

Conditions Of Private Banking Agreement

Valid from
30.04.2014

1. GENERAL PROVISIONS

- 1.1 The Bank provides to the Client the banking services provided by the Bank (hereinafter the **Service**) by the agency of the Private Banking Department according to the terms and principles agreed upon in the Agreement.
- 1.2 This Agreement uses the terms defined in the general conditions of the Bank (hereinafter the **General Conditions**) and conditions of provision of investment services (hereinafter the **Conditions**).
- 1.3 In any issues which are not regulated in the Agreement, the Bank and the Client are also governed by the General Conditions and other relevant Service Conditions insofar as these do not contradict the terms and conditions of the Agreement.
- 1.4 The Agreement is governed by the laws of the Republic of Estonia.

2. SERVICES PROVIDED TO THE CLIENT BASED ON THE AGREEMENT

- 2.1 The employee of the Private Banking Department appointed by the Bank (hereinafter the Account Manager) advises the Client on the Services.
- 2.2 The Account Manager organises negotiations for entry into the agreements required for the provision of the Services between the Bank departments and/or Group companies taking into consideration the wishes and requests of the Client.
- 2.3 The Account Manager organises the signing of the agreements required for the provision of the Services by the representatives of the Client and the Bank.
- 2.4 The Account Manager executes the orders delivered by the Client by phone, fax or e-mail (hereinafter the Order) for conducting transactions relating to the Services (hereinafter the Transactions) in compliance with the procedure and the terms and conditions agreed upon in the Agreement taking into consideration the provisions of the respective Service Conditions.

3. AUTHORISATIONS FOR CONDUCTING TRANSACTIONS AND ENTRY INTO AGREEMENTS

- 3.1 The Client gives by the Agreement the right and authorisation to the Bank for conducting Transactions (including Transactions with the Bank) based on the Order delivered by the Client to the Account Manager and for signing the orders and other documents related to conducting the Transactions on behalf of the Client.
- 3.2 The Client gives by the Agreement an authorisation to the Bank for signing the agreements required on behalf of the Client for the provision of the Services based on the Order given by the Client to the Account Manager and/or agreements for making amendments thereto (except for any contracts and/or agreements for making amendments thereto for which the law of the Republic of Estonia and/or the internal rules of the Bank prescribe personal signing by the Client).
- 3.3 The Bank has the right to conduct Transactions based on the Order delivered by the Client to the Account Manager on behalf of the Client on all the Accounts of the Client currently existing and to be opened in the future (including Client's accounts in the Estonian Central Register of Securities (ECRS) maintained by the Estonian Central Depository for Securities (EVK)).
- 3.4 By concluding the Agreement, the Client approves (including authorises as specified in the Law of Obligations Act) all the Transactions conducted by the Bank according to the Agreement based on the Orders of the Client.

4. DELIVERY AND EXECUTION OF ORDERS

- 4.1 The Bank accepts the Orders of the Client from 9.00 till 17:00 on the Banking Days. Any Order delivered at a time different from the above is accepted by the Bank only if the Parties have agreed upon it in advance on every instance. The Bank has the right to unilaterally change the time specified in this clause for acceptance of Client's Orders on the Banking Day that precedes a national and/or public holiday.

- 4.2 The Bank can accept an Order for conducting a Transaction only in the case the Client has entered into an agreement with the Bank required for the provision of the respective Service.

- 4.3 The Bank is obliged to execute only such Orders, which have been delivered by the Client or a representative of the Client and which have been given by calling to the telephone number(s) indicated in the Agreement for delivery of Orders and/or which have been confirmed by the Client pursuant to the procedure specified in clause 4.5 of the Agreement.

- 4.4 The Client also has the right to deliver an Order by fax or e-mail.

- 4.5 Prior to execution of a Client's Order delivered by fax or e-mail or orally and/or for additional verification of any data included in the Order, the Bank has the right to confirm the substance and the data of the Order by calling back to the Client on the Client Orders confirmation telephone number provided in the Agreement. The Bank shall execute the Order if the Client confirms the data of the Order after they have been read out on the phone by the Account Manager. The Client agrees that the person who answers the Client Orders confirmation phone number specified in the Agreement has the right to confirm or reject the Order.

