

Client

Name	Personal identity number/Business ID	Client ID/Asteri ID
Street address	Postal code	City
Phone number, home	Phone number, work	Email address
LEI code		

By signing this Agreement,

- I confirm that I have received the Nordea Execution Policy and accept it;
- I accept that Nordea Bank Abp may execute my order outside the trading venue, i.e. a regulated market, a multilateral trading facility or an organised trading facility;
- I accept that Nordea Bank Abp may, at its discretion, choose not to publish my limit order if it deviates considerably from the prevailing market situation; and
- I accept that the counterparty to the order may be Nordea Bank Abp, a company belonging to the same Group, an entity or a foundation under its authority, their pension fund or pension foundation or the party that actually executes the trade.

General terms and conditions of this Investment Service Agreement

The Client that has signed this Agreement and Nordea Bank Abp (the 'Bank') have agreed the following on investment services:

1. Scope

These terms and conditions shall be applied to an agreement concluded between the Client and the Bank on the provision of investment and ancillary services. Besides these terms and conditions, the general and specific terms and conditions of each investment and ancillary service shall be applied to the contractual relationship between the Client and the Bank. If there are discrepancies between these terms and conditions and a separate agreement on an investment or ancillary service, the terms and conditions of the separate agreement shall take precedence.

A Retail Client's investor protection is the most extensive and the obligations to provide information and to investigate as well as the code of conduct regarding the provision of investment service applied to such a Client are the most extensive.

The Client has a legal right to request in writing that their client categorisation be changed if the Client considers that they meet the criteria for a Professional Client. The Bank is not obliged to consent to the Client's request.

2. Service provider information

Name: Nordea Bank Abp
Address: Satamaradankatu 5, FI-00020 NORDEA
Business ID 2858394-9
Domicile: In Helsinki

The Client shall consent to it that pursuant to its legal obligation, the Bank provides, upon request, the issuer of the security or other party offering securities with information on the Client's categorisation with regard to the security in question.

More detailed information on client categorisation is available at the nearest Nordea branch or at nordea.fi/mifid2.

The customer service branch nearest to the above address is located at Siltasaarekatu 12, Helsinki. In addition, Nordea Customer Service serves personal customers at 0200 70 000. Contact information for other Nordea branches is available at: nordea.fi.

4. Information needed from the Client

The Client must inform the Bank of any changes in their Client information in writing without undue delay. Furthermore, the Client is liable, without undue delay, to inform the Bank of their taxation status, all nationalities and, in the case of companies and other entities, their LEI Code. The Bank is not liable for any damage resulting from the Bank not having been informed of changes in Client information in accordance with this Agreement.

Nordea Bank Abp's operations are supervised by and the licensing authority is: European Central Bank (ECB)
Sonnemannstrasse 22
D-60314 Frankfurt am Main, Germany
tel +49 69 1344 0 www.ecb.europa.eu

Furthermore, Nordea Bank Abp is supervised within its powers by: the Finnish Financial Supervisory Authority
Snellmaninkatu 6, PO Box 103, FI-00101 Helsinki,
tel +358 9 183 51 www.finanssivalvonta.fi

To enable the Bank to offer to the Client products and services meeting the Client's investment targets, the Client undertakes to provide the Bank with adequate information for the suitability assessment. Moreover, a Retail Client undertakes to provide the Bank with adequate information on their financial standing, investment experience and investment knowledge.

The operations of Nordea Bank Abp are also supervised by the Consumer Ombudsman and other Finnish authorities within the bounds of their jurisdiction.

5. LEI Code

LEI Code refers to an identifier that identifies distinct legal entities that engage in transactions on the financial markets. LEI is an abbreviation of Legal Entity Identifier. An LEI has 20 characters and is based on the ISO 17442 standard.

The Bank acts as Nordea Life Assurance Finland Ltd's (hereinafter 'Nordea Life') agent and offers insