlying property. The price impact is therefore called the leverage effect and can lead to a greater profit on invested capital than if the investment had been made directly in the underlying property. On the other hand, the leverage effect may just as well lead to a greater loss on the derivative instruments compared with the change in value of the underlying property, if the price development of the underlying property is different than expected. The leverage effect, i.e. the possibility of profit or the risk of loss, varies depending on the design and use of the derivative instrument. Great demands are therefore placed on monitoring the price development of the derivative instrument and on the underlying property. The

investor should, in his own interest, be prepared to act quickly, often during the day, should the investment in derivative instruments develop in an unfavourable direction. It is also important to consider in their risk assessment that the possibility of liquidating a position / holding may be made more difficult in the event of a negative price development.

The party that undertakes an obligation by issuing a standardized option or entering into a standardized forward contract must, from the outset, provide security for its commitment. As the price of the underlying property develops upwards or downwards over time and thus the value of the derivative instrument increases or decreases, the requirement for collateral also changes. Additional security in the form of an additional security may then be required. The leverage effect thus also applies to the safety requirement, which can change quickly and sharply. If the client does not provide sufficient security, the counterparty or the investment firm has generally reserved the right to close the investment (close the position) without consulting the client to minimize the damage. A client should thus closely follow the price development also with regard to the security requirement in order to avoid an involuntary closing of the position.

The maturity of derivative instruments can vary from a very short time up to several years. Price changes are often greatest on instruments with short maturities. The price of e.g. an option held generally declines faster towards the end of the term due to that the so-called time value decreases. The client should therefore also closely monitor the maturity of the derivative instruments.

4. STANDARDISED AND NON-STANDARDISED/OVER THE COUNTER DERIVATIVE INSTRUMENTS

Derivative instruments are traded in standardised and non-standardised form.

Trading in standardised derivative instruments takes place on regulated markets ("derivative exchanges") and is subject to standard contractual terms and conditions. On the Swedish derivatives market, e.g. Nasdaq Stockholm AB (Stockholm Stock Exchange) and Nordic Growth Market NGM AB (NGM) offer standardised trading in and clearing (settlement of completed transactions) of, *inter alia*, options and futures. Standardised clearing of derivative instruments traded in manner other than through a derivative exchange also takes place at such derivative exchanges. Trading and clearing at a derivatives exchange takes place through a securities institution which trades therein.

Some securities institutions offer their own forms of derivative instruments for which they normally provide both the trading and transaction settlement according to specific agreements and terms and conditions which are provided by the institution. These derivative instruments, *inter alia*, are often termed as non- standardised/over the counter (OTC derivatives). A person who wants to trade in such over the counter derivative instruments should specifically acquaint himself with the specific contractual terms and conditions which apply.

Trading in foreign standardised derivative instruments is normally subject to the rules and terms and conditions of the country where the exchange trading and clearing is organised. It is important to note that these foreign rules and terms and conditions do not need to correspond to those which apply to Swedish circumstances.

Clients should understand, inter alia, the following:

- that investments and other positions in derivative instruments are at the Client's own risk
- that you as a Client must yourself carefully and sufficiently familiarise yourself with the terms and conditions which apply to the trading in financial instruments in general and, where applicable, information in the prospectus and other information regarding the relevant derivative instrument, its characteristics and risks
- that in conjunction with trading in financial instruments, it is important to scrutinise the contract notes and other reports regarding your holding and positions and immediately submit complaints about any errors
- that it is important to monitor changes in value of holdings of, and positions in, the relevant instrument regularly
- that you as a Client must fulfil the requirements for collateral within the agreed framework
- that you as a Client must initiate the measures which are required in order to reduce the risk of losses on your investments and other positions
- that the terms and conditions for trading in derivative instruments often change and must be regularly monitored

SECTION III - TERMS AND CONDITIONS

GOVERNING CUSTODY & CASH ACCOUNT SERVICES

SECTION III A - HOLDINGS IN CUSTODY ACCOUNT ETC.

A. 1 HOLDING IN CUSTODY ACCOUNT

A.1.1 The Company shall, under its custody arrangements, record such securities that have been received by the Company for holding, etc. while in Custody Account. Received securities are held by the institution on behalf of Clients. The Company does not accept emission rights for holding under this Custody account/cash account agreement other than through separate written agreement with the Client. The Company reserves unto itself the right to give consideration to the receipt of certain securities, see also section G.9. If the Client has several custody accounts with the company and the Client has not instructed the Company in which Custody Account a particular security shall be recorded, the Company may decide upon the Custody Account in which the record shall be made.

The Company may, as manager, permit the registration of financial instruments in its own name with securities depositories such as Euroclear Sweden AB or a depository which undertakes corresponding registration measures outside the EEA in respect of the instrument. In doing so, the Client's financial instruments may be registered along with instruments of the same class owned by others.

A.1.2 In terms of these General Conditions, financial instruments entered in book-entry systems at a central securities depository (CSD) or a depository which executes corresponding registration measures outside the EEA in respect of the instruments. - shall be regarded as having been received when the Company has been put in a position to register, or cause to be registered, information concerning the instrument in such a system. Other securities are regarded as having been received when they have been delivered to the Company. Securities received, which have been issued in document form, shall be held in Custody Account by the Company or another custodian on behalf of the Client.

A.1.3 The Company undertakes no examination into the authenticity of the Client's securities.

A.1.4 The Company is entitled to reasonable time in order to effect the recording, delivery and transfer of securities.

A.1.5 The Company reserves the right to withdraw securities from the Client's Custody Account when the issuer of the securities has gone into bankruptcy, or the securities have lost their value for another reason. If practical and appropriate, the Company shall then seek to register the securities in the Client's name with the authorised registrar.

A.1.6 Over and above contracted liens in the Custody/Cash account agreement, the Company may have set-off rights, lien or other security in accordance with EU regulations, laws, directives, general legal principles or the rules of a central securities depository or central counterparty (CCP).

A.1.7 The Company's services in accordance with the Custody account/Cash account agreement and its provisions are not intended for physical persons resident in the USA or legal persons registered in the USA or other US Persons (as defined in the currently applicable Regulation S of the United States Securities Act 1933) or for such persons in other countries in which it is required that the institution has carried out registration measures or other similar measures.

A.2 THIRD PARTY CUSTODIANS

A.2.1 The Company may deposit the Client's securities with another securities depository in Sweden or abroad. A third party Custodian may in turn engage another third party Custodian to hold the Client's securities

A.2.2 The choice of third party Custodian is at the Company's discretion, taking account of the obligations incumbent on the institution in accordance with EU regulations, laws and directives.

A.2.3 When securities are deposited with a third party Custodian abroad (inside or outside the EEA) the Client's securities are covered by applicable national laws, which may mean that the Client's rights in respect of the securities may vary from those applicable in the event of the securities being held in Sweden.

A.2.4 Securities deposited with a third party custodian are normally held in the Company's name on behalf of the Client. The Client's securities may thereby be

registered together with the securities of other holders, for example in an omnibus account. The Company may instruct a third party custodian to allow itself to be registered in place of the Company in respect of the Client's securities.

In special circumstances, the Company may also permit the Client's securities to be included in a single joint document for multiple owners.

A.2.5 In the event that the Client's securities are held in an omnibus account with a third party Custodian, the Client's rights comply with applicable national legislation. When the Client's securities are held together with other Clients' securities, and if a shortfall should arise so that the total holding in the omnibus account does not correspond to the Clients' correct holdings, the shortfall is regulated between the holders in accordance with law or market practice governing the third party Custodian. This may mean that the holders do not receive the whole of their holdings, and the shortfall is divided among the holders in proportion to the size of each individual's holding.

Whether or not the Client has a protected property law right of separation in the event that the institution or third party Custodian is placed into insolvent liquidation or affected by another measure with a similar legal effect may vary and depends on applicable national legislation.

The right of separation applies in Sweden conditional on the securities being held separately from the third party custodian's or the institution's own securities. In conjunction holding at third party custodians abroad, as a result of applicable foreign law, it may be impossible to identify the Client's securities separately from the third party custodian's or the institution's own securities. In such an event, there is a risk that the Client's securities, in conjunction with an insolvency situation or other measure with equivalent legal effect, could be deemed to be included in the assets of the third party custodian or the institution.

A.2.6 A third party custodian, central securities depository, central counterparty (CCP), as well as the equivalent outside the EEA, may have security in, or set-off rights concerning the Client's securities and claims connected thereto. In that event, the Client's securities may be taken up for such rights.

A.3 ONLINE SERVICES

The Client may, upon special request, and following the Company's specific consent, be granted access to an online service specially established by the Company, where the Client may access certain data as well as execute transactions in securities provided by the Company at any given time.

B. THE COMPANY'S UNDERTAKINGS CONCERNING SECURITIES

B.1 IN GENERAL

B.1.1 The Company undertakes to carry out on behalf of the Client the measures as are set out in section B.2 - B.4 below in respect of securities received.

B.1.2 The undertaking comes into effect - if nothing to the contrary appears hereunder or has been specially agreed - for Swedish financial instruments registered with a central securities depository from and including the fifth, and for the remaining Swedish securities and for foreign financial instruments from and including the fifteenth, banking day after the securities have been received by the Company. Accordingly, the Company is not obligated to take notice of any time limits that expire prior to that time.

B.1.3 The Company undertakes the measures set out below subject to the condition that the Company has received adequate information in good time concerning the circumstances giving rise to the measures through notice from the Client, third party custodian, issuer, agent (or equivalent) or central securities depository.

B.1.4 The issuer is responsible for the distribution of annual reports, interim reports, prospectuses and other information. If the Client indicates in the Custody & Cash Account Agreement that annual reports, etc. are desired from an issuer in which the Client holds securities registered with a central securities depository and recorded in the Custody Account, the Company, at the issuer's request, may provide, via the central securities depository, the Client's name and address details. The issuer normally distributes annual reports, interim reports and the like. Prospectuses and other information concerning offers are not normally distributed. Instead, the Company provides the Client with a summary of the offer. At the same time, the Client receives directions as to where more information regarding the offer can be obtained.

B.1.5 The Company may fully or partly refrain from taking a measure if there are not sufficient funds on a cash account connected to the Custody Account, or if the credit limit, if any, is insufficient to allow for such measure to be taken or if the Company has not been furnished with that information necessary for the measure to be taken or to fulfil the requirements set out in EU regulations, laws or directives.

B.1.6 The Company may, on its own initiative and at its own discretion in each specific case, irrespective of what is stated in sections B.2 and B.3 below, on the

Client's behalf take or omit to take measures detailed in the points mentioned if the Company has specified this in a notification concerning such measures to the Client and if the Client has not instructed otherwise within the response period given in the notification. The Client is bound by a measure taken or omitted to be taken by the Company in the same way as if the Client had instructed that the measure should be taken or not taken.

B.1.7 The Company and the Client can agree that the Company shall act in another manner than what the Company should otherwise do according to sections B.2.1 b) and d) and B.3 below. If the question concerns subscription/additional purchase or the sale of the Client's rights, such an agreement cannot be made after that point in time when the Company concerned has the intention to carry out the subscription/additional purchase or sale of the Client's rights. That point in time, mostly with respect to the remaining time for trading in the rights, occurs regularly before the official last point in time for subscribing.

B.1.8 On the Company's sale of rights according to the terms hereunder, the sale may be combined for several Clients and, where applicable, in accordance with the Company's Policy regarding execution of orders and aggregation and allocation of orders applicable from time to time. In such circumstances, the funds shall be distributed proportionally between the Clients.

B.1.9 If, according to the applicable law or rules for an issue or an offer, the Client does not have the right to exercise those preferential rights which result from the Client's holding of certain financial instruments, the Company may sell those preferential rights.

B.1.10 According to EU Regulation (EU) 909/2014 on improved securities settlement, a central securities depository must debit and credit its participants (securities institutions) for penalty fees in the event of delayed settlement of securities transactions.

Penalty fees that the institution has received from a central securities depository may be distributed by the institution to affected clients when and in the way the institution deems to be practically possible and appropriate, e.g. taking into account the client's interest, the size of the fee and the delay's impact on the client. The institution has the right to take into account costs for delivery delays, e.g. for compensation purchases, securities loans or previous penalty fees that the institution has not re-charged.

As stated in SECTION V Fees etc. and in the custody agreement, the institution has the right to further debit the client such fees that have been debited to the institution in connection with the settlement of the client's securities transactions.

B.2 SWEDISH FINANCIAL INSTRUMENTS

B.2.1 As regards **Swedish financial instruments** the Company's undertaking – with the possible variation that can result from what is stated in section B.1.6 – covers the following measures. In this section B.2, "Swedish financial instruments" means financial instruments that are issued by issuers whose registered offices are located in Sweden and that are registered with a central securities depository authorised to trade in a Swedish marketplace.

As regards other financial instruments, the provisions of section B.3 in respect of foreign financial instruments apply instead.

B.2.2 As regards **shares** the Company undertakes to

a) receive dividends. If the Client has the choice of receiving a dividend in cash or in another form, the Company may choose to collect the dividend in cash if the Client has not explicitly instructed otherwise;

b) In connection to a rights issue of shares in which the Client has a preferential right, inform the Client of the corporate action and offer to assist with various corporate actions. If no instructions have been received by the Company within 3 banking days before the last day of trading with subscription rights the Company shall – if the Company deems it as practical, possible and appropriate, among several factors and in line with the interest of the client – sell subscription rights that have not been used;

c) notify the Client of any public offer for the acquisition of shares, directed to the Client by the issuer (redemption/buy-back) or by any other party (buyout) and regarding which the Company has received information and, after specific instructions by the Client, to assist in taking any action required in connection therewith. (See also B.2.5) The same applies with any public offer regarding the purchase of shares directed to the Client;

d) where a fund issue is concerned regarding shares, purchase, if possible, such fractions as may be necessary so that all fractions to which the Client is entitled, based on the securities recorded with the Company, are used in full in the bonus issue and record such number of new shares as the Client thereafter is entitled to;

e) notify the Client of any compulsory redemption in the case of shares in VPC registered/affiliated companies;

f) receive or collect, in the case of shares in the Euroclear Sweden registered companies, capital as well as other sums due where there is a reduction in share capital, redemption or liquidation; and

g) register, if requested by the Client, the voting rights in the Client's name in

respect of shares registered in nominee name with the central securities depository, on the condition that such registration of voting rights may take place in accordance with prevailing procedures at the central securities depository concerning the registration of voting rights and on the condition that the instructions are received by the Company at least five banking days prior to the last date for registration in the share register in order to secure the right to participate in the shareholders' meeting. If the Custody Account is held jointly in the name of two or more parties and the instructions do not specify in whose name the shares shall be registered, registration for voting rights shall be carried out in accordance with each party's respective holding. Share voting rights are not registered in respect of excess shares.

