

AGREEMENT No. _____ VIP _____
ON BROKERAGE SERVICES

Client CIF code

Riga, _____ 20____

A. Broker

JSC "NORVIK BANKA", Ernesta Birznieka – Upīša street 21, Riga, Latvia, registered in the Republic of Latvia Register of Enterprises on 29 April, 1992, unified registration No. 40003072918, Credit Institution Licence No. 06.01.04.007/210 issued by the Financial and Capital Market Commission of Kungu street 1, Riga, Latvia, LV-1050

Client

Name, surname/company name (hereinafter referred to as the Investment Account Name)		
Personal identity number (residents of the Republic of Latvia)/Date of birth/Registration number	Passport/identity card issued by Republic of Latvia series and number (for natural persons only)	
Passport/identity card issued by Republic of Latvia issue date/Registration date	Passport issuing country/Country of registration of legal entity	
Address of the place of residence/Registered office		
Mailing address (if different from the place of residence or registered office)		
Client's representative	Authority of the Client's representative based on	
Password (a combination of letters and/or digits)	e-mail	
Code, telephone	Code, fax	
Current account number	Investment account number	Financial Instrument account number

B. Representatives of the Client – a Legal Entity (If More than One) or the Client's Authorised Representatives

	Position (for legal entities)	Name, Surname	Personal Identity Number (for residents of the Republic of Latvia) or Passport Data	Sample Signature
1.				
2.				

C. First Priority for Receipt of Information

<input type="checkbox"/> e-NORVIK System <input type="checkbox"/> e-mail <input type="checkbox"/> Personally (hard copy)	
The Client hereby confirms that the Internet is available to the Client and the Client agrees to receive information not addressed to him in person via the Internet	(Client's signature)
The Client confirms that he wishes to receive confirmation of the deals performed by the Client under this Agreement only upon the Client's request and refuses from receiving deal confirmations after the performance of each deal	(Client's signature)

I hereby confirm that I have familiarised myself with all terms and conditions of this Agreement, including those specified on pages 2-8 of this Agreement and I accept them completely.

CLIENT _____ (signature) _____ (name, surname)	BROKER _____ (signature) _____ (name, surname)
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1. Terminology Used in the Agreement

Parties – the Broker and the Client indicated in Section A of this Agreement who voluntarily, without delusion, fraud or duress, have entered into this Agreement on Brokerage Services (hereinafter referred to as the Agreement).

Financial Instrument (hereinafter referred to as the FI) – an agreement creating simultaneously financial assets for one person and financial liabilities or financial capital instruments for another person, namely: the share, bond, promissory note, bill of exchange, investment fund certificate or share of the company’s capital, any other claims against assets as well as attributable or derivative instruments or contracts thereof, for example, options, futures, CFDs, etc.

Financial instrument Operations (Financial Instrument Deal or FI Deal) – any deal (purchase, sale, deregistration, pledge and other activities) performed by the Client within the framework of services provided by the Broker under this Agreement, with the Client’s FI as the subject thereof.

Financial Instrument Account (FI Account) – the Client’s account opened under this Agreement with the Broker and designed for bookkeeping of the Client’s FI.

Investment Account – a special financial account of the Client opened with the Broker under this Agreement and designed for registration of the Client’s cash assets for performance of operations with the FI and other operations under this Agreement;

Current Account – the set of all financial accounts of the Client (at least one account) opened with the Broker not designed for FI operation payments.

Assets – the aggregate of the Client’s cash assets and the FI in the Client’s Investment Account, the Financial Instrument Account and the related accounts opened as provided by this Agreement.

Order (application, assignment) – an order respectively executed and submitted to the Broker by the Client or its Authorised Representative on performance of an FI operation or another deal with the Client’s Assets or another expression of the Client’s will within the framework of this Agreement.

The Client’s Authorised Representative (or Authorised Representative) – a person indicated in this Agreement or in a written Power of Attorney entitled to act on behalf of the Client with the Client’s Assets, including to submit orders to the Broker on behalf of the Client and to represent the Client in any legal relations within the framework of this Agreement; should any of the above entitlements be restricted for the Client’s Authorised Representative, it shall be indicated in the annex to this Agreement or in a written Power of Attorney. For the purposes of this Agreement, the rights of representatives of legal entities shall be equal to the rights of Authorised Representatives.

Tariffs – the Broker’s approved and applicable pricelist indicating charges collected by the Broker for the services provided to the Client under this Agreement, including for performance of FI operations and other operations. Tariffs shall be an integral part of this Agreement; the applicable Tariffs are available at the Broker’s home page in the Internet (www.norvik.lv) or in person at the Broker.

Client Identification – the procedure of verifying the identity of the Client’s Order and the following procedure of approval.

Identity of the Client’s Order – a set of facts of the Client’s Order and details in the Client’s Order permitting to ascertain that the Order is indeed submitted by the Client or any of its Authorised Representatives.

Password – a word (a combination of letters and/or digits) indicated in Section A of this Agreement or the written annex thereto, which is necessary to identify the Client upon acceptance of his Orders by telephone. For the purposes of this Agreement, it is assumed and the Parties agree that, for the identification of the Client by telephone, a correctly given or indicated password shall substitute the name, surname/name of a legal entity, personal identity number/registration number and all other Client’s data indicated in Section A of this Agreement, as well as the Client’s signature (seal); the Password may be changed by the Client’s Order.

FI Event – shall be any fact or occurrence affecting the FI characteristics, as well as the conduct of the FI issuer in performing its obligations towards the FI owner (Meeting of Shareholders, payment of dividends, etc.).

REPO Deal – a deal whereby the Client transfers a particular number of FI (hereinafter the FI that are the subject of the REPO

Deal) on a concrete date (hereinafter referred to as the Sales Date) to the Broker’s disposal for a particular price (hereinafter referred to as the Sales Price) of a particular amount (hereinafter referred to as the Sales Amount) for a particular time (hereinafter referred to as the REPO Period) on the particular terms and conditions and with an obligation to purchase these FI on a particular date in the future (hereinafter referred to as the Buy Out Date) for a previously agreed upon price (hereinafter referred to as the Buy Out Price) of a particular amount (hereinafter referred to as the Buy Out Amount). The REPO deal does not provide for transfer of the ownership title to the FI that are the subject of the REPO Deal from the Client to the Broker – only the right to operate with these FI is transferred.

