

On the basis of the Financial Instruments Market Act (the Official Gazette of the Republic of Slovenia No. 77/18 – ZTFI-1, 17/19 – amended, hereinafter referred to as: the FIMA-1) and Article XXII of the Articles of Association, UniCredit Banka Slovenija d.d. shall adopt the following

GENERAL TERMS AND CONDITIONS FOR CONDUCTING TRANSACTIONS WITH FINANCIAL INSTRUMENTS

I. GENERAL PROVISIONS

Definition of General Terms and Conditions for Conducting Transactions

Article 1

These General Terms and Conditions for Conducting Transactions with Financial Instruments (hereinafter referred to as: the General Terms and Conditions for Conducting Transactions) shall determine operating conditions and mutual rights and obligations of customers and the UniCredit Banka Slovenija d.d. (hereinafter referred to as: the UCB) when providing the following investment services and transactions, as well as ancillary investment services, provided to customers by the UCB in line with provisions of the FIMA-1:

1. Investment services and transactions:

- Receiving and forwarding orders related to one or more financial instruments (stockbroking);
- Executing orders on behalf of clients;
- Dealing on UCB's own account
- Portfolio Management
- Investment advice;
- Initial or subsequent placing of financial instruments on a firm commitment basis;
- Initial or subsequent placing of financial instruments without a firm commitment basis

2. Ancillary investment services:

- Safekeeping and administration of financial instruments, including;
- Custodianship and related services, such as such as cash and other collateral management,
- Services of keeping accounts of book-entry securities, excluding central register management;
- Advice to undertakings on capital structure, business strategy and related matters and advice and services relating to mergers and acquisitions;
- Investment research and financial analyses or other forms of general recommendations concerning transactions with financial instruments;
- Services related to underwriting of financial instruments on a firm commitment basis;

In the rest of the document, "Investment service" shall be used as a general term for all investment services and transactions, as well as ancillary investment services performed by the UCB, unless expressly provided otherwise.

Mutual rights and obligations between the UCB and the customer shall be regulated by written Agreements on performing individual types of investment services (hereinafter referred to as: the Agreements). By means of Agreements, the UCB and the customer may also determine rights and obligations other than those, set by these General Terms and Conditions .

Information about the Bank, its services and financial instruments

Article 2

Detailed information about the UCB and investment services provided by the UCB to customers in line with provisions of these General Terms and

Conditions for Conducting Transactions, are available in the document "Information about UniCredit Banka Slovenija d.d. and its Investment Services", included in each applicable text as an Appendix and representing integral part of these General Terms and Conditions for Conducting Transactions, also available on the website: www.unicreditbank.si

Detailed information about financial instruments for which the UCB provides investment services to customers are available in the document "Description of Risks Related to Investments in Financial Instruments", included in each applicable text as an Appendix and representing integral part of these General Terms and Conditions for Conducting Transactions, also available on the website: www.unicreditbank.si

Definitions

Article 3

Terms used in these General Terms and Conditions for Conducting Transactions shall have a meaning as defined by the applicable FIMA-1 and regulations issued thereof, unless provided otherwise in individual cases by the text of these Terms and Conditions.

Authorized person – a person specified in Agreements, who is entitled to receive, forward, or give notices.

Relevant provisions – statutory and executive acts, rules, policies or procedures, which apply in the territory of the Republic of Slovenia and/or a place (or an institution), where transactions with financial instruments are conducted, and which govern transactions with financial instruments.

Regulated market – a stock-exchange market or other regulated markets in the Republic of Slovenia or in any other Member State or Non-Member State, operated by a certain entity with the following characteristics:

- This system combines or facilitates the combination of the interests concerning the sale or purchase of financial instruments of many third persons, in accordance with the predefined rules, by concluding legal transactions concerning the financial instrument, admitted to trading according to the existing rules or the systems of this market;
- It has the license of the competent supervisory authority;
- It operates regularly in accordance with the conditions, which are mutatis mutandis similar to conditions set out by the FIMA-1 for a stock-exchange market.

Central register shall be a computerised database of rights from book-entry securities, rights and liabilities arising thereof, respective holders of these rights, and potential rights of third parties on securities; it is kept by the Central securities depository. The Central register shall have the status of a Central depot.

Central depot shall be a Central register or other register of holders of book-entry financial instruments:

- Managed by an individual person (central depository) in accordance with provisions of a country, where this depot has been established, and
- Entries into which have legal effects directly in the relationship to the issuer of these financial instruments and to third parties so that the account holder, with whom these financial instruments are entered, shall be considered a legal holder of these financial instruments.

CSCC shall be the Central Securities Clearing Corporation (public-limited company), which manages the Central register in the Republic of Slovenia and is connected to T2S.

Sub depot shall be a register of holders of book-entry financial instruments:

- Which is not the Central depot,
- Which is managed by a brokerage company, a bank, an investment company or another person (sub depository) in accordance with provisions of a country, where this sub depot has been established;

- Entries into which do not have legal effects directly related to the issuer of these financial instruments and the central depository, and
- Entries into which have legal effects related to the sub depository, so that in this relationship, by an entry into sub depot, a right of the customer is created enabling him/her to demand from the sub depository to realize rights arising from these financial instruments for his/her account and to dispose of these financial instruments for his/her account in accordance with his/her order.

Customer's custody account shall be an account, which the UCB opens for a customer for him/her to be able to trade with foreign financial instruments and which is used by the UCB to manage in the name and for the account of the customer foreign financial instruments and his/her bank balance relating to transactions with foreign financial instruments. Customer's custody account shall include the customer's financial instruments account in sub depot, managed by the UCB, and the customer's cash account used for transactions with foreign financial instruments. For the management of the customer's cash account within the framework of a custody account, rules for sub depot management shall apply mutatis mutandis.

Domestic/foreign financial instruments: all book-entry securities, which have been entered into the Central register, shall be considered domestic financial instruments, and, for the purpose of these General Terms and Conditions for Conducting Transactions, all other financial instruments are identified as foreign financial instruments. When these General Terms and Conditions for Conducting Transactions refer to financial instruments in general, they shall apply to domestic and foreign financial instruments.

FATCA - Foreign Accounts Tax Compliance Act – is an act on tax compliance concerning foreign accounts

U.S. Person – means American taxable person according to FATCA.

U.S. Reportable account – the account which has to be reported to the U.S.

U.S. Indicia – criteria for identification of taxable persons according to the FATCA.

Customer data

Article 4

Agreements between the UCB and the customer as well as their Appendices shall include data about the customer, which the UCB needs to conduct investment transactions and to manage requisite registers. The provisions of these General Terms and Conditions about the customer data apply mutatis mutandis to any authorised representative of the customer.

In accordance with the Relevant provisions and with the intention of fulfilling obligations and exercising rights from or with regard to these General Terms and Conditions for Conducting Transactions as well as from or with regard to Agreements, the UCB shall expressly draw the customer's attention to the fact that the UCB may collect, manage, process, keep, or transmit to third parties data about the customer, which are linked to these General Terms and Conditions for Conducting Transactions and Agreements or data about the customer, which the UCB has acquired from third parties. The Controller of customer databases available to the UCB is the UniCredit Banka Slovenija d.d. The customer acknowledges and gives consent to the UCB to use, collect, save, include in databases and manually or automatically process the data provided by user in any other manner for the purpose of implementing its legal operations and to perform its legal and contractual obligations throughout the validity of the Agreement and, in accordance with the Relevant provisions, also after the Agreement expires. By signing the Agreement, the customer shall expressly declare that the UCB may also use the provided data for purposes of direct marketing of services and products, offered by the UCB and other companies within the UniCredit Group. The customer expressly agrees that the UCB may transfer the customer's data for

the purposes of direct marketing of services, including sending offers, promotional material, magazines and invitations to events as well as conducting telephone, written and electronic survey, to other companies within the UniCredit Group, which receive the right to process the data, while those companies shall provide the same level of data safety as the UCB. In this case, customers may, at any time, require the data Controller to stop using their data for the purpose of direct marketing.