B.2.3 As regards **warrants in respect of subscription rights**, the Company undertakes to notify the Client in good time of the last date for share subscriptions and, after specific instructions by the Client, to arrange for supplementary purchases of warrants and arrange subscription for new shares. Unless otherwise instructed, at the latest three banking days prior to the last date for trade in such warrants, the Company shall - if the Company considers it feasible in practice and expedient- sell the warrants which are not taken up.

B.2.4 As regards **purchase rights**, the Company undertakes to notify the Client in good time of the last date for notification of purchase and, after specific instructions by the Client, to arrange for supplementary purchases of the purchase rights and to give notification of purchase. Unless otherwise instructed, at the latest three banking days prior to the last date for trade in the purchase rights, the Company shall - if the Company considers it feasible in practice and expedient - sell the purchase rights which are not taken up;

B.2.5 As regards **redemption rights**, the Company undertakes to notify the Client in good time of the last date for notification of redemption and, after the special instructions of the Client, seek to execute the supplementary purchase of redemption rights and give the requisite notification of redemption. Unless otherwise instructed, at the latest three banking days prior to the last date for trade in the redemption rights, the Company shall - if the Company considers it feasible in practice and expedient - sell the redemption rights which are not taken up;

B.2.6 As regards **Swedish "depository receipts" concerning foreign shares**, the Company undertakes to render the equivalent services as for Swedish shares according to the above if the Company considers it feasible in practice and expedient.

B.2.7 As regards **debt instruments and other promissory notes** that are negotiable on the capital market, the Company undertakes to

a) receive and collect interest and capital or other sums which with redemptions, lottery drawings or cancellation fall due for payment after the debt instrument is received;

b) collect prizes drawn on premium bonds according to the lottery list, in connection with drawings which have taken place after the premium bonds are received by the Company, and to notify the Client of exchange of such premium bonds and to assist the Client in taking any measures required in connection therewith;

c) notify the Client in good time as regards convertible instruments and other convertible debt instruments of the last conversion date and, after specific instructions by the Client, to arrange for conversion;

d) subscribe, on account of the Client, to any debt instrument/promissory note issue to which the Client has preferential rights, unless otherwise agreed. In such case, what is stated in section B.2.2.b) above shall apply;

e) notify the Client regarding any public offer for the acquisition of financial instruments directed to the Client from the issuer or a third party, concerning which the Company has either received information in the manner described in section B.1.3 and after taking the Client's specific instructions, assist the Client with the desired measures to be taken in that connection. The same applies to any public offerings regarding the purchase of debt instruments/ promissory notes directed to the Client; and

f) notify the Client regarding any notice being given of early redemption or creditors' meeting with respect to debt instruments/promissory notes in which the Client is a holder and of which the Company has received information in the manner described in section B.1.3, and after taking the Client's specific instructions, assist the Client with the desired measures to be taken in connection therewith, and

g) As regards structured products that are debt instruments/promissory notes, collect interest, dividends and capital amounts.

B.2.8 As regards **financial instruments, which are not covered by sections B.2.1-7 above**, such as derivative instruments (e.g. options and futures) and structured products which are not debt instruments/promissory notes, the Company undertakes, where appropriate, to collect dividends, and in addition to carry out any other measures the Company deems practically possible and appropriate, or which the Company has agreed to undertake by special agreement with the Client.

B.2.9 As regards **other financial instruments issued by an issuer whose**

registered office is located in Sweden and admitted to trading on a regulated market outside Sweden, what is stated below in section B.3 concerning foreign financial instruments applies, instead of what is stated in B.2.1-8 above.

B.2.10 As regards shares in collective investment undertakings (**fund shares**), the Company will primarily receive dividend in cash and in other hand reinvest the dividend in the form of new fund shares. The Company undertakes to inform the Client about any transfers, consolidations and splits of funds of which the Client is a shareholder, when the Company receives such information from the fund company.

B.3 FOREIGN FINANCIAL INSTRUMENTS

B.3.1 As regards shares and debt instruments which are not covered by section B.2 above and which are admitted to trading on a regulated market, an equivalent market outside the EEA or an MTF, the Company shall render – with those possible exceptions which can result from what is stated in section B.1.6 - the same services as for Swedish financial instruments - where the Company considers this is feasible in practice and expedient.

In connection herewith the Client should be particularly aware of certain foreign shares registered with the central securities depository or the equivalent outside the EEA, for which, due to restrictions in its obligations, there are limited opportunities for the Client as shareholder to exercise certain rights, such as participating in general meetings and participating in issues as well as being informed thereof.

B.3.2 As regards foreign financial instruments other than those set out in the previous section, the Company's undertakings shall only include such undertakings as have been subject to separate agreement between the Company and the Client.

B.3.3 When the measure concerns foreign financial instruments, the Client fully acknowledges that the Client's rights may vary depending on applicable foreign laws and regulatory frameworks. The Client is also aware and acknowledges that, where the measure relates to a foreign financial instrument the Company may often have to apply different time limits, vis-à-vis the Client, than those applicable in the country where the measure in question should be taken.

B.4 SWEDISH AND FOREIGN DOCUMENTS OF VALUE

As regards Swedish and foreign documents of value, the Company's undertakings – with those possible exceptions which can result from what is stated in section B.1.6 - are to do what the Company has taken upon itself to do by separate agreement between the Company and the Client.

B.5 SHARES IN SRD II COMPANIES

B.5.1 The Institute undertakes, with regard to shares in an SRD II company, to

- a) without delay, communicate to the client such information and confirmations as the institution has received from an intermediary or an SRD II company and which an SRD II company is obliged to provide to its shareholders in accordance with SRD II;
- b) at the request of the client, without delay communicate the client's instruction to an SRD II company or to the next intermediary regarding the exercise of the client's rights as a shareholder in the SRD II company or otherwise facilitate the exercise of shareholders' rights under SRD II.

C. CASH ACCOUNTS AND CREDIT FACILITIES CONNECTED TO THE CUSTODY ACCOUNT

C.1 IN GENERAL

One or several cash accounts are connected to the Custody Account. Unless otherwise agreed, one connected cash account shall be maintained in Swedish kronor.

The Company may credit a connected cash account with funds which represent an advance payment for purchase orders or settlement for sales orders (or equivalent), the yield on securities serviced as well as funds which the Client otherwise passes over to the Company or which the Company receives on behalf of the Client and which are related to the Custody Account, unless the Client has instructed the Company another cash account to be credited.

The Company may exercise a set-off right and may also debit a connected cash account in respect of amounts which the Client may have instructed or has accepted and in respect of outlays, costs or preliminary tax related to the connected cash account or the Custody Account, including credit related costs. The Company may also debit connected cash account with amounts representing

outlays, expenses and fees for any other commissions which the Company may have undertaken for the Client, and also payments in respect of any other due claims which the Company may have on the Client from time to time.

C.2 FOREIGN CURRENCY

Funds on foreign currency remitted or received by the Company on account of the Client shall be exchanged into Swedish kronor, using the Company's from time to time applicable exchange rate, prior to a connected cash account being debited or credited - unless otherwise agreed or provided that none of the cash accounts concerned are maintained in that specific foreign currency.

C.3 CREDIT FACILITIES

Subject to the Company's approval, the Client can obtain credit facilities, provided the Client is not under aged or incapable of managing his own affairs and provided that the contents of the Custody Account and the funds on the connected cash accounts are not subject to separate administration or under the administration of an official guardian.

A credit facility can be accessible - if the Company does not report otherwise - up to an amount equivalent, from time to time, to the total collateral value of the assets in the Custody Account and connected cash accounts¹.

In the event of the Client pledging, under a separate agreement, securities recorded in the Custody Account and/or assets on connected cash account also for obligations other than the Client's credit facility (for example, for trading with derivative instruments), depending on such policies which the Company applies from time to time, such obligations shall be taken into account in determining the extent of entitlement to credit.

The Client's credit facility according to these General Conditions applies until further notice, the Company retaining the right to terminate the credit after 30 calendar days' notice. Furthermore, on giving notice of termination of the Custody & Cash Account Agreement, according to Section G.10 below, first or second paragraphs the credit is due for payment when the Custody & Cash Account Agreement terminates. No later than on the date when the Client's right to the credit facility terminates, the Client shall repay the Company any amount borrowed together with accrued interest.

If the Client wishes to terminate the credit facility early, the Client must inform the Company of this and repay any outstanding credit balance along with interest and other costs associated with the credit facility up until the date on which the advance payment is made. The Company may not charge any compensation for early payment of the credit facility.

If the Client is a consumer, a specific notice of termination of the credit for payment is required, and the aforementioned notice periods shall apply unless the institution is entitled to early repayment in accordance with applicable law at the time.

C.4 ACCEPTED COLLATERAL AND MARGIN CALLS

The collateral value of the assets in the Custody Account and connected cash accounts is calculated by the Company in accordance with those principles which the Company applies from time to time. The Client can obtain information from the Company about the up-to-date total value of the collateral and the up-to-date collateral value of a certain financial instrument recorded in the Custody Account as well as the collateral value and the balance of the connected cash accounts.

It is the Client's responsibility to be aware at any time of the total collateral value of the assets in the Custody Account and connected cash accounts and to ensure that there is no shortfall in the collateral (borrowing in excess of limit) at any time, that is to say that - even with regard to other obligations against which the above mentioned assets have been pledged - the credit at no time exceeds the total collateral value of the assets. Under no circumstances can the Client avoid responsibility for a shortfall in collateral which may arise, by maintaining that the Company did not give notification of the current total collateral value of the pledged assets in the Custody Account and connected cash accounts or concerning a shortfall arising in the collateral held.

If a shortfall in collateral should nevertheless occur, the Client is obliged to repay the Company immediately and of his own accord the excess amount owing or pledge additional collateral to cover the shortfall. In the absence of such repayment or such pledge of additional collateral, the whole amount owing on the connected cash accounts becomes immediately repayable. If the Client is a consumer the Company has the right in such circumstances to sell pledged collateral to such extent as to bring the credit within the approved credit limit.

If the Client's positions in financial instruments result in a shortfall in collateral, the Company have the right to compulsorily liquidate the Client's positions to the extent deemed necessary by the Company in order to eliminate a shortfall in collateral as well as to avoid a shortfall in collateral. The Company thereby also has the right to, on behalf of the Client, compulsorily liquidate derivative positions by buying or selling contracts that would neutralise positions prematurely.

¹ The collateral value on the connected cash account can be lower than the balance where for example the Company chooses to set the collateral value of a connected Currency Account at less than 100%.

C.5 INTEREST RATES

Credit interest shall be paid on the connected cash accounts according to the interest rates that the Company applies from time to time in respect of accounts of a similar nature. For amounts owing on the connected cash accounts, interest will be charged in accordance with the current price list published on the Company's website. In determining whether there is a credit balance or an amount owing on connected cash accounts, each account is treated separately. This means, for example, that one connected cash account can be credited with interest whereas another connected cash account can be charged interest.

The interest rates may be changed with immediate effect following official rate changes over which the Company has no determining influence, public credit policy changes, changes in the Company's funding costs or other cost increases for the Company. Changes in the interest rates for other reasons may take place only from and including that day when the Company has informed the Client regarding changes in the interest rate.

If the Client is a consumer, instead of what is stated in the previous paragraph, the following shall apply in respect of changes in the interest rate on amounts owing on connected cash accounts, other than changes caused solely by official rate changes over which the Company has no determining influence: the interest rate shall only be varied to the detriment of the Client if caused by public credit policy changes, changes in the Company's funding costs or other cost increase that the Company could not reasonably have foreseen when the Custody & Cash Account Agreement was entered into. The Company shall inform the Client of such change in the interest rate before the change may take effect. For changes in interest rates which are caused solely by official rate changes over which the Company has no determining influence, the change may take effect immediately, provided that the new official rate is held available with the Company and the consumer is informed of the change at the latest in the next account statement from the Company.

Information concerning interest rates can be obtained from the Company.

The interest on credit balances is calculated from and including the day after deposit until the date of withdrawal. The interest on debit balances applies from the day when the debt arose up to and including the date of repayment.²

The overall value of the Clients balances and liabilities in the associated accounts may not at any time be negative (overdraft). In case of an overdraft the Company has the right to, without prior notice, charge the account overdraft interest according to the Company's applicable price list.

The Company will calculate the interest on the basis of 365 days a year. Debit interest (costs of negative holdings) will be charged from the Clients account on a monthly basis. Credit interest (interest on positive holdings) will be credited to the Clients account on a yearly basis. Overdraft interest will be charged to the Clients deposit on a monthly basis. Transactions that result in a deficit will affect the calculation of interest from the settlement date. Deposits that reduce the deficit will affect the calculation of interest the same day.

If a credit facility linked to the custody account or a negative balance exceeds the granted credit limit or the collateral value, interest or overdraft interest will be paid in accordance with separate credit agreement and/or applicable price list

The Company has the right to charge interest on overdue amounts owing by the Client at such interest rate the Company at any time applies.

C.6 FOREIGN CURRENCY ACCOUNT TERMS AND CONDITIONS

Clients with an approved credit facility who trade in foreign securities denominated in a currency other than SEK may open a currency account to manage their currency risk.³ With a currency account transactions will be settled in the instrument's denominated currency without exchanging it to SEK. Please note that any negative foreign currency balances entail an interest cost and may potentially entail an increased risk. If the service is activated, it is the Client's own responsibility to follow up its currency exposures (long and short). All currency exchanges must take place in connection with a securities transaction. If the Client has a negative currency balance on an ISK account, the corresponding negative balance is converted to SEK as a fictive deposit that will be added to the capital income, for calculating the flat-rate standard income for the ISK account.