REPO Discount Rate – a coefficient agreed on with the Broker that the Client has indicated in the Order on performance of the REPO Deal, which specifies the proportion of the Sales Price (amount) to the market price (value) of the FI that are the subject of the REPO Deal expressed as percentage as at the date of the REPO Deal.

REPO Critical Coefficient – a coefficient agreed on with the Broker that the Client has indicated in the Order on performance of the REPO Deal, which specifies the critical relations expressed as a percentage between the Sales Price (amount) and the market price (value) of the FI that are the subject of the REPO Deal.

REPO Rate – an interest rate agreed on with the Broker (annual interest) that the Client has indicated in the Order on performance of the REPO Deal, according to which the increase of the Buy Out Price (amount) of the FI that are the subject of the REPO Deal in relation to the Sales Price (amount) is calculated every day between the Sales Date and the Buy Out Date, assuming that there are 360 days in a year.

Futures Contract – a derivative financial instrument, the obligation to purchase or sell a certain number of assets (financial instruments, stock exchange indices, currencies, metals, oil and other assets on which the futures contracts are sold on the world’s stock markets) for a certain price on a certain date in the future.

Futures Contract Open Position – the difference between the futures contract of the same name purchased and sold by the Client.

Close of Futures Contract Position – sale or purchase of futures contract creating a correspondence (or reducing the difference) between the number of futures contract of the same name purchased and sold by the Client.

Opening the Futures Contract Position – sale or purchase of futures contract resulting in the creation or increase of the Futures contract Open Position for the Client.

Insurance Deposit – cash assets withdrawn or blocked (prohibition of the Client to operate with) by the Broker as a security to cover the possible loss of the Futures Contract Open Position; the Insurance Deposit is either increased by the amount of profit or decreased by the amount of loss following from the Futures Contract Open Position. After Close of the Futures Contract Position, the amount of the Insurance Deposit is either transferred to the Client’s Investment Account or unblocked.

Initial Margin – an Insurance Deposit amount approved by the Broker that the Client shall provide in its Investment Account with the Broker when opening the Futures Contract Position.

Maintenance Margin – the minimum balance of the Insurance Deposit for the Futures Contract Open Position approved by the Broker upon reaching of which the Margin Call arises.

Margin Call – the Broker’s claim against the Client on transfer of cash assets to the Insurance deposit for the Futures contract Open Position to renew the Initial Margin of the Insurance Deposit.

Contract for Differences (CFD) – a derivative financial instrument that is an agreement between two parties, under which one party agrees to pay to the other party the difference between the market price of a concrete asset (financial instruments, exchange indices, metals, oil or other assets) on the date of opening the contract position (sale or purchase) and on the date of closing the contract position (sale or purchase, respectively). For the purposes of this Agreement, the CFD is construed as the Futures Contract without limitation of the performance period and all provisions of this Agreement attributable to the Futures Contract shall apply to the CFD.

FI Short Selling – a deal conducted by the Broker for the Client, by which the Client sells FI that are not a part of the Client’s Assets at the moment of sale and as a result the FI short position is created for the Client, i.e. the obligation to purchase in the future FI of the same characteristics and of the same number through an agency of the Broker, i.e. to close the FI short position.

Client’s signature

Client Status – classification granted to the Client pursuant to the law in relation to the investment services provided under this Agreement and the related additional services. The Broker may grant either the status of a private Client, a professional Client or an eligible counterparty to the Client. The Client is entitled to request the change of the status granted to him for another status according to the procedure specified by the Broker.

Policy of Execution of Financial Instrument Orders (Policy) – a publicly available document approved by the Broker specifying the guidelines and the provisions followed and complied with by the Broker when executing the Orders and conducting FI Deals under this Agreement; the Policy shall be an integral part to this Agreement. Should amendments be made to the Policy that are considered essential by the Broker, the Broker shall inform the Client as provided for by this Agreement; the applicable Policy is available on the Broker's home page on the Internet (www.norvik.lv) or personally at the Broker.

Order Execution Costs – all actual costs, expenses, justified claims by third parties and other payments related to execution of the Client's Orders by the Broker.

Damages to the Broker – any unpaid costs, damages and obligations undertaken towards third parties, fines and fees, unrealised claims by third parties, as well as lost profits and harmed reputation of the Broker.

Broker's Business Hours - the opening hours at the Branch Centrs of the JSC "NORVIK BANKA".

Business Day (business day) – a business day as specified by the laws and regulations of the Republic of Latvia.

2. Subject of the Agreement

2.1. This Agreement specifies the procedure of opening and servicing the Client's Financial Instrument Account and Investment Account, the procedure according to which the Client's Orders on performance of FI Operations and other operations with the Client's Assets are submitted by the Client and accepted and executed by the Broker, but according to the Client's Order, in his interests at his expense and risk; and to provide for custody of the Client's cash assets and FI, including by registering them in the name of the Broker, but for the Client's benefit; to sign any documents, enter into any deals and represent the Client's interests in any legal relations regarding the performance of this Agreement, within the capacity provided for under this Agreement and pursuant to the terms and conditions hereof.

2.2. The Client authorises the Broker and by this Agreement grants to the Broker the authority to operate with the Client's cash assets and FI and to perform other operations under this Agreement in the name of the Broker, but according to the Client's Order, in his interests at his expense and risk; and to provide for custody of the Client's cash assets and FI, including by registering them in the name of the Broker, but for the Client's benefit; to sign any documents, enter into any deals and represent the Client's interests in any legal relations regarding the performance of this Agreement, within the capacity provided for under this Agreement and pursuant to the terms and conditions hereof.

