*This document is a translation of the Swedish original. The Swedish version shall be the sole authentic version and, in the event of discrepancies, shall prevail.*

**GENERAL PROVISIONS FOR CUSTODY ACCOUNTS**

**DEFINITIONS**

The following definitions shall apply to the custody account agreement and these provisions:

**a) securities**

both a financial instrument as defined in the Swedish Securities Market Act (2007:528),

i.e. 1) transferable securities which may be traded on the capital market; 2) money market instruments; 3) units in undertakings for collective investments (fund units); 4) financial derivative instruments; and 5) emission allowances;

and a documentary proof of claim or right *(Sw: värdehandling)*, meaning a document which cannot be traded on the capital market, i.e.: 1) a share or non-negotiable promissory note which, pursuant to the above definition, is not a financial instrument; 2) a guarantee undertaking (*Sw.* *borgensförbindelse*); 3) a deed of gift; 4) a mortgage deed or similar document;

**b) contract note** – confirmation that an order/transaction has been executed;

**c) regulated market** – as defined in the Swedish Securities Market Act (2007:528), i.e. a multilateral system within the EEA which brings together, or facilitates to be brought together, multiple third-party buying and selling interests in financial instruments – in the system and in accordance with non-discretionary rules – in a way that results in a contract;

**d) trading venue**– as defined in the Swedish Securities Market Act (2007:528), i.e. a regulated market, a multilateral trading facility (MTF) or an organised trading facility (OTF);

**e) execution venue** – a trading venue , a systematic internaliser, or a market maker within the EEA or another person who provides liquidity within the EEA;

**f) trading facility** – an MTF or OTF;

**g) MTF** – as defined in the Swedish Securities Market Act (2007:528), i.e. a multilateral system within the EEA which brings together multiple third-party buying and selling interests in financial instruments – in the system and in accordance with non-discretionary rules – in a way that results in a contract;

**h) OTF** – as defined in the Swedish Securities Market Act (2007:528), i.e. a multilateral system within the EEA which is not a regulated market or an MTF and within which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances, or derivatives can integrate within the system in a way that results in a contract;

i**) systematic internaliser** – as defined in the Swedish Securities Market Act (2007:528), i.e. an investment firm which, on an organised, frequent, systematic and substantial basis, deals on own account when executing client orders outside a regulated market or a trading facility without using a multilateral system;

**j) multilateral system** – as defined in the Swedish Securities Market Act (2007:528), i.e. a system within which multiple third-party buying and selling interests in financial instruments can interact within the system;

**k) safekeeping of securities** – both safekeeping of materialised securities as well as such safekeeping of dematerialised securities which arise through registration on a custody account;

**l) third-party custodian** – a securities institution which, as instructed by the institution or another third-party custodian, holds securities in safekeeping on a custody account on behalf of clients;

**m) securities institution** – investment firm, Swedish credit institution authorised to conduct securities operations and foreign undertakings which conduct securities operations from a branch or by using tied agents in Sweden, as well as foreign undertakings authorised to conduct operations corresponding to securities operations;

**n) central securities depository** – as defined in the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479), i.e. the same as in Article 2(1)(1) of the Central Securities Depositories Regulation, as originally worded;

**o) banking day** – a day in Sweden which is not a Sunday or public holiday or, in conjunction with payment of promissory notes, is equated with a public holiday (currently Saturday, Midsummer's Eve, Christmas Eve, and New Year's Eve);

**p) central counterparty (CCP)** – as defined in Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (Emir), i.e. a legal person that interposes itself between the counterparties to contracts traded on one or more financial markets, becoming the buyer to every seller and the seller to every buyer.

**q) SRD II company,** a company domiciled in the EEA, the shares of which are admitted to trading on a regulated market and which is subject to SRD II.

**r) intermediary,** as defined in the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479), i.e. a legal entity which holds or administrates shares on behalf of shareholders or other persons, or which keeps securities accounts.

**s) SRD II**, Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement, as implemented in Swedish law through Chapter 3a of Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479), as well as Commission Implementing Regulation (EU) 2018/1212 of 3 September 2018 laying down minimum requirements for the implementation of the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards the identification of shareholders, transmission of information and facilitation of the exercise of shareholders' rights.

When reference is made below to the custody account agreement, these general terms and conditions for trading in financial instruments shall also be included.

1. **A. SAFEKEEPING IN CUSTODY ACCOUNT, ETC.**
2. **A.1 SAFEKEEPING WITH THE INSTITUTION**

A.1.1 The institution shall register on the custody account such securities which the institution receives for safekeeping, etc., on custody accounts. The institution shall hold securities received in safekeeping on behalf of the client.

Unless otherwise specifically agreed with the client, the institution does not accept emission allowances for safekeeping under this custody account agreement.

As custodian, the institution may cause financial instruments which are received to be registered in its own name with a central securities depository, e.g. Euroclear Sweden AB or a party outside of the EEA which performs corresponding registration measures in respect of the instrument. In conjunction therewith, the client's financial instruments may be registered together with other owners' financial instruments of the same type.[[1]](#footnote-2)

Pursuant to these provisions, a financial instrument in a book-entry system with a central securities depository, or a party outside of the EEA which conducts corresponding registration measures in respect of the instrument, shall be deemed to have been received when the institution obtains the right to register or cause to be registered, information regarding the instrument in such system. Other securities shall be deemed to have been received when they are delivered to the institution.

A.1.2 The institution reserves the right to assess the receipt of a specific security, see also section G.6. Where the client holds several custody accounts with the institution and the client has not instructed the institution regarding the specific custody account on which a specific security is to be registered, the institution itself may determine the custody account on which registration shall take place.

A.1.3 The institution does not conduct any verification of the authenticity of the client's securities.

A.1.4 The institution reserves the right to due time for registration, transfer, and delivery of securities.

A.1.5 The institution may deregister securities from the client's custody account when the party who has issued the securities is placed into bankruptcy or the securities have become worthless for some other reason. Where practicable and appropriate, the institution shall, inter alia, taking into consideration the interests of the client, in such case register the security in the client's name.

A.1.6 In addition to any agreed pledge in the custody account agreement, the institution may be entitled to set off, pledge, or other secured right *(Sw. annan säkerhetsrätt)* pursuant to any EU regulation, law, regulations, general principles of law, or rules of a central securities depository, or central counterparty (CCP).

[A.1.7 The institution's services pursuant to the custody account agreement and these provisions are not directed to natural persons residing in the United States or legal entities with a registered office in the United States or other US persons (as defined in Regulation S of the United States Securities Act of 1933 applicable from time to time) or to such persons in other countries where it is necessary that the institution take registration measures or other similar measures.][[2]](#footnote-3)

**A.2 SAFEKEEPING IN A CUSTODY ACCOUNT WITH A THIRD PARTY**

A.2.1. The institution may safekeep the client's securities with another securities institution in Sweden or abroad. A third party custodian may, in turn, engage another third party custodian for safekeeping of the client's securities.

