

## CONDITIONS OF PROVISION OF INVESTMENT ADVICE OF LUMINOR BANK AS LITHUANIAN BRANCH

### 1. GENERAL PROVISIONS

1.1. These Conditions of Provision of Investment Advice (hereinafter – the **Conditions**) shall be an annex No. 1 to the Conditions of Provision of Investment Services of Luminor Bank AS Lithuanian branch (D) and regulate the conditions of provision of Investment Advice of Luminor Bank AS Lithuanian branch.

1.2. The capitalised terms used in these Conditions shall have the below meanings, unless the context provides for another meaning:

Questionnaire	A document in the form and content acceptable to the Bank in which the Client provides information on its knowledge and experience in the investment field, and, if applicable, the financial situation and objectives pursued in use of the Services.
Bank	Luminor Bank AS, reg. No 11315936, address: Liivalaia 45, 10145, Tallinn, Estonia, registered with Estonian Commercial Register, represented within the Republic of Lithuania by Luminor Bank AS Lithuanian branch, company code 304870069, address: Konstitucijos ave. 21A, 03601 Vilnius, Lithuania
Financial Instrument	As defined in the Law.
Investment Advice	The provision of personal recommendations to the Client, either upon Client's request or at the initiative of the Bank, in respect of one or more transactions relating to Financial Instruments, proposing to undertake one of the following actions: a) buy, sell, sign, swap, redeem, keep or distribute the particular Financial Instrument; b) exercise or not to exercise the right granted by the particular Financial Instrument to buy, sell, sign, swap or redeem the Financial Instrument.
Investment Services	As defined in the Law.
Law	Law of the Republic of Lithuania on Markets in Financial Instruments No X-1024 of 18 January 2007, with subsequent amendments and/or supplements.
Client	A natural or legal person to whom the Bank provides the Investment and/or Ancillary Services or who applies to the Bank for the Investment and/or Ancillary Services.
Ancillary Services	As defined in the Law.
Services	The Investment Services and the Ancillary Services.
Agreement	The agreement made by the Bank and the Client on provision of the Investment and/or Ancillary Services.
Party or Parties	The Bank and the Client individually or collectively.

1.3. Unless the Conditions provide otherwise, words used in the singular form shall also mean the plural, words of one gender shall also include the respective words of any other gender, words meaning persons shall also include legal and other than legal persons, and a reference to the entirety shall also mean a reference to any of its part; and (in each particular instance) vice versa.

1.4. Titles of items and other provisions of the Conditions shall be written only for the sake of convenience and shall have no impact on the interpretation of the Conditions.

1.5. These Conditions shall apply to the relationships of the Parties in provision by the Bank of the Investment Advice to the Client.

### 2. PROVISION OF INVESTMENT ADVICE

2.1. The Bank shall have the right but not the obligation to provide the Investment Advice. The Bank shall provide the Investment Advice only to the Clients with who service agreements on the provision of the Investment Advice to the Client are made.

2.2. The Bank shall not provide the Investment Advice to the Client, if the Client has failed to complete and/or insufficiently completed the Questionnaire.

2.3. The Bank shall provide the Investment Advice to the Client based on the information provided in the Questionnaire. The Client shall immediately inform the Bank on any change in the data and/or information indicated in the Questionnaire and submit an updated Questionnaire to the Bank.

2.4. The Bank shall provide personal Investment Advice to the Client. The Client may not disclose or make publicly available in any other way the Investment Advice provided to him by the Bank, because the Investment Advice is not intended for third persons even under the identical or similar circumstances.

2.5. Unless otherwise is provided in the Agreement of the Bank and the Client, the Bank does not undertake to update the Investment Advice provided to the Client on a regular basis or in view of the changed market conditions or provide new Investment Advice or conduct periodic assessment of the suitability of the Financial Instruments recommended to the Client, however in the suitability assessment report that shall be presented only to non-professional clients the Bank shall indicate to the Client if he should seek periodic assessment of his arrangements made on the basis of the Investment Advice. The Client shall keep following himself the market prices or values of his acquired Financial Instruments and the developments in the market. If the Client wishes to get an update on the Investment Advice provided to him, he shall apply to the Bank for that. The periodic assessment of the suitability of the Financial Instruments recommended to the Client shall be conducted by the Bank if that is provided in the Agreement entered with the Client. The periodic assessment of the suitability shall be conducted in accordance with the terms of such Agreement.