3. The Broker Agrees:

3.1. to open the Financial Instrument Account and the Investment Account for the Client, as well as to provide servicing thereof and registration of the Client's Assets in these accounts;

3.2. to accept for execution and to execute the Client's Orders arranged in due form and submitted to the Broker, containing all data necessary for the Client's identification as provided for by this Agreement and the identification procedures adopted by the Broker;

3.3. upon the Client's request, within 3 (three) business days, to provide the Client or to arrange for the Client the possibility to become acquainted, in accordance with this Agreement and in the form specified by the Broker, with information on the situation of the Client's Assets (account statement), as well as any other information related to the Client's conduct under this Agreement that the Broker is aware of and entitled to provide; and to provide the information on FI Operations performed according to the Client's Order (hereinafter referred to as the deal confirmation) not later than on the next business day after the Client's request;

3.4. to provide the Client or to arrange for the Client the possibility to become acquainted, in accordance with this Agreement and in the form specified by the Broker, with the deal confirmation not later than on the next business day after execution of the Order, unless the Client explicitly indicates otherwise in Section C of this Agreement and certifies this with his signature;

3.5. to ensure the confidentiality in relation to execution of the Client's Orders, his Assets and FI Operation information and to provide such information exclusively to the Client or his Authorised Representatives; disclosure of such information to third parties may be only permitted in the cases clearly prescribed by the applicable laws and regulations or after approval with the Client;

3.6. to reflect the Client's FI and cash assets that are purchased in the name of the Broker at the Client's expense and in his interests as owned by the Client in the Broker's bookkeeping records;

3.7. to transfer the cash assets pertaining to the Client earned from the Client's FI Operations (profit, gains, interest, fees, cash assets from sale of FI, etc.) and the Client's cash assets not used in the ordered deals for whatever reasons, to the Investment Account immediately, but not later than 3 (three) business days after the receipt of these assets by the Broker, unless the Parties have explicitly agreed otherwise;

3.8. if the Client has the status of a private Client, to verify pursuant to the law the suitability of the investment services provided under this Agreement to the Client by requesting from the Client information on the Client's experience and knowledge regarding the deals to be concluded in the course of provision of the particular investment service in the form approved by the Broker. The Client agrees to inform the Broker on any changes to the information provided by the Client; should the Client refuse to provide such information or it is incomplete or does not present the latest changes, the Broker warns the Client and, by signing this Agreement, the Client confirms that he has been warned that the Broker is unable to assess the suitability of the services provided under this Agreement to the Client and the Broker is therefore not liable for the consequences that may be caused by the Client's refusal to provide such information, the provision of incomplete information or the failure to communicate changes to the previously provided information;

3.9. to dispatch the information intended for the Client according to the Agreement using, at the Broker's own discretion, any of the Client's details indicated in Section A of this Agreement or through the automatic remote banking system (including e-NORVIK and NORVIK VISION) or the SWIFT system, on the condition that the Client has concluded an agreement with the Broker on use of the abovementioned systems, or using the details that the Parties have agreed on separately or that are indicated in the Order issued by the Client. All information provided to the Client in this manner is deemed received by the Client in person at the moment of dispatching such information, except the mail dispatches that are deemed received by the Client on the third day after dispatch thereof. When providing information to the Client, the Broker shall comply, to the extent possible, with the first priority for receiving information indicated by the Client in Section C of this Agreement, however, it is not binding on the Broker;

3.10. where the Client has indicated in Section C of this Agreement that he has access to the Internet and he agrees to receive information via Internet, the Bank shall provide the information intended for the Client, but not personally addressed to him, via the Internet; receipt of information electronically shall not restrict the Client's right to receive the information addressed to the Client in the form of a hard copy by when the Client arrives at the Broker in person.

4. The Broker Is Entitled:

4.1. to determine and introduce amendments to the Order completion provisions and the identification procedures approved by the Broker to the extent these are not specified under this Agreement, informing the Client on it upon the Client's request;

4.2. to refuse to accept for execution or to execute the Client's Orders if they are not timely submitted, are incorrectly completed, doubts arise regarding the identity of the Orders, if they contradict the law or the terms and conditions of this Agreement, or if they do not comply with the present market situation, or contain contradictory or incomplete directions as specified in Articles 7.1 and 7.2, or cannot be technically executed by the Broker if the Client has unsettled liabilities towards the Broker as at submission of the Order, or the services (operations) specified in the Order are not included in the Tariffs;

4.3. to refuse to accept for execution or to execute the Client's Order if the Client's Assets are insufficient for the full execution of such Order as provided for by this Agreement; the Broker is however entitled to execute the Client's Order in the above situation and, at its own discretion:

Client's signature

<p>4.3.1. to withdraw the amount insufficient for execution of the Order from the Client's Current Account under uncontested procedure, whereby the Client authorises the Broker to act in this manner;</p> <p>4.3.2. or to block the Assets or a part thereof as a security and, by informing the Client, to grant as of the date on which the payments related to execution of the Order should be made to the Client a loan equal to the insufficient amount on the conditions approved by the Broker; the loan interest is stated unilaterally by the Broker, but it shall not exceed 36 % (thirty-six per cent) annually of the granted loan (the annual interest rate is calculated according to the laws and regulations of the Republic of Latvia); the Broker may, at its own discretion, at any time terminate the loan facility by notifying the Client one day before and the Client shall return the loan and the calculated interest; the Broker terminates the loan facility as soon as the Client has returned it in full; or</p> <p>4.3.3. to take all necessary measures, including conclusion of deals on the Client's FI so as to limit or cover the Client's obligations related to execution of the Order to the extent possible, whereby the Client authorises the Broker to take the aforesaid measures;</p> <p>4.4. in the process of implementation of this Agreement, among others in providing for holding (custody) of the Client's Assets, to use services provided by third parties, such as depositories, brokers, intermediaries, banks and other agents (hereinafter referred to as agents), and to act through these agents and with their assistance, in each concrete case choosing such agent at the Broker's own discretion, whereby the Client authorises the Broker to act so; the Client agrees that laws and regulations of another country may be applied to holding (custody) of his Assets and that the Client's rights related to the Assets in other countries may differ from the rights stipulated by the laws and regulations of the Republic of Latvia;</p> <p>4.5. to hold (have in custody) the Client's Assets in compliance with the law in the Broker's own accounts in any country of the world, and in the accounts of any other companies and Broker's contractors and any other third parties preferred by the Broker for such custody; the Client shall undertake all encumbrance, blockage, forced alienation risks and other risks related to the abovementioned custody;</p> <p>4.6. when performing FI Operations, to join the Client's order with other Broker's or its clients' orders, provided it is possible and would not result in performance of the aforesaid operations on the conditions less advantageous for the Client;</p> <p>4.7. to exchange the Client's cash assets according to the exchange rate specified by the Broker on the date of exchange where it is necessary for execution of the Client's Order or for payment of costs or charges or settlement of other Client's obligations under this Agreement, even where it is not explicitly indicated in the Client's Order; the Client authorises the Broker to perform the abovementioned acts;</p> <p>4.8. to purchase FI owned by the Broker or its shareholders for the Client; to perform operations in which the Broker or its shareholders or its employees and authorised representatives represent the other party to the deal; to exchange the Client's FI for FI owned by the Broker or its shareholders on the condition that all abovementioned operations are performed at their market prices as at the date of the operation according to Article 8.10 of this Agreement, unless otherwise indicated in the Client's Order or by separate agreement of the Parties;</p> <p>4.9. to transfer to third parties any of its authority, rights and obligations undertaken subject to this Agreement, informing the Client on it 3 (three) days prior to transfer of the authority;</p> <p>4.10. to use the Assets and the cash assets in any accounts of the Client opened with the Broker, including the Current Account and other assets of the Client as a security for any of the Client's obligations towards the Broker and any other of the Client's obligations arising for the Client in relation to performance of this Agreement or otherwise. The Client authorises the Broker to block (prohibit the Client to operate with) wholly or in part or sell this security for the free price without additional Client's approval if the Client's Assets are not sufficient for performance of any of the abovementioned obligations, these obligations are valid and their due date has arrived;</p> <p>4.11. to conclude deals outside the regulated market and within the multilateral trading system.</p>	<p>5. The Client Agrees:</p> <p>5.1. to provide the Broker with true information on his legal status, details and any other information, confirmations and legal documentation requested by the Broker for provision of the Client's operations under this Agreement;</p> <p>5.2. to inform the Broker immediately on any changes in the information indicated in Sections A and B of this Agreement in relation to the Authorised Representative, in another information or document submitted upon opening the account with the Broker or later during the course of mutual relations between the Parties, in the Client's legal status or legal status of the Authorised Representatives; until the Broker receives the information on introduction of the abovementioned changes, in performing this Agreement the Broker shall be guided by the documents and information at its disposal and shall not be liable for the Client's damages arising from the Client's failure to inform or delay in informing on the abovementioned changes;</p> <p>5.3. to transfer to its accounts with the Broker and to ensure existence of Assets necessary for full performance of the Client's Orders, and namely: Assets for performance of own FI Operations or other operations indicated in the Client's Order, payment of all charges to the Broker, as well as payment of other costs and fees according to this Agreement;</p> <p>5.4. to compensate all damages incurred by the Broker from execution of the Client's Order and performance of other provisions of this Agreement, provided the damages are not due to the Broker's own fault;</p> <p>5.5. to admit without objection and find binding on himself all acts and operations performed by the Broker, as well as rights and obligations following thereof, provided the Broker has acted in compliance with this Agreement, including when executing the Client's Orders, and the applicable laws and has not exceeded the limits of its authority;</p> <p>5.6. not to transfer any Assets ownership title to third parties or encumber it with any obligations unless prior approval has been granted by the Broker, and to act exclusively within the framework of this Agreement; the Client represents and warrants and the Broker accepts the Client's representations on that the Assets are the Client's property, that they are free from any encumbrance, pledge or arrest and that the Client is not restricted in any manner to act with the Assets;</p> <p>5.7. to accept as binding on himself any acts by his Authorised Representatives and to undertake full liability towards the Broker for their actions as if they were his own; the Broker shall not be held liable for the damages caused to the Client by his Authorised Representatives; it is assumed that the authority of the Client's Authorised Representatives is legally valid until the Broker receives from the Client a written notice on annulment or restriction of the aforesaid authority;</p> <p>5.8. to request from the Broker and/or to familiarise himself with the information on the Client's Assets (account statement) at least once within 30 (thirty) calendar days; should the Client fail this obligation, he shall undertake all risks related thereto and this information is deemed received by the Client.</p> <p>6. The Client Is Entitled:</p> <p>6.1. personally or through the Authorised Representatives, to place Orders with the Broker on FI Operations, as well as other operations with Assets according to this Agreement by telephone, fax, SWIFT, automatic remote banking system (including e-NORVIK and NORVIK VISION) or by submitting them in person;</p> <p>6.2. to cancel Orders, except those that are impossible to cancel technically or that have already been executed by the Broker before revocation. Should the Client's Order be cancelled the Client agrees to compensate for all damages incurred by the Broker through execution of the Client's Order before cancellation thereof;</p> <p>6.3. prior to submission of the Order, to request and receive from the Broker information related to the planned FI Operation, as well as other information on services provided by the Broker to the Client under this Agreement. Under this Agreement, the Broker will not provide to the Client any advice or consultancy and no information provided by the Broker shall be understood as advice or consultancy, which the Client confirms by signing this Agreement;</p> <p>6.4. to request and receive from the Broker information on the Order completion requirements, the identification procedures adopted by the Broker, the Tariffs, and the regulations, rules, practice and customs accepted on markets where deals with FI are performed</p>
<p>Client's signature</p>	

or the Client's Assets are placed, as well as the information on the progress of execution of the Order.