The customer acknowledges and agrees that the UCB may forward the stated data to other companies within the UniCredit Group due to optimization of its business processes. This may also include transferring data outside of the Republic of Slovenia in case headquarters of the other company are outside of the Republic of Slovenia. In such cases, the company receiving the data acquires the right to process them.

The customer shall have the right to access, copy, duplicate, supplement, correct, block, and delete personal data related to him/her that are controlled by the UCB. If customer does not provide the UCB his/her personal data required in accordance with the Relevant provisions or demands the data to be erased, the UCB shall either reject conclusion of Agreement or an already concluded Agreement between the UCB and the customer shall be deemed terminated.

The customer shall be liable for accuracy and authenticity of all data he/she has provided to the UCB and shall be liable for damage, caused by inaccurate or false data. The customer may change provided data only after his/her identity has been checked and upon a written request for the change. The customer shall inform the UCB immediately about any change of the relevant data; otherwise he/she shall be fully liable for damage caused due to late notice about the change of data. Notices, which the UCB sends to the customer, shall be considered received by the customer, if the UCB has sent them to the customer in accordance with the contact data provided by the customer and entered in the UCB's records.

Protection of confidential data

Article 5

Information about the outstanding balance and payment transactions on the customer's financial instruments account as well as other data, facts, and circumstances, which the UCB comes in knowledge of while performing investment services, shall be protected by the UCB as confidential in accordance with the Personal Data Protection Act, the Banking Act, the Companies Act and other regulations relating to protection of personal and confidential data business secrets.

The customer and the UCB shall undertake to treat as business secret all data and information arising from or related to the Agreements, concluded on the basis of these General Terms and Conditions for Conducting Transactions. The UCB may forward information and data about the customer without his/her prior consent to domestic and foreign authorities or other relevant regulatory or judicial bodies to prevent violations and criminal offences as well as to comply with other statutory requirements.

Customer identification

Article 6

Prior to concluding an Agreement, the UCB shall check the customer's identity in a reliable manner and in accordance with the Relevant provisions. The customer shall expressly that the UCB may make a copy of his/her personal identity document used for identification as a proof of the established identification and that the UCB may keep such documents in accordance with the Relevant provisions. If the customer does not agree with the UCB's making a copy of the stated documents, the UCB may reject conclusion of the Agreement, unless it is obliged to conclude the Agreement on the basis of the Relevant provisions.

Customers, who are legal entities, are obliged to obtain a Legal Entity Identifier (LEI, hereinafter: the LEI Code) before concluding the first transaction

and send it to the UCB. Customers, who are legal entities, are also responsible to annually extend the validity of LEI Code and send the documentation thereof to the UCB.

In case the customer, who is Legal Entity, does not fulfil its obligations under stipulations from the previous paragraph, the UCB may unilaterally terminate the Agreement with such a customer upon previous written notice.

Recording telephone conversations

Article 7

The UCB shall record telephone conversations on telephone numbers, through which it receives customers' orders, to protect interests of the UCB and the customer in case of a misunderstanding. By signing the Agreement, the customer expressly agrees with recording of such telephone conversations. The UCB shall undertake to keep these taped telephone conversations as business secret in line with the legislation and its business policy, however, not less than 5 years after the year of concluding the transaction.

The UCB and the customer expressly agree that the voice records from the previous paragraph are considered as an authentic evidence of alleged facts (also in courts).

Customer classification

Article 8

When performing investment services, the UCB shall treat its customers as non-professional, professional or/and suitable counterparties and shall ensure them adequate level of protection in accordance with this classification and the UCB Policy of Customer Classification, which can be accessed in its applicable version on www.unicreditbank.si

In accordance with the **UCB Policy of Customer Classification**, the UCB is not obliged to assess suitability of financial instruments or investment services it conducts for professional customers when conducting transactions for such customers. The UCB is not obliged to require from a professional customer to provide information about his/her knowledge and experience; in addition, the UCB is not obliged to warn a professional customer of unsuitability of a certain service or product for him/her.

Similarly, the UCB is not obliged to assess suitability of financial instruments or services for an unprofessional customer and is not obliged to require from such a customer to provide information about his/her knowledge and experience, if it conducts services for a customer or a potential customer, which include only execution or acceptance and forwarding of customers' orders as well as any ancillary services, related to the such services, if these services are performed at the customer's initiative and are related to the following financial instruments:

- Shares, which are admitted to trading on a regulated market or an equivalent market in a non-member state;
- Money market instruments;
- Bonds and other forms of debt financial instruments other than those, which have characteristics of derivative financial instruments;
- Units of UCITS collective investment undertakings, or
- Other non-complex financial instruments.

Provision of services in accordance with regulations

Article 9

The UCB shall undertake to perform investment services in accordance with provisions governing transactions with financial instruments and banking operations, provisions on foreign exchange, provisions applying to the area of anti money-laundering and preventing financing of terrorism, and other Relevant provisions. The UCB shall perform investment services with professional care of a good brokerage company.

Protection of customer's interests

Article 10

The UCB shall perform investment services fairly and with professional due diligence, while paying full attention to customers' interests. The UCB shall notify the customer in an appropriate way about all circumstances it is aware of and which are important for the customer's decisions in relation to orders for purchase or sale of financial instruments, or other services the Bank offers to the customer, as well as about risks related to investments in financial instruments.

Risks related to investments in financial instruments are disclosed in detail in the document from Article 2 of these General Terms and Conditions for Conducting Transactions (**Description of Risks Related to Investments in Financial Instruments**). By signing the Agreement, the customer declares that he/she is aware of these risks and that he/she is accepting them. Decisions related to transactions with financial instruments are made by the customer alone, and he/she shall also set the conditions under which the UCB must execute the order.

The UCB provides no guarantees for profitability of financial instruments and shall not be liable to the customer or any third party for potential direct or indirect damage, obligations and/or loss incurred as a result of implementation of these General Terms and Conditions or Agreements, except in cases set out in these General Terms and Conditions or in Agreements. The UCB shall neither assume liability for consequences of customer's decisions relating to Agreements, nor assume liability for consequences of abuses in relation to the customer's financial instruments, which third parties may commit to the customer via the UCB.

Conflict of interests

Article 11

The UCB provides various investment services offered to a broad range of customers. Thus, circumstances of conflict of interests may occur, which could adversely affect realisation of interests of the UCB's customers.

The UCB shall organise its operations in a way to minimise potential conflicts between interests of customers and those of the UCB as well as conflicts between interests of customers to the lowest level possible. More detailed information about measures the UCB adopts and implements to manage conflicts of interests are revealed in the document titled **Information about UniCredit Banka Slovenija d.d. and its Investment Services**.

Remuneration for services provided

Article 12

The customer shall undertake to pay the UCB remuneration and costs for services provided under Agreements in the amount set out by the applicable UCB price list related to financial instrument services (hereinafter referred to as: the Services price list), which is published on the UCB's web page www.unicreditbank.si and forms an integral part of these General Terms and Conditions.

The Services price list shall be modified by means of a decision adopted by the UCB's Management Board. The UCB shall notify its customers about amendments made to these General Terms and Conditions with a notice sent by e-mail and published on its website www.unicreditbank.si. If a customer does not object to amendments to the Services price list before he/she conducts his/her next transaction or within 5 days after the notice about the amendments to the Services price list has been issued, it shall be deemed that he/she agrees with the Service price list. Should a customer object within the time-limit stated in the previous sentence, his/her objection shall be deemed a written termination of the contractual relationship without a special notice.