C.6.1 USE OF FOREIGN CURRENCY ACCOUNT

If the Client does not want movements in the foreign exchange market to affect returns, the client has the option of hedging his currency risk by having a currency account. With a currency account the client has currency risk on profits and possible losses – not the entire investment.

C.6.2 RISK

The Client is aware that the purchase and sale of foreign securities entail currency risk. Similar to the volatility of trading securities, exchange rates can also be volatile and change in the short term.

With a currency account, the Client theoretically has no currency risk when trades are matched. The currency risk will instead start to run as soon as the market prices

are quoted because the securities position no longer has the same (reverse) value as the balance. See example below.

Currency risk arises on realized and unrealized profits/losses on investments that are not exchanged.

It is important that the Client consider this risk, especially if the client chooses to expose itself to currency risk in addition to securities investments.

Example

Purchase:

- Purchase of 1,000 shares of EA at a price of USD 100. Sell of the same 1000 shares of EA a month later at a price of USD 80.
- The cost in USD is 100,000 (1000*100 USD), and the sales value is 80,000 USD.
- The exchange rate at the time of purchase is USDSEK = 10.

Costs:

- The currency account in USD will be debited with the cost price of USD 100,000.
- This means that the balance in USD is – 100,000 USD.
- During the period with a negative balance, the interest is charged according to the current price list.

Sell:

- Selling the same 1,000 shares of EA a month later at a price of USD 80 gives a sales value of USD 80,000.
- The sales value will be credited to the currency account and the balance in USD will then be negative by USD 20,000 which is a share loss.

Risk:

When the Client then receives a loan in another currency, it will mean that they are exposed to an increase in the exchange rate as this will increase the loan measured in SEK.

- With e.g. exchange rate 10.5, the loss will be 210,000 SEK (10.5*20,000 USD).
- With e.g. exchange rate 9.0, the loss is reduced to 180,000 SEK (9.0 * 20,000 USD).

If the Client has a negative balance on its currency account after closing a position in a foreign security, they should be aware that the conversion will take place in SEK. If exchange of currency does not take place, additional currency losses may occur. If the USD strengthens, in the example above, after closing the position, from SEK 10.5 to SEK 11, the negative loan balance in SEK will increase from SEK 210,000 to SEK 220,000.

C.6.3 THE AMOUNT OF THE CURRENCY LOAN AND OBLIGATIONS

The Client can have currency loans that exceed the granted credit limit if funds are available in other currencies. This is because the Company sums up all balances in different currencies. For example, the Client can have a credit limit of USD 1,000,000 and have a loan of USD 200,000 (9.0 * 200,000 = SEK 1,800,000) and a positive balance (funds) in SEK of SEK 900,000. The credit exposure is then SEK 1,800,000 – 900,000 = SEK 900,000.

The Client is obliged to follow up its currency exposures. The Client should regularly follow up his gross currency exposure (the sum of all foreign currency securities and currency positions regardless of whether they are long or short) and that this should not constitute more than 200% of the equity at the Company. If the gross currency exposure accounts for more than 400% of the equity, the Company has the right to reduce the Client's gross currency exposure by exchanging currency on its behalf. The Company is not liable for any losses that the Client may suffer in this regard.

If the Client has open currency positions (loans in foreign currency) that have not been exchanged after selling all their securities, the Company has the right to exchange currency on its behalf. The Company is not liable for any losses that the Client may suffer in this regard.

² Interest is capitalised monthly by the accrued interest for the quarter being added to the amount owing on the account. Any interest on balances is capitalized annually.

³ Foreign securities are securities denominated in a currency other than SEK.

Example of currency exposure where the client has equity of NOK 4,000,000 and a credit limit of NOK 1,000,000:

Currency exposure			
Currency	Amount	Exchange rate	NOK-value
SEK	-793 044	0,9556	-757 799
USD	-399 558	9,4411	-3 772 265
DKK	490 970	1,3301	653 056
EUR	45 920	9,8990	454 558
Gross			5 637 678
Net			-3 442 450

Currency exposure in EUR is the Client's securities in EUR – balance in EUR.

Gross currency exposure 5,637,678 / 4,000,000 equity = 140.94% currency exposure (within the 200 % requirement)

C.6.4 COSTS

The Client pays interest during the period for the entire amount it has been a negative balance for per currency. For example, if the Client has a positive balance (funds) of SEK 1,000,000, but a negative balance of USD 200,000 (i.e. the Client is short USD and thus borrow USD), the Client pays interest on the entire loan amount of USD 200,000. The interest calculations are thus not based on the net credit exposure. The interest is charged according to the current price list per currency.

D. PLEDGES

D.1 IN GENERAL

In addition to the provisions concerning pledges below, there are also provisions in the Custody & Cash Account Agreement under the heading Pledging.

The yield and all other rights based on the collateral are also covered by the pledge and constitute collateral.

The Company's undertaking in respect of pledged property in its role as pledge holder should not be more extensive than those stated under these conditions.

The pledge shall not constitute collateral for claims against the Client which the Company has acquired or may acquire from anyone other than the Client, if such claims either have no connection with the Client's trading with financial instruments or have not arisen through the Client's connected cash accounts being debited.

D.2 PLEDGE REALISATION

Should the Client fail to fulfil his/her obligations towards the Company under the conditions of this Custody & Cash Account Agreement, or otherwise arising from the Client's transactions in financial instruments, the Company may utilise the pledge as it deems it appropriate. The Company shall proceed with due care in this and shall notify the Client in advance, if this can be done in the Company's judgement without prejudice to the Company in its capacity as pledge holder. The Company may determine the sequence in which the collateral pledged (pledges, guarantees, etc.) should be utilised. The Company also has the right to determine the order by which the Client's liabilities shall be settled.

In the performance of what has been stated above, the pledged securities may be sold in some other way than in the execution venue where the securities are traded or are admitted for trading.

If the pledge consists of a credit balance in the connected cash account, the Company may, without prior notice to the Client, reimburse itself for the amount due out of the funds on the account.

The Company is empowered, either in person or through the Company's nominee, to sign for the Client where this is necessary in order to utilise the pledge or otherwise to safeguard or exercise the Company's right to pledged property. Towards the same end, the Company may open a separate custody

account and/or a central securities depository account or an account with some other book-entry system. The Client cannot revoke such authorisation while the pledge is in force.

D.3 GUARANTEE AND RECOURSE

If a guarantee has been issued for the Client's obligations according to the Custody & Cash Account Agreement the following shall apply as regards the guarantor's right to property pledged by the Client solely or jointly with another according to the Custody & Cash Account Agreement.

Where the Company has utilised the guarantee, the pledge shall thereafter constitute collateral for the guarantor's right of claim (recourse) against the Client only if this has been stated in the guarantee. Such right is subordinate to the Company's right to the pledge. If the pledge constitutes collateral for several guarantors' right of recourse, they have the right to the pledge in proportion to each and every right of recourse, provided nothing else to the contrary has been agreed.

The Company may, as long as the Company has not utilised the guarantee, release collateral which in the Company's judgement is not needed for payment of any amount which is due according to the Custody & Cash Account Agreement, without the guarantor's responsibility decreasing as a result thereof.

D.4 RIGHT OF DISPOSITION OF PLEDGED PROPERTY

The Client may not, without the Company's prior consent, pledge to a third party property which is pledged according to these General Conditions and the Conditions of the Custody & Cash Account Agreement. Any such pledge to a third party shall be made in accordance with the Company's instructions using such form as has been approved by the Company. If any pledge is made which conflicts with these General Conditions, the Company has the right to terminate this Custody & Cash Account Agreement forthwith and notwithstanding the notice period stated in section V below.

If the Client has pledged a security recorded in the Custody Account or funds on the connected cash account to another party, the Company may, regardless of the Client's objections, release or transfer the security or the funds on the Custody & Cash Account to the pledge holder or to a third party in accordance with the pledge holder's instructions. Notice of such release or transfer shall be sent to the Client.

The Client may not in any other way dispose of the pledged securities or funds covered in the Custody & Cash Account Agreement without the Company's consent in every individual case.

E. TRADING SECURITIES THROUGH THE CUSTODY & CASH ACCOUNT

E.1 INSTRUCTIONS AND ORDERS

The Client is bound by the Company's Policy regarding execution of orders and aggregation and allocation of orders applicable from time to time, and the terms and conditions applicable from time to time for trading in each type of financial instrument when using the Company's services in respect of trading in financial instruments. It is understood that such conditions include the General Terms and Conditions for trading with financial instruments applicable from time to time, the terms and conditions of the Company's sales/purchase order documents, and the terms and conditions of contract notes prepared by the Company, as well as rules adopted by the Company, Swedish or foreign issuer, execution venue, clearing organisation or central securities depository. It is the Client's responsibility to keep updated and comply with such terms and conditions and rules.

On the Client's instructions - even in terms of what the Client and the Company may have agreed in a separate agreement on trading via electronic means - the Company will buy and sell securities and carry out other commissions concerning trading in securities on behalf of the Client. After fulfilment and if the necessary prior conditions exist, the Company registers such transactions in the Client's Custody Account.

At the same time as the sales assignment is submitted, the company shall have a free right of disposal for the financial instruments that the assignment covers. In the case of purchase orders, the client must no later than the morning of the settlement day [at 8.00 a.m.] keep sufficient funds available for the Company to be able to liquidate the client's acquired financial instruments. However, the company has the right to wind up the client's business with financial instruments even if the client has not kept the relevant financial instruments freely available to the institution or sufficient funds have been available.

For transactions in financial instruments regulated by EU Regulation (EU) 909/2014 on enhanced securities settlement, the institution has in some cases an obligation to finally carry out an actual settlement (in whole or in part) or pay cash compensation. Further regulation on the execution and settlement of the client's order can be found in the General Terms and Conditions for trading in financial instruments and, where applicable, in other agreements or terms between the client and the Company.

By special agreement with the Company, the client may carry out purchases, sales or other transactions regarding trading in financial instruments at another institution for registration in the client's depository and affiliated accounts. It is the client's responsibility to ensure that assignments to perform clearing and settlement are submitted to the Company in good time and that the Company is provided with the necessary information about the transaction and that other conditions for performing the assignment exist.

The Client shall reimburse the Company for the costs, fees, expenses, or obligations that the Company may incur in connection with the execution, including settlement, of the client's business with financial instruments. If there are not sufficient funds in the account to settle a completed purchase order and the Company in accordance with the paragraph above still settles the transaction, the Company has the right to debit the account with current purchase payment and the overdraft interest that applies according to the provisions generally applied by the Company.

In cases where a securities transaction cannot be completed and settled in its entirety, the part of the securities transaction that can be settled through partial delivery will be completed and settled. The party who is obliged to deliver securities shall in those cases be deemed to have partially fulfilled the securities transaction or its delivery obligation with the delivered securities. The remaining part of the

securities transaction is completed (i) through replacement purchases and cash compensation and in the case of a securities transaction regulated by EU Regulation (EU) 909/2014 on improved securities settlement in accordance with that and other applicable regulations, and (ii) otherwise in accordance with what is stated in the general terms and conditions for trading in financial instruments or agreement between the parties or in accordance with central securities depositories, central counterparty (CCP) or place of execution regulations or market practices.

E.2 SECURITIES AND EXECUTION VENUE

The Company reserves the right to at any given time decide which securities may from time to time become subject to trading under this agreement. If the Client through a power of attorney has given someone else access to the deposit, the Company has the right to introduce special restrictions as to which securities may be traded through this. Information about which securities are subject to trading at any given time under this agreement can be obtained from the Company's Client service.

The Company reserves the right to without notifying the Client add a new security or discontinue the option of trading a certain security through the trading system. An already placed order for securities for which trading through the trading system has been discontinued shall be considered as cancelled and the Company is not liable for loss suffered by the Client due to such decision.

Unless otherwise agreed, the Company may decide which execution venue and in which trading currency the Client's order in respect of trading in securities shall be executed.

E.3 TRADING CAPACITY

In order to place an order in the trading system the required securities and/or funds or credit margin both for the order as well as the commission must be available in the deposit/account when the order is placed. The Company may at its discretion fully or partly refrain from carry out a transaction if the required securities and/or funds or credit margin necessary for the transaction are not available in the deposit.

In the Company's trading system there are barriers aimed at preventing the execution of such orders as mentioned above. The Client is, however bound by an order that has been executed despite there being insufficient coverage in the account or the securities are not available in the Custody account deposit.

E.4 THE PLACING OF ORDERS

Once the Company has approved the Client for trading through the custody account, orders for buying or selling securities may be submitted in one of two ways:

by filling out and submitting an order through the Company's trading system. An order may be submitted through the trading system in the ways offered by the Company at any given time (for example through the Company's website while logged in, by mobile phone), or

by calling the Company and after specifying a deposit/account number orally placing a buy or sell order.

The Client declares that he/she possesses the required skills for trading in the respective trading systems. For trading etc. fees are payable (such as commission) to the Company in accordance with the Company's current applicable terms,

The fees charged by the Company for trading by telephone will normally be higher than the fees for trading through the trading system.

By using any of these two possibilities the Client commissions the Company to carry out the purchase or the sale covered by the order. After the transaction has been completed the Client will receive a confirmation. The Client only has the right to use the trading system for his own transactions.

The Client undertakes to not submit buy or sell orders in any other way.

Submitted orders are valid for one trading day unless otherwise specified by the Client. This means that order submitted during the opening hours of an execution venue will be valid until the execution venue closes the same day. Orders submitted after the closing of a marketplace will be valid until the execution venue closes the following trading day.

There could be barriers in the Company's trading system or in the system of a particular execution venue relating to prices and volumes for orders placed by the Client. These barriers could for example result in that a placed order cannot be accepted because the specified price in the order deviates too much from the current prices or because the order refers to volumes that are too large. Further information about the currently applicable barriers according to the above is provided on the Company's website. It is the Client's duty to read this information.

The Client may not, by the placement of an order, act in violation of any applicable law or other regulation or otherwise violate any generally accepted practices in the securities market. The Client may not in any event place a buy or sell order that may result in a settlement against another buy or sell order placed by the Client himself or, unless the order was placed for a purpose that could be considered appropriate, by a natural person or legal entity closely related to the Client.