A.2.2 A third party custodian is appointed by the institution in its discretion, however consistent with the obligations incumbent on the institution pursuant to EU regulations, laws, and other regulations.

A.2 3 When safekeeping a client’s securities with a third party custodian abroad (within or outside of the EEA), the securities shall be subject to applicable domestic law, which may entail that the client's rights in respect of these securities may vary when compared with safekeeping in Sweden.

A.2.4 Safekeeping with a third party custodian ordinarily takes place in the institution's name on behalf of clients. In such case, the client's securities may be registered together with other owners' securities, for example on an omnibus account. The institution may also instruct the third-party custodian to cause itself to be registered for the client's securities in the institution's stead.

In special cases, the institution may also allow the client's securities to be included in a single document common to multiple owners.

A.2.5 When safekeeping the client's securities on an omnibus account with a third-party custodian, the client's rights are governed by applicable domestic law. When the client's securities are held in safekeeping together with other clients' securities and a shortfall arises such that the total holding on the omnibus account is inconsistent with the due holding of all clients, the shortfall shall be settled among the holders in accordance with law or market practice applicable to the third-party custodian. This may entail that the holders do not recoup their holding in full and that, instead, the shortfall is allocated among the holders in proportion to the size of their individual holdings.

The client's right, protected by rights in rem, to have its securities excluded from the estate in the event the institution or third-party custodian is placed into bankruptcy or is subject to another measure with similar legal effects may vary and depends on applicable domestic law.

Swedish law provides for a right, protected by rights in rem, to have one's securities excluded from a bankruptcy estate on the condition that the securities are held separate from the third party custodian's or the institution's own securities. Moreover, in conjunction with safekeeping with a third-party custodian abroad it may be impossible, due to applicable foreign law, to identify clients' securities separately from those of the third party custodian or the institution. In such case, there is a risk that in the event of a bankruptcy situation or other measure with comparable legal effect, the client's securities may be deemed to be included among the assets of the third party or the institution.

A.2.6 A third-party custodian, central securities depository, central counterparty (CCP) and their equivalents outside of the EEA may have security or a right of set-off in respect of the client's securities and in associated claims. In such case, recourse may be had to the client's securities in the exercise of such rights.

**B. THE INSTITUTION'S OBLIGATIONS IN RESPECT OF SECURITIES**

**B.1 GENERAL**

B.1.1 The institution undertakes, on behalf of the client, to take the measures stated in sections B.2 – B.4 in respect of received securities. In addition, for shares in SRD II companies, the institution shall also take the measures specified in section B.5, which may entail a deviation in certain respects from B.1.2 through B.1.8 below.

B.1.2 Unless otherwise stated below or separately agreed, the obligations s apply for Swedish financial instruments registered with a central securities depository as from the [fifth] banking day and for other Swedish securities (i.e. issued by the issuer with its registered office in Sweden), and for foreign financial instruments, as from the [fifteenth] banking day after the institution received the securities. The institution is thus not obligated to comply with deadlines which expire earlier. Undertakings in respect of shares in SRD II companies are subject to the provisions of B.5.

B.1.3 The institution shall take the measures stated in sections B.2 – B.4, provided that the institution has, in good time, received notice from the client, third party custodian, issuer, agent (equivalent) or central securities depository containing satisfactory information regarding the circumstance giving rise to the measure. For shares in SRD II companies, the provisions of B.5 apply.

B.1.4 The issuer shall be responsible for the distribution of annual reports, interim reports, prospectuses, and other information. If the client indicates in the custody account agreement that the client wishes to have annual reports etc. provided by an issuer whose securities the client holds in a central securities depository and which are registered on the custody account, the institution shall provide the client's name and address information via the central securities depository at the issuer's request. The institution does not ordinarily distribute prospectuses and other information regarding offers. Instead, the institution provides the client with a summary of the offer. At the same time, the client is advised as to where more information can be obtained regarding the offer.

B.1.5 The institution may refrain from taking a measure, in whole or in part, where a cash account connected to the custody account lacks sufficient funds or available credit to take the measure or where the institution does not receive the information necessary to take the measure or to satisfy requirements pursuant to any EU regulation, law, or other regulations.

B.1.6 The institution may take or refrain from taking a measure referred to in sections B.2 and B.3 where the institution gives the client specific notice and the client does not provide any instruction regarding other action by the deadline for response stated in the notice. The client is thereafter bound by the measure taken or not taken by the institution as if the client had personally given instruction regarding the measure.

B.1.7 When the institution sells rights pursuant to the following, sale may take place on behalf of multiple clients jointly and, in applicable cases, in accordance with the institution's separate [*Guidelines regarding the execution of orders and consolidation and allocation of orders]* applicable from time to time. The proceeds shall be allocated proportionally among the clients.

B.1.8 Where, pursuant to applicable law or the rules for an issue or offer, the client is not entitled to exercise pre-emption rights which vest in the client as a consequence of the client's holding of a specific security, the institution may sell such pre-emption rights.

B.1.9 Pursuant to EU Regulation (EU) 909/2014 on improving securities settlement, a central securities depository shall charge or credit its participants (securities institutions) with cash penalties in the event of late settlement of securities transactions.

Cash penalties received by the institution from a central securities depository may be distributed by the institution to the clients concerned at such time and in such manner as the institution deems practicable and appropriate, taking into consideration, inter alia, the interest of the client, the amount of the penalty, and the impact of the delay on the client. In this context, the institution shall be entitled to take into consideration the costs of delayed deliveries, e.g. for buy-ins, securities borrowing, or previous cash penalties not devited by the institution.

As stated in section G.1, Fees etc., and in the custody account agreement, the institution is entitled to debit the client such fees that are charged to the institution in connection with settlement of the client's securities transactions.

**B.2 SWEDISH FINANCIAL INSTRUMENTS**

B.2.1 Swedish financial instruments in this section B.2 means financial instruments which are issued by an issuer with its registered office in Sweden and which are registered with a central securities depository which is authorised to conduct business in Sweden and which are admitted to trading in Sweden or traded on a Swedish trading venue. The institution's undertaking in respect of Swedish financial instruments comprises the measures referred to in sections B.2 2 – B.2.8, subject to any deviations which may follow from section B.1 6.

Other financial instruments are instead subject to the provisions of section B.3 in respect of foreign financial instruments.

B.2.2 In respect of **shares**, the institution undertakes:

a) to receive of dividends. Where the client is entitled to choose between dividends in cash and dividends in another form, the institution may choose dividends in the form of cash unless the client instructs otherwise ;

b) in conjunction with an issue of new shares for which the client has a pre-emption right, to notify the client thereof and to assist the client with any desired measures in conjunction therewith. Where no instruction to the contrary is provided not later than three banking days before the last day for trading in subscription rights, the institution shall have the right, but not the obligation to, on the client’s behalf and provided the institution deems it practicable and appropriate, *inter alia*, taking into consideration the interests of the client, sell subscription rights which have not been exercised;

c) in conjunction with a public offer for the sale of a financial instrument directed to the client from the issuer (redemption/buyback) or otherwise (buyout), to notify the client or, following separate instruction from the client, to assist the client with the desired measures. (See also section B.2.5). The equivalent shall apply in conjunction with public offers for the acquisition of a financial instrument directed to the client;

d) in conjunction with bonus issues in respect of shares, the institution has the right, but not the obligation, to, on the client’s behalf, make such additional purchases of bonus share rights as are necessary to ensure that all bonus share rights which vest in the client on the basis of shares registered on the custody account can be fully exercised in the bonus issue, and to register on the custody account as many new shares as the client is thereafter entitled to;

e) in respect of shares in a company that is affiliated to a CSD *(Sw: avstämningsbolag)*, to notify the client of any requested compulsory purchase *(Sw: tvångsinlösen)*;

f) in respect of shares in a company that is affiliated to a CSD *(Sw: avstämningsbolag)* in conjunction with a reduction of the share capital, buyback, or liquidation, to take receipt of or withdraw principal and other amounts due; and

g) as instructed by the client, to ensure that voting rights for nominee-registered shares are registered in the client's name with the relevant securities depository. However, this presupposes that the institution receives the instruction not later than the [fifth] banking day prior to the last day for entry into the share register (i.e. on the record date) for the right to participate at the general meeting and that such voting rights registration can take place pursuant to [established] routines at the central securities depository.

Where the custody account is held by two or more parties jointly and the instruction does not identify the party in whose name the shares are to be registered, voting rights registration for the shares shall be effected in proportion to each and every party's ownership.

No voting rights registration shall be effected for surplus shares.[[3]](#footnote-4)

B.2.3 In respect of **warrants in respect of subscription rights** *(Sw: teckningsoptioner)*, the institution undertakes:

in good time, to notify the client of the final day for subscription for shares and, following separate instruction from the client, to seek to effect supplementary purchases of warrants in respect of subscription rights and effect new subscription for shares. Where no agreement to the contrary has been reached not later than three banking days before the last day for trading in warrants in respect of subscription rights, the institution shall have the right, but not the obligation, on the client’s behalf and provided the institution deems it practicable and appropriate, *inter alia* taking into consideration the interests of the client, to sell warrants in respect of subscription rights which have not been exercised.

B.2.4 In respect of **purchase rights** *(Sw: inköpsrätter)*, the institution undertakes:

in good time, to notify the client of the final day to give notice of intent to purchase and, following separate instruction from the client, to seek to effect supplementary purchases of purchase rights and to administer the notice of intent to purchase. Where no agreement to the contrary has been reached not later than three banking days before the last day for trading in purchase rights, the institution shall have the right, but not the obligation, to, on the client’s behalf and provided the institution deems it practicable and appropriate, sell purchase rights which have not been exercised.

B.2.5 In respect of **redemption rights** *(Sw: inlösenrätter)*, the institution undertakes:

in good time, to notify the client of the final day to give notice of intent to redeem and, following separate instruction from the client, to seek to effect supplementary purchases of redemption rights and to administer the notice of intent to redeem. Where no agreement to the contrary has been reached not later than three banking days before the last day for trading in redemption rights, the institution shall have the right, but not the obligation, to, on the client’s behalf and provided the institution deems it practicable and appropriate, *inter alia* taking into consideration the interests of the client, sell redemption rights which have not been exercised.

B.2.6 In respect of **Swedish depository receipts for foreign shares** *(Sw: depåbevis avseende utländska aktier)*, the institution undertakes:

to take measures corresponding to those for Swedish shares as per the aforementioned where the institution deems it practicable and appropriate taking into consideration, *inter alia*, the interests of the client.

B.2.7 In respect of **promissory notes and other instruments of indebtedness** *(Sw: skuldebrev och andra skuldförbindelser)* which may be subject to trading on the capital market, the institution undertakes:

a) to receive or withdraw interest and principal or other amounts which, in conjunction with redemption, lottery drawing or cancellation, fall due for payment after the instrument of indebtedness has been received;

b) in respect of premium bonds *(Sw: premieobligationer)*, also to withdraw returns on a premium bond which, pursuant to the list of lots drawn, are payable in conjunction with a drawing which took place after the premium bond was received by the institution and to notify the client in respect of exchange, and to assist the client with the desired measures resulting therefrom;

c) in respect of convertible instruments and other convertible instruments of indebtedness, to notify the client in good time regarding the final date for conversion and, following separate instruction from the client, to effect conversion;

d) in conjunction with the issuance of promissory notes/instruments of indebtedness in which the client has a pre-emption right, to subscribe for such promissory notes/instruments of indebtedness unless otherwise agreed. In conjunction therewith, the provisions of section B.2.2 b above shall apply;

e) in respect of a public offer for the sale of a financial instrument directed to the client by the issuer or a third party regarding which the institution receives information, to notify the client in the manner described in section B.1.3 above and, following separate instruction by the client, to assist the client with the desired measures in connection therewith. The equivalent shall apply in the event of a public offer for the acquisition of a financial instrument which is directed to the client; and

f) in respect of notice of early redemption and notice to attend a bondholders' meeting *(Sw: fordringshavarmöte)* or similar proceeding in respect of a promissory note/instrument of indebtedness which the client holds and regarding which the institution has received information, to notify the client in the manner described in section B.1.3 above and, following separate instruction by the client, to assist the client with any measures desired in connection therewith; and

g) in respect of structured products which are promissory notes, to withdraw interest, dividends, and principal.

B.2.8 In respect of **financial instruments which are not covered by the provisions of sections B.2.1 – B.2.7**, such as derivative instruments (e.g. options, futures), structured products which are not promissory notes, and participations in undertakings for collective investment[[4]](#footnote-5) (fund units), the institution's undertaking includes, where applicable, withdrawing dividends and otherwise taking the measures which the institution deems practicable and appropriate taking into consideration, inter alia , the interests of the client, or such measures which the institution has undertaken in a separate agreement with the client.

**B.3 FOREIGN FINANCIAL INSTRUMENTS**

B.3.1 In respect of shares and instruments of indebtedness which are not covered by section B.2 and which are admitted to trading on a regulated market or equivalent market outside of the EEA or on an MTF, the institution's undertaking includes taking the same measures as those taken for Swedish financial instruments (subject to any deviations which may follow from section B.1.6) provided the institution deems it practicable and appropriate taking into consideration, inter alia , the interests of the client. Undertakings in respect of shares in SRD II companies are subject to the provisions of B.5.

B.3.2 In respect of foreign shares registered with a central securities depository or equivalent outside the EEA, the institution does not undertake to carry out the registration of voting rights for a general meeting unless the institution has specifically informed the client about this. This means that the client will not be able to vote at a general meeting unless the institution has informed the client of the institution’s intention to provide assistance with the registration of voting rights. A prerequisite for the registration of voting rights is that the client has followed the institution's instructions and, e.g., provided documents and information necessary for the registration of voting rights.   
  