When a remuneration for a service provided is not specified by the Services price list, the UCB and the customer shall determine it by an Agreement. Similarly, the UCB and the customer may contractually agree a different remuneration for provided services as set out by the Services price list.

The UCB expressly warns the customer that transactions with financial instruments or performance of investment services may involve other costs to be borne by the customer, including taxes, which are not paid via the UCB and are not included in the Services price list.

Handing over and amending General Terms and Conditions for Conducting Transactions

Article 13

The UCB shall hand over a copy of its General Terms and Conditions for Conducting Transactions to the customer prior to concluding an Agreement. Applicable General Terms and Conditions for Conducting Transactions shall be made available to customers in each facility, where the UCB conducts its transactions with customers and on the UCB's web page www.unicreditbank.si

The UCB shall notify its customers about modifications of the General Terms and Conditions for Conducting Transactions by a written notice or a notice sent via electronic mail and a notice on its web page www.unicreditbank.si. In the notification letter from the previous sentence, UCB shall state the provisions of the General Terms and Conditions being changed, their wording and the whereabouts of clean copy of the changed General Terms and Conditions, respectively the documentation containing the information on the changes, as well as notice that the Client may, on its explicit request, receive a clean copy of the respective documentation also by post. If a customer does not object to modifications made to the General Terms and Conditions for Conducting Transactions before he/she conducts his/her next transaction or within 5 days after the notice about modifications of the General Terms and Conditions for Conducting Transactions has been issued, it shall be considered that he/she agrees with their contents.

Should a customer object within the time-limit stated in the previous paragraph, his/her objection shall be considered a written termination of the Agreement without a special notice.

II. TRANSACTIONS FOR OWN ACCOUNT

Transactions for own account

Article 14

When the UCB conducts transactions for its account and publishes prices of financial instruments or forms prices on the basis of the customer's demand, it shall not perform investment services of receiving and executing customers' orders. This particularly applies to UCB's transactions with financial instruments not traded with on a regulated market where the UCB acts as a contracting party. In such cases the UCB shall not be obliged to execute orders under most favourable conditions for the customer. The same shall apply to all other transactions between the UCB and the customer, concluded when the customer accepts the offer.

Trading for own account and execution of client order

Article 15

Transaction with financial instruments, concluded with the client for UCB's own account represents execution of client's order, provided that in such transaction, the UCB trades on behalf of the client. In case of doubt when the UCB is trading on behalf of the client or on its own behalf, the provisions of the FIMA-1 apply.

Documents under the PRIIP Regulation

Article 16

The website www.unicreditbank.si contains documents with key information

about the over-the-counter derivatives (OTC), required by the Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the PRIIP Regulation).

Customers, who are "retail investors" by definition of the PRIIP Regulation, are obliged to seek key information about respective financial instruments on the above stated website before concluding transactions with the OTC derivatives.

III. STOCKBROKING

Stockbroking in general

Article 17

Stockbroking services shall include accepting and transmitting customers' orders for purchase or sale of financial instruments as well as execution of these orders for customer's account on a regulated market in the Republic of Slovenia, EU-member states or non-member states, or outside organised market or in multilateral trading facilities (MTF/OTF), or transmitting these orders to execution to the UCB's Execution Entity against payment of a commission.

Stockbroking Agreement

Article 18

Prior to accepting the first order for purchase or sale of financial instruments, the UCB and the customer shall conclude a general Stockbroking Agreement in writing.

Customer's financial instruments account

Article 19

After a Stockbroking Agreement has been concluded and prior to the first order for purchase or sale of financial instruments, the UCB:

- shall open for the customer a book-entry securities account with the CSCC, where it maintains records of domestic financial instruments in the name and for the account of the customer;
- shall open a financial instruments account in the sub depot, managed by the UCB, where it maintains records of foreign financial instruments in the name and for the account of the customer.

Customer's account from the second indent of the previous paragraph shall form an integral part of the customer's custodian account.

Order receiving point

Article 20

The customer may place an order for the purchase or sale of financial instruments in the UCB head office or in the UCB branches that execute customers' orders; orders may be placed personally, by telephone, fax or electronic mail. The UCB may require the customer to subsequently confirm his/her order in writing. Departments for Private Banking are considered as the UCB branches where customer's orders are executed.

The order, which the customer has sent to the UCB by electronic mail, shall be considered received, when the UCB receives the electronic mail from the customer on the agreed UCB email address and further confirmation of the order's content by customer over telephone.

In UCB's business units, where customers' orders are not executed, a customer may place a written order for the purchase or sale of financial instruments by personally visiting the branch office. The branch office shall then forward the order to the UCB head office or a UCB branch office, where customers' orders are executed, not later than the following business day from receiving the order. Date and time of receipt of the order shall be deemed the date and

time when the order arrives to the UCB head office or the UCB branch office, which executes customers' orders.

The order, which a customer places with the UCB before opening a financial instruments account from Article 18 of these General Terms and Conditions, shall be considered received when the UCB opens such a financial instruments account for the customer.

With regard to execution of the orders through executing partner, it is considered that the order shall be deemed received by UCB in line with paragraphs 1 – 4 of this Article, whereas UCB shall be obliged to transmit the received order to the executing partner no later than the next business day from the receipt of the order, where it is considered that the executing partner receives the order, when the order is received during opening hours of the partner on the working day in which it operates.

Order types

Article 21

The customer may place the following types of orders with the UCB, further defined by the general acts or regulations of the stock exchange market in which the customer order is executed:

- **With regard to transaction type:** purchase (P), sale (S) order;
- **With regard to implementation point:** on a regulated market (RM), on a non-regulated market (NRM);
- **With regard to price:**
 - market order (daily order, where exchange rate quotation is not entered or set);
 - order with discretion (an order, where exchange rate quotation for purchase or sale of a financial instrument is not set, but it is entered at the discretion of a broker)
 - limit order (an order, where exchange rate quotation is entered or set and where conducting of transactions is enabled to the maximum of the exchange rate quotation, which has been set at entering of the order);
- **With regard to order's period of validity:** daily order, open order, open order up to and including a determined date;
- **With regard to quantity;**
- **With execution conditions, trading conditions and other criteria,** in accordance with the applicable general rules and/or regulations of the stock exchange market on which the order shall be implemented.

Validity of an open order and order valid up to and including a determined date on Ljubljana Stock Exchange cannot be longer than 360 days from the receipt of the order or as defined by the applicable Ljubljana Stock Exchange rules. Validity of such order on other stock exchange markets is defined by applicable rules of the stock exchange market on which the order shall be implemented.

Mandatory components at placing the order:

- Type of order (purchase or sale);
- Security code (ISIN);
- Quantity of the security;
- The validity period of the order.

In the event that the customer does not specify all the required elements when placing the order and UCB is unable to obtain missing information from the customer, the UCB will reject such order. All other parameters of the order (place of execution, choice of executing partner) will be assessed in accordance with the UCB Order Execution Policy.

Order execution point

Article 22

Customer orders for purchase or sale of financial instruments, which are

traded with on a regulated market, shall be executed on the regulated market, unless the customer expressly orders a different manner of order execution.

As regards to implementation of customers' orders for purchase or sale of marketable financial instruments outside of a regulated market and to implementation of orders for purchase or sale of financial instruments, which are not traded with on a regulated market, provisions determining obligations of the UCB for executing orders on a regulated market shall apply mutatis mutandis.