When the Company has executed a purchase or sale order on behalf of the client,

the Company may preliminarily register the relevant transaction with financial instruments at the client's depository and account already at the conclusion of the transaction. Final settlement where financial instruments are delivered against payment takes place some time later, e.g. two days for one share on a regulated market in Sweden. The client may, where applicable, be given the opportunity to sell provisionally registered financial instruments or use provisionally registered cash before the final settlement. However, the institution always has the right to limit the client's ability to dispose of preliminarily registered financial instruments and cash and not to allow purchases and sales until the actual settlement.

E.5 CANCELLATION AND ANNULMENT

In terms of the General Conditions for trading with financial instruments, the Company has the right to cancel purchases and sales, where the contract is made for the Client's account, to the same extent as the contract is cancelled by the actual execution venue. The same right exists if the Company in other circumstances finds that cancellation of the contract is called for where an obvious mistake has been made by the Company, market counter-party or by the Client personally or, if the Client through the order contravenes the applicable law or other statutes, or if the Client has otherwise contravened good practice on the securities market. If the cancelled contract has already been registered in the Client's Custody Account, the Company will correct the registration and inform the Client in accordance with section G.5. If an order has been cancelled or a transaction has been invalidated, the Company shall without undue delay seek to notify the Client accordingly.

E.6 EXECUTION OF FUND ORDERS

The purchase will take place in accordance with a specific purchase order placed by the Client. Purchases or sales of fund shares will take place as soon as practically possible in accordance with each fund's cut-off times following the submission of a complete purchase/sale order.

E.7 DUE DATE AND REDEMPTION

In respect of positions in deliverable contracts on the closing date, if the Client should lack liquid funds or deliverable instruments in its deposit with associated account, the Client shall no later than four (4) hours before the end of trading give instructions to the Company for how the mentioned position shall be liquidated. If the above mentioned instructions have not been received by the Company according to the above, the Client accepts that the Company may liquidate the position.

E.8 STATEMENT OF SUITABILITY

When trading in financial instruments preceded by investment advice from the Company to a retail client, the Company shall, before carrying out a transaction, provide a statement of suitability to the Client. The statement shall specify the investment advice the Company has provided and how it corresponds to the Client's preferences, objectives and other characteristics. If agreements on trading in financial instruments are entered into using means of distance communication, which prevent a suitability statement from being submitted in advance, the Company has the right to provide a written statement of suitability after a transaction has been completed.

The Client has the right to request a statement of suitability before a transaction is carried out and the Company will then postpone the transaction. The suitability statement is submitted to the Client via the Company's internet service.

F. TAXES ETC.

F.1 IN GENERAL

The Client shall be responsible for taxes and other dues payable according to Swedish or foreign law in respect to securities registered in the Custody Account, for example preliminary tax, foreign withholding tax and Swedish coupon tax on dividends. In the event that the Client has not ensured that there are non-restricted funds available in the Deposit for the payment of tax or other fees, the Company has the right to dispose of securities recorded in the Deposit for the payment of tax or other fees related to the Deposit or the securities included therein.

F.2 THE COMPANY'S AND CLIENT'S RESPONSIBILITIES

The Company may, in accordance with Swedish/foreign law, Swedish/foreign public authorities' regulations or decisions or the Company's agreement with Swedish/foreign authorities, be obliged on account of the Client to take measures concerning tax based on dividends/interest/disposals concerning the Client's securities. It is incumbent upon the Client to provide that information, including written documentation, which the Company deems to be necessary in order to fulfil such obligation.

If the Company, as a result of the obligations according to section F.2, has paid tax on behalf of the Client, the Company may recompense itself for the equivalent amount in the same manner as set out in section C.1.

F.3 REDUCTION OF TAX OR RESTITUTION OF OVERPAID TAX

The Company shall, if the Client specifically requests, endeavour to assist in

achieving a reduction or restitution of tax and payment of the balance with the tax authorities, if the right thereto exists and if the Company considers it feasible in practice and expedient. The Company may in this connection sign on behalf of the Client and also provide information, to the extent necessary, concerning the Client and the Client's securities.

G. OTHER TERMS AND CONDITIONS

For other terms and conditions on Notices, Deposit Guarantees and Investor Compensation, Processing of Personal Data, Limitation of Liability, Changes to Terms and Conditions, Applicable Law etc., see Section V below.

SECTION IV - TERMS AND CONDITIONS AND INFORMATION ON INVESTMENT SAVINGS ACCOUNT

SECTION IV A - Advance Information on Investment Savings Account

What is an Investment Savings Account?

The investment savings account (ISK) is a standard taxed form of savings that is available to private individuals and estates. The form of savings is voluntary and constitutes an alternative to savings in securities on a regular depository and/or trading account, which is subject to conventional taxation or to a flat-rate taxed endowment insurance savings. An ISA cannot be held jointly with another person.

An ISA can be described as a total savings of approved capital investments, including deposits, for tax purposes. By taxing the holding on an ISA, one can deposit money in the account and trade in financial instruments and relocate these without having to report any capital gain or capital loss in your tax return. However, in order for you to be able to decide whether it is advantageous for you to place your savings in an ISA compared to other forms of savings, it is important that you consider a number of factors such as your assessment of market development, your savings horizon, which securities you want to save in and your personal circumstances in general.

The Investment Savings Account Act and the Investment Savings Account Agreement stipulate the framework for which assets may be kept in an ISA and how transfers of assets to and from the account may take place. However, general civil law provisions and principles determine who owns and who is entitled to the assets held in an ISA. Furthermore, the usual rules apply to how the Company handles Clients' assets etc. Assets that are kept and/or deposited in an ISA are covered by the provisions on investor protection and deposit guarantees.

How does it work?

To open an ISA, you must enter into a special agreement for an Investment Savings Account with the Company. The account includes both custody of financial instruments and a deposit account. The assets that, in this way, belong to and are kept in an ISA are reported for tax purposes as one unit.

What fees are charged?

The Company does not charge a separate fee for an ISA. For the connected services offered within the framework of an ISA, the Company charges the fees that appear from time to time in the Company's price list. The same applies to other existing accounts or such accounts that the Company has opened on your behalf and to which asset(s) that may not be kept in an ISA are transferred.

Information on current prices is available from the Company's offices, www.paretosec.com or via Customer Services +46 84025170, clientservice.se@paretosec.com.

How are savings taxed?

Assets attributable to an ISA are taxed at a flat rate. This means that the individual is not taxed on the basis of actual income and expenses on the assets held in an ISA. Instead, a standard tax is paid, which is calculated on the expected annual return. This tax is calculated on the basis of a so-called capital base based on the market value of the assets held in an ISA.

The capital base for a given tax year amounts to a quarter of the sum of the market value of:

1. assets that are kept in an ISA¹ at the beginning of each quarter during the year, cash deposited in an ISA during the year, if the deposit is not made from another of your ISAs,
 2. investment assets that the investment saver transfers to the account during the year, if the transfer does not take place from another own ISA, and
- investment assets that are transferred to the account from someone else's ISA during the calendar year.

The capital base is multiplied by an interest factor that amounts to the government loan interest rate on 30 November the year before the tax year plus one percentage point. However, the interest rate factor can never be less than 1.25%. This results in a standard income that must be taxed regardless of whether the value of your holding in an ISA increases or decreases. The company calculates and reports the standard income to the Swedish Tax Agency.

As stated above, deposits of cash on the ISA capital base and thus the standard income on which the tax is calculated, increase. As regards interest on cash, there is also a special rule that may, in some cases, lead to double taxation. If the interest rate that formed the basis for calculating the interest rate exceeded the government loan interest rate on 30 November in the previous year, the interest rate shall be taxed in the usual way at the same time as the cash is included in the capital base. However, this special rule does not apply to fixed income investments that you make in the form of financial instruments such as fixed income funds or listed bonds.

Special tax rules apply to people who have limited tax liability in Sweden. It is therefore important that you inform the Company if your tax domicile changes, e.g. when moving abroad. There is nothing to prevent you from keeping your ISA even if you move abroad, but you should be aware that the assets kept on your ISA will then no longer be subject to flat-rate taxation.

How is the tax collected?

The company does not make any preliminary tax deductions from an ISA but must annually submit control information to the Swedish Tax Agency on the size of the standard income. On your tax return, the standard income is then included as an ordinary capital income from which you can make interest deductions etc. A surplus in the income category capital is taxed in the usual way by 30 percent, and a deficit in the income category capital can lead to a tax reduction. The Swedish Tax Agency determines the final tax that appears on the final tax return.

If you live abroad or save in foreign securities, other taxes may also be payable on your holdings, e.g. Swedish withholding tax or foreign tax at source.

What investment restrictions apply?

With an ISA, you can save in such investment assets that the Company allows at any time, i.e. approved investment assets. You can also deposit cash in the account in currencies the Company allows at any time. In exceptional cases, you can also store other types of investment assets and non-account assets in your investment savings account for a limited time.

According to the Investment Savings Account Act, the following constitute **investment assets**:

Financial Instruments that (i) are listed for trading on a Regulated Market or an equivalent market outside the EEA, (ii) are traded on an MTF platform or (iii) constitute Fund shares.

Financial instruments mean e.g. shares, bonds and other co-ownership rights or receivables issued for public trading. In the case of fund shares, there is no requirement for trading as there is for other financial instruments.

The assets that make up the Company's **approved investment assets** are specified in [Appendix 1](#).

According to the Investment Savings Account Act, e.g. the following are **non-account assets**:

1. Financial instruments that do not meet the trading requirement (e.g. unlisted shares and bonds)
2. Financial instruments that, in relation to you, are covered by the special taxation rules for qualified shares regarding small companies (chapter 57 of the Income Tax Act)
3. Financial instruments issued by a company in which you and your related parties, directly or indirectly, have significant ownership participations (together corresponding to at least 10 percent of the votes or capital)
4. Shares in foreign funds that do not correspond to Swedish securities and special funds.

As a general rule, you may not store in your ISA such investment assets that the institution does not approve or non-account assets.

In certain situations, however, non-account assets may be kept in an ISA for a transitional period. This applies to, e.g. newly issued assets that are intended to be listed for trading within 30 days. However, if an asset acquired in an issue is not listed for trading, it must be transferred from the account no later than 60 days after the issue.

¹ However, non-account assets other than those held in the investment savings account by virtue of § 17 of the ISAA.

In connection with various corporate events (e.g. issues, dividends, mergers and share exchanges), assets that do not meet the trading requirement obtained due to existing holdings. Such assets may be kept in an ISA for a period that extends until the beginning of the next quarter and an additional 60 days. The same applies to assets that were originally approved investment assets, but which have become non-accountable, e.g. due to delisting. If, during the transition period, the non-account assets are listed for trading as required for investment assets, they may continue to be held in an ISA. Otherwise, they must be transferred from the account no later than the last day of the period. This also applies if investment assets that are not institution-approved investment assets were kept in your ISA.

For non-account assets that relate to qualified shares related to small companies or significant ownership participations, stricter rules apply in several respects, which, among other things, means that these assets must be removed from the account no later than 30 days after they became non-account or acquired due to existing holdings, i.e. regardless of whether they cease to be qualifying holdings or significant ownership participations. It is important that you continuously monitor your own and close relatives' holdings in financial instruments that may be covered by these rules.

You should also pay special attention to the fact that, contrary to what is stated above, keeping non-account assets in your investment savings account may mean that these assets are no longer subject to standard taxation (see below).

Can existing savings be transferred to an ISA?

You can transfer existing savings to your ISA, but this may trigger capital gains taxation. If you transfer foreign currency or financial instruments to an ISA, the transfer is considered taxable as a sale, which means that you will be taxed as if you had sold the assets at a price corresponding to the market value at the time of the transfer. The market value of the transferred savings shall be considered at the same time as a payment that is added to the capital base when calculating the year's standard income for an ISA.

How can you withdraw/move savings from an ISA?

You can withdraw your savings in the form of cash from an ISA at any time, e.g. to use the money for consumption or to transfer it to a regular deposit account in the Company.

Withdrawals of savings in the form of investment assets from an ISA are subject to certain restrictions by law. You can sell investment assets kept in an ISA at any time, e.g. on a regulated market or through the redemption of fund shares. You can also move your investment assets to another ISA at any time in which the assets may be kept. However, it is *not* permissible to move investment assets from the flat-taxed area to a depository that does not constitute an ISA. This means that if you want to, e.g. move a share from an ISA to a depository that does not constitute an ISA, e.g. ordinary depository or trading account, you must first sell the share and then buy the corresponding shares for another depository.

Non-account assets that are temporarily kept in an ISA can be transferred to another depository that is not an ISA, e.g. regular custody or trading account. Under certain conditions, you can also transfer non-account assets to other people. You can, for example, transfer non-account assets to another person if you have transferred the assets on a regulated market or an MTF platform or in such a way that fund shares are redeemed. Non-account assets can also be transferred after transfer to the person who issued the assets, to the Company, to the bidder if the sale was part of a public takeover bid, to the buying company if the sale was part of a share exchange procedure or to the majority shareholder in a company if the divestment was part of a proceeding concerning the redemption of minority shares in the same company. Finally, you can transfer non-account assets that have been transferred in connection with inheritance, wills, gifts, division of property or in a similar way to an account that is not an ISA.

By signing an Agreement on an Investment Savings Account, you submit a power of attorney to the Company that can be used to open a regular depository and/or regular account in the Company in your name. The Company may use such a custody account e.g. should there be a need to transfer non-account assets that may not be kept in the Investment Savings Account for more than a limited time.

How to close an ISA?

You can terminate your ISA at any time by contacting the Company. Before the account is closed, however, the assets and cash kept in an ISA must be transferred to another ISA or sold, and then the cash transferred to another account.

The Investment Savings Account Act also contains provisions which mean that an ISA must cease immediately in certain situations. This applies to e.g. if you or the Company violate the law's provisions on the transfer of financial instruments from an ISA.

When an ISA is closed, the assets become subject to conventional taxation and, as a general rule, have an acquisition value that corresponds to the market value when an ISA is closed.

Where can more information be found?

For detailed rules on the acquisition, storage and transfer of investment assets and non-account assets respectively, see the Agreement on Investment Savings Account, the General Terms and Conditions for Investment Savings Accounts and the Investment Savings Account Act (2011:1268).