7. Procedure of Order Execution

- 7.1. The Client submits and the Broker accepts Orders during the Broker's business hours; in any one Order to the Broker, the subject of the operation shall be clearly formulated along with the directions and details necessary and sufficient for its unambiguous construing and performance; corrections, confirmations or repetitions shall be marked.
- 7.2. In the Order on FI Operations, the Client shall precisely indicate the type of operation, the name/identification code and quantity of the FI and/or cash assets involved in the operation, the FI price or its quotation mechanism (market price, etc.); the Order execution deadline and/or provisions, the submission date and other necessary provisions depending on the concrete planned deals according to the procedure specified by the Broker.
- 7.3. When executing the Client's Order, the Broker shall not be liable for damages, errors, incorrect interpretation, etc., arising from inaccurate, unclear or incomplete instructions by the Client, or from distorted wording of the Orders transmitted by telex, fax, modem, etc., or due to other reasons beyond the Broker's capacity; the Broker shall neither be liable for errors and inaccuracies permitted by the Client in the details of the Order.
- 7.4. When submitting the Order to the Broker the Client or his Authorised Representative shall identify themselves and the Broker identifies them by means of the following details: when submitting the Order to the Broker by telephone – the Investment Account Name and/or number and Password; when submitting the Order to the Broker by fax – the Investment Account Name and number, signature, seal (for Clients – legal entities) and the electronic signature according to the Broker's regulations; when submitting the Order to the Broker by the electronic SWIFT system, or the automatic remote banking system (including e-NORVIK and NORVIK VISION) – the Investment Account Name and number, and identification according to the requirements of the abovementioned systems; when submitting the Order to the Broker personally – the Investment Account Name and number, signature, seal (for Clients – legal entities).
- 7.5. Orders on transfer of Assets are permitted only in writing. The Client's cash assets may be transferred only to the Client's Current Account with the Broker, except in the cases specified under this Agreement or in cases separately agreed on by the Parties.
- 7.6. For the purposes of caution, prior to execution of the Client's Order, the Broker is entitled to request from the Client at his expense and risk additional confirmation through any other communication channels in accordance with Article 3.9.
- 7.7. The Broker is entitled to refuse execution of the Client's Order if the Broker has reasoned doubts regarding the identity of the Client's Order; the Broker shall not be liable for damages that may be caused to the Client as a result of such refusal.
- 7.8. The Broker shall not be liable for possible damages that may be caused to the Client due to malevolence, counterfeiting or fraud by third parties, provided the Broker has complied with all Client identification procedures according to the Broker's adopted regulations and the provisions of this Agreement.
- 7.9. The Broker is entitled to refuse to accept the Client's Order by telephone at any time.
- 7.10. The Parties acknowledge that negotiations by telephone regarding performance of FI Operations (using the Password) have legal force and shall be equal to the original documents (personally submitted and signed).
- 7.11. The Parties are entitled to record the telephone conversations and agree that the records of the telephone conversations shall be sufficient evidence for the Parties in settling any disputes, including in relation to execution of the Client's Orders or performance of other operations under this Agreement.
- 7.12. The Parties acknowledge that any documents dispatched by the Parties to each other or received from each other by fax, SWIFT and automatic remote banking systems (including e-NORVIK and NORVIK VISION) shall be equal to original documents (personally submitted and signed) and shall be sufficient substantiation for legal liability and, in the event of dispute, shall be deemed sufficient evidence.

7.13. The Broker shall start execution of the Order immediately after its receipt, unless otherwise specified in the Order provisions. Regarding the validity of the Order, unless directly indicated, it is assumed that the Order is valid until the close of the business day on which it is submitted. Regarding other provisions of the Order, unless such provisions are directly indicated in the Order, the Parties shall follow the provisions of Article 12.1. The Broker shall inform the Client if the Order is not accepted for execution or the execution thereof has been refused to the Client by explaining the reasons of refusal, except in the cases specified under this Agreement.

7.14. The Client agrees to submit written confirmation of the Order to the Broker not later than within 3 (three) business days after submitting the Order by telephone.

Where the Client fails to provide such confirmation, it is assumed that the Client renounces any claims related to execution or non-execution of the Order.

7.15. Prior to FI Short Selling, the Broker may request the Client to provide collateral in the manner and scope specified by the Broker, as well as agree on other terms and conditions for FI Short Selling and closing of the FI Short position, which shall be marked in the Client's Order.

7.16. The Broker may, at any time, at its own discretion, refuse FI Short Selling to the Client and to require full or partial closure of the FI short position, unless the Parties have agreed otherwise. If the Client fails to comply with the Broker's request regarding closure of FI short position before the end of the next business day, the Broker is entitled to close the FI short position unilaterally at the Client's expense in accordance with Article 4.10.

7.17. Unless the Client has confirmed in Section C of this Agreement that he wishes to receive confirmation of the performed deals only upon the Client's request and that he refuses from receiving deal confirmations after completion of each deal, the Broker shall dispatch to the Client a notice confirming execution of the Client's Order not later than by the next day following the execution of the Order, or where the Broker receives such confirmation from a third party – no later than on the next business day following the receipt of the confirmation from the third party. The Broker does not dispatch the notice confirming execution of the Client's Order to the Client if the confirmation contains the same information that is contained by the confirmation promptly dispatched to the Client by the third party.

8. Payments and the Broker Remuneration

8.1. For servicing the Investment Account and Financial Instrument Account, for performance of FI Operations and other services under this Agreement, the Broker shall collect from the Client charges specified by the applicable Tariffs or agreed on separately with the Client, including in the Client's Order.

8.2. For the services not specified in the Tariffs and not being separately agreed on, but provided by the Broker when executing the Client's Order or in relation thereto, the Broker is entitled to specify a relevant and fair charge as it finds fit, which, however shall not be smaller than the Broker's actual expenses related to execution of the concrete Order, and the Client agrees to it beforehand by signing this Agreement.

8.3. The Parties may agree on the Broker's charge rate for the concrete operation or type of operations according to a special tariff marked in the Client's Order or an additional agreement.

8.4. The Client agrees to cover and the Broker withholds under uncontested procedure charges and all actual costs, damages, detriments and other payable amounts related to performance of the Client's Orders and other provisions of this Agreement from the Client's Investment Account, but in the event the cash assets in the account are insufficient, from the Client's Current Account as decided by the Broker, whereby the Client fully authorises the Broker to do so.

8.5. The charge for servicing the Client's Investment and Financial Instrument accounts is calculated and withheld as a fixed interest indicated in the Tariffs of the net value of the Client's Assets; the net value of the Client's Assets is determined as the difference between the value of the Client's Assets and the amount (value) of the Client's liabilities towards the Broker under this Agreement.