- 4.6 The Bank has the right, upon acceptance of the Order, to ask the data agreed upon in the Agreement for identifying the Client and/or the Client's representative. In case the Bank is not given the requested data and/or the Account Manager has any doubts with regard to the identity of the Client, the Bank is entitled not to execute the Order.

- 4.7 Prior to acceptance of any Transaction Order relating to Securities (except for non-complex securities for the purposes of the Securities Market Act), the Bank assesses the suitability and relevance of the respective Transaction for the Client. For this purpose, the Client signs an investment profile.

- 4.7.1 Upon failure to sign the investment profile or upon submission of incorrect information in the investment profile, the Bank is unable to assess the suitability and relevance of the Transaction for the Client, therefore the interests of the Client may be damaged.

- 4.7.2 An investment profile can be filled in using the Internet Bank or on the service premises of the Bank branches.

- 4.8 The Bank has the right to record all the Orders given by phone or any other communication device and use the respective recordings for proving the Orders given by the Client or other acts (incl. in legal proceedings) and for solving any disputes between the Contract parties, if necessary.

- 4.9 The Bank executes the Order, if sufficient amount of funds and/or securities are available for this Transaction on the Account(s) on the day of conducting the Transaction. The Client must ensure the availability of funds required for the execution of the Order on the Account(s).

- 4.10 The Bank has the right to refuse to execute the Order, if the Bank has a reason to doubt the person delivering the Order, his or her authorisations or intention and/or if the Order is partially illegible or misleading due to technical transmission errors or any other reasons and/or if the Bank is unable to obtain the confirmation specified in clause 4.5 of the Agreement from the Client and/or if the funds in the Account are insufficient for the execution of the Order and/or if the Order was transmitted at a time different from the time specified in clause 4.1. of the Agreement. The Bank is not responsible for the Transactions or other acts conducted or not conducted subject to such Orders. The Bank is also not responsible for any potential damages arising from failure to execute such Orders.

- 4.11 The Client undertakes to ensure that the Order(s) issued by the Client comply with the current legislation of the Republic of Estonia, standards of Eesti Pank [Bank of Estonia], legal instruments of stock exchanges and securities transfer organisations, the Agreement, General Conditions and the respective Service Conditions and any other relevant requirements and customary practices.

- 4.12 The Bank is not responsible for the substance, economic result of the Transactions conducted subject to the Orders of the Client or any potential tax liabilities arising for the Client as a result of the Transactions.

4.13 Upon the request of the Client, the Bank shall send one original copy of the documents relating to the Transactions to the Client.

4.14 The Client is obliged to check at least once every month the correctness of the Transactions conducted based on the statements of the Client's Accounts. Should the Client have any claims regarding the Transactions conducted, the Client must present the respective claims to the Bank immediately but not later than upon expiry of 2 (months) from the execution of the Transaction, unless otherwise provided for in relevant Service Conditions or mandatory standards.

5. THE FEE

5.1 All the fees and expenses relating to entry into Service agreements and/or amendments thereto and/or conducting Transactions and/or issue of Orders shall be covered by the Client according to the Price List of the Bank.

5.2 The Bank has the right to withhold the fees specified in the Agreement from the Account(s) of the Client. The Client must ensure the availability of the amounts required for conducting the Transactions and payment of the fees on the day when the Transaction is conducted.

5.3 In the case there are insufficient funds in the Account(s) for withholding the fees and/or expenses specified in the Agreement, the Bank has the right to sell at its own discretion the Securities in the Account(s) for the settlement of the fees and/or expenses specified in the Agreement in the amount required.

6. NOTICES

6.1 All the notices communicated to either Contract party based on the Agreement (except for the Orders, which are communicated according to clause 4 of the Agreement) must be in a format which can be reproduced in writing (i.e. sent by e-mail or fax) or sent via the Internet Bank or in written form in the cases specified in the Agreement.