2.6. A final decision on which Financial Instruments to select, whether to follow the Investment Advice, and also a decision to place an order to make an operation or make an agreement on the Financial Instrument, or assume any other financial obligations, shall be made by the Client himself independently based on his knowledge and experience in the investment field, financial possibilities, investment goals, on his sole responsibility and at his own risk pertaining to such decision. If the Client (natural person) when receiving and/or upon receipt of Investment Advice, intends to act through the representative, he shall inform the Bank in advance to that effect in order for the Bank, prior to provision of services to the Client through the representative, to be able to collect and assess the information on representative's knowledge and experience in the investment field. The Investment Advice provided by the Bank is not and shall in no case be understood as an obligation for the Client to perform certain actions (or abstain from performing certain actions). In each case the Client himself shall make an investment decision.

2.7. Provision of the Investment Advice shall not be a service of managing the Financial Instruments portfolio, unless there is an agreement between the Parties with regard to provision of such service. The Client shall himself keep following the market prices or values of its acquired Financial Instruments and the developments in the market.

2.8. If the Investment Advice contains more than one Financial Instrument as a single package, it means that the Investment Advice was provided to the Client on all the indicated Financial Instruments together. If the Client uses the Investment Advice in respect of some (not all) Financial Instruments, such transaction may not correspond to the Client's investment goals and the risk acceptable to it.

2.9. If the Bank provided the Investment Advice or other kind of information, advice or recommendations on the Financial Instruments to the Client, the Bank in any case is not and shall not be deemed responsible for the profit or loss situation of such Financial Instrument acquired on the basis of such Investment Advice, recommendation or information and/or the transaction made.

### **3. NON-INDEPENDENT AND INDEPENDENT ADVICE**

3.1. The Bank shall provide both independent and non-independent Investment Advice. An Agreement separately made with the Client shall stipulate if an independent or non-independent Investment Advice will be provided to the Client.

3.2. If due to any reasons the Agreement made between the Bank and the Client does not stipulate whether the recommendation provided is non-independent or independent, the Bank shall be deemed to provide a non-independent Investment Advice to the Client.

3.3. When the Agreement made with the Client stipulates that an independent Investment Advice shall be provided, it means that the Bank:

3.3.1. while providing the Investment Advice service, in compliance with the Process of Selection of Financial Instruments, shall assess a sufficient amount of the Financial Instruments available in the market that are different in type and issuers or product sellers or distributors in order to ensure that the goals sought by the Client in using the Investment Services are duly achieved and the Financial Instruments being assessed are not limited solely to the instruments issued or provided by: a) the Bank itself; b) other entities closely linked to the Bank; or c) entities linked to the Bank by contractual, legal or economic relations that jeopardise the objectivity of the provided independent Investment Advice;

3.3.2. to the extent it pertains to the provision of the independent Investment Advice, shall strictly follow the restrictions and requirements stipulated in the Policy of Incentive Payments.

3.4. When the Agreement made with the Client stipulates that a non-independent Investment Advice shall be provided, it means that the Bank:

3.4.1. while providing the Investment Advice, shall not be obligated to evaluate a broad range of the Financial Instruments available in the market that are different in type and issuers or product sellers or distributors. The range of the recommended Financial Instruments may be limited to financial instruments issued or provided by: a) the Bank itself; b) other entities closely linked to the Bank; or c) entities linked to the Bank by contractual, legal or economic relations that jeopardise the objectivity of the provided independent Investment Advice;

3.4.2. In accordance with the requirements stipulated in the Policy of Incentive Payments, the Bank shall have the right to receive and retain incentive payments received from third persons where such incentive payments are used for improving the quality of the investment services to the clients.

3.5. In view of the fact that under different Agreements made with the Clients the Investment Advice provided by the Bank may be both non-independent and independent, the Bank shall ensure separation of its divisions providing such Investment Advice from each other so that the divisions performing the Agreements under which the non-independent Investment Advice is provided may not perform the Agreements under which independent recommendations are performed. Accordingly, the Bank's officials providing services of the independent Investment Advice shall not provide services of the non-independent Investment Advice.

#### **4. SUITABILITY ASSESSMENT REPORT**

4.1. Prior to making a transaction based on the provided Investment Advice, the Bank shall provide to the non-professional Client the suitability assessment of the Investment Advice in a durable medium indicating the Investment Advice provided to the Client and how it corresponds to the non-professional client's priorities, investment goals and other significant characteristics.

4.2. If the transaction to buy or sell the Financial Instrument is made by means of distance communication and because of that the Bank will have no possibilities to provide to the Client a suitability assessment of the Investment Advice in advance and if the Client consents to that by making the Agreement, the Bank shall have the right to provide a written suitability assessment in a durable medium immediately after the Client has assumed the obligations arising out of the transaction. To this end, the Bank undertakes to provide the Client with the possibility to postpone the making of the transaction, if the Client wishes to get the suitability assessment of the Investment Advice in advance.