

# Nordea Markets General Terms of Business

## Version 2007:1

### 1. Purpose and scope

1.1 These general terms set out the terms of business in Investment services and activities and investment advice between the client and Nordea Markets, a division within Nordea Bank Finland PLC, Nordea Bank AB (publ), Nordea Bank Norge ASA and Nordea Bank Danmark A/S (each a "Bank"), as the case may be. These general terms are hereinafter referred to as the "General Terms".

1.2 These General Terms apply to Investment services, as further set out in section 3.

1.3 In case the client has entered into one or more service and/or product specific agreements in respect of Investment Services and activities with the Bank, such as e.g. the Nordea Master Customer Contract for Derivatives transactions, the ISDA Master Agreement, the Global Master Repurchase Agreement, the Global Master Securities Lending Agreement, or customer agreement relating to order execution, such service and/or product specific agreement will apply according to its terms. In case of discrepancies between these General Terms and such service and/or product specific agreement, the terms in the respective service and/or product specific agreement shall prevail for the services and/or products governed thereby.

### 2. Client classification

2.1 Each client will be classified as either non professional, professional or eligible counterparty. The Bank will notify the client of its client classification and the Bank will treat the client in accordance with such classification, unless otherwise agreed in writing between the parties as further set out in section 2.1 and 2.2. A professional client may request to be treated as a non professional client, and an eligible counterparty may request to be treated as a professional client or a non professional client, if accepted by the Bank in writing.

The Bank may upon written request from a) a non professional client, classify the client as professional or b) a professional client, classify it as eligible counterparty, for all transactions or with respect to a particular investment service, transaction or pro-

duct in accordance with applicable local law. The client shall in such case receive information from the Bank about the level of protection the client may lose and shall be required to accept any limitations in writing.

2.2 The client shall inform the Bank about any changes in its circumstances that may affect the possibility of it being treated as a professional client.

2.3 Non professional clients and professional clients will have the benefit of the execution policy in section 3.2, the suitability test in section 3.4 and the Information undertakings in section 5 (other than section 5.3). In addition thereto, non professional clients will have the benefit of the appropriateness test in section 3.5, the information undertaking regarding Safekeeping in section 4 and the information undertaking concerning costs and associated charges in section 5.3.

### 3. Investment services

3.1 Each Bank may, subject to the General Terms, provide Investment services to a client as further set out herein.

3.2 The Bank will, where relevant, execute client orders in accordance with the Nordea execution policy, attached hereto as Appendix 1. An updated version of the execution policy will be available at all times on the Bank's website. Any material change to the execution policy will be published on the Bank's website. The Nordea execution policy is also available in hard copy in the Nordea branches.

3.3 The Nordea Group has established a conflicts of interest policy, attached hereto as Appendix 2. The conflicts of interest policy applicable from time to time may be accessed on the Bank's website. The conflicts of interest policy is also available in hard copy in the Nordea branches.

3.4 For Investment advice in respect of financial instruments the client shall, in order for the Bank to assess whether the investment services or the financial instruments are suitable for the client, inform

the Bank about his knowledge and experience in the relevant investment field, his financial situation and his investment objectives.

The Bank has the right to assume that a professional client has the necessary level of knowledge and experience for the investment services, transactions and products for which the client is classified as professional.

Should the Bank consider the product or service not suitable for the client, or should the client not supply necessary and sufficient information, the Bank will notify the customer accordingly.

3.5 For investment services, other than those referred to in section 3.4, the Bank will determine whether a non professional client has the necessary experience and knowledge in order to understand the risks involved in relation to investment services, transactions and products (assessment of appropriateness). Should the Bank consider the product or service not appropriate to the client, or should the client not supply sufficient information, the Bank will notify the client accordingly. The Bank has the right to assume that the investment services, transactions and products for which a client is classified as professional, are appropriate for the client.

3.6 If the transmission or order execution relating to Non-complex financial instruments is initiated by the client the Bank shall not make the assessment under section 3.5 to determine if the financial instrument is suitable for the client nor shall the Bank assess the experience and knowledge of the client in understanding the risks involved in such a financial instrument.

#### **4. Safekeeping**

4.1 The Bank shall arrange the safekeeping and custody of client's assets entrusted to it so that there is no danger of their confusion with the assets of the Bank or its other clients.

4.2 The Bank can deposit client's financial instruments held by it into account or accounts opened with a third party in foreign country provided that safekeeping of financial instruments is subject to specific regulation and supervision in that country. The Bank may, however, deposit client's financial instruments held by it with a third party in a foreign country that does not regulate the holding and safekeeping of financial instruments if the nature of the financial instrument or the investment services connected thereto requires them to be deposited with a third party in that country or where

professional client requests the Bank in writing to deposit them with a third party in that country.