A list of foreign regulated markets where the UCB implements customers' orders via its Execution Entities forms an integral part of the UCB Policy of Order Implementation.

Purchase order for financial instruments

Article 23

In case of a purchase order for financial instruments, the customer shall ensure a 100% advance payment for the purchase of financial instruments and an advance payment of costs related to the purchase on UCB transaction account No. SI56 0150 2000 7150 090 opened at the Bank of Slovenia (hereinafter referred to as: the Customers' cash account), unless agreed otherwise by the UCB and the customer.

In case of a purchase order for foreign financial instruments, the customer shall ensure the required funds in advance (100 % advance payment for the purchase of financial instruments and advance payment for the costs related to the purchase) in euros on the Customers' cash account or all the required funds in euros or any other adequate currency on his/her custody account. In addition, in case of a purchase order for foreign financial instruments, all of the Bank's due receivables against the customer must be settled in full.

Payment of purchase price

Article 24

The customer, for whom the previous Article of these General Terms and Conditions does not apply, shall be liable to settle obligations incurred by his/her purchase of financial instruments by means of cash remittance onto Customers' cash account or the customer's custody account not later than within the following business day after the order has been executed, unless the UCB and the customer agree otherwise with an Agreement.

Customers' funds

Article 25

Customers' funds paid up for purchase of financial instruments shall be kept on the customer's account until they are used to purchase financial instruments or until the customer recalls them.

An Agreement shall regulate the payout method of funds arising from the sale of financial instruments for the customer and funds arising from payout of yields from customer's foreign financial instruments. Normally, funds concerned shall be remitted onto the selected transaction account not later than within the following business day from receipt of assets onto Customers' cash account, unless the customer expressly orders the funds from the sale and payout of yields are to be kept on the customer account until the recall or purchase of other financial instruments. The UCB shall remit the funds on the customer's transaction account on the basis of the customer's request not later than within the following business day from receiving such a request or from receiving the customer's funds from abroad onto customers' account (T+1). Prior to remittance of the funds onto the customer's account, the UCB shall charge all costs and commissions in accordance with its applicable price lists and remit to the customer adequately reduced amount of funds.

Funds on the customers' money account and customer's custody account shall not be considered deposits and are not interest-bearing in accordance with compulsory provisions.

Sale order for financial instruments

Article 26

In case of an order for the sale of domestic financial instruments, the customer shall ensure that securities, which are subject to the order, are on his/her account, managed by the CSCC. The UCB and the customer may also agree otherwise by an Agreement.

In the event of an order for the sale of foreign financial instruments, the customer shall ensure the required balance of financial instruments, which are subject of the sale order, on the customer's custody account in the UCB's sub depot or on the account with a foreign sub depository/depositary so that these securities are registered to the name of the customer in a foreign Central depot or with a foreign sub depository.

Order receipt

Article 27

The UCB may refuse to accept an order in the following cases:

- If the customer when ordering purchase of financial instruments does not comply with requirements from Article 22 of these General Terms and Conditions for Conducting Transactions,
- If the customer when ordering sale of financial instruments does not comply with requirements from Article 25 of these General Terms and Conditions for Conducting Transactions,
- If, by judgment of the UCB, such order or its execution is contrary to the business policy of UCB,
- In other cases, stipulated by these General Terms and Conditions for Conducting Transactions, the Agreement, law, or other regulation.

The UCB shall notify the customer in writing about its refusal to accept the order immediately after receiving the order or when it can check in a reliable manner compliance with requirements from Articles 22 and 25 of these General Terms and Conditions for Conducting Transactions. Such a notice shall also include a reason for refusal of the order. If the UCB does not refuse to accept an order, it shall be considered that it has accepted the order upon expiry of the time limit for a notice to the customer about refusal to accept the order.

Order changes

Article 28

The customer may change or cancel his/her order in the manner as set for the placement of an order, until its execution can still be prevented by reasonable measures and with due consideration given to the order of received orders. A customer's order, where price is changed, quantity of financial instrument increased, or a special order condition is added, modified, or deleted, shall be considered cancellation of the initial order and placement of a new order.

The order is deemed to be changed or cancelled when the change or cancellation are confirmed by the UCB or an execution partner. The UCB is entitled to remuneration of manipulative costs for the cancelled order.

Confirmation of order receipt

Article 29

The UCB shall forward the customer confirmation of receipt, modification, or cancellation of an order the same day or not later than within the following business day from receipt, modification, or cancellation of the order.

In case of an order with discretion, confirmation of order receipt shall also include a provision that the customer has granted to the UCB or executing partner of UCB an authorization to implement the order when estimated that it is the most favourable for the customer, and a provision that the order expires:

- If UCB or UCB's executing partner receive the order before the end of trading on the market where the order shall be executed: at the end of the day, when the UCB or UCB's executing partner received the order;
- If UCB or UCB's executing partner received the order after the end of trading on the market where the order shall be executed: at the end of the next trading day following the day on which UCB or UCB's executing partner received the order.

If the customer does not object to the confirmation within 3 business days from the receipt of the confirmation, it shall be considered that data included in the confirmation are correct.

Transfer order

Article 30

It shall be deemed that a customer's order for purchase of book-entry securities on a regulated market also includes an order for transfer of these securities from the customer account with the CSCC due to compliance with commitments arising from the sale concluded on a regulated market. It shall be deemed that the customer's order for the sale of foreign financial instruments, managed by the UCB on customer's custody account in sub-depot, also includes an order for the transfer of these financial instruments from the customer's custody account in sub depot due to compliance with obligations from the concluded sale.

Order execution

Article 31

The UCB shall execute a customer's order in accordance with its formulation and customers' orders of the same type are executed in order of their receipt. All customers' orders shall be recorded in accordance with the Relevant provisions.

The UCB shall execute orders for the purchase or the sale of domestic and foreign financial instruments for the customers' account itself or via domestic or foreign investment companies acting as the UCB's execution entities. The UCB shall execute orders for the purchase or the sale of marketable financial instruments through executing entities on its behalf and for the customer's account on the organized market and can execute orders for the purchase or the sale nonmarketable financial instruments also itself outside of the organized market. The customer acknowledges that the UCB selects its execution entity for executing orders independently. The UCB shall not be liable for actions of its execution entity, but is shall be liable for its diligent selection. A list of execution entities, whom the UCB forwards customers' orders, is an Appendix to the **UCB Policy of Order Execution** and is readily available on the UCB's website www.unicreditbank.si.

The UCB shall accept, transmit and implement customers' orders in accordance with the **UCB Policy of Order Execution**, other Relevant provisions, and existing rules on the market, where financial instrument, which is the subject of the order, is traded with. Applicable **UCB Policy of Order Execution** is available on the UCB's website www.unicreditbank.si. The Policy shall not apply to UCB's transactions with an adequate counterparty.

In accordance with the **UCB Policy of Order Execution**, the UCB shall, when executing customers' orders, carry out all measures for execution of the order under conditions that are most favourable for the customer. The **UCB Policy of Order Execution** shall set out factors the UCB considers at execution of customers' orders, their relative importance, as well as a list of order execution points where by its estimation the UCB can consistently achieve the best possible results for its customers. The UCB expressly warns the customer that any specific instruction of the customer concerning factors in question may prevent implementation of individual measures, which the UCB has prepared and included in its Policy of Order Execution.

Fulfilling commitments from concluded transactions

Article 32

The UCB shall ensure that domestic financial instruments, which it has bought for the account of an individual customer, are transferred onto this customer's account, which is kept by the CSCC, on the second business day after the order has been executed (T+2) on a regulated market or obligations of the seller have been fulfilled in case the customer's purchase order has been executed outside of a regulated market.