Information on which approved investment assets the Company allows at any time in your ISA is also available on the Company's website www.paretosec.com or via Customer Service tel. +46 84025170 or email clientservice.se@paretosec.com.

SECTION IV B - General terms and conditions for Investment Savings Accounts

Definitions

Other Accounts Owned: a depository/account which is not an Investment Savings Account and which the Client, or the Company on behalf of the Client, has opened with the Company or which the Client has opened with another institution.

The Agreement: An agreement on an Investment Savings Account including the Company's prevailing applicable General Terms and Conditions for Investment Savings Accounts, General Terms and Conditions for Depositories/Accounts, General Terms and Conditions for Trading in Financial Instruments and Guidelines for the Execution of Orders and aggregation and distribution of orders.

Significant ownership participations: Financial Instruments issued by a company and which means that the holder of the instruments directly or indirectly owns or, in a similar manner, holds shares in the company that correspond to at least ten (10) percent of the votes for all shares or of the capital in the company. Related parties' direct or indirect holdings must also be taken into account.

EEA: European Economic Area

Fund shares: shares in a mutual fund or special fund referred to in the Mutual Funds Act and the Alternative Investment Fund Managers Act.

Approved Investment Assets: investment assets that may at any time be kept in the Investment Savings Account in accordance with the Investment Savings Account Act and the Agreement. Approved investment assets are specified in [Appendix 1](#).

Unapproved Investment Assets: Investment assets that the Company does not approve for storage in the Investment Savings Account.

Investment companies: Swedish securities companies, Swedish credit institutions, foreign investment firms and foreign credit institutions which, in accordance with the Investment Savings Account Act, may enter into agreements regarding investment savings accounts.

Investment assets: assets that, according to the Investment Savings Account Act, may be kept in an Investment Savings Account, i.e. Financial Instruments that (i) are listed for trading on a Regulated Market or equivalent market outside the EEA, (ii) are traded on a Trading Platform or (iii) constitute Fund shares. Significant Ownership Participations and Qualified Shares are not Investment Assets.

Investment Savings Account: an account that meets the requirements of the Investment Savings Account Act.

Non-Account Access: Financial Instrument that is not an Investment Asset.

Qualified Shares: shares and other Financial Instruments in or relating to small companies that are covered by special taxation rules in the Income Tax Act.

Related parties: persons covered by the definition of related party in the Income Tax Act.

1 The keeping of assets in an Investment Savings Account

The Client may only keep Approved Investment Assets and cash in the Investment Savings Account, unless otherwise stated in the Agreement.

The Company publishes a list on the website of which assets constitute, at any given time, Approved Investment Assets. The current list is in [Appendix 1](#). At the Client's request, the Company shall also provide a current list of Approved Investment Assets directly to the Client.

It is the Client's responsibility to remain up to date at all times about which assets may be kept in an Investment Savings Account.

A Financial Instrument is kept in the Investment Savings Account when the Company has listed it in the account.

It is the Client's responsibility to remain up to date on which Financial Instruments are kept in the Investment Savings Account at any given time.

2 Transfer of Financial Instruments to the Investment Savings Account

2.1 Transfer from one's own account

2.1.1. The Client may only transfer Approved Investment Assets that the Client owns to the Investment Savings Account. Such a transfer can take place from another Owned Account or from another Owned Investment Savings Account. If the transfer is from another one's own accounts, the transfer is regarded as a sale for tax purposes.

2.1.2. The Client may not transfer Unapproved Investment Assets or Non-Account Assets to the Investment Savings Account.

2.2 Transfer from another person

2.2.1 Approved Investment Assets may only be transferred to the Investment Savings Account by another person if the assets are transferred to the account in connection with the Client's acquisition of the assets and the acquisition has been done:

1. on a Regulated Market or other equivalent market outside the EEA or on a Trading Platform;
2. in such a way that new Fund shares are issued;
3. from the person who issued the assets if the acquisition was based on assets that were kept in the account at the time of the acquisition;
4. from the Company;
5. from the acquiring company if the assets are intended as compensation to the shareholders in the event of a merger or division of a limited liability company, and if the assets were acquired due to shares that were kept in the account at the time of the acquisition;
6. from the purchasing company if the acquisition was part of a procedure for exchanging shares and the assets were acquired due to shares that were kept in the account at the time of the acquisition;
7. from another person if the assets were, at the time of the acquisition, kept in his/her Investment Savings Account; or
8. through dividends on assets that were kept in the Investment Savings Account at the time of the acquisition.

2.2.2 Unapproved Investment Assets may only be transferred to the Investment Savings Account by another person if the assets are transferred to the account in connection with the Client's acquisition of the assets and the acquisition has been done:

1. from the acquiring company if the assets are intended as compensation to the shareholders in the event of a merger or division of a limited liability company, and if the assets were acquired due to shares that were kept in the account at the time of the acquisition;
2. from the purchasing company if the acquisition was part of a procedure for exchanging shares and the assets were acquired due to shares that were kept in the account at the time of the acquisition; or
3. through dividends on assets that were stored in the Investment Savings Account at the time of the acquisition.

2.2.3 Non-account Assets may only be transferred to the Investment Savings Account by another person if the assets are transferred to the account in connection with the Client's acquisition of the assets and the acquisition has been done:

1. from the issuer of the assets no later than the thirtieth (30) day after the date on which they were issued if the assets are intended to be listed for trading on a Regulated Market or an equivalent market outside the EEA or on a Trading Platform;
2. from the person who issued the assets if the acquisition was intended as subscription rights, fund share rights, put rights or similar Financial Instruments, and the acquisition was based on assets that were kept in the account at the time of the acquisition;
3. from the acquiring company if the assets are intended as compensation to the shareholders in the event of a merger or division of a limited liability company, and if the assets were acquired due to shares that were kept in the account at the time of the acquisition;
4. from the purchasing company if the acquisition was part of a procedure for exchanging shares and the assets were acquired due to shares that were kept in the account at the time of the acquisition; or
5. through dividends on assets that were stored in the Investment Savings Account at the time of the acquisition.

2.2.4 Financial Instruments referred to in 2.2.1 - 2.2.3 may not, however, be transferred to the Investment Savings Account if the acquisition is based on Significant Ownership Participations, Qualified Shares or on Non-Account Assets that were kept in the Investment Savings Account at the time of the acquisition by virtue of 4.3.3.

2.2.5 Significant Ownership Participations or Qualified Shares may not be transferred to the Investment Savings Account in the application of item 1 of 2.2.3.

3 Transfer of Financial Instruments from the Investment Savings Account

3.1 Transfer to own account

3.1.1 The Client may transfer Investment Assets from the Investment Savings

Account to another own Investment Savings Account only if the assets may be kept in the receiving account.

3.1.2 The Client may not transfer Investment Assets from the Investment Savings Account to another of its own accounts.

3.1.3 The Client may transfer Non-Account Assets from the Investment Savings Account to another its own accounts.

3.2 Transfer to another person

3.2.1 The Client may only transfer Investment Assets and Non-Account Assets from the Investment Savings Account to another person if the Client has transferred the assets through a sale, exchange or similar:

1. on a Regulated Market or other equivalent market outside the EEA or a Trading Platform;
2. in such a manner that Fund shares are redeemed;
3. to the person who issued the assets;
4. to the Company;
5. to the bidder if the transfer was part of a public takeover bid;
6. to the purchasing company if the transfer was part of a share exchange procedure; or
7. to the majority shareholder of a company if the transfer was part of a procedure for the redemption of minority shares in the same company.

3.2.2 The Client may also transfer Investment Assets which the Client has transferred through a sale, exchange or similar from the Investment Savings Account to another person if the assets are directly transferred to its Investment Savings Account and the assets may be kept in the receiving account.

3.2.3 The Client may only transfer Investment Assets which the Client has transferred through an inheritance, will, gift, division of property or in a similar manner from the Investment Savings Account to another person if the transfer is directly to its Investment Savings Account and the assets may be kept in the receiving account.

3.2.4 The Client may only transfer Non-Account Assets which the Client has transferred through an inheritance, will, gift, division of property or similar from the Investment Savings Account to another person if the transfer is to an account that is not an Investment Savings Account.

4 Temporary deposits of certain types of Financial Instruments

4.1 In General

4.1.1 Sections 4.2 and 4.3 constitutes an exhaustive list of the circumstances in which Unapproved Investment Assets and certain types of Non-Account Assets may be temporarily kept in the Investment Savings Account.

4.1.2 If any such assets referred to in 4.2, 4.3.2 and 4.3.3 become Approved Investment Assets within the time limit specified below, they may be kept in the Investment Savings Account.

4.1.3 The sections 4.3 specifies the deadlines for, and manner in which, Investment Assets that are not approved by the Investment Company and/or Non-Account Assets shall be transferred from the Investment Savings Account.

4.2 Investment assets that are not approved by the Company

Unapproved Investment Assets may be held in the Investment Savings Account until the sixtieth (60) day after the end of the quarter in which the assets were classified as such assets and were listed in the account.

4.3 Certain types of Non-Account Assets

Significant Ownership Participations or Qualified Shares that were not such assets when they were transferred to the Investment Savings Account or that have been transferred to the account in the manner stipulated in items 2–5 of 2.2.3, may be held in the Investment Savings Account until the thirtieth (30) day after the day on which the assets were first classified as such assets or became listed in the account. The assets shall, even if during the time limit they are classified as other assets, be transferred from the Investment Savings Account no later than this day.

Non-Account Assets other than Significant Ownership Participations or Qualified Shares and which were Investment Assets when they were transferred to the Investment Savings Account or which have been transferred to the Account on the basis of the Client's existing holdings of Financial Instruments in the manner referred to in items 2–5 of 2.2.3, may be kept in the Investment Savings Account up to and including the sixtieth (60th) day after the end of the quarter in which the assets were classified as such assets and were listed in the account.

4.3.1 Non-Account Assets other than Significant Ownership Participations or

Qualified Shares which, when transferred to the Investment Savings Account, were intended to be listed for trading in the manner stipulated in item 1 of 12.2.3, may be kept in the investment savings account up to and including the 60th (60th) day following the date of issue.

4.4 Transfer of Unapproved Investment Assets and Non-Account Assets

4.4.1 The Client must, within the deadlines specified in sections 4.2 and 4.3 above, transfer Unapproved Investment Assets and/or Non-Account Assets from the Investment Savings Account. Such a transfer can be done either by the Client transferring the assets to another depository in accordance with the Agreement or by the Client transferring the assets.

4.4.2 If the Client has not, at least ten (10) banking days before the time specified in 4.2, transferred Unapproved Investment Assets and which are temporarily kept in the Investment Savings Account or directed the Company to which other of one's own Investment Savings Account assets shall be transferred, the Company may, on behalf of the Client, at that time and in the manner determined by the Company, dispose of all or part of the Client's holding of the assets.

4.4.3 If the Client has not, at least ten (10) banking days before the times specified in section 4.3, transferred Non-Account Assets that are temporarily kept in the Investment Savings Account or assigned the Company to which other of one's own Accounts such assets are to be transferred, the Company may, at its own discretion, choose to (i) transfer the assets to another of its own accounts in the Company or (ii) at the time and in the manner determined by the Company, sell all or part of the Client's holding of the assets.

4.5 Obligation to provide information

4.5.1 If the Client becomes aware that (i) Investment assets that are not approved by the Company or (ii) Non-Account Assets are kept in the Investment Savings Account, the Client must inform the Company as soon as possible. 4.5.2 The Company shall, within five (5) days from the time it has become aware that Non-Account Assets are being kept in the Investment Savings Account, inform the Client thereof and the time within which the assets must be transferred from the Investment Savings Account at the latest.

4.5.2 For the purposes of 4.5.2, the Company shall be deemed to have become aware that Non-Account Assets are kept in the Investment Savings Account when twenty-five (25) days have elapsed from the end of the quarter in which the Non-Account Assets were first deposited in the Investment Savings Account as Non-Account Assets. However, this does not apply to Significant Ownership Participations or Qualified Shares, or such Non-Account Assets that are kept in the account by virtue of 4.3.3.

5 Cash

Cash may be deposited in and withdrawn from the Investment Savings Account.

6 Interest, dividends and other returns

6.1 Interest, dividends and other returns attributable to the assets kept in the Investment Savings Account at any given time shall be transferred directly to the Investment Savings Account. However, the provisions of section 8.3 apply to remuneration attributable to the transfer of Financial Instruments.

6.2 The Client is responsible for ensuring that interest, dividends and other returns attributable to Significant Ownership Participations, Qualified Shares or such Non-Account Assets held on the Investment Savings Account with the support of 4.3.3 are not transferred to the Investment Savings Account. If the Client has not submitted any other instructions, the Company may, at its own discretion, transfer such interest, dividends and other returns to another of its own accounts in the Company.

7 Commitments regarding deposited Financial Instruments

7.1 The Company must always maintain the commitments regarding the assets kept in the Investment Savings Account. General provisions for depositories/account.

7.2 The company reserves the right to not implement the commitments stipulated in the General Provisions for depositories/accounts if this would be contrary to the provisions of the Agreement or the Investment Savings Account Act.

8 Trading in Financial Instruments

8.1 In General

8.1.1 In addition to what is stated below, when buying and selling assets in the Investment Savings Account, the General Terms and Conditions applicable to the Company at any given time for the trading of financial instruments and guidelines for the execution of orders and aggregation and distribution of orders shall apply.

8.1.2 The company shall, at the Client's request, provide the Client with the applicable guidelines and conditions referred to in SECTION IV B – General terms and conditions for Investment Savings Account *[in paper format or on its website]*.

8.1.3 The Company reserves the right to not carry out purchase or sale orders on behalf of the Client regarding Financial Instruments in cases where the Financial

Instruments constitute Unapproved Investment Assets or Investment Assets that are not approved by the receiving Institution, and if the order would otherwise be contrary to the Agreement or the Investment Savings Account Act.

8.2 Acquisition of Financial Instruments

8.2.1 The Client shall check in advance that the Financial Instruments that the Company is instructed to acquire on behalf of the Client constitute Approved Investment Assets.

8.2.2 In the event of the Client's acquisition of Financial Instruments for the Investment Savings Account, payment shall be made with assets kept in the Investment Savings Account.

