

CONDITIONS OF PROVIDING INVESTMENT SERVICES

1. GENERAL PROVISIONS

1.1. These Conditions of Investment Services (the **Conditions**) establish the general requirements, observed by Šiaulių bankas AB, company code 112025254, registered office at Tilžės g. 149, LT-76348, Šiauliai, the Republic of Lithuania, data registered and stored in the Legal Entities Registry State Enterprise. Banking supervisory authority: the Bank of Lithuania, license No 7. The Bank's e-mail address is info@sb.lt, Bank's phone (8 41) 595 607, the Bank's website www.sb.lt (the **Bank**) in providing investment services and/or additional services to Clients.

1.2. The Client interacts with the Bank and receives and provides documents and information in the official language. The contract may stipulate that one more language other than the official language will be chosen: English or Russian.

1.3. Information and all notices between the Bank and the Client may be transmitted in the manner provided by these Conditions and the Contract, and the Client's orders regarding the Financial Instruments may be submitted and received in the ways provided by the Contract.

2. OPERATING DEFINITIONS

2.1. Questionnaire: the document in which the Client provides information about his/her awareness and experience in the field of investment, financial experience, goals pursued by the Services.

2.2. General rules for the provision of services by Šiaulių bankas AB (the General Rules): publicly announced Bank's rules setting general requirements for the provision of financial services in the Bank.

2.3. Financial Instrument: as defined by the LMFI.

2.4. LMFI: the Law on Markets in Financial Instruments of the Republic of Lithuania, together with all subsequent amendments and/or additions;

2.5. Investment Services - as defined by the LMFI.

2.6. Client: a natural person or legal entity to whom the Bank provides the Investment and/or Additional Services or who applies to the Bank for the provision of Investment and/or Additional Services.

2.7. Conditions of Providing Certain Services: the terms and conditions for the provision of certain Investment and/or Additional Services by the Bank.

2.8. Additional Services: as defined by the LMFI.

2.9. Services: Investment Services and Additional Services.

2.10. Contract: the Contract between the Bank and the Client for the provision of Investment and/or Additional Services.

3. PRINCIPLES AND REGULATORY DOCUMENTS

3.1. The Bank, in providing Investment Services and/or Additional Services, acts in good faith, fairly, professionally, in the best interests and favour of the Client, in compliance with these Conditions, laws and other legal acts.

3.2. The terms and conditions for the provision of separate Investment and Additional Services are provided separately in the Contract and the Terms and Conditions for the provision of Certain Services between the Bank and the Client.

3.3. By providing Investment and/or Additional Services, the Bank follows the procedure for avoiding conflicts of interests of Šiaulių bankas AB.

3.4. In executing the Client's orders, the Bank acts in accordance with the procedure of execution of orders of the Šiaulių bankas AB regarding financial instruments (the **Order Execution Procedure**).

3.5. The Bank, in accordance with the requirements of the legislation, and in order to allow the Client to make a reasoned investment decision, shall provide a summarized description of the nature of the Financial Instruments and their inherent risks.

3.6. In addition to these Conditions, relations between the Bank and the Client in accordance with these and all other terms and conditions of service concluded between the Bank and the Client and the Contract on the Provision of Banking Services to the Client, are also regulated by other provisions of the General Rules approved by the Bank and publicly published.

3.7. The Contract, the Conditions, the Conditions of Provision of Certain Services, Description of Financial Instruments and their inherent risks, Investment Services Rates, Order Execution Procedure and Procedure for Avoidance of Conflicts of Interest form an integral agreement between the Client and the Bank regarding the provision of the Investment and/or Additional Services specified in the Contract.

3.8. The Client can familiarize with the General Rules, Conditions, the Description of the Financial Instruments and their inherent risks, the Procedure for avoiding conflicts of interest, the procedure of execution of orders and the rates for the provision of investment services on the Bank's website www.sb.lt and may receive copies of these documents at any branch of the Bank. The Client is also given the opportunity to familiarize with and to receive the Conditions of Provision of Certain Services.

3.9. The Client is deemed to agree with the General Rules, Conditions, Order Execution Procedure, the Procedure for Avoidance of Interests and the Rates of Investment Services upon conclusion of the Contract.

3.10. In the event of non-compliance between the General Rules and these Conditions, provisions of these Conditions apply. In the event of non-compliance between the Conditions of the Conditions of Provision of Certain Services, the Conditions of Provision of Certain Services apply. In the event of non-compliance between the terms of the Contract, the General Conditions, the Conditions of Provision of Certain Services, Order Execution Procedure or Investment Services Rates, the provisions of the Contract shall apply. In the event of non-compliance between the texts of the documents written in more than one language and their translation into a foreign language, the Lithuanian text shall be followed.

3.11. The Bank has the right to change the Conditions, Order Execution Procedure, the Procedure for avoiding conflicts of interest, the Rates of Investment Services or the Contract in the cases and through procedures specified in the Contract. The Bank informs the Client about such changes in the terms and in the manner prescribed by the Contract.