The UCB shall fulfil its financial obligations from the sale order towards the customer by a deposit on the customer's personal account the following business day from receiving purchase consideration from its transaction for the customer (T+1), unless the UCB and the customer agree otherwise by an Agreement.

As far as transactions with foreign financial instruments are concerned, the UCB shall ensure settlement in accordance with the relevant provisions of the market where the order is implemented, in such a way that these financial instruments are credited or debited to the customer's custody account in the UCB's sub depot. Similarly, funds related to these transactions are also credited or debited to the customer's custody account.

Settlement of concluded transactions

Article 33

The UCB shall send the customer settlement of the concluded transaction not later than within the following business day from fulfilling obligations related to the transaction concluded for the customer's account in the Republic of Slovenia. In case the UCB has served as an agent with the execution of a transaction in the name of the customer abroad through its execution entity, the UCB shall send the customer settlement not later than within the following business day after receiving adequate settlement of the transaction from the execution entity.

The customer shall be liable to check the settlement immediately after receiving it and fulfil his/her opened obligations concerning the order. The customer shall send potential observations relating to the settlement directly to the person, who has drawn it up. The customer, who has not settled all his/her obligations related to the transactions with financial instruments, shall not be able to purchase new financial instruments.

Documents under the PRIIP Regulation

Article 34

The website www.onemarkets.si contains documents with key information about the structured products of the issuer UniCredit Bank AG, required by the Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the PRIIP Regulation).

Customers, who are "retail investors" by definition of the PRIIP Regulation, are obliged to seek key information about respective structured products of the issuer UniCredit Bank AG on the above stated website before concluding transactions with the financial products.

IV. INVESTMENT ADVICE AND OTHER INVESTMENT SERVICES

Investment advice

Article 35

Investment advice services shall include advice for customers concerning purchase, sale or issue of financial instruments.

Analyses and investment research for distribution channels and general public and other recommendations not considered as personal

recommendations by the existing legislation are not part of investment advice.

Before the UCB commences to perform investment advice services, the customer and the UCB shall conclude a written Agreement on investment advice. In particular, the Agreement shall specify the extent and the method of investment advice the UCB provides to the customer, mutual rights and obligations of the contracting parties, the amount of the UCB's commission or remuneration, and the duration of the Agreement. On the basis of investment advice, the customer shall make his/her own decision for the purchase or sale of financial instruments. Investments in financial instruments are risky and this is something the customer must be aware of and accept risks according to the document stated in Article 2, paragraph two, of these General Terms and Conditions. Therefore, when selling a financial instrument, which the customer has decided to buy on the basis of investment advice, he/she may, despite investment advice provided by the UCB, get a lower price than the one he/she paid when purchasing the financial instrument.

The first sale and further sales of financial instruments

Article 36

Mutual rights and obligations of the customer at performing services of making the first sale or further sales of financial instruments without a firm commitment basis or on a firm commitment basis shall be regulated by an Agreement concluded between the customer and the UCB in writing.

V. ANCILLARY INVESTMENT SERVICES

Keeping of book-entry securities accounts

Article 37

The UCB and the customer shall conclude a written Agreement on keeping book-entry securities account, on the basis of which the UCB, against payment of a commission, opens a book-entry securities account with the CSCC (hereinafter referred to as: the CSCC customer account) for the customer, where the Bank in the name and for the account of the customer maintains records of the customer's domestic securities as well as enters orders for the transfer of these securities from the CSCC customer account onto another account or orders for the entry or removal of rights of the third party.

If the UCB also performs services of portfolio management or stockbroking with domestic financial instruments for the customer, the Agreement on keeping book-entry securities accounts shall form an integral part of the Management Agreement or the Stockbroking Agreement.

If the UCB performs custody services relating to domestic securities for customers, who are foreign legal or natural persons, the Agreement on keeping book-entry securities accounts shall form in integral part of the Agreement on Performance of Custody Services.

Opening of a customer account

Article 38

Prior to entering of a new CSCC customer account into the Central register of book-entry securities, the UCB shall check customer's identity. The customer may open an account without being present only in the cases and in the manner determined by provisions on anti money-laundering and preventing financing of terrorism.

The UCB shall open a CSCC customer account not later than within three business days after concluding an Agreement on Keeping Book-Entry Securities Accounts. The UCB shall open a CSCC customer account only if all customer's data stated in the Agreement on Keeping Book-Entry Securities Accounts are harmonised with CSCC's data including VAT number.

The previous paragraph shall not apply in the event when the UCB is opening a CSCC account of a customer, who is a foreign natural or legal person.

The UCB shall not be obliged to consider orders of a customer concerning transfer of book-entry securities or entry of rights of a third party, if there are not enough appropriate securities on the CSCC customer account.

Transfer order

Article 39

Transfer of book-entry securities among accounts of the same holder, transfer of book-entry securities among accounts of different holders as well as entry of rights of a third party shall be performed by the UCB on the basis of the customer's adequate written order, whose data subject is determined by applicable instructions provided by the CSCC.

Prior to entering a suitable customer order, the UCB shall check customer's identity. If the order is issued by the customer's assignee, the UCB shall enter the customer order upon submission of a notarised certification of the customer's authorisation or if the customer authorises a certain person personally at the UCB to be in possession of securities on his/her account. The previous paragraph shall not apply if the UCB itself acts as the customer's assignee.

Order of order entry

Article 40

The UCB shall enter orders for transfer from the CSCC customer's account or orders for the entry or removal of rights of the third party on customer's domestic securities in the order of receipt of complete orders for the transfer or entry or removal of rights of the third party.

Reporting to customers

Article 41

The UCB shall send to the customer a statement of securities and annual turnover on his/her CSCC account once a year, unless the Bank and the customer agree upon a shorter reporting period. On the customer's demand and against payment of remuneration in accordance with the applicable UCB Price list, the Bank shall issue a statement of turnover the following business day from receipt of the customer's demand on the CSCC account for the required period and of new balance of account on the date of the statement. In the statement, the UCB lists the market value as reported in (1.) the daily price list of the Ljubljana Stock Exchange or, if this is not possible, (2.) the Bloomberg system or if even that is not possible (3.) on the CSCC website (the book value). If market value is unavailable in any of these sources, the statement shows an estimated value, calculated by best efforts, whereby absence of market value probably indicates low liquidity.

Closing customer account

Article 42

The UCB may close the CSCC customer account, where balance of account of financial instruments equals zero for more than three months.

Customer's custody account

Article 43

The UCB and the customer shall conclude a written Agreement on keeping a custody account, on the basis of which the UCB, against payment of a commission, opens a foreign financial instruments account in sub depot, where the Bank in the name and for the account of the customer manages balances of the customer's foreign financial instruments as well as enters orders for transfer of these financial instruments from the customer account onto another account or orders for the entry or removal of rights of the third party. Articles 37 to 42 of these General Terms and Conditions for Conducting Transactions shall apply mutatis mutandis to the process of opening a customer account in sub depot, the contents and the form of a customer order, as well as to the order of entering orders in the sub depot.

If the UCB also performs for the customer services of portfolio management or stockbroking with foreign financial instruments, the Agreement on Keeping a Custody Account shall form an integral part of the the Management Agreement or Stockbroking Agreement.

Sub depot of foreign financial instruments

Article 44

In the Sub depot, the UCB shall manage the customers' foreign financial instruments, which are managed on behalf and for the customers' account via its own account in the Central depot or via another intermediate sub depositary. In the framework of Sub depot, the UCB shall keep a special foreign financial instruments account for each customer, where it manages financial instruments of this customer separately as far as records are concerned, so that it can differentiate at any time and immediately between financial instruments of this customer and financial instruments, which it manages for other customers, as well as its own financial instruments.