There may also be other restrictions on the client's rights as a shareholder, e.g. to participate in share issues or other corporate actions and to receive information thereon, due to restrictions imposed by the central securities depository or equivalent outside the EEA,third-party custodian, or other intermediary.

B.3.3 In respect of foreign financial instruments other than those set forth in the preceding sections, the institution's undertaking only includes taking the measures agreed in a separate agreement with the client.

B.3.4 The client understands that the client's rights in respect of foreign financial instruments may vary due to applicable foreign law or regulations. The client is also aware that when a measure involves foreign financial instruments, the institution may often apply different deadlines in relation to the client than those which are applied in the country where the measure is to be taken.

**B.4 SWEDISH AND FOREIGN DOCUMENTARY PROOF OF CLAIMS OR RIGHTS**

With regard to Swedish and foreign documentary proof of claims or rights (*Sw. värdehandlingar*), the institution's obligations comprise taking the measures the institution has agreed on in a separate agreement with the client, subject to any deviations which may follow from section B.1.6.

**B.5 SHARES IN SRD II COMPANIES**

B.5.1 The institution undertakes, in respect of shares in an SRD II company:

1. to transmit without delay to the client such information and confirmations received by the institution from an intermediary or an SRD II company and which an SRD II company is obligated to provide to its shareholders in accordance with SRD II;
2. at the request of the client, to transfer, without delay, the client's instruction to an SRD II company or to the next intermediary regarding the exercise of the client's rights as a shareholder in the SRD II company or otherwise to facilitate the exercise of the shareholder's rights under SRD II.

**C. CASH ACCOUNTS CONNECTED TO THE CUSTODY ACCOUNT**

C.1 One or more cash accounts, connected to the custody account, are opened for the client. Unless otherwise agreed, such cash account is maintained in Swedish kronor (SEK). The connected account is governed by the provisions which the institution applies from time to time for cash accounts of the type in question.

C.2 The institution may deposit money on the connected cash account which constitutes advances for buy orders or proceeds of sale orders (or the equivalent), returns on managed securities, and money which the client in other cases delivers to the institution or which the institution has received on behalf of the client and which is connected to the custody account, unless the client has instructed the institution of another cash account for the deposit.

C.3 The institution may exercise a right of set off and may also debit a connected cash account for amounts ordered or approved by the client, as well as for each and every expenditure, cost, or tax paid in advance which is associated with the custody account to which the cash account is tied. Moreover, the institution may debit a connected cash account for amounts corresponding to expenditures, costs, and fees for services which the institution otherwise has performed for the client, as well as proceeds for other due and unpaid claims which the institution may have from time to time against the client.

C.4 Funds in foreign currency which the institution pays or receives on behalf of the client shall be converted to Swedish kronor (SEK) before the amount is deposited or withdrawn, pursuant to the terms and conditions applied by the institution from time to time, before the amount is deposited or withdrawn. However, the aforesaid shall not apply where the cash account is maintained in the foreign currency.

**D. PLEDGES**

D.1 Provisions regarding pledges are set forth in this section as well as in the section entitled *Pledging* in the custody account agreement.

D.2 Returns on pledges and other rights which are based on the pledge are also subject to pledging and constitute pledged property.

D.3 The institution's obligation in its capacity as pledgee in respect of pledged property is no broader than as set forth in these provisions.

D.4 In the event the client fails to satisfy its obligations to the institution pursuant to the custody account/cash account agreement or obligations which arise in connection with the client's transactions in financial instruments, the institution may have recourse to pledged property in the manner deemed appropriate by the institution. The institution shall proceed with care and shall notify the client in advance of recourse to the pledged property where possible and provided, in the institution's opinion, the notification can take place without prejudice to the institution in its capacity as pledgee. The institution may decide the sequence in which recourse shall be had to collateral provided (pledged property, guarantee undertakings, etc.).

D.5 Pledged securities may be sold outside the execution venue where the security is traded or admitted for trading.

D.6 Where the pledge comprises a balance on a cash account connected to the custody account, the institution may immediately debit the amount due from the cash account without prior notice to the client.

D.7 The client authorises the institution, itself or through a party designated by the institution, to sign the client's name in order to implement the realisation of pledged property or to protect or exercise the institution's rights in respect of pledged property. In conjunction therewith, the institution may also open a separate custody account and or account with the central securities depository or an account in another book-entry system. The client cannot revoke this authorisation during such time as the pledge remains in force.

D.8 Where the client has pledged securities on the custody account or funds on a cash account tied to the custody account to a third party, the institution may, notwithstanding any objection by the client, deliver/transfer the security or funds from a cash account tied to the custody account to the pledgee or a third party following instructions from the pledgee. Reporting regarding any such delivery/transfer shall be sent to the client.

D.9 The client may not otherwise exercise control over securities or funds pledged under the custody account agreement without the institution's consent on each individual occasion.

**E. TRADING IN SECURITIES VIA THE CUSTODY ACCOUNT, CLEARING AND SETTLEMENT**

E.1 As instructed by the client, including pursuant to any agreement which the client and institution may have reached in a separate agreement regarding trading via an electronic medium, the institution shall execute buying and selling of financial instruments as well as other instructions in respect of trading in financial instruments, including clearing and settlement, on behalf of the client. Such instructions shall be governed by, *inter alia*, the general terms and conditions for trading in financial instruments. [Clearing and settlement means the completion of a securities transaction, whereby the parties’ obligations to each other are aggregated and reported, and securities and/or cash are transferred between the parties.] Following the execution and provided the conditions for doing so exist, the institution shall register these transactions on the client's custody account and connected accounts.

E.2 Following separate agreement with the institution, the client may execute buying, selling, or other transactions in respect of trading in financial instruments with another institution for registration on the client's custody account and connected cash accounts. In this context, it is the client's responsibility to ensure that the order to carry out clearing and settlement is submitted to the institution in good time and that the institution is provided with the necessary information on the transaction and that the other conditions for carrying out the order are met.

E.3 When the institution has executed a buy or sell order as instructed by the client, the institution may make provisional registration of the relevant transaction in financial instruments on the client's custody account and cash account as early as the time that the transaction is completed. However, final settlement where financial instruments are delivered for cash takes place some time later, e.g. two days for a share on a regulated market in Sweden. Where applicable, the client may be given the opportunity to sell provisionally registered financial instruments or use provisionally registered proceeds prior to final settlement. However, the institution is, at all times, entitled to restrict the client's ability to dispose of provisionally registered financial instruments and proceeds and not to allow buying and selling until the actual settlement of provisionally registered transactions in financial instruments has been completed.

E.4 At the same time as the sell order is submitted, the institution shall obtain an unrestricted right of disposition over the financial instruments covered by the order. In the case of buy orders, the client shall, not later than on the morning of the settlement day [at. 08.00] have sufficient funds available for the institution to be able to settle the client's acquired financial instruments. However, the institution shall be entitled to settle the client's transactions in financial instruments even if the client has not kept relevant financial instruments freely available to the institution or made sufficient funds available.