8.2.3 Upon the Client's acquisition of Financial Instruments for the Investment Savings Account, payment may only be made in the form of Financial Instruments which are kept in the Investment Savings Account (exchange) if such transfer is done in accordance with section 3.2.

8.3 Compensation in the event of transfer of Financial Instruments

8.3.1 In the event of the Client's transfer of Financial Instruments that is done in the manner specified in items 1-7 of 3.2.1, compensation received in the form of cash must be transferred directly to the Investment Savings Account.

8.3.2 In the event of the Client's transfer of Financial Instruments that is done in the manner specified in 3.2.1 and 3.2.2, compensation received in the form of Investment Assets shall be transferred directly to the Investment Savings Account.

8.3.3 In the event of the Client's transfer of Financial Instruments, compensation received in the form of Non-Account Assets may only be transferred to the Investment Savings Account if (i) the transfer of assets to the Investment Savings Account is done in accordance with 2.2.3 - 2.2.5 and if (ii) the Client has not assigned another depository to which such compensation shall be transferred instead.

8.3.4 The Client is responsible for ensuring that compensation in the event of a transfer of Significant Ownership participations, Qualified Shares or such Non-Account Assets that are temporarily kept in the Investment Savings Account by virtue of 4.3.3 is not transferred to the Investment Savings Account. Such compensation - in the form of cash or Financial Instruments - must instead be transferred to another depository designated by the Client. If the Client has not provided any such instructions, the Company may, at its own discretion, transfer the compensation to another of its own accounts in the Company.

9 Mortgaging

9.1 In addition to what is stated below, the General Regulations for depositories/accounts in force at any given time apply to the pledge.

9.2 The Client pledges to the Company, as security for all the Client's current and future obligations to the Company in relation to the Agreement (i) all of the Financial Instruments that are listed on the Investment Savings Account at any time,

(ii) all of the Financial Instruments that the Client has acquired at any time for keeping in the Investment Savings Account and (iii) all cash that is deposited in the Investment Savings Account at any given time.

9.3 The Client may not pledge Financial Instruments held in the Investment Savings Account as security for the obligations that the Client has towards parties other than the Company.

9.4 If the Client does not fulfil its obligations towards the Company in accordance with the Agreement, e.g. the Financial Instruments related to the sale are not kept in the Investment Savings Account, the Company may claim the pledge in a manner the Company deems appropriate. When the Company takes the pledge, it shall act with due care and, notify the Client in advance if possible and can be done without prejudice to the Company.

10 Transfer of Investment Savings Account

The investment savings account cannot be transferred.

11 Transfers between Investment Savings Accounts with different Investment Companies

11.1 When transferring Investment Assets between Investment Savings Accounts with different Investment Companies, it is the Client's responsibility to ensure in advance that the receiving Investment Company can receive the relevant assets.

11.2 The Client's transfer of Investment Assets to another Investment Company shall be deemed to have been completed when the assets have been listed in the Investment Savings Account of the receiving Investment Company.

11.3 In the event of transfers to the Investment Savings Account from another Investment Company, the Company may refuse to accept assets that are not Approved Investment Assets for keeping in the Investment Savings Account.

12 Termination of the Investment Savings Account

12.1 The Company may terminate the Agreement by letter [60 days] after the Client has received the notice in accordance with SECTION V - Other provisions - Announcements etc.

12.2 The Client may terminate the Agreement in the manner stipulated in SECTION V - Other provisions - Announcements etc. (i.e. via the Investment Company's online or telephone service, or by visiting or sending a letter. The Client may only notify the Investment Company by email or other electronic communication by special agreement with the Investment Company) up until the termination [30 days] after the institution, according to SECTION V – Other provisions – Announcements etc. shall be deemed to have received the notice.

12.3 Notwithstanding what is stated in 12.1 - 12.2, each party may terminate the Agreement in writing with immediate effect if the counterparty has materially breached the Agreement or other instructions or agreements that apply to the trading and depository services related to Financial Instruments or the account services that are connected to the Investment Savings Account.

12.4 However, the agreement shall be terminated at the earliest upon termination of the Investment Savings Account in accordance with 12.5.

12.5 As a general rule, the Investment Savings Account shall be terminated at the time the Agreement terminates in accordance with 12.1 - 12.3. If at the time of the Agreement's termination, Financial Instruments and/or cash are kept in the Investment Savings Account or Financial Instruments have been acquired to be kept in the Investment Savings Account but have not yet been listed in the account, the Investment Savings Account must instead be closed as soon as all assets have been transferred from the Investment Savings Account. In these situations, the Client must as soon as possible (i) designate another of its own Investment Savings Account to which Investment Assets shall be transferred, (ii) designate another of its own accounts to which Non-Account Assets shall be transferred and/or (iii) transfer the assets in accordance with 3.2.

12.6 If the Client has not, within ten (10) banking days from termination in accordance with 12.1 or no later than ten (10) banking days from termination in accordance with 12.2, either transferred the assets or indicated to which other depository the Investment Assets and/or Non-Account Assets shall be transferred, the Company may and in the manner determined by the Company (i) dispose of the assets and thereafter transfer all cash from the Investment Savings Account to another of its own accounts in the Company and/or (ii) transfer Non-Account Assets to another of its own account in the Company.

13 Termination of the Investment Savings Account due to the law

13.1 If the account ceases to be an Investment Savings Account in accordance with Article 28 of the Investment Savings Account Act, the assets kept in the account shall no longer be taxed at a flat rate. The Company shall, within five (5) days of the Company becoming aware thereof, inform the Client that the Investment Savings Account has been terminated and that it is the Client's responsibility to transfer all assets held on the Investment Savings Account to another depository, or to transfer the assets as soon as possible.

13.2 If the Client has not, within ten (10) banking days from the date on which the Company has informed the Client of the termination of the Investment Savings Account in accordance with 13.1, either transferred the assets or indicated to which other depository the assets are to be transferred, the Company may implement the measures stipulated in 12.5 and then close the account.

13.3 The agreement expires when the account has been closed.

14 Taxes, fees and other costs

14.1 Tax on the Investment Savings Account

14.1.1 The Client is responsible for any taxes and other fees that must be paid in accordance with Swedish or foreign law with regard to assets listed on the Investment Savings Account, e.g. foreign tax at source and Swedish withholding tax on dividends.

14.1.2 Every year, the company must provide the Swedish Tax Agency with information on the standard income that is attributable to the Client's Investment Savings Account.

14.1.3 Non-Account Assets kept in an Investment Savings Account other than Non-Account Assets held in the Investment Savings Account pursuant to Article 17 of the ISAA shall not be included in the standard calculated income, but rather be taxed conventionally.

14.2 Tax domicile

14.2.1 The Investment Savings Account can be held by the Client regardless of whether he or she has limited or unlimited tax liability.

14.2.2 It is the Client's responsibility to be aware of its tax domicile at all times.

14.2.3 The Client undertakes to notify the Company in writing without delay of

changes to its tax domicile, e.g. if moving abroad.

14.3 Fees

14.3.1 The Company does not charge a specific fee for the Investment Savings Account. Information about the Company's fees for services related to the Investment Savings Account is available in the Company's current price list for depository clients, which is published on the Company's website, www.paretosec.com. At the Client's request, the Company will also provide information on current fees directly to the Client.

14.3.2 In the event that, in the Company's assessment, there is a risk that the Client's funds in the account may be less than the estimated but as yet unpaid tax or fee, the Company may, in an appropriate manner, sell assets in the Investment Savings Account to such an extent that the risk is no longer extant. The Company may also refuse to perform a relocation requested by the Client and any other disposition of the assets kept in the Investment Savings Account to the extent that, in the Company's assessment, this means that the said risk would arise or increase. The Company must act with due care and, if possible and without damaging the Company in accordance with the Company's assessment, notify the Client in advance of any action and/or omission as above.

14.4 Other costs

The Client shall bear the costs that arise from the sale, transfer or opening of another depository in accordance with the Agreement.

15 Other terms and conditions

In the case of other terms and conditions regarding Announcements, Deposit Guarantees and Investor Protection, the Processing of Personal Data, Limitation of liability, Changes to Terms and Conditions, Applicable Law, etc., please refer to Section V below.

Appendix 1. Investment assets approved by the Company, version 2022

You can save investment assets that Pareto Securities AB allows in an investment savings account.

Investment assets means assets that are:

- financial instruments listed for trading on a regulated market (e.g. Nasdaq Stockholm) or an equivalent outside the EEA,
- financial instruments traded on an MTF within the EEA;
- shares in a mutual fund or special fund (fund shares) and,
- cash (cash and cash equivalents), including foreign currency.

Financial instruments include, for example, shares, bonds and other co-ownership rights or receivables issued for public trading. Derivatives and leverage products are also allowed to a limited extent.

With your Investment Savings Account, you can keep cash and cash equivalents in SEK or other foreign currency that Pareto allows at any time.

Permitted financial instruments that can be traded electronically in the following markets

Of trader	Country	EES	Regulated market/MTF
Belgium	EURONEXT - EURONEXT BRUSSELS	Yes	Regulated market
Denmark	FIRST NORTH DENMARK - SME GROWTH MARKET	Yes	MTF
Denmark	FIRST NORTH DENMARK	Yes	MTF
Denmark	NASDAQ COPENHAGEN A/S	Yes	Regulated market
Finland	FIRST NORTH FINLAND	Yes	MTF
Finland	FIRST NORTH FINLAND - SME GROWTH MARKET	Yes	MTF
Finland	NASDAQ HELSINKI LTD	Yes	Regulated market
France	EURONEXT - EURONEXT PARIS	Yes	Regulated market
Italy	BORSA ITALIANA S.P.A.	Yes	Regulated market
Canada	TORONTO STOCK EXCHANGE	No	Regulated market
Canada	TSX VENTURE EXCHANGE	No	Regulated market
The Netherlands	EURONEXT - EURONEXT AMSTERDAM	Yes	Regulated market
Norway	EURONEXT GROWTH - OSLO	Yes	MTF
Norway	EURONEXT EXPAND OSLO	Yes	Regulated market
Norway	OSLO BORS	Yes	Regulated market
Switzerland	SIX SWISS EXCHANGE	No	Regulated market
Spain	BME - BOLSAS Y MERCADOS ESPAÑOLES	Yes	Regulated market
United Kingdom	LONDON STOCK EXCHANGE	No	Regulated market
Sweden	NORDIC MTF	Yes	MTF
Sweden	NORDIC SME	Yes	MTF
Sweden	NORDIC GROWTH MARKET	Yes	Regulated market
Sweden	SPOTLIGHT STOCK MARKET	Yes	MTF
Sweden	FIRST NORTH SWEDEN	Yes	MTF
Sweden	FIRST NORTH SWEDEN - NORWAY	Yes	MTF
Sweden	FIRST NORTH SWEDEN - SME GROWTH MARKET	Yes	MTF
Sweden	NASDAQ STOCKHOLM AB	Yes	Regulated market
Sweden	NASDAQ STOCKHOLM'S DERIVATIVE EXCHANGE	Yes	Regulated market
Germany	XETRA	Yes	Regulated market
USA	NEW YORK STOCK EXCHANGE, INC.	No	Regulated market
USA	NASDAQ - ALL MARKETS	No	Regulated market

Permitted financial instruments that can be traded through manual order management

Country	Country	EES	Regulated market/MTF
Australia	Australian Securities Exchange Ltd	No	Regulated market
Hong-Kong	Hong Kong Stock Exchange	No	Regulated market
Ireland	Euronext Dublin (XDUB)	Yes	Regulated market
Japan	Tokyo Stock Exchange	No	Regulated market
Canada	Canadian Securities Exchange	No	Regulated market
Canada	NEO	No	Regulated market
Luxembourg	Bourse de Luxembourg (XLUX)	Yes	Regulated market
Portugal	EURONEXT - EURONEXT LISBON	Yes	Regulated market
Singapore	Singapore Stock Exchange	No	Regulated market
South Africa	Johannesburg Stock Exchange (JSE)	No	Regulated market
Portugal	EURONEXT - EURONEXT LISBON	Yes	Regulated market
Sweden	NGM Nordic MTF	Yes	MTF
Germany	Berlin Stock Exchange (XBER)	Yes	Regulated market
Germany	Düsseldorf Stock Exchange (XDUS)	Yes	Regulated market
Germany	Frankfurt Stock Exchange (XFRA)	Yes	Regulated market
Germany	Hamburg Stock Exchange (XHAM)	Yes	Regulated market
Germany	Hannover Stock Exchange (XHAM)	Yes	Regulated market
Germany	Munich Stock Exchange (XMUN)	Yes	Regulated market
Germany	Stuttgart Stock Exchange (XSTU)	Yes	Regulated market
Austria	VIENNA BOERSE AG	Yes	Regulated market

1.) Approved investment assets

Shares and share-related instruments
Listed shares - All listed shares
Listed paid subscribed shares, shares
Listed subscription rights, unit rights and other rights
Subscription warrants

Funds
UCITS funds
Special funds
Exchange-traded ETFs
AIF's

Listed bonds
Certificate
Company bonds
Convertible loans
Subordinated loans
Company certificate

Leverage products
Stock and index options (buy and sell) *
Index terms*
Listed warrants
Mini futures
Exchange-traded notes

*Each premium received in the event of issued options or sales proceeds from sold futures is counted as a deposit (not necessarily a suitable investment for all investors). Positions with negative market values are valued at 0 when calculating the capital base that forms the basis for the standard income.

2.) Unauthorized investment assets

Equity loans Equity index-linked bonds

3.) Examples of unauthorized/non-account assets

Financial instruments that are not traded on a regulated market or trading platform, such as unlisted shares. Shares in a company where the Client, together with related parties, owns more than ten percent of the votes or capital.

Qualified shares in small companies.

Shares in foreign funds that do not correspond to Swedish securities and special funds.

AIMX (UK) is no longer a permitted market, as it is a so-called MTF, and the country is no longer part of the EU or EEA.

4.) Examples of unauthorized investment assets

Shares traded through Pepins.

5.) Examples of exceptions

Transfers of unauthorized assets may be done if the account holder has acquired the assets from the person who issued the assets, if the acquisition concerned subscription rights, fund share rights, put rights or similar financial instruments and if the acquisition was based on assets kept in the investment savings account.