4.3 In accordance with the local legislation or market rules client's financial instruments may be held in an omnibus account by foreign investment firm ("Sub-custodian") that contains also financial instruments of Sub-custodian's other client's. Subject to local legislation this fact may have an effect on the manner the financial instruments are treated in the insolvency or bankruptcy of the Sub-custodian or the local central securities depository.

Subject to local legislation Sub-custodian, local central securities depository or clearing organization may have a right of lien on the purchased financial instruments until the purchase price and local fees, taxes and other costs have been paid.

If client's financial instruments held by the Bank are deposited into account or accounts with a third party that are subject to the laws of jurisdiction located outside the European Economic Area, the rights of the client relating to the financial instruments may differ accordingly

4.4 The Bank may not enter into arrangements for securities financing transactions in respect of client's financial instruments held by it, or otherwise use such financial instruments for its own account or the account of another client of the Bank, unless the client has given his prior express consent to the use of the instruments on specified terms.

#### **5. Information**

5.1 Information about the Bank and its services, including contact details, its license and supervisory authority and also information relating to investor protection is attached hereto, and may also be accessed on the Bank's website.

5.2 Where relevant, the Bank shall provide the client with a general description of the nature and risks in financial instruments.

5.3 The Bank shall, if possible, inform a non professional client about the costs and associated charges, i.e the total price, payable by the client in connection with a financial instrument, investment service or Ancillary service (such as safekeeping in section 4), or if an exact price cannot be indicated, the basis for the calculation of the total price.

5.4 For the provision of Investment services or ancillary services, the Bank shall provide the client with the essential terms of any fee, commission or

non-monetary benefit (inducements) in summary form, and inform the client about further details upon request.

5.5 The provision of information from the Bank may be made by means of website if appropriate to the context. The client will in such case be informed electronically of the relevant address and place on the website.

5.6 Where the client has supplied the Bank with an e-mail address the Bank shall have the right to send notices or other communications to the client via open e-mail to such e-mail address.

## 6. Miscellaneous

6.1 All notices and other communications between the parties in connection with Investment Services, including reception and transmission of orders under these General Terms may be in [local language], unless otherwise specified in any applicable service and/or product specific agreement.

6.2 These General Terms shall be governed by and construed in accordance with the laws of Finland.

6.3 The Bank shall record all telephone calls relating to Investment services in Financial instruments.

## 7. Change of General Terms

The Bank will notify the client of any changes to these General Terms. The General Terms applicable from time to time will be available on the Bank's website.

## 8. Definitions

For the purposes of these general terms the following definitions shall have the meaning stated below.

*"Financial instruments"* mean transferable securities, money market instruments, units in collective investment undertakings and financial derivatives transactions

*"Investment services"* means reception and transmission of orders in financial instruments, execution of orders on behalf of customers and giving investment advice to customers in financial instruments

*"Investment advice"* means the provision of personal recommendations to a client, either upon its request or at the initiative of the investment firm, in respect of one or more transactions relating to financial instruments.

*"Non-complex financial instruments"* means instruments which in the bank's opinion fulfil the criteria of non-complex instrument in accordance with the applicable law

*"Nordea Group"* means Nordea Bank AB (publ) and each of its subsidiaries from time to time.

## Service provider information

Name: Nordea Bank Finland Plc

Domicile: Helsinki, Finland

Address: Aleksanterinkatu 36, 00100 Helsinki

Telephone (switchboard): +358 9 1651

The customer service branch closest to the above address is at Aleksanterinkatu 30, 00100 Helsinki. Contact information to other Nordea branches are available at [www.nordea.fi](http://www.nordea.fi).

Nordea Bank Finland Plc, Business Identity Code 1680235-8, is registered in the Trade Register maintained by the National Board of Patents and Registration.

Nordea's main line of business is to provide financial services. The Finnish Ministry of Finance has granted Nordea a banking licence as provided by the legislation on credit institutions. Nordea Bank Finland Plc's business operations are supervised by the Finnish Financial Supervision Authority, visiting address Snellmaninkatu 6; postal address P.O. Box 159, 00101 Helsinki; tel. +358 10 831 51; fax +358 10 831 5328; e-mail [rahoitustarkastus@rahoitustarkastus.fi](mailto:rahoitustarkastus@rahoitustarkastus.fi).

## Information on investor protection

### The Investor's compensation Fund

All Finnish investment firms and credit institutions providing investment services are members of the compensation fund.

Other than professional investors are subjects to the cover of the fund.

The fund covers losses incurred by an investor if a member of the fund has not paid the clear and indisputable claims of the investor in accordance with the agreement. Insolvency of a member of the fund is a precondition for compensation.

The compensation to be paid to one investor is 9/10 of the claim the investor has from one investment firm or credit institution, however, no more than 20 000 euros

In the event of a bank's insolvency, bank deposits are primarily covered by the Deposit Guarantee Fund.