For transactions in financial instruments regulated by EU Regulation (EU) 909/2014 on improving securities settlement, the institution has in certain cases an obligation to finalise an actual settlement (in whole or in part) or to pay cash compensation, see section E.10 below. Therese are additional provisions regarding the execution and settlement of the client's order in the general terms and conditions for trading in financial instruments and, where applicable, in other agreements or terms and conditions between the client and the institution.

E.5 The client shall reimburse the institution for the costs, charges, disbursements, or obligations that the institution may incur in connection with execution, including settlement, of the client's transactions in financial instruments. If the funds on the cash account are insufficient to settle an executed buy order and the institution nevertheless settles the transaction in accordance with the paragraph above, the institution shall be entitled to debit the account with the relevant purchase price and the overdraft interest rate applicable according to the provisions generally applied by the institution from time to time for accounts of the relevant type.

E.6 The client is aware that the institution records and retains telephone conversations and other electronic communication which may be assumed to result in a transaction, for example when the client submits orders for trading or instructions regarding the client's custody account and connected cash accounts to the institution. Copies of recorded conversations and retained electronic communication with clients will be made available on request for a period of five years. The client shall be entitled to review recorded conversations and retained electronic communication on request and subject to a reasonable fee as may be charged by the institution.

E.7 By signing the agreement or using the institution's services in respect of trading in financial instruments, the client becomes bound by the institution's separate *[Guidelines for execution of orders and consolidation and allocation of orders]* applicable from time to time and by the terms and conditions for trading in a specific financial instrument applicable from time to time. These terms and conditions comprise: (i) *[General terms and conditions for trading in financial instruments]*; (ii) terms and conditions in order documentation; and (iii) terms and conditions in a contract note prepared by the institution. At the client's request, the institution shall provide the client with the applicable guidelines and terms and conditions as referred to in the first paragraph [*in paper form or on its website*].

In conjunction with trading in financial instruments, applicable rules adopted by the institution, any Swedish or foreign issuer, execution venue, central counterparty (CCP), or central securities depository, shall apply.These rules shall be provided by the relevant institution, issuer, trading venue, central counterparty (CCP), or central securities depository. At the client's request, the institution may provide the client with information regarding where the information is available, e.g. a website, or contact information.

E.8 Pursuant to the general terms and conditions for trading in financial instruments, the institution shall be entitled to cancel purchases or sales where a contract was entered into on behalf of the client to the extent the contract is cancelled by the relevant execution venue. The same right shall apply where the institution, in another case, determines that cancellation of a contract is necessary due to the commission of a clear error on the part of the institution, market counterparty, or the client itself or where, through the order, the client has acted contrary to applicable law or other regulation, or where the client has otherwise breached generally accepted practices on the securities market. Where a cancelled contract has already been registered on the client's custody account, the institution shall make correction and report the cancellation to the client.

E.9 In the event any of the parties is placed into bankruptcy or where company reorganisation is ordered for the client pursuant to the Swedish Company Reorganisation Act (1996:764), all outstanding obligations between the parties arising from trading in financial instruments shall be settled through final settlement as of the day on which such event occurs. Any amount which accrues to either party following such final settlement shall be immediately due and payable.

E.10 Pursuant to EU Regulation (EU) 2018/1229 on settlement discipline, where a securities transaction cannot be settled in its entirety, relevant parties - any clearing member, trading venue member, and counterparty in the individual securities transaction, respectively - shall execute buy-ins[[5]](#footnote-6), settle the part of the securities transaction that can be settled, or pay cash compensation.

In such cases where a securities transaction cannot be performed and settled in full, such part of the securities transaction as can be settled by partial delivery will be performed and settled. In such cases, the party obligated to deliver securities shall be deemed to have partially performed the securities transaction or its delivery obligation with the delivered securities. The remainder of the securities transaction shall be settled (i) by means of buy-in and cash settlement and, in the case of a securities transaction governed by EU Regulation (EU) 909/2014 on improving securities settlement, in accordance with it and other applicable regulations, and (ii) otherwise as provided in the general terms and conditions for trading in financial instruments or as agreed between the parties, or in accordance with the rules or market practice of the central securities depository, central counterparty (CCP), or execution venue.

**F. TAXES, ETC.**

F.1 The client shall be responsible for all taxes and other charges which are to be paid pursuant to Swedish or foreign law, provisions or decisions of a Swedish/foreign public authority, treaty, or the institution's agreement with any Swedish/foreign public authority in respect of securities registered on the custody account, e.g. withholding tax, foreign source tax, or Swedish withholding tax on dividends.

F.2 As a result of Swedish/foreign law, provisions or decisions of a Swedish/foreign public authority, treaty, or the institution's agreement with any Swedish/foreign public authority, the institution may be obligated to take measures on behalf of the client in respect of taxes and other charges based on dividends/interest/divestment/holdings in respect of the client's securities. The client shall be obligated to provide any and all information, and to sign any documents, which the institution deems necessary to perform such obligations.

F.3 Where the institution has paid tax on behalf of the client as a result of an obligation pursuant to section F.2, the institution may debit a connected cash account with the corresponding amount in the manner referred to in section C.3.

F.4 When specifically instructed by the client, and where there is a right to do so and the institution deems it practicable and appropriate (among other things, taking into consideration the interests of the client) the institution shall attempt to assist in the reduction or restitution of tax and the disbursement of any balance by the tax agency. In conjunction therewith, the institution may sign the client's name and, to the extent necessary, provide information about the client and the client's securities.

**G. MISCELLANEOUS PROVISIONS**

**G.1 FEES, ETC.**

Fees shall be charged for safekeeping and other services pursuant to the custody account agreement and these provisions as provided in the custody account agreement or of which the institution subsequently notifies the client in the manner set forth in section G.10.[[6]](#footnote-7)

Information regarding fees applicable from time to time may be obtained from the institution on request.

The client shall reimburse the institution for any costs and expenditures associated with the institution's services under the custody account agreement and these provisions, as well as any costs and expenditures for protecting and collecting the institution's claims against the client.

Fees, costs, and expenditures are debited from the connected cash account in Swedish kronor (SEK) unless the institution gives notice otherwise.   
  
**G.2 NOTICES, ETC.[[7]](#footnote-8)**  
  
*Notices from the institution*  
  
The institution sends notices to the client via the institution's internet service or by email to the address [[8]](#footnote-9) provided by the client in the custody account agreement or another email address, or via other electronic communication of which the client has given notice to the institution, when the institution deems such communication to be appropriate. A retail client may request that such information as the institution is required to provide in accordance with Chapter 9 of the Securities Market Act (2007:528), such as information about the institution and its services and the costs associated with the services, be provided free of charge also in paper form.