8.6. The Order authorising the Broker to perform FI Operations or other operations within the framework of this Agreement shall also be the assignment by the Client to make relevant records

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<p>(withdrawal, blockage) in the Client's Financial Instrument Account and the Investment Account and an additional agreement by the Client to making such records is not necessary.</p> <p>8.7. Where an erroneous account (record) is made in the Client's Investment Account or Financial Instrument Account the Broker is entitled to correct it by cancellation (returning to the initial position) without additional agreement with the Client.</p> <p>8.8. The Broker shall execute the Client's Orders on transfer of Assets immediately but not later than on the next business day following their receipt in relation to the cash assets and not later than within five business days in relation to FI, provided the circulation mode and existing market situation permits such transfer. Otherwise, the Broker performs the FI transfer within the period stipulated by the international market practice.</p> <p>The Broker shall inform the Client on all FI Events attributable to the Client's FI registered for public trading in the Republic of Latvia and, upon the Client's request, the Broker shall issue to the Client a document certifying the Client's ownership title to such FI for the concrete period of time within which operations with these FI are not performed (FI are blocked in the account), which the Client may use to exercise separate FI Events (including through exercise of the voting right at the meeting of shareholders). The Client understands and agrees that, due to the FI holding (custody) peculiarities in foreign markets the Client might not have the opportunity to exercise certain Client's FI events (including through exercise of the voting right at the meeting of shareholders) and the Broker is not obliged to provide the Client with this opportunity.</p> <p>8.9. The Parties agree that, when preparing the Client's account statements, calculating the charge on servicing the Investment Account and Financial Instrument Account and in all other cases the Broker shall use the following method for determining the Asset value:</p> <p>8.9.1. for FI quoted and traded at the stock exchange or inter-bank market, the exchange prices and quotations published on the date of appraisal or the inter-bank market (Broker's business partner) prices and quotations at the Broker's disposal are used;</p> <p>8.9.2. for FI not quoted at the stock exchange or inter-bank market and for the FI specified in Article 8.10.1, if the price thereof cannot be determined according to the procedure specified in Article 8.10.1 (including due to lack of market liquidity), the prices and quotations approximated more to their actual market value are used as the Broker finds fit;</p> <p>8.9.3. when determining the FI value, all existing obligations of the FI issuer towards the FI holder (accrued interest etc.) are considered even if their maturity dates have not yet arrived.</p> <p>8.10. For the settlement of payments under this Agreement, the Broker shall have the right of setoff (netting) in relation to the Client's obligations, FI and cash assets.</p> <p>9. Futures Contract</p> <p>9.1. Upon opening the Futures Contract Position, the Client agrees to provide the Initial Insurance Deposit (Initial Margin) and the amount of the Broker's charge in his Investment Account with the Broker. The scope of the Initial Margin and the Maintenance Margin is specified by the Broker and communicated to the Client upon the Client's request.</p> <p>9.2. The Broker is entitled to change the amount of the Initial Margin and the Maintenance Margin unilaterally by notifying the Client one day in advance. The Broker reserves the right to refuse performance of the Client's operations with the Futures Contract without explanation of reasons thereof.</p> <p>9.3. If the absolute value of the Client's current loss from the Futures Contract Open Position is equal to or larger than the difference between the Initial Margin and the Maintenance Margin, the Margin Call arises on which the Broker may notify the Client.</p> <p>9.4. Should the Margin Call arise, the Client shall either ensure that there is in his Investment Account an amount necessary to renew the Insurance Deposit to the Initial Margin or close the Futures Contract Position before 12.00 (noon according to Latvian time) on the next business day following the date on which the Margin Call arose.</p> <p>9.5. Should the Client fail to comply with the provisions of Article 9.4, the Broker is entitled but not obliged to act as follows after 12.00 (noon according to Latvian time) on the next business day following the date on which the Margin Call arose, without</p>	<p>warning the Client:</p> <p>9.5.1. to close the Futures Contract Position; or</p> <p>9.5.2. to renew the Insurance Deposit to the Initial Margin with cash assets from any of the Client's accounts with the Broker, including from the Current Account; or</p> <p>9.5.3. to grant to the Client a loan (overdraft) equal to the amount necessary for renewing the Insurance Deposit to the Initial Margin as provided for by Article 4.3.2.</p> <p>9.7. If the absolute value of the Client's current loss from the Futures Contract Open Position is 70 % (seventy per cent) or more of the Initial Margin, the Broker is entitled to close the Futures Contract Position without warning the Client.</p> <p>9.8. The Client authorises the Broker to calculate the amount of the Insurance Deposit and to perform the actions necessary for increasing/decreasing the Insurance Deposit by the amount of the profit/loss from the Futures Contract Open Position.</p> <p>9.9. The Client shall be fully liable towards the Broker for damages arising from the Futures Contract Open Positions, including where such damages exceed the Insurance Deposit.</p> <p>10. REPO Deals</p> <p>10.1. The Broker conducts a concrete REPO Deal on the conditions specified in the respective Client's Order and this Agreement; furthermore, the Broker reserves the right to refuse to the Client performance of any REPO Deal without explaining the reasons. The compulsory precondition for any REPO Deal shall be FI that are the subject of the REPO Deal, the REPO Discount Rate and the REPO deadline (or Buy Out Date). Where the following are not specified in the Client's Order for performance of the REPO Deal:</p> <p>10.1.1 REPO rate – it is deemed that the Client agrees that the Broker specifies it at its own discretion, but it shall not exceed 12 % (twelve per cent);</p> <p>10.1.2 REPO Critical Coefficient – it is assumed that it is by five per cent higher than the REPO Discount Rate;</p> <p>10.1.3 REPO Sales Date – it is assumed that it is the date on which the FI that are the subject of the REPO Deal are transferred into the Client's FI Account (including by paying for the deal as a result of which these FI are purchased for the Client).</p> <p>10.1.4 Sales Price (amount) – is specified according to the REPO Discount Rate;</p> <p>10.1.5 Buy Out Price (amount) – is specified in line with the Sales Price (amount), the REPO Rate and the REPO Period.</p> <p>10.2. Pursuant to the provisions of any REPO Deal, unless the Parties have agreed and reflected in the Client's Order otherwise, the Client agrees to ensure on the Sales Date the existence in the Financial Instruments Account of the FI that are the subject of the REPO Deal which the Broker shall withdraw and which are fully transferred at the Broker's disposal, whereby the Broker agrees to transfer the Sales Amount to the Client's Investment Account no later than within 3 (three) business days.</p> <p>10.3. Pursuant to the provisions of any REPO Deal, unless the Parties have agreed and reflected in the Client's Order otherwise, the Client agrees to ensure on the Buy Out Date the existence in his Investment Account of the Buy Out Amount which the Broker shall withdraw, whereby the Broker agrees to transfer the FI that are the subject of the REPO Deal to the Client's Financial Instrument Account no later than within 3 (three) business days after which the abovementioned FI are deemed fully transferred at the Client's disposal.</p> <p>10.4. If the REPO Deal is suspended prior to the Buy Out Date specified beforehand under the provisions of the REPO Deal, the Buy Out Date shall be the date of suspension of the REPO Deal (except if the REPO Deal is suspended due to failure to comply with Article 10.2) and the Broker shall calculate the Buy Out Price (Buy Out Amount) in line with the REPO Rate on the actual number of days between the Sales Date and the date of suspension (annulment) of the REPO Deal.</p> <p>10.5. Should the FI that are the subject of the REPO Deal bring any gains or earnings (dividends, premium shares, interest) within the period between the Sales Date and the Buy Out Date the Broker shall transfer such gains and earnings to the Client's Investment and/or FI Account within 3 (three) business days after the Broker has received them, unless the Parties have agreed otherwise; or should the Parties agree so, direct them for discharge of the Client's liabilities towards the Broker by reducing the Buy Out Amount respectively.</p> <p>10.6. Should any Party fail to comply with the REPO Deal provisions specified in Articles 10.2. or 10.3., the other Party may suspend the</p>
<p>Client's signature</p>	