6.2 A notice delivered in written form is deemed to have been received by the other Contract party if it was handed over for a signature or if the notice was sent by registered mail from a post office to the address indicated by the Contract party in the Agreement and 5 (five) calendar days have passed from the posting. If either Contract party has changed the Party's address or fax number or e-mail address during the term of the Agreement and has not notified the other Contract party thereof, the notice shall be deemed received by the Party if this was sent to the address indicated in the Agreement. All notices sent due to any violation of the Agreement must be in written form.

7. TERM AND AMENDMENTS OF THE AGREEMENT

7.1 The Agreement enters into force at the moment of signing thereof and is made for an unspecified term.

7.2 The Agreement may be amended and supplemented by a written agreement of the Contract parties, except in the case the legislation governing the relations arising from the Agreement is amended and unilateral amendment of the Agreement by the Bank is justified for bringing thereof into conformity with such legislation.

7.3 Any amendments and supplements to the Agreement enter into force from the moment of signing thereof by the Contract parties, unless the parties agreed otherwise.

7.4 In the case the telephone number used for delivering Orders is changed, the Bank shall notify the Client of the new telephone number for the delivery of Orders pursuant to the procedure specified in clause 6 of the Agreement.

8. TERMINATION OF THE AGREEMENT

8.1 The Contract parties have the right to terminate the Agreement at any time by sending a respective notice to the other party in written form at least 3 (three) Banking Days prior to the desired date of termination of the Agreement.

8.2 For the Bank, the authorisations granted by the Client to the Bank by the Agreement shall terminate on the day of receipt of the notice from the Client specified in clause 9.1 of the Agreement.

8.3 The Bank has the right to extraordinary cancellation of the Agreement on the grounds and in compliance with the procedure provided in the General Conditions.

8.4 Regardless of the termination of the Agreement, the rights and obligations of the Contract parties with regard to the Transactions conducted based on the Agreement but not yet completed shall remain in force until the settlement thereof.

8.5 Termination of the Agreement shall not terminate the agreements entered into for the provision of the Services.

9. OTHER PROVISIONS

9.1 Non-performance or improper performance of the obligations arising from the Agreement shall not be regarded as a breach of the Agreement, provided that this was caused by any circumstances which the Contract parties could not influence and which occurrence they did not and could not foresee upon entry into the Agreement (Force Majeure). The Contract party whose activities upon performance of the obligations under the Agreement are hindered by any Force Majeure circumstances is obliged to promptly notify the other party thereof in writing and commence the performance of the Agreement when the Force Majeure circumstances cease to exist.

9.2 The Contract parties shall be liable for any damages caused by non-performance or improper performance of the obligations arising from the Agreement on the grounds prescribed by the Agreement and the current legislation of the Republic of Estonia.

9.2.1 The Bank shall be liable for any damages which the Bank has caused to the Client either intentionally or through gross negligence. The Bank shall not be liable for any profit lost by the Client.

9.3 The Contract parties undertake not to disclose the contents of the Agreement and any information obtained upon the performance thereof without the consent of the other party and take all measures for preventing the disclosure of the above mentioned information to any third persons. Disclosure of the above mentioned information is still permitted to the companies in the same consolidation group with the Bank and any persons whose right to get the information arises from the current legislation of the Republic of Estonia.

10. FINAL PROVISIONS

10.1 An attempt shall be made for solving any disputes arising between the Contract parties based on the Agreement by means of negotiations. If no agreement is reached, the dispute shall be solved at a court of law of the location of the Bank pursuant to the legislation of the Republic of Estonia.

10.2 By signing the Agreement, the Client confirms that the Client has examined the terms and conditions of the Agreement with sufficient thoroughness, understands the risks associated with the Agreement and has the rights and authorisations for entry into the Agreement.

10.3 The Agreement is prepared and entered into in two identical copies of equal legal force, one copy to each of the parties hereto.

Confirmations

CLIENT'S OR REPRESENTATIVE'S NAME AND SIGNATURE

NAME AND SIGNATURE OF THE LHV BANK'S REPRESENTATIVE