In cases where the institution provides the customer with information in paper form, this may be done by sending a letter posted to the client's registered residential address *(Sw: folkbokföringsadress)* (or the equivalent) or, if this is not possible, to the address stated in the custody account agreement. The client and the institution may also agree that notices shall be sent to a different address.   
  
The client shall be deemed to have received a notice which is sent by the institution by letter not later than the fifth banking day after posting, provided the letter was sent to the address referred to above.   
When a notice is sent via the institution's internet service, email, or other electronic communication, the client shall be deemed to have received it upon transmission where it was sent to the number or electronic address provided by the client. Where the client receives such notice outside of the institution's ordinary business hours in Sweden, the client shall be deemed to have received the notice at the beginning of the next banking day.   
  
*Notices to the institution*   
  
The client may send notices to the institution via the institution's internet or telephone service[[9]](#footnote-10), by visiting the institution, or by sending a letter. Letters to the institution shall be posted to the address stated in the custody account agreement, provided the institution has not requested that responses be posted to another address. The client may only send email notices to the institution following a separate agreement with the institution.  
  
The institution shall be deemed to have received a notice which is sent by the client on the banking day on which the notice arrives at the aforementioned address. In other cases as well, the institution shall be deemed to have received the notice from the client where the client can prove that the notice was sent in a suitable manner. In such case, the institution shall be deemed to receive the notice on the banking day which the client can prove the institution should have received it.   
  
In respect of notice of complaints and revocation related to orders on commission *(Sw: kommissionsuppdrag according to Swedish Law on Commission)* made by a consumer in their capacity as a retail client pursuant to the institution's classification under the Securities Market Act (2007:528), notice is valid where the client can show that it was sent in a suitable manner, notwithstanding that it is delayed, corrupted, or fails to arrive. However, if the client has reason to believe that the institution did not receive the notice or that it was corrupted, the client must resend the notice to the institution.  
  
**G.3 REPORTING**   
  
G.3 1 In the absence of a separate agreement otherwise, reporting in respect of the custody account and connected cash accounts shall be sent to the client at least quarterly, unless such statement has been provided in any other periodic statement.   
  
The institution shall not be liable for the accuracy of information which the institution obtains from an external information gatherer regarding any securities.   
  
[G.3.2 Pursuant to Article 62(2) of Commission Delegated Regulation (EU) 2017/565 as regards organisational requirements and operating conditions for investment firms, the institution shall send information to the client when the value of the client's holding of leveraged financial instruments or financial instruments which are a result of contingent liability transactions declines by ten per cent.   
  
The client and the institution agree that the percentage decrease which triggers the sending of information to the client is to be calculated in accordance with the method in respect of the individual instrument or type of instrument or the method otherwise which the institution deems appropriate from time to time taking into consideration, among other things, the interests of the client [and which the institution describes in the information sent to the client]. At the client's request, the institution shall provide information regarding the relevant calculation method.]   
  
**G.4 ERRONEOUS REGISTRATION ON THE CUSTODY ACCOUNT, ETC.**   
  
In the event the institution mistakenly registers securities on the client's custody account or deposits funds on the cash account connected to the custody account, the institution shall be entitled to correct the relevant registration or deposit as soon as possible. Where the client has utilised mistakenly registered securities or deposited funds, the client shall return the securities or refund the funds received upon sale or deposit to the institution as soon as possible. Where the client fails to do so, the institution shall be entitled to buy the securities in question and debit the client's account by the amount of the institution's claim and, in the event of the client's use of funds, debit the client's account by the amount in question.   
  
The institution shall notify the client immediately where correction is made pursuant to the above. The client shall not be entitled to make any claims against the institution as a consequence of any such mistake.   
  
The provisions set forth in the two preceding paragraphs shall also apply when the institution has, in other cases, registered securities on the custody account or deposited funds on a connected cash account which should not have accrued to the client.   
  
**G.5 LIMITATION OF THE INSTITUTION'S LIABILITY**   
  
The institution shall not be liable for loss due to Swedish or foreign law, measures taken by Swedish or foreign public authorities, acts of war, strikes, blockades, boycotts, lockouts, or other similar circumstances. The reservation in respect of any strike, blockade, boycott, and lockout shall also apply where the institution itself is subject to, or takes, such industrial action.   
  
The institution is not liable for loss which occurs in other cases, provided the institution has exercised general standards of care.   
  
The institution is not liable for loss which is caused by any Swedish or foreign execution venue, third-party custodian , central securities depository, clearing organisation, or other party which provides comparable services, or for contractors retained by the institution or the third-party custodian in the exercise of due care or on the client's instruction. The aforesaid shall also apply to loss which is incurred as a result of the insolvency of any such above-mentioned organisation or contractor. The institution shall not be liable for loss incurred by the client or any third party as a result of a restriction on the right of disposition which may be applied against the institution in respect of financial instruments.   
  
The institution is not liable for indirect loss. However, this limitation shall not apply where the indirect loss was caused by gross negligence. The limitation shall also not apply in conjunction with orders placed by a consumer where the indirect loss was caused by the institution's negligence.  
  
In conjunction with direct or indirect loss incurred in connection with brokerage services in relation to a consumer, the institution shall be obligated to demonstrate that the loss was not incurred as a result of the institution’s negligence.  
  
In the event any circumstance as referred to in the first paragraph prevents the institution from executing, in whole or in part, a measure pursuant to these provisions or buy or sell orders in respect of financial instruments, the measure may be postponed until the impediment has ceased. Where the institution is prevented from executing or receiving payment/delivery as a result of any such circumstances, neither the institution nor the client shall be obligated to pay interest.   
  
The above provisions shall apply to the extent not otherwise provided in the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479)   
  
**G.6 REJECTING ORDERS, ETC.**   
  
The institution shall be entitled to reject orders under the custody account agreement and these provisions in respect of Swedish financial instruments registered with a central securities depository, e.g. Euroclear Sweden, within five banking days, and for other Swedish securities and for foreign financial securities within fifteen banking days after the institution receives the securities. Delivery/transfer of the securities in question shall in such case be subject to the provisions of section G.8 in respect of delivery/transfer in conjunction with termination.   
  
**G.7 THE CLIENT'S DISCLOSURE OBLIGATION AND PROVISION OF INFORMATION TO A THIRD PARTY**  
  
The institution is entitled to request that the client provides the information and data that, in the institution's opinion, are necessary to achieve sufficient customer due diligence in accordance with the Money Laundering and Terrorist Financing Prevention Act (2017:630). The information shall be provided by the deadline set by the institution.

At the institution's request, the client shall also be obligated to provide such other information, including written documents, that the institution deems necessary to perform the obligations incumbent upon the institution under this agreement or under an agreement with a third-party custodian, and any applicable EU regulation, law, other regulation, general principles of law, or regulatory scheme of the execution venue, central securities depository, or central counterparty (CCP).

Such information, together with documents, may also relate to the client's underlying client if the client's order to the institution pertained to an order on behalf of a client.

The client understands and accepts that the institution may be required to disclose information regarding the client (or the client’s client) to a third party regarding the client due to orders associated with these general provisions.