REPO Deal and/or claim a contractual penalty equal to 2 % (two per cent) of the Sales Amount.

- 10.7. The REPO Deal may be suspended prior to the Buy Out Date specified under the provisions of the REPO Deal, or these provisions may be amended upon the Client's Order, provided the Broker agrees thereof. Pursuant to the provisions of any REPO Deal, the Broker is entitled to suspend the REPO Deal unilaterally by notifying the Client 30 (thirty) calendar days in advance. Pursuant to the provisions of any REPO Deal, the REPO Deal is suspended on the date on which the payments related to the maturity of the FI that are the subject of the REPO Deal are made.
- 10.8. The Broker may unilaterally at any time suspend the REPO Deal by informing the Client respectively if the proportion expressed as a percentage between the Buy Out Price (amount) of the FI that are the subject of the REPO Deal and their market price (value) according to Article 8.10 exceeds the REPO Critical Coefficient value.
- 10.9. If on the Buy Out Date the cash assets in the Client's Investment Account are insufficient to fully buy out the FI that are the subject of the REPO Deal, the Broker may at any time sell all FI that are the subject of the REPO Deal or a part thereof for a free price, without prior approval of the Client, and to transfer the earned amounts, except the amounts pertaining to the Broker under the REPO Deal, including the Buy Out Amount and contractual penalties, to the Client's Investment Account.

11. Liability of the Parties

- 11.2. The Broker and/or its employees shall not be liable for the damages incurred by the Client, except the direct damages incurred by the Client as a result of purposeful deliberate failure or breach of this Agreement by the Broker.
- 11.3. The Broker may calculate and withhold from the Client a default interest of 0.1 % (one tenth of a percentage point) per day of the total amount payable upon arising of the Margin Call and/or of any other defaulted payments to the Broker. Payment of the default interest shall not release the Client from performance of the obligations, including from the obligation to eliminate the Margin Call. The default interest shall apply as of the date following the date of arising of the Margin Call or other defaulted obligations of the Client until the final settlement thereof.
- 11.4. The Client shall be liable for his obligations towards the Broker with all his property; the Broker shall not be liable for the Client's obligations towards third parties.
- 11.5. The Broker shall not be liable for damages caused to the Client by agents and other third parties, among others, if these parties fail or delay execution of legally justified Broker's orders regarding deals with FI or other operations with the Client's Assets held by the agent, nor shall the Broker be liable for any delays in execution of Orders or payments or performance of other contractual obligations that are not the Broker's fault.
- 11.6. The Broker shall not be liable for non-execution of the Client's Orders in the cases specified under this Agreement.
- 11.7. The authenticity and lawfulness of all documents submitted to the Broker are carefully examined; however, the Broker shall not be liable for the consequences of possible document counterfeiting or their insufficiency, incorrect or incomplete completion and/or translation.
- 11.8. The Broker shall be released from the liability for the full or partial failure of the obligations under this Agreement, where such failure is the consequence of force majeure circumstances (fire, flood, earthquake, military action, terrorist acts, mass riots, strikes and similar events and actions) that the Broker could neither foresee nor prevent and that has directly affected the Broker's ability to perform its obligations as provided for by the Agreement.
- 11.8. The Broker shall not be liable for the consequences caused by the decisions passed by the legislators or executive authorities of the Republic of Latvia or other countries where such decisions make performance of the Broker's obligations under this Agreement impossible.
- 11.9. The Client shall be liable for the genuineness, accuracy and completeness of all information provided to the Broker and agrees to release the Broker and/or its employees from liability and compensate for any damages caused through the Client's failure to comply with the requirements regarding provision of genuine and complete information.