4. SAFE-KEEPING OF CLIENTS' FINANCIAL INSTRUMENTS AND CASH FUNDS

- 4.1.** The Bank, while safe-keeping the Financial Instruments owned by the Clients, takes measures ensuring the protection of the Client's ownership. The Bank maintains the complete financial accounting by ensuring the accuracy of data and accounts and in compliance with the legal acts and best practice standards in force in the Republic of Lithuania, segregating Financial Instruments of each of the Clients from its own.
- 4.2.** The Bank does not use the Financial Instruments belonging to the Client unless the Client's consent is obtained.
- 4.3.** The Bank informs, and the Customer agrees that the Financial Instruments and cash funds belonging to the Client may be held on behalf of the Bank with a third person. The Bank shall select the custodian of financial instruments with the necessary professionalism and prudence.
- 4.4.** The Bank informs that the Financial Instruments belonging to the Client may be held in the omnibus account with another Custodian of the Financial Instruments and the Bank warns the Client that, in holding the Customer's Financial Instruments in such an account, other clients' claims may be directed to such Client's Financial Instruments.
- 4.5.** The Bank informs the Client that the Financial Instruments owned by the Client and held in custody by a third party may, in accordance with the requirements of the national law applicable to such third party, be not segregated from the Financial Instruments of the Bank or the third party, and warns the Client that claim rights of other client, the Bank or the third-party - custodian can be directed to such Financial Instruments.
- 4.6.** The Bank informs that in cases where the law of non-Member State is applicable to accounts accounting the Client's Financial Instruments, the respective rights of the Client's financial instruments may be changed accordingly.
- 4.7.** The Bank informs the Client that, in respect of the Financial Instruments or cash funds, the Bank has the rights, provided for in the General Rules of the Bank Services, for enforcement of execution of obligations and for property lien, which the Bank has the right to use in accordance with the procedure set in such rules and laws of the Republic of Lithuania. The Bank has the right to set off the Bank's and Client's homogeneous counterclaims in accordance with the procedure set forth in the General Rules of the Banking Services Provision. The custodian of financial instruments (depository) may have rights of enforcement, property lien or counterclaims set off in respect of the Client's Financial Instruments or cash funds held.
- 4.8.** The Bank is entitled to use the Client's cash funds in accordance with the LMF1.
- 4.9.** In order to ensure the security of the Financial Instruments and cash funds belonging to the Clients, the Bank implements proper organization policy and procedures, has reliable administrative and accounting procedures, internal control mechanism, effective risk assessment procedures and control and protection measures for information processing systems, and also takes all other necessary actions.
- 4.10.** The Bank complies with all applicable requirements provided for in the Law on Deposits and Liabilities to Investors of the Republic of Lithuania.

5. PAYMENT FOR SERVICES

- 5.1.** The fees payable for the Investment and Additional Services provided by the Bank are set in the Investment Services Pricelist and/or in the Contract.
- 5.2.** The Client also undertakes to reimburse the expenses incurred by the Bank in connection with the provision of Investment and/or Additional Services.
- 5.3.** The Client undertakes to pay the Bank for the Investment and Additional Services immediately after provision of the Services, unless otherwise specified in the Contract and/or the Investment Services Pricelist. The Client pays the amounts due to the Bank into the account specified in the Contract and ensures the possibility to write them off. The Client must ensure that, upon expiry of the payment deadline, the Client's account indicated in the Contract has sufficient funds to write off the amounts due.
- 5.4.** The Bank has the right to write off the amounts due from the Client to the Bank for the provision of Investment and Additional Services from the Client's account specified in the Contract, and in the absence of the possibility to write off charges from this account, the Bank has the right to write them off from other accounts opened by the Client in the Bank. Funds are written off in the currency specified in the Contract or in other currencies at the Bank's exchange rate. The Bank's right to write off fees from the Client's accounts is valid until full payment to the Bank for the Investment and Additional Services provided. The Bank shall debit the amounts due in the order selected by the Bank.
- 5.5.** If, due to reasons beyond the Bank's control, the Bank cannot debit the amounts due from the Client's account, the Client shall, at the Bank's request, pay in the manner indicated by the Bank (pay in cash to the Bank's cash desk, transfer to the Bank-specified account, etc.).

6. PROMOTIONAL MEASURES

- 6.1.** In these Conditions, promotional measures are understood to mean any benefits granted by the Bank to third parties or received from them (remuneration, commission and other monetary or non-monetary benefits associated with the provision of investment services to the Client).
- 6.2.** The Bank may receive and provide promotional measures related with provision of investment services in cases where promotional measures: (a) are designed to improve the quality of the services provided to the Client; and (b) do not prevent the Bank from complying with the obligation to act honestly, correctly and professionally in favour and the best interests of the Client.
- 6.3.** More detailed information on the promotion of investment services is provided in the Bank's publicly available document *Information on promotional measures received from and paid to the third parties* which may be given to the Client upon submission of a request to the Bank in the ways specified in the Contract.

7. GIVING INFORMATION, NOTIFICATIONS AND REPORTING

- 7.1.** The Bank shall provide the Client with notices (reports) about the services provided in accordance with the procedures and terms specified in the Contracts. The

reports shall indicate the results, nature of the Investment Services provided to the Client, as well as information on costs related to the conclusion of transactions and the provision of services to the Client.

7.2. Any other communications and information to be provided under the Contracts and/or legal acts shall be provided by the Bank to the Client in the manner and in terms prescribed by the Contract. If the Client has specified several possible ways of receiving notices in the Contract, the Bank shall have the right to send notices in any manner specified by the Client at the Bank's choice. If the Contract does not specify the periodicity of reporting, the Bank submits notices to the Client within the period prescribed by law, and if the law does not set mandatory deadlines, the Bank submits notifications at the chosen periodicity.

7.3. The Bank, in addition to the manner of receiving the information and messages selected by the Client, shall have the right to provide the Client with information in any other manner chosen by the Bank (for example, by sending information by post, e-mail, via electronic banking system, also by publishing information on the Bank's website, in the daily newspaper specified in the Bank's Articles of Association, other media and/or other means and ways).

Šiaulių Bankas AB