**G.8 TERMINATION**

*General provisions*

The institution may terminate the custody account agreement, effective two months after the client is deemed, pursuant to section G.2, to have received the notice.

The client may terminate the agreement in the manner stated in section G.2 (i.e. via the internet bank/telephone bank[[10]](#footnote-11), by letter, orally by visiting a branch office, via email, or via other electronic communication following a separate agreement), effective one month after the institution has been deemed, pursuant to the same section, to have received the notice.

Notwithstanding the above, a party may terminate the custody account agreement with immediate effect where the other party commits a material breach of contract. In such case, each breach of contract which is not cured as soon as possible notwithstanding a demand to do so shall be deemed a material breach of contract.

Upon termination of the custody account agreement, the parties shall immediately settle all of their obligations under these provisions. The custody account agreement shall, however, remain in force in pertinent part until a party has satisfied all of its obligations to the other party. In addition, both the institution and the client shall be entitled to terminate services pursuant to these provisions in respect of a specific security on the same terms and conditions as set forth above.

*Termination of the custody account agreement in specific cases and blocking the custody account*

The institution is entitled to terminate the custody account agreement with immediate effect if, in the opinion of the institution:

1. there have been changes in the client's tax domicile which entail that the institution can no longer perform its obligation to take measures on the client's behalf in respect of tax as per section F or that the performance of any such obligation would be significantly impeded;
2. the institution is prohibited from providing the client with agreed services under the law of the country in which the client lives, moves to, or resides;
3. [there are reasonable grounds to assume that the client will not meet their payment obligations to the institution;]
4. the client has used the custody account and connected cash accounts for unlawful purposes;
5. the client has provided incorrect information in connection with opening the custody account and connected cash accounts, and correct information would have resulted in the client not being permitted to open the custody account and/or connected cash accounts;
6. there is a suspicion that the custody account or the trading in the securities will be used for, or in connection with, criminal activities or otherwise in violation of applicable laws or in a manner that may cause harm to the institution or others;
7. there is a suspicion of money laundering or terrorist financing, or that there is a risk that the institution, by providing the custody account, in any way promotes such crimes;
8. the institution does not have sufficient knowledge of the client in accordance with the Money Laundering and Terrorist Financing Prevention Act (2017:630);
9. the client or the institution, directly or indirectly, becomes or may become subject to or affected by any sanction imposed by the United Nations, the European Union, the United States, the United Kingdom, any Member State of the EEA (or anybody acting on behalf of any of these) or any other competent authority.

In those cases where the institution is entitled to terminate the custody account agreement with immediate effect pursuant to the above, the institution is also entitled to block the client’s custody account. If, in the opinion of the institution, it is practicable and appropriate, the client shall be informed in advance if the institution decides to block the custody account. Otherwise, the client shall be informed afterwards.

*Settlement of obligations*

Upon termination of the custody account agreement, the institution shall deliver/transfer to the client all securities registered on the custody account or, where the termination relates to a specific security, such security.

The client shall, at the request of the institution, provide written instructions to the institution regarding the delivery/transfer of securities and money. Where such instructions are not provided within two months after the date on which the custody account agreement terminates pursuant to the notice of termination or where the delivery/transfer cannot be made pursuant to the client's instructions, the institution may:

* sell or otherwise divest a security on the custody account at a time selected by the institution and, where the security is worthless, cause it to be destroyed or deregistered, all in the manner which the institution deems appropriate;
* in respect of financial instruments which are registered pursuant to the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479), open a VP account or the equivalent on behalf of the client with a central securities depository and transfer the financial instruments to such account;

* in respect of securities in document form, where there is no statutory or contractual impediment to delivery of the documents, to send the securities – in a secure manner and at the client's expense – to the client's address which is known to the institution; and
* in respect of amounts arising from the sale or settlement of securities as set out above, if it is possible: a) to deposit the amount in an account held by the customer with the institution; b) to open an account with the institution on behalf of the customer and pay the money there; or c) to pay the amount to the customer in accordance with the payment procedure applied by the institution.

When selling securities, the institution shall act with ordinary care. However, the institution is not liable for the performance of the securities after the sale or for any wealth taxation (or other tax consequences). The institution may charge for measures taken as well as for the costs of settlement by deduction from the proceeds of sale. Any surplus shall be handled in accordance with the fourth bullet point in the paragraph above, and the client shall immediately reimburse the institution for any deficit.

**G.9 LIMITATION OF OBLIGATIONS AND RELATIONSHIP TO OTHER AGREEMENTS**

The institution shall not be obligated to take measures other than those stated in the custody account agreement and these provisions in the absence of a specific written agreement otherwise. The express provisions of such a specific agreement shall take precedence over the custody account agreement and its provisions.

**G.10 MODIFICATION OF THE PROVISIONS AND FEES**

Modifications of the custody account agreement and these provisions or the institution's fees (pursuant to the agreement and the price list applicable from time to time) shall be binding on the client two months after the client is deemed to have received the notice in accordance with section G.2.[[11]](#footnote-12) In the event the client does not approve of the modification within such time, the client shall be entitled to terminate the custody account agreement without observing the notice of termination period stated in section G.8.

**G. 11 INFORMATION REGARDING CLOSURE [OF THE INTERNET BANK] IN THE EVENT OF SCHEDULED MAINTENANCE**

In the event of closure of the [internet bank] for scheduled maintenance, etc., the institution shall inform the client in good time [via the internet bank].

**G. 12 APPLICABLE LAW**

The interpretation and application of the custody account agreement and these provisions shall be subject to Swedish law.

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**INFORMATION TO THE CLIENT**

*The following information may, in applicable cases, be included as an integrated part of the custody account provisions or provided to the client in another manner.*