The UCB shall independently choose a central depositary or an intermediate depositary, with whom it deposits financial instruments in its own name and for the customers' account. When selecting a central depositary or an intermediate sub depositary, the UCB shall consider Relevant provisions, professional competence and market reputation of these people, as well as any requirements of law or market practices related to management or safekeeping of customers' financial instruments, which could adversely affect customers' rights. Such a central depositary or an intermediate sub depositary shall be subject to specific regulation and supervision, which applies to safekeeping and management of financial instruments in the rule of law, where this third party resides.

Applicable **Sub depot rules**, which are available on the Bank's website www.unicreditbank.si, shall apply for keeping of the customer's foreign instruments account in Sub depot.

Management of foreign financial instruments in the Central depot

Article 45

If local legislation enables opening and keeping of customers' financial instruments accounts in the Central depot and the customer requests that his/her foreign financial instruments are managed via customer account in the Central depot instead in Sub depot managed by the UCB, the UCB shall open and keep such an account in the name of the customer and for his/her account, if it is a member of such a Central depot. Otherwise, it shall ensure such an account is opened and kept by a member of the Central depot.

The UCB expressly warns the customer that costs of managing foreign financial instruments in the name of the customer via a customer account in the Central depot are higher, but risks are lower. When foreign financial instruments in the same Central depot are managed in the name of the UCB and for the account of the customer via the UCB's account in this safe custody or via sub depositary's account, costs are lower, but risks are higher.

If a customer decides to have foreign instruments account opened and kept in the Central depot, the UCB shall not be liable for actions of the central depositary and shall not be liable for the balance of the customer's financial instruments in the Central depot.

Customers' funds concerning transactions with foreign financial instruments

Article 46

Customers' funds concerning transactions with foreign financial instruments shall be managed via special Cash accounts, which are opened with credit institutions in accordance with the Relevant provisions. When selecting adequate credit institutions, the UCB shall act in accordance with the method described in Article 44, paragraph three of these General Terms and Conditions for Conducting Transactions.

The UCB shall receive and make payments from transactions concluded for customers' account via special Cash account from the previous paragraph. It shall also manage the customers' bank balance via the same account. The UCB shall not use such a special Cash account to receive and make payments from transactions concluded for its own account.

The UCB shall manage bank balance of individual customers in relation to transactions with foreign financial instruments by means of separate records on the customers' custody account so that it can at any time and immediately differentiate between finances of this customer and finances managed for other customers, as well as its own finances.

Legal status of customers' foreign financial instruments and funds

Article 47

Entry of financial instruments to Sub depot in credit of an individual customer shall have effect against his/her creditors and against the UCB's creditors so that these financial instruments are considered to be the customer's assets. In the course of recovering their claims against the UCB, the UCB creditors shall not be able to reach financial instruments, which are entered in credit of customers in the Sub depot of customers' financial instruments, not even by coercive measures in case of the UCB's bankruptcy.

Stipulations from the previous paragraph concerning customers' financial instruments also apply to cash balance on customers' custody accounts.

The UCB shall not be liable for actions or omissions of a central depository or an intermediate depository and/or a credit institution, where it manages customers' financial instruments and funds in its own name and for customer account, but it shall be liable for their diligent selection. A deficit of financial instruments in UCB's Sub depots and funds deficit may occur due to these entities' actions or omissions or insolvency. The UCB shall not be liable for such deficits of financial instruments, but it shall undertake to pursue adequate claims for damages and other claims against the responsible entity on the customer's behalf and at his/her expense, or transfer such claims to the customer, if the customer so requests. Notwithstanding the foregoing, UCB shall be liable for such deficit of funds.

When, on the basis of respective national legislation, the UCB customers' financial instruments and funds, which are managed by a third party, cannot be separately identified from other financial instruments, there is a risk of change of the customer's rights with regard to these financial instruments and funds of the customer. The UCB is warning the customer that in cases when it manages customers' financial instruments in the Central depot on customer's behalf via its own account in the Central depot or via another intermediate depository, the Bank may be bound by jurisdiction, which is not jurisdiction of a Member State, therefore, customers' rights concerning these financial instruments or funds may differ or change.

When a third party, through which the UCB customers' financial instruments and finances are managed, has the right of liquidation or a pledge concerning the financial instruments or funds, there may be risk of changing the customer's rights concerning these financial instruments and funds.

Reporting to customer

Article 48

The UCB provides customers with depository receipt of securities and funds on foreign financial instruments account in the Sub-depot once quarterly, unless shorter reporting periods are agreed with customers. On customer's request and against remuneration in line with the applicable UCB pricelist, the UCB issues the abovementioned receipt for requested period with the new balance as of the day the receipt is issued. The receipt is issued one working day after receipt of the request.

In the receipt, the UCB states market value as reported in (1.) the Bloomberg

system or, if this is not possible, (2.) on the Clearstream Central Securities Depository website. If market value is unavailable in all of the abovementioned sources, an estimated value is stated in the receipt, calculated by best efforts, whereby absence of market value probably indicates low liquidity.

Other ancillary investment services

Article 49

Mutual rights and obligations of the customer in performing other ancillary investment services provided by the UCB, shall be regulated by a written Agreement between the customer and the UCB.

VI. MANAGEMENT OF FINANCIAL INSTRUMENTS

Management of Financial Instruments

Article 50

As part of its services related to the management of financial instruments and in accordance with the agreed investment policy, the UCB shall invest, for the Client's own account, the Client's assets in financial instruments and manage a portfolio of these investments, against payment of fees by the Client.

Agreement on Portfolio Management

Article 51

The mutual rights and obligations concerning the provision of financial instruments management services shall be regulated with a written agreement between UCB and the Client, which shall determine, among other things, the following items:

- The amount of funds submitted by the Client for portfolio management;
- The investment policy;
- The amount of fees and costs for services provided and calculation method of the basis.

Investment Policy

Article 52

UCB and the Client shall determine the investment policy, so that the Client chooses one of the standardized investment policies available, or opt for an investment policy to be determined under an individual agreement between the Client and UCB.

In any case, the Client shall independently assume the responsibility for selecting the most suitable investment policy and the risk level. UCB shall not assume any responsibility for the consequences of the Client's decision regarding the selected investment policy. In any case, prior to performing management services for the Client, UCB shall obtain information about the Client's knowledge and experience regarding investment services and individual financial instruments, the Client's financial situation and the Client's investment ability. Based on the information obtained, UCB shall advise the Client the most suitable investment services and financial instruments according to UCB's assessment.

Investments in the Client's Portfolio

Article 53

Unless otherwise agreed between the UCB and the Client by an agreement, the UCB shall invest the Client's assets only into the financial instruments subject to trading on a regulated market. The Client's assets may be invested in non-marketable financial instruments only upon an express agreement between the UCB and the Client. UCB shall not execute investments in derivatives, unless the Client's express consent is given. When the current market conditions do not permit to invest the entire Client's funds in financial instruments, UCB may, in its own name and for the Client's account, invest the Client's funds in the form of bank money deposits.

For purchases and sales of financial instruments in the scope of portfolio management services, stipulations from Article 30 of General Terms and Conditions shall apply mutatis mutandis.

The Initial Value of the Client's Portfolio

Article 54

The initial value of the Client's portfolio equals the value of the funds submitted to the UCB management by the Client on the basis of a concluded agreement between the parties.