12. Applicable Law, Complaints and Dispute Resolution

- 12.1. In all relations that are not specified under this Agreement, the Parties shall be first governed by the laws and regulations of the Republic of Latvia, and the laws and regulations of the respective foreign country, the regulations and accepted practices on the markets where deals with FI are performed or the Client's Assets are held (had in custody).
- 12.2. Should any of the provisions of this Agreement be declared invalid pursuant to the laws and regulations, it shall not result in the invalidity of other provisions of this Agreement.
- 12.3. The Client submits a claim or complaint regarding performance of this Agreement to the Broker in writing not later than within 10 (ten) calendar days after the Client becomes aware or should have become aware of the facts or circumstances that in the Client's opinion demonstrate the breach of the Agreement by the Broker; the claim or the complaint thereof may only refer to facts and events of the previous 40 (forty) calendar days.
- 12.4. The Broker is entitled to request and the Client shall submit to the Broker all evidence and documents substantiating the relevance of the Client's claims or complaints.
- 12.5. The Broker shall examine the claim or complaint against it within 30 (thirty) calendar days after submission of the claim or the complaint and all documents requested in this regard by the Broker and inform the Client on the results in writing.
- 12.6. Should the Client violate the claim or complaint submission deadlines or procedures indicated in Articles 12.3 and 12.4, the performance of this Agreement by the Broker is deemed due, fully accepted and approved by the Client and the Client agrees not to raise the same claims or complaints against the Broker.
- 12.7. All disputes and disagreements between the Broker and the Client – natural person – including in relation to compensation for damages, shall be settled through negotiations or as provided for by Articles 12.3 - 12.6, but where no agreement is reached, the disputes shall be referred to the court of the Republic of Latvia according to the jurisdiction, unless the Parties have agreed on another dispute resolution procedure.
- 12.8. All disputes and disagreements between the Broker and the Client – legal entity – including in relation to compensation for damages, shall be settled through negotiations or as provided for by Articles 12.3 - 12.6, but where no agreement is reached, the disputes shall be referred to the Baltic International Arbitration Court (Riga, unified registration number 40003759437), which shall hear the dispute in compliance with the applicable laws and regulations of the Republic of Latvia and the Regulations of the Court of Arbitration, in Latvian, on the grounds of the submitted documents, in the composition of one Arbitrator appointed by the Executive Council of the Court of Arbitration.

13. By Signing this Agreement, the Client Represents and Warrants:

- 13.1. That he is aware, is able to assess and undertakes all risks related to FI Operations, including the risk of loss due to unfavourable market situation or unfavourable fluctuation of prices of separate assets and FI, due to failure of obligations by or bankruptcy of the agents or FI issuers engaged in the Client's deals, due to the nationalisation or blockage of the Client's Assets, as well as due to incomplete market information, force majeure, or due to absence of liquidity on certain markets or for certain assets. In all abovementioned cases, the Client shall undertake all risks and the Client agrees not to raise claims on possible damages against the Broker, provided the Broker has in good faith performed its obligations towards the Client within the framework of this Agreement and the law;
- 13.2. The Client shall individually make all decisions regarding performance of operations within the framework of this Agreement, and where the Broker provides services to the Client under this Agreement, the Broker does not consult or advise the Client; the Client understands that the Broker is not and cannot be liable for the consequences of the decisions made individually by the Client;
- 13.3. The Broker has provided the Client with complete information on the investment services and additional investment services provided within the framework of this Agreement and the procedure of provision thereof that the Client agrees to;
- 13.4. The Client has familiarised himself with and agrees to the Broker's adopted Policy of Execution of the Financial Instrument Orders;

Client's signature

<p>13.5. The Client has familiarised himself with and agrees to the costs he may incur in relation to the performance of this Agreement, including the Tariffs applicable at the Broker as at signing of this Agreement;</p> <p>13.6. The Client is informed about the Client status granted to him in accordance with this Agreement.</p> <p>14. General Provisions</p> <p>14.1. This Agreement is made in two counterparts in English one counterpart for each Party, and it shall be valid as of its signing by the Parties and is deemed concluded for an unspecified period. Any Party may terminate this Agreement by notifying the other Party 10 (ten) calendar days before; this Agreement shall not expire before the Parties have fully performed their obligations hereof. This Agreement shall be binding on legal successors of the Parties.</p> <p>14.2. For this Agreement to take effect, it is compulsory that the Client shall have an opened Current Account and this Agreement shall be terminated by the Broker without additional warning to the Client upon closing of the last of the Client's Current Accounts in the cases and on deadlines specified for closing the particular Client's Current Account.</p> <p>14.3. Should the Client violate or fail any of the provisions under this Agreement, the Broker may terminate this Agreement unilaterally by prior warning of the Client. The Broker may unilaterally suspend this Agreement and amend the provisions hereof by notifying the Client at least 10 (ten) calendar days in advance, whereby the Client may terminate this Agreement before these amendments take effect.</p> <p>14.4. Should the Tariffs be amended, the Broker shall inform the Client at least 10 (ten) calendar days before, except where the charges specified in the Tariffs are reduced, whereby the Client may terminate this Agreement before these amendments take effect.</p>	<p>14.5. All amendments and supplementations to this Agreement shall be made in writing and are deemed the integral part to this Agreement.</p> <p>14.6. Where the Client has open Futures Contract Positions or FI short positions as at termination of this Agreement, the Broker shall individually provide for final closure thereof. Where the Client has entered into REPO Deals that are valid as at termination of the Agreement, the Broker shall suspend these deals unilaterally, whereby the Client has authorised the Broker to act so above in this Agreement.</p> <p>14.7. The Client agrees to submit to the Broker the Order on transfer of Assets from the Financial Instrument Account and the Investment Account before termination of this Agreement. Where the Client fails to issue this Order, the Broker is entitled to sell the Client's FI for a market price (in case if it is impossible to determine the market price, Broker determines the price, according the principle of providing the best result for the Client), and to transfer the earned cash assets and all balances of the cash assets in the Client's Investment Account to the Client's Current Account, afterwards closing the Client's Financial Instrument and Investment Accounts, whereby the Client has authorised the Broker to do so by signing this Agreement.</p> <p>14.8. If upon termination of this Agreement there exist Assets for which operations are suspended due to decisions by competent state authorities or other reasons beyond the capacity of the Broker, the validity of this Agreement shall be suspended for the period of existence of the above circumstances after compliance with the provisions of Articles 14.6 and 14.7 to the extent the Broker finds fit, except as to the validity of the provisions related to custody of the Client's Assets, including the Client's obligation to pay charges to and cover all expenses of the Broker.</p>
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Client's signature