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| --- |
| **PROCESSING OF PERSONAL DATA AND DISCLOSURE OF INFORMATION TO THIRD PARTIES[[12]](#footnote-13)**  ***Processing of personal data***  The institution will process the client's personal data (both information provided by the client personally and information which may be obtained from elsewhere, such as via public registers) to the extent necessary for preparation, administration, and performance of the custody agreement, services related to the agreement, and these provisions, as well as to satisfy the institution's legal obligations.  The institution may process the client's personal data in order to provide information to the client regarding changes to rules/terms and conditions, financial instruments, products, services, and so forth, associated with the custody account agreement and these provisions. The personal data is also used as a basis for market and customer analyses, business follow-up, business and methods development, and risk management. Where the client has not opted out of direct marketing, the institution may also process the client's personal data for purposes related to direct marketing.  Within the scope of applicable confidentiality provisions, personal data may also be processed by other companies in the institution's corporate group or, pursuant to agreement with the institution, by the institution's business partners.  Where the client wishes to know which personal data about them the institution has processed, the client may submit a written request to the institution [include address].  A client who wishes to correct inaccurate or incomplete personal data may contact the institution at the above address.  ***Provision of information to a third party***  As a result of EU regulation, Swedish/foreign law, regulations or decisions of Swedish/foreign public authorities, treaty, and/or the institution's agreements with any Swedish/foreign public authority, third party custodian, trading rules, rules of an execution venue, central securities depository, or central counterparty (CCP), or agreement/terms and conditions regarding a specific security, the institution may be required to disclose information to a third party regarding the client pursuant to the custody account agreement. At the institution's request, the client shall be required to provide any information, including documents, which the institution deems necessary to satisfy such obligation.  Such information, together with documents, may also relate to the client's underlying client if the client's order to the institution pertained to an order on behalf of a client.  The institution may also disclose information regarding the client (or where applicable, the client’s client) in accordance with the custody account agreement to another institution with which the institution has entered into an agreement and where any law, regulation decision, treaty, or agreement with a public authority entails an obligation for such an institution to disclose such client information or obtain such information from the institution. |
| **DEPOSIT INSURANCE SCHEME[[13]](#footnote-14) AND INVESTOR PROTECTION**  ***Deposit insurance scheme***  *Alternative 1:*  The account is covered by the state deposit guarantee scheme pursuant to a decision of the Swedish National Debt Office.  Each client is entitled to indemnification for their aggregate account balance with the institution in an amount not to exceed the equivalent of SEK 1,050,000. The Swedish National Debt Office shall pay the indemnification within 7 business days from the date on which the institution was placed into bankruptcy or the Swedish Financial Supervisory Authority decided that the deposit insurance scheme is to enter into force.  In addition to this amount, the account holder may have a statutory right to receive indemnification under certain circumstances for certain deposits attributable to specifically identified events (e.g. sale of a private residence, employment severance compensation, and insurance indemnification) in an amount not to exceed SEK 5 million. In such case, a longer disbursement period may apply.  Notwithstanding the above, the following account holders, or their foreign counterparts, are ineligible to receive indemnification from the insurance scheme: banks, credit market undertakings, securities companies, insurance companies, reinsurance companies, benevolent societies, financial institutions as per the Swedish Banking and Financing Business Act, securities funds or alternative investment funds, pension funds, county councils, municipalities, and government agencies.  *Alternative 2:*  The account balance is not covered by the state deposit insurance scheme.  ***Investor protection***  Pursuant to the Swedish Investor Protection Act (1999:158), in the event of the institution's bankruptcy, a client who is unable to withdraw its financial instruments on deposit with the institution shall be entitled to separate compensation in an amount prescribed by law, which on 1 July 2009 amounted to a maximum of SEK 250,000. This compensation may also comprise funds which the institution received subject to an accounting obligation. A client who wishes to receive compensation must, not later than one year from the date of the bankruptcy order, submit a claim to the Swedish National Debt Office which will pay compensation following a determination on the matter. |
| **LEGAL ENTITY IDENTIFIER (LEI)**  A Legal Entity Identifier (LEI) is a global identification code, introduced at the initiative of the G20 countries, for corporate entities and other organisations. According to applicable EU regulations, legal entities must have an LEI code in order to be able to carry out a securities transaction. In the absence of such a code, the institution may not execute a transaction on the client's behalf.  Banks and securities companies will therefore require companies, associations, foundations, and in some cases, sole traders and others, to have an LEI in order to be able to execute a securities transaction.  The requirement of an LEI has already been imposed in respect of conducting derivative transactions. In respect of other securities transactions, the requirement will be imposed as from 3 January 2018.  A client who needs to acquire an LEI can contact any of the providers on the market. Approved institutions for the global LEI system can be found at this link: <http://www.leiroc.org/publications/gls/lou_20131003_2.pdf>.  A fee is charged when an LEI is issued. An annual renewal fee is also charged for trading in derivative instruments. The amount of the fee is set forth on the price list available from each supplier.  More information regarding the LEI requirement is available from various sources, including [*the Institution's website*] and the Swedish Financial Supervisory Authority, [www.fi.se](http://www.fi.se/sv/publicerat/nyheter/2015/Rapporteringsskyldiga-maste-skaffa-identifieringskoden-LEI/). | |

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1. [Pursuant to Article 38(5) of Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories ("CSDR"), the institution is obligated to offer the client the opportunity to choose between segregation of omnibus client accounts and segregation of individual client accounts and to inform the client of the costs and risks entailed in each alternative.] [↑](#footnote-ref-2)
2. [To be adapted to the institution's organisation and range of services. The provision addresses those cases where the institution has chosen not to provide custody account services which entail that the institution falls within the scope of, for example, FATCA or other regulations which entail special registration measures.] [↑](#footnote-ref-3)
3. [Other wording if the institution intends to have on-going voting rights registration or if voting rights registration for several holders takes place entirely in the name of the person decided upon by the institution.] [↑](#footnote-ref-4)
4. [In those cases in which acquisition of units in undertakings for collective investment (fund units) occurs on the custody account instead of separate fund accounts, the institution should consider which measures are to be taken in respect of the fund unitholders in respect of dividends, information, and so forth.] [↑](#footnote-ref-5)
5. The requirement that relevant parties complete the transaction by way of buy-in applies as from the entry into force of the provisions of EU Regulation (EU) 2018/1229 on settlement discipline. At the time of approval of this version of the general provisions in January 2022, the relevant regulation is under review and the rules regarding buy-in have not yet entered into force. [↑](#footnote-ref-6)
6. [Pursuant to section 13 of the Swedish Consumer Contracts Act, which entered into force on 1 June 2014, "a contractual term which entails that a consumer is to pay more for any goods, service, or other product than the price stated in the agreement for the benefit is without effect against the consumer unless the consumer has expressly approved the condition." In light thereof, a clause requiring express approval on the part of the client has been incorporated into the custody account agreement in respect of supplemental fees. Those institutions which choose not to include such a provision in the agreement should instead adjust section G.1.] [↑](#footnote-ref-7)
7. [Section G.2 should be adapted to the institution's organisation and range of services, e.g. if the institution has an internet bank service. In addition, it must be remembered that the EU regulatory framework includes a requirement for the provision of information on a "durable medium" (see Article 4(1)(62) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments ("MiFID II") and preliminary ruling C-375-15.] [↑](#footnote-ref-8)
8. [To be adapted based on the institution's organisation and range of services.] [↑](#footnote-ref-9)
9. [To be adapted based on the institution's organisation and range of services.] [↑](#footnote-ref-10)
10. [To be adapted based on the institution's organisation and range of services] [↑](#footnote-ref-11)
11. [Chapter 4, section 14 of the Swedish Payment Services Act (2010:751) provides that the supplier must propose modifications at least two months before they are to be applied.] [↑](#footnote-ref-12)
12. The institution is reminded that the informational section should be reviewed and updated in light of the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC). [↑](#footnote-ref-13)
13. [The deposit insurance scheme only covers accounts which have been approved by the Swedish National Debt Office. Accordingly, each institution must include the alternative which applies to the specific account.] [↑](#footnote-ref-14)