Evaluation of the Portfolio

Article 55

The value of the Client's portfolio represents the sum of the funds and the total value of the financial instruments in the Client's portfolio, whereby the financial instruments in the Client's portfolio shall be evaluated as follows:

- Financial instruments traded on the regulated market in the Republic of Slovenia or abroad shall be evaluated upon their last closing price on the regulated market in which the financial instrument is quoted;
- If a specific financial instrument is traded on several regulated markets of financial instruments in the Republic of Slovenia and/or abroad, UCB shall reserve the right to choose one of these regulated markets for the purpose of evaluation;
- Financial instruments not traded on regulated financial instruments markets shall be evaluated based on the price paid for by UCB for their purchase. If this price cannot be determined, they shall be evaluated according to their theoretical value, determined in accordance with a method chosen by UCB using reasonable discretion.

For the conversion of values not expressed in EUR, the ECB reference exchange rate shall be applied (for currencies, for which ECB does not publish reference exchange rates, the reference rate of the Bank of Slovenia shall be used) from the previous trading day.

The value of the Client's portfolio shall be determined on a daily basis, taking into account the relevant exchange rates in accordance with the previous paragraph, which were published in the official exchange rate list of a regulated market for the previous business day. At least once every three months, the UCB shall send a report to the Client about the value of the portfolio on the last day of the three-month period, with a settlement of transactions concluded in the scope of portfolio management for the Customer. The UCB and the Customer may also agree a shorter reporting periods in the Agreement on Portfolio Management.

Management Fees

Article 56

For the provision of management services, UCB shall be entitled to the following payments, which are defined in detail by the Management Agreement:

- Entry fees;
- Costs related to sale and purchase of financial instruments in the portfolio, which shall be charged at executed transactions to the debit of the Client's portfolio;
- Management fees, charged on a quarterly basis;
- Fees in the form of a profit share of the Client's portfolio, which shall be charged annually.

UCB shall inform the Client on the state of the Client's investments on a quarterly basis, on the last day of each quarter (31 March, 30 June, 30 September, 31 December) and upon termination of the contractual relationship. UCB shall send the Client a report on state of the Client's investments, as well as details on the charged fees and costs for providing management services.

The report for the Client referred to in the previous paragraph shall also include a comparison of the performance during the period covered by such report, with the relevant performance benchmark for the management services provided to the Client, which is determined according to the agreed investment policy.

Increase in the Portfolio Value

Article 57

The Client may arrange an increase of the value of the portfolio with UCB upon submission of additional funds into management.

Decrease in the Portfolio Value

Article 58

The Client may require a reduction of the portfolio value, in which case UCB shall sell the financial instruments in the portfolio and transfer the funds in the amount set by the Client onto the Client's account.

UCB shall transfer the funds to the Client, in accordance with the Client's request to decrease the portfolio value within 8 working days from receipt of the request.

Termination of the Client's Portfolio

Article 59

The Client's portfolio shall terminate in the event of Agreement cancellation or the mutually agreed termination of the Agreement. The Client's portfolio shall terminate with the sale of the total amount of the securities and with the transfer of the resulting funds from the Client's portfolio to the Client's cash account, after payment of all the fees and costs to UCB.

UCB shall be obliged to transfer all the funds to the Client, as specified in the previous article, within 3 business days after the expiry of the notice period or within the period specified in the mutually agreed termination of the Agreement.

Management of Financial Instruments

Article 60

Domestic financial instruments that are subject to management shall be kept in a separate account of the Client's dematerialized securities for the purposes of management, which UCB shall open for the Client in the Central Register of CSCC - Central Securities Clearing Corporation (management account). Foreign financial instruments that are subject to management shall be kept in a separate Client's custodial account for the purposes of management in the UCB Sub-depot.

VII. COMMON PROVISIONS

Limited Liability

Article 61

The UCB shall not be liable for:

- Any damage caused by force majeure or other circumstances, which are out of the Bank's control, including functional disturbances in telecommunication means;
- Any damage incurred to the customer or a third party by actions of the CSCC, central depositories, subdepositories, managers of regulated markets, or execution partners;
- Potential direct or indirect damage, obligations and/or loss incurred to the customer or third parties due to the UCB's compliance with obligations under these General Terms and Conditions for Conducting Transactions and the Agreement, except in the case of intentionally committed offence or negligence, which are assessed in accordance with the due care standard of a good brokerage company;

- Any damage and costs resulting from actions or omissions of the UCB, if a customer's or the UCB's access to the Internet does not function and/or if the customer does not check his/her incoming mail and/or if a failure occurs or the UCB's hardware or software do not function;
- Any damage resulting from its actions, committed on the basis of what it has legitimately believed to be instructions, or related to notices, requirements, denunciations, consents, supporting documents on actions of legal entities, or other documents, for which the UCB bona fide believed to be originals and to have been issued or signed by an appropriate person.

Customer's guarantees

Article 62

By signing the Agreement, the customer shall declare and guarantee:

- That he/she is eligible and capable of concluding such an Agreement;
- That he/she has acquired all potential consents and authorisations to conclude an individual Agreement and conduct transactions concerning this Agreement, as well as that he/she conducts transactions within the limits of potential restrictions, which apply for him/her;
- That the conclusion of this Agreement does not run counter to his/her constituent acts and contractual acts, which he/she has concluded with third parties,
- That he/she has informed the UCB of all facts and data, which are known to him/her or should have been known to him/her and which could have affected the UCB's decision about concluding the Agreement.

The UCB shall be liable to the customer for any damage, if it is proved that the Bank has breached commitments from the previous paragraph of this Article of the General Terms and Conditions for Conducting Transactions.

Voting rights

Article 63

The UCB shall exercise voting rights based on financial instruments, which are managed on the CSCC customer account or on a customer account in sub depot, exclusively on the basis of the customer's authorisation and in accordance with the authorisation.

Assumption of liability

Article 64

Under these General Terms and Conditions and Agreements, the customer shall assume all UCB's liabilities arising from services, which the UCB has performed for its account.

Customer default

Article 65

In case a customer is late with the payment of any of his/her outstanding or unsettled financial obligations under these or related to these General Terms and Conditions for Conducting Transactions and the concluded Agreement, he/she shall be liable to pay the UCB lawful default interest.

UCB determines the conditions of products offered to the customer, assuming a structured contractual relationship between the customer and UCB, where the customer also uses investment, ancillary and deposit services of UCB, including managing the bank account and conclusion of deposit agreements. Thus, the purpose of such credit of the customer at UCB is not only inauthentic retention of financial assets, but such holdings by agreement between the parties also provide UCB adequate security for the proper fulfilment of all obligations of the customer to UCB from any contractual relationship entered into with UCB.

In addition to the security right from the Article 62 of these General Terms and Conditions, the customer, for the purpose of payment of all obligations to UCB, which includes all balances on transaction accounts and any deposits

concluded by customer with UCB, grants the right of retention to UCB over their respective credit at UCB and at the same time raises all such funds in favour of UCB, so that it is deemed that the conclusion of each transaction creates a pledge of the first order on customer's credit with UCB in favour of UCB.

In the event that a customer would not fulfil any of its financial obligation to UCB fully and on time, the customer expressly and unconditionally authorizes and expressly and irrevocably empowers UCB, that it repays and settles its due and unpaid receivables from customer, without specific additional orders, from any financial holdings of the customer with UCB, including any funds and incomes on the customer's transaction account, funds on deposit accounts of the customer with UCB, as well as funds on customer's cash and custody account held with UCB. Such authorisation of the UCB is considered as irrevocable payment order of the customer in accordance with the terms of the applicable law on payment services and systems. In case there are insufficient assets in the currency of payment on such customer's account, the bank can execute conversion of other currencies on the customer's account.