6.) Why does the Company differentiate authorized assets from other players?

The company has decided not to permit all financial instruments, regulated markets and trading platforms, which is why the list may differ from the authorized assets of other players.

7.) Why are there restrictions on what assets are authorized?

A standard return is calculated on the capital base that forms the basis for taxation, which is then used for taxation purposes. For such a tax model to work, it is crucial that the assets in the investment savings account and the assets transferred to the account can be valued without difficulty.

Note that other banks and institutions do not necessarily permit the same assets as the Company. The list may change from time to time.

SECTION V – OTHER PROVISIONS

Over and above what follows from sections II A, III A and IV B above, the following general contract terms and conditions shall be deemed to be incorporated in all relationships between the Company and the Client.

LOG-IN DATA ONLINE SERVICE

When the Company has approved the Client, a username will be sent by e-mail and a password by text message to the Client's mobile phone.

The Client is aware that all orders, expressions of wishes and instructions given to the Company utilising the Client's password, regardless of who gave the order or the instruction, are binding for the Client. The Client can also accept new agreements, commitments and orders through the Company's website while logged-in.

The Client undertakes to keep the username and password confidential and not to make a note of them in such a way that their association with the services offered by the Company is revealed.

The Client undertakes to immediately notify the Company if there is suspicion that an unauthorised person has become aware of the personal password.

The Company has the right to change the Client's username and password at any time. In the event of such change the Company shall as soon as possible notify the Client. The Company is not responsible for any direct or indirect loss the Client might suffer as a result of such change.

The Company has the right to without prior notification to the Client block the Client's access via username and password to the services offered by the Client in the event of repeated use of an incorrect password or on suspicion of unauthorised use of the password.

If the Company blocks the password in accordance with the above, the Client will be informed as soon as possible.

The Company is not responsible for any direct or indirect loss the Client, or another party might suffer as a result of such blocking of the password as indicated above.

The Client is liable for payment of any order submitted by those that used the Client's password without authorisation. The Client is also liable for loss or damage caused to the Company, a third party or to the Client due to that:

- the Client deliberately or through gross negligence has revealed the personal password for someone or if the password due to the Client's gross negligence in some other way has become known to an unauthorised person; or
- the Client has not immediately upon suspicion thereof notified the Company. If two or more persons enter the agreement together they are both equally liable for any damage or losses.

If the Client is a legal entity the Client is responsible for ensuring that only authorised person(s) at the Client are aware of and may use the username and password.

SUSPENSION FROM ONLINE SERVICE

The Company has the right to, without prior notice to the Client, with immediate effect to suspend the Client from being able to submit electronic orders and/or from being able to access such information provided electronically by the Company under this agreement if:

- a) the Company should suspect that the Client's utilisation of the service would be contrary to the applicable legislation on insider trading or market abuse or would otherwise be contrary to the applicable rules or sound practice in the securities market or if the Company for some other reason would find that there are special reasons to do so;
- b) the Company finds that this should be done in order to protect the Client's, other clients', the Company's or other's interests; or
- c) the Client, as the Company has reason to believe, disregards or will disregard the provisions of this agreement or other instructions given by the Company in respect of electronic services under this agreement.

Suspension as described in the above paragraphs may be limited to a certain type of order, for example certain securities or certain transaction(s), a certain type of electronic medium or certain type of information. Suspension as stated under b) in the above paragraph may be done in general for all clients or only for certain client(s).

If the Company suspends the Client as described above the Client shall be informed about this as soon as possible.

As stated above in this paragraph about the right to suspend will also apply to the Company's right to refrain from executing an order submitted by the Client.

If the Company has acted with due care the Company is not liable for loss suffered by the Client or someone else as a result of such suspension or such refraining from executing an order as indicated above in this paragraph. The Company is, however, not liable for indirect loss, unless the indirect loss has been caused by the Company's gross negligence.

The Section headed "*Suspension from on-line service*" contains provisions for the Company's right to block the Client's username and password.

SOFTWARE

Through a separate agreement with the Company, the Client will receive a non-exclusive, non-transferable right to use, for his own use, a certain software for

trading through the Company's trading system, either through Direct Electronic Access or through trading in the Company's web applications/web pages (the Software). The Client must not copy, modify or in some other manner use the Software for purposes other than trading through the Company's trading system. The Client must not decompile, deconstruct or by other means interfere with the Software. The Client must also not permit others or enable others to handle the Software in the above mentioned manner. The Client must not transfer his licence rights, grant sub-licences or otherwise use or dispose of the Software other than as set out in these General Provisions or by binding law.

The Software shall be installed by the Client in accordance with the instructions that are from time to time provided by the Company. In the event that the Software should be defective the Client shall immediately notify the Company. In the event that the Software should be defective the Company has the right at its discretion to provide a new copy (including a new version) of the Software or, if the defect relates to the Software as such and not just that copy and supplying a new Software would be unreasonably burdensome for the Company, to terminate this agreement with immediate effect. If the Company should fail to supply a new copy or a new version of the Software which the Client may reasonably accept, the Client has the right to terminate this agreement with immediate effect. The Client undertakes to immediately install new or amended versions of the Software that is made available by the Company.

Under no circumstances is the Company obliged to pay compensation to the Client as a result of defective Software (such as loss of data, inadequate accessibility to the trading service or loss due to virus). When using the services covered by this agreement the Client shall ensure that an adequate anti-virus program is installed and activated on the Client's computer. If the Client should fail to comply with this undertaking the Client is liable for the loss that could have been avoided if the Client had complied with this undertaking. The Company is not liable for malfunction or damage caused by viruses.

The Company's, or a company in the same group as the Company, agreement with the Stockholm Stock Exchange, Nordic Growth Market NGM AB (NGM) or other marketplace involves a right for the Company to inspect the Client's technical system and connections as well as other factors related to the placement of orders through the trading system. Moreover, the Company has a right to receive the information and, if appropriate together with OMX Nordic Exchange Stockholm, NGM or other marketplace or relevant authority, carry out the checks necessary in order for the Company to fulfil its obligations to the Stockholm Stock Exchange, NGM or other marketplace or relevant authority. The Client accepts that the Company is given such rights.

For the use of the Software, in addition to these General Provisions, if appropriate, the terms that are sent together with the Software or evident from this will apply.

TRADING INFORMATION

Price information and other information is provided through the Company's website while logged in. The information is based on data provided by independent content suppliers. The price information as well as other information supplied by third parties may only be used by the Client for its own use and any further distribution is therefore not permitted. The Company assumes no

responsibility for the accuracy of the information or data or for any incurred loss due to any inadequacies or mistakes in the information provided. The Company reserves the right to without prior notification fully or partly cease to provide or change the nature or the composition of the information.

The value of a fund share will follow the movements in the market price. The price given to the Client in direct connection with the trade is preliminary pending final confirmation and may therefore need to be revised. The reason for that may be that trading is done over several time zones.

Information and analytical material is only for personal use and must not be reproduced, redistributed or compiled in an edited or unedited form without the Company's consent.

Faults and outages

The Client is aware that breakdowns or other faults or outages can occur in the Client's, the Company's or other party's computer system (hardware or software), telecommunications or electrical systems used in delivering the services under this agreement, and that the consequences of such faults or outages may include

- the Client being unable to submit an order,
- the Client's order not reaching the Company,
- the Client's order being delayed in reaching the Company and/or the execution of the order being delayed,
- the Client's order not being executed in the intended way, or
- the information (e.g. information on order status, custody account/cash account and exchange rate information) provided by the Company not being available to the Client or being incorrect.

If a fault or outage in accordance with the first paragraph occurs, the Company generally has the option of accepting the order verbally by telephone. If such a fault or outage means that an electronic order cannot be placed and a large number of Clients trying to place orders over the telephone, the ability to place an order over the phone might, in practice, be sharply curtailed.

If the Client experiences a fault or outage as specified above, the Client must inform the Company immediately. If this is not done, the Client loses the right to apply for compensation, to cancel the order or claim any other sanction or compensation based on the fault or outage.

The corresponding limitation of liability following from these provisions shall also apply to content providers engaged at any point by the Company in respect of price information or other external information providers contracted by the Company.

Client's duty to report

It is incumbent upon the Client, at the request of the Company, to supply such information, including written documents, which the institution considers essential to fulfil the obligations which fall on the institution under the provisions of this agreement or as a consequence of applicable EU regulations, laws, directives, general legal principles or regulatory framework of the execution venue, central securities depository or central counterparty (CCP).

Set-off

In the event of one of the parties being declared bankrupt or if the Client should be subject to company reconstitution, according to the Act (1996:764) governing Company Reconstitution, all outstanding obligations on account of trading in financial instruments shall be set off as between the parties and a balance struck as at the date of such occurrence. Whatever is due by one of the parties after such final settlement becomes payable immediately.

Legal Entity Identifier (LEI)

A Legal Entity Identifier (LEI) is a global identification code for companies and other organisations which was introduced on the initiative of the G20 countries. Under current EU regulations, a legal entity must have an LEI code to execute a securities transaction. Without such a code, the institution is not permitted to carry out transactions with the Client.

Banks and other securities companies will therefore require that companies, associations, foundations and in some cases sole proprietorships have an LEI before a securities transaction can be executed.

An LEI is already required for transactions in derivatives. For other securities transactions, the requirement will be introduced with effect from 3 January 2018.

A Client who requires an LEI can obtain one from any of the suppliers in the market. This link takes you to approved institutions for the global LEI system http://www.lei.org/publications/gls/lou_20131003_2.pdf.

A charge is made for an LEI. For trading in derivatives, an annual renewal fee is charged. The amount of the fee is shown on the individual supplier's price list.

More information on the requirements on LEIs is available, for example, on the Company's website and on the Company's website and an, among others, the Swedish Financial Supervisory Authority's website, www.fi.se.

Deposit guarantee and investor compensation

Custody Accounts and Investment Savings Accounts (Investeringssparkonto) are covered by the state-provided guarantee of deposits in accordance with a decision by the Swedish National Debt Office.

Every Client has the right to compensation for his/her total account balances in the Company up to a maximum amount of SEK 1 050,000. The Swedish National Debt Office pays out the compensation within 7 working days from the date on which the institution enters into liquidation or the Swedish Financial Supervisory Authority decides that the guarantee will take effect.

Over and above this amount, the account holder may have a statutory right, under certain conditions, to receive compensation for certain deposits which are attributable to separately specified events, e.g. the sale of private accommodation, severance pay and insurance compensation, to a maximum of SEK 5 million. In this event, the disbursement may be made over a longer period.

Notwithstanding the above, the following account holders, or foreign equivalents, may not be entitled to compensation from the guarantee: banks, credit market companies, securities companies, insurance companies, reinsurance companies, friendly societies, financial institutions in accordance with the Banking and Financing Business Act, securities funds or alternative investment funds, pension funds, county councils, municipalities and government agencies.

Pursuant to the Investor Compensation Scheme Act (1999:158) providing investor protection, in the event of the Company's insolvent liquidation and where the Client is not able to withdraw financial instruments deposited with the Company, the Client has the right to separate compensation in an amount prescribed by law, which as of 1 July 2009 shall not exceed SEK 250,000. Such compensation can also include liquid funds for which the Company is accountable. Not later than one year from the date of the insolvency order a Client seeking compensation must submit a demand to the Swedish National Debt Office, which pays compensation following an assessment.

More information about the Deposit guarantees and investor compensation can be found on The Swedish National Debt Office web page www.insattningsgaranti.se.

Fees etc.

Fees will be charged for custodian and other services rendered in accordance with these provisions according to what the Company notified the Client at the time of entering into the agreement or later, in the manner set out in the section headed "Notices etc." below. If the price for a single service is not specified in the price list or in a separately concluded agreement, the company has the right to charge reasonable fees related to that service.

Information on the current fees may be obtained on request from the Company.

The Client shall compensate the Company for expenses and outlays in connection with the Company's assignment in accordance with these provisions as well as charges and outlays for monitoring and collecting amounts due to the Company by the Client.

Fees, expenses and outlays will be charged to the connected cash account in Swedish kronor unless the institution advises otherwise.

Interest calculation

Where the Company has the right to charge the Client interest, interest shall be payable for each day during which the amount remains unpaid, at an annual interest rate which exceeds the STIBOR rate (Stockholm Interbank Offered Rate) by eight percentage points for one week's borrowing, which is determined two banking days before the first day of each such period. Interest is not, however, payable for any day at a lower interest rate than that determined by the Swedish Riksbanken, the current reference rate in accordance with § 9 of the Interest Act (1975:635) with a supplement of eight percentage points

Notices etc.

Notices from the Company

The Company has the right to provide information to the Client via the institution's Internet service or by e-mail to the e-mail address provided by the Client when the Company deems that providing information by e-mail is appropriate.

Notices sent by the Company by registered mail or ordinary mail shall be deemed to have been received by the Client no later than the fifth banking day after the date the notice is mailed, if sent to the address provided by the Client.

Notices sent through the institution's Internet service, email or other electronic communication shall be deemed to have been received by the Client at the time of transmission if sent to the number or electronic address provided by the Client. If such a notice arrives at a Client's address after Swedish office hours, the notice shall be deemed to have been received at the beginning of the following banking day.

Notices to the Company

The Client may send notices to the Company via the Company's Internet or telephone service or by sending a letter. Notices from the Client to the Company are to be sent to the Company at the address given on the first page of these provisions, provided that the Company has not requested a response to a different address. The Client may only send notices to the institution by email by special agreement with the institution.

Notices from the Client shall be deemed to have been received by the Company on the banking day the notice arrives at the stated address. Even in other cases, the institution shall be regarded as having received the notice from the Client if the Client can demonstrate that the notice was sent in an appropriate manner. In such case, the institution shall be regarded as having received the notice on the banking day on which the Client can demonstrate that the institution should have received it.

Notices regarding complaint and rescission as a consequence of an order on commission submitted by a consumer who has been categorised by the Company as a non-professional client for the service in question under the provisions of the Securities Market Act (2017:528) may be invoked if the Client can demonstrate that it has been sent in an appropriate manner, even if the notice is delayed, distorted or does not arrive. However, if the Client has reason to believe that the notice has not reached the Company or has been distorted, the notice shall be sent again to the Company by the Client.