Based on contractual basis, as specified in the second paragraph of this Article, the customer expressly waives the protection under Article 316 of the Obligations Code and gives explicit consent to UCB to offset each of its due and unpaid receivables from customer arising from any contractual relationship between customer and UCB against any counter claims of the customer, from any customer's financial holdings at UCB, including any balances on the transaction account, funds on deposit accounts and funds on customer's cash and custody account held with UCB.

Legal pledge

Article 66

To collateralise its claims to the customer, incurred on the basis of the Agreement on providing investment services or ancillary investment services for the customer, the UCB shall have a legally protected security right over all financial instruments and cash amounts, which it has obtained while performing services for the customer. Existence of an out-of-court sale arrangement under law governing real property relationships shall be deemed for the UCB's security right on the customer's financial instruments. The UCB shall inform the customer in advance about its intent to exercise its security right and set an additional time limit for repayment of his/her obligations due.

In case of an out-of-court sale or exercise of a security right on the customer's assets, the UCB shall not be liable to the customer for potential direct or indirect damage, costs, or other liabilities, which the customer would suffer due to operations or actions of the UCB in this context, excluding the cases of gross negligence or deliberate breach on the side of the UCB.

Customer's consent – order execution

Article 67

By signing the Agreement, the customer shall expressly agree with applicable **UCB Policy of Order Execution**. The customer expressly agrees that the UCB may execute orders on his/her behalf also outside of the regulated or the multilateral trading facility (MTF) upon customer's request.

Termination of contractual relationship

Article 68

As a general rule, the customer and the UCB shall conclude Agreements on performing investment services for unlimited time. Each contracting party may terminate the Agreement in writing by giving 30 days' notice at any time and without a special reason. A written termination shall be handed in person or sent by registered mail.

After termination of the Agreement and repayment of all its claims against the customer incurred by performance of investment services, the UCB shall:

- Transfer financial documents, which it manages for customer account on the day the Agreement terminates, onto an account set out and communicated to the Bank by the customer, or it shall take all the appropriate steps for the financial instruments to be transferred onto such an account in accordance with the Relevant provisions;
- Remit the funds, which it manages for the customer account in relation to performing investment services on the day the Agreement terminates, onto the customer's cash account.

After repaying all of its claims against the customer incurred by performing investment services, the UCB shall also, in the manner described in the previous paragraph, hand to the customer all financial instruments and funds, which it would receive for the customer after the termination of the Agreement.

If the UCB is not able to hand to the customer financial instruments in the manner described in paragraphs two or three of this Article for whatever reason within five business days from termination of the Agreement, it shall be entitled to sell such financial instruments it manages for the customer, and transfer purchase consideration onto the customer's Cash account after repaying for all the costs related to safekeeping and sale of financial instruments.

VIII. PRELIMINARY AND FINAL

PROVISIONS FATCA

Article 69

The customer hereby consents that UCB may from time to time inspect the customer's data for the purpose of FATCA (Foreign Accounts Tax Compliance Act) in order to establish, whether the possible circumstances (U.S. Indicia) have emerged which could cause that the customer (i) as an individual is classified as the U.S. taxable person (U.S. Person) or (ii) a legal entity owns an account that needs to be reported to US (U.S. reportable account).

Notwithstanding to the above, the customer is obliged to inform UCB immediately in the written form of any change of circumstances of its status (U.S. Indicia), such as (i) for individuals: acquisition of US citizenship, place of residence in US, US phone number etc. and for (ii) legal entities: transfer of the registered seat to U.S. or U.S. Persons become actual owners, change of the code of activity pursuant to SKD etc. The customer is obliged to inform and submit to UCB the appropriate documentation proving potentially changed circumstances.

In case the customer does not inform and provide to UCB appropriate documentation immediately after receiving a written notice from UCB to submit appropriate documentation proving the status of the customer, UCB shall inform the tax authority of Republic of Slovenia that the customer (i) as individual is a potential U.S. taxable person (U.S. Person) or (ii) the legal entity owns an account that needs to be reported to U.S. (U.S. reportable account). In case the existence of U.S. Indicia is proved or if customers do not provide appropriate documentation in line with stipulations from the previous paragraph in the given time period, the UCB has the right to terminate the contract unilaterally after sending written notice to the customer and close the account pursuant to these general terms and conditions.

The customer is obliged to compensate to UCB all possible costs and damage, that may be caused by the customer's breach of this clause.

The customer and UCB agree that by signing an agreement pursuant to Art. 126, second paragraph of the Banking Act (ZBan-2) the customer consents that UCB may inform the tax authority of Republic of Slovenia certain confidential data of the customer.

Invalidity and conflict of provisions

Article 70

Invalidity or unenforceability of individual provisions of these General Terms and Conditions for Conducting Transactions shall not affect validity or enforceability of other provisions. In such a case, the UCB shall replace the invalid or unenforceable clause by a new one, which will be closest to that clause and its purpose.

In case of discrepancy between general Terms and Conditions and special conditions in Agreements, the special conditions from respective Agreement apply.

Transfer of Agreement

Article 71

The customer shall not fully or partially transfer Agreements or his/her rights under these Agreements or thereof to a third party (ban on assignment of rights) without a prior consent of the UCB.

Appendices to General Terms and Conditions for Conducting Transactions

Article 72

The following documents form an integral part of these General Terms and Conditions for Conducting Transactions:

- Information about UniCredit Banka Slovenija d.d. and its Investment Services,
- Description of Risks Related to Investments in Financial Instruments,
- UCB Policy of Customer Classification,
- Services price list,
- Policy of Order Implementation,
- Sub depot rules.

All the above mentioned documents shall be available in the applicable text on the website www.unicreditbank.si as well as in all UCB retail facilities.

The customer shall be informed about each amendment of documents listed in the previous paragraph of this Article in the manner described in Article 13, paragraph two of these General Terms and Conditions. If a customer does not agree with amendments of documents concerned, he/she shall have the right to withdraw from the Agreement in accordance with Article 13, paragraph three of these General Terms and Conditions for Conducting Transactions.

Dispute settlement

Article 73

Disputes between the UCB and the customer shall be settled in accordance with the out-of-court dispute settlement scheme, which is governed by the UCB's internal acts. Information about the out-of-court dispute settlement scheme shall form an Appendix to the document titled **Information about UniCredit Banka Slovenija d.d. and its Investment Services**.

Governing law

Article 74

The Slovenian law shall apply in consideration of contractual relationships under the Agreements between the customer and the UCB.

The UCB is warning customers that especially in transactions with foreign financial instruments, particularly (but not limited to) in managing financial instrument accounts and funds of customers, the UCB may be bound by law of the country where financial instruments were issued, or by law of the country where such financial instruments are quoted in a regulated market, or by law of the country of customer's residence, therefore, customers' rights concerning these financial instruments or funds may differ or change.

Implementation of General Terms and Conditions for Conducting Transactions

Article 75

The General Terms and Conditions for Conducting Transactions shall form an integral part of Agreements. These General Terms and Conditions for Conducting Transactions shall take effect on 15/06/2019.

As of the date of enforcement of these General Terms and Conditions for Conducting Transactions, the General Terms and Conditions for Conducting Transactions with financial instruments, which were applicable up to this date, shall cease to be in force.

UniCredit Banka Slovenija d.d.

Management Board

Ljubljana, 13th June 2019

Appendix 1: Information about UniCredit Banka Slovenija d.d. and its Investment Services

Appendix 2: Description of Risks Related to Investments in Financial Instruments

Appendix 3: UCB Policy of Customer Classification

Appendix 4: Price list / Annex A: Services price list

Appendix 5: UCB Policy of Order Execution

Appendix 6: Sub depot rules