In respect of trading in financial instruments, see General terms and conditions for trading in financial instruments.

Release of information to others, use of personal data, recording of telephone conversations, etc.

Notwithstanding anything to the contrary in these General Conditions or any other agreements connected to these General Conditions, the Company's processing of personal data is done in accordance with the principles set out in this section.

The Company collects various personal data of the Client in order to comply with its obligations under the securities legislation and anti-money laundering legislation in order to among other prevent money laundering and insider trading, classify and register the Client, receive orders and executing orders, perform settlement and establish securities accounts and send the Client accounts statements in relations to any business between the Company and the Client.

The Company has a statutory obligation to store all client communications relating to the potential provision of investment services for example in connection with any orders or instructions on any securities accounts that the Client gives the Company. The Company therefore makes audio recordings of all telephone conversations, both land lines and mobile telephones, and other electronic communications. All Bloomberg communications and e-mails are stored on a non-manipulable medium.

Audio recordings of conversations with any given Client can be retrieved through searches based on, *inter alia*, the time of the conversation, the telephone number called and the Pareto employee who participated in the conversation.

E-mails and Bloomberg communications can be retrieved on the basis of time, name, user identities and words featured in the message. The client communications may be reviewed by the Pareto Compliance department for control purposes.

The principal purposes of personal data processing are client administration, invoicing and compliance with the obligations assumed by the Company for the execution or assignments for, and performance of agreements with, the Client. The basis for personal data processing is statutory obligations, as well as such

processing being necessary for the performance of an agreement with, or the provision of a service to, the Client. The Company will otherwise process personal data to the extent it is required or permitted under applicable legislations, or to the extent the Client has consented to such processing. The Pareto group also have a legitimate interest to use personal data to provide the Client with information on services and products that may be of interest to the Client, to conduct profiling for example when conducting marketing or surveillance of transactions in order to detect fraud. The Client may during the establishment of the client relationship or subsequent thereto have consented to receiving electronic communications from the Company. The Company will in such case send the Client communications based on the consent the Client gave at the time. The Company also uses telephone, e-mail, SMS and other digital channels of communication in its client marketing. Such marketing takes place in compliance with the legislation applicable at any given time. If the Client does not wish to receive such communications, the Client may decline such communications at any given time.

The Company is the controller of the registered personal data. All data are kept confidential and processed in accordance with applicable law. The Company has however agreed with its parent company, Pareto Securities AS, to process the registered personal data. All personal data is held and processed in accordance with applicable legislation.

The personal data will only be disclosed to third parties when (i) the Company is legally obliged to do so, for example upon reporting on suspicious transactions or when disclosure is ordered by government bodies, (ii) the Company has agreed to do so with another securities institution and if it by law, regulation, decision, intergovernmental agreement or agreement between authorities entails a obligation for the Company to disclose such personal data or for the ability for a third party institute to collect such data from the Company, (iii) the Company's disclosure is made to a Swedish or foreign securities institute, third party register keeping entity, clearing organisation or the alike in order to handle or simplify an order by the Client (iv) disclosure to companies internally within the Pareto Group is necessary to perform our agreement with, or to provide our service to, the Client, as well as if such disclosure is necessary to others to comply with group-based management, control and/or reporting requirements laid down by statute, (vi) disclosure is necessary to attend to Pareto's interests in any disputes, (vi) the Client consents to disclosure or (vii) it is necessary in connection with the

operation of Pareto's IT systems. The Company may, in accordance with Swedish/foreign law, Swedish/foreign public authorities' regulations or decisions and/or the Company' agreements with Swedish/foreign authorities, trading rules or contracts/terms relating to certain securities, be obliged to release information concerning the Client's affairs. The Client shall, at the request of the Company, provide such information, including written documentation which the Company deems necessary in order to fulfil such obligation.

The Client may request access, correction or deletion of personal data. Such request shall be made to PSComplianceStockholm@paretosec.com. The Company has a duty to respond to the request for access or transparency as soon as possible and at the latest 30 days after receipt of the request. Some exemptions will apply to the access of personal information, e.g. in the event secrecy is necessary for investigative purposes of criminal offences or in the event the information only is included in an internal document not accessible to others. The right to access further does not apply in the event the information is only used for historical or scientific purposes and the use have no direct importance for the person in question.

The Client has the right to request processing limitations and the right to data portability (the right to have your personal data transmitted from one service provider to another). As noted above, the Company is obliged to keep client communications on tampering-proof platforms. This obligation means that Pareto is both legally and physically unable to erase personal data during the mandatory storage period.

The Client has the right to file a complaint with the competent Data Protection Authority, which may be the supervisory authority in the Client's country of residence or place of work if the Client believe that his/her personal data processing violates applicable legislation. The relevant authority for Pareto group is the Norwegian Data Protection Authority, P.O. Box 8177 Dep., 0034 Oslo, or e-mail postkasse@datatilsynet.no.

For further information on which personal data Pareto collect, how the data is used, how the data is safeguarded, how long the data are kept and disclosure to third parties, reference is made to [Pareto's Privacy Notice](#).

Please contact PSComplianceStockholm@paretosec.com if you have any questions in relation to Pareto's personal data processing.

Reporting

For transactions executed by the Company on the Client's behalf, the Company has the right to provide electronic contract notes. Reporting in relation to custody accounts, investment savings accounts and associated accounts is carried out - unless a separate agreement has been concluded otherwise - at least once per quarter, unless similar monitoring has been provided in another regular extract. The Company has the right to receive payment for reports, contract notes or extract which have not been transmitted electronically.

The Client relinquishes the right to receive annual reports or interim reports from the Company for funds which are held in custody accounts or investment savings accounts.

The Company is not responsible for the accuracy of information on securities which has been collected by the Company from external information sources.

Erroneous entries in the custody account or investment savings account

If the Company, in error or due to incorrect instructions from the Client or someone else, should record securities in the Client's Custody Account or investment savings account or erroneously deposit funds in accounts connected to a Custody account or investment savings account, the Company has the right to reverse the wrong entry or deposit in question. If the Client should have accessed the erroneously entered securities or the funds credited in error, the Client shall return the securities or repay those funds received from the sale or from the deposit to the Company as the soon as possible. If the Client neglects to do this, the Company has the right, where it concerns the Client's disposal of the securities, to acquire the securities in question and charge the Client's connected cash account with what it costs the Company to do so and, where it concerns the disposal of the funds, to debit the Client's cash account with the amount in question.

If the Company has taken corrective action, as above, the Company shall notify the Client accordingly without delay. The Client does not have the right to make any claims against the Company in connection with such a mistake. The terms of the foregoing two paragraphs also apply when, in other circumstances, the Company has recorded securities in the Custody Account or investment savings account or deposited funds on the connected cash account that did not by rights relate to the Client.

Rejection of assignments, etc.

The Company reserves the right to reject any assignment under these General Conditions relating to Swedish financial instruments registered with a central securities depository such as Euroclear Sweden within five banking days after receipt of the securities by the Company and for any other Swedish securities and foreign financial instruments within fifteen banking days after receipt of the securities by the Company. For surrendering/transferring the security in question, what is stated below in the section headed "*Termination*" that defines surrender/transfer on termination shall apply.

Termination

Unless otherwise provided for in these General Conditions, termination of all or part of an agreement between the Company and the Client shall be carried out in accordance with the following. If only parts of these general conditions are to be terminated, those parts which are not to be terminated will remain unchanged.

The Company may terminate all or parts of these general conditions by letter giving two months' notice, after which, the Client, in accordance with the "*Notices etc.*" paragraph above shall be regarded as having received the notice.

The Client may terminate the agreement in the manner described in the "*Notices etc.*" paragraph (i.e. through the Internet bank/telephone bank, by letter or email or via another form of electronic communication by separate agreement) giving one month's notice, after which the Company, in accordance with the same paragraph, shall be regarded as having received the notice.

In the event that these General Conditions are terminated in whole or in part, the parties shall immediately settle all their obligations under these general conditions. For the Client, this involves, inter alia, selling or transferring his/her financial instruments to another institution, if appropriate. These general conditions apply, however, in applicable parts until this party has fulfilled all its obligations towards the counterparty. Furthermore, both the Company and the

Client may terminate assignments under these general conditions in respect of certain securities on the same terms and conditions as specified above.

Notwithstanding the terms of the preceding paragraph, either party may terminate these General Conditions with immediate effect if the counterparty is in material breach of the agreement or of securities law, regulations, directives or other rules which apply to trading at the execution venue, or if a party is declared bankrupt, becomes the subject of a corporate reorganisation, suspends payments or may otherwise be regarded as insolvent. In this context, each breach where restitution has been requested but has not been made as soon as possible, shall be regarded as a material breach of agreement. The Company may also terminate these general conditions with immediate effect where changes concerning the Client's fiscal domicile result in the Company being no longer able to fulfil its obligations to take measures concerning tax according to what is stated in section F, in section III A above or where the fulfilment of such obligations has been made significantly more difficult.

On termination of these general conditions, the Company shall surrender/transfer to the Client all the money or securities recorded in the Custody Account or investment savings account, or - if the termination relates to a specific security - that security. The Client shall give the Company written instructions regarding the surrender/transfer. If such instructions are not provided within sixty calendar days after the day on which these General Conditions cease to apply in accordance with the notice of termination, or if the surrender/transfer cannot take place in accordance with the instructions provided by the Client, the Company may:

- concerning securities in document form, if nothing prevents delivery on legal or agreed grounds, with due care and at the Client's expense deliver the securities to the address known to the Company,
- concerning financial instruments which are registered according to the Financial Instruments Registration Act (1998:1479); open a securities account or the equivalent in the Client's name with the central securities depository to which to transfer the financial instruments, and
- concerning securities other than the above mentioned as well as securities in document form if the consignment turns out to be undeliverable; in such manner as the Company deems appropriate, to sell or in any other way dispose of the securities, also if the securities are of no value to either destroy or de-register the same. From the purchase price received, the Company may reimburse itself for the measures taken and for the winding-up costs. Any surplus shall be paid to the Client, while any deficit shall be immediately reimbursed by the Client.
- Concerning money in the Custody account and connected accounts; pay out to another account held by the Client or held on the Client's behalf.

Limitation of undertaking and matters concerning other agreements

The Company is not obligated to carry out any measures other than those specified in these General Conditions unless agreed separately in writing. In the event of any inconsistencies between such separate agreement and the General Conditions, the separate agreement shall prevail.

In the event that the Client has ordered services from a supplier other than the Company, and that supplier is integrated in the Client's Custody account/cash account or investment savings account either through an online solution or otherwise, the Client, unless otherwise agreed in writing, shall compensate such third parties separately, and, in the event of the termination of the service, arrange such termination directly with the third party. The Company has now responsibility for such a termination or otherwise for such services.

Complaints and rescission

The Client shall review the contact note or equivalent accounting regarding the execution of an order and also verify that such note or equivalent accounting is received.

The Client shall draw attention to any errors or omissions in contract notes or if a contract note is missing or if there are any errors or omissions in connection with the execution of an order, and the Client shall immediately notify the Company thereof (complaint).

If the Client wishes to rescind an executed purchase or sales order, this should be expressly conveyed to the Company immediately and in connection with the notification of the error or omission.

However, with respect to an executed order on commission, submitted by a consumer who has been categorised by the Company as a non-professional Client for the service in question, a request for rescission may be conveyed to the Company without delay and a request for a different price may be conveyed to

the Company within a reasonable time of the moment when the Client realised or should have realised, the circumstances on which the relevant request is based.

If a complaint or request for rescission or different price is not submitted within the time stated above, the Client will forfeit the right to demand compensation, rescind the executed order or demand that the Company take other action.

Limitation of the Company's liability

In addition to limitations on the Company's liability otherwise agreed, the following limitations apply to the Company's liability.

The Company shall not be liable for any loss or damage resulting from Swedish or foreign legal enactment, actions by a Swedish or foreign public authority, an act of war, strike, blockade, boycott, lockout or other similar circumstance. The reservation in respect of strike, blockade, boycott and lockout applies even if the Company itself is the subject of or takes such industrial action.

The Company shall not be liable for loss or damage caused by Swedish or foreign execution venues, third party custodians, central securities depositories, clearing organisations, or other parties providing equivalent services or by contractors employed by the Company or third party custodian with due care or that have been designated by the Client. The foregoing applies also in the case of loss or damage caused by the insolvency of an organisation or contractor as referred to above. The Company shall not be responsible for any loss or damage suffered by the Client or any other party on account of restrictions of disposal that may be applied against the Company in respect of financial instruments.

The Company is not liable for indirect loss or damage, unless the indirect loss or damage has been caused by gross negligence on the part of the Company. Nor does this limitation apply in the event of orders which have been placed by a consumer if the indirect loss or damage has been caused by negligence on the part of the institution. In the event of direct or indirect loss or damage which arose in relation to an order executed on commission for a consumer, it is incumbent upon the institution to establish that the loss or damage did not occur

through negligence on the part of the institution.

Where an impediment exists as a result of a circumstance as described in the first paragraph above that prevents the Company from fully or partially executing a purchase or sales order in respect of financial instruments, the action may be postponed until the impediment no longer exists. If the Company, as a result of such a circumstance, is prevented from making or receiving payment/delivery, neither the Company nor the Client shall be liable to pay penalty interest.

That which is stated above shall apply subject to the provisions of the Financial Instruments Accounting Act (1998:1479).

Any loss or damage that may occur in other circumstances shall not be indemnified by the Company provided the Company has observed general standard of care.

Changes to terms and conditions

Changes to these terms and conditions or to the Company's fees will become effective in relation to the Client two months from the date on which the Client, in accordance with the section headed "*Notices*", shall be deemed to have received notice of the change regarded as having received notice of the change.

If the Client does not accept the change, he/she has the right to give notice to terminate the Custody account/cash account agreement within the specified time in accordance with these general conditions without having to abide by the notice periods specified in the section headed "*Complaints and rescission*" mentioned above.

Applicable law

The interpretation and application of these terms and conditions and the Company's special execution and order handling guidelines, as well as the combining and distribution of orders, shall be made in accordance with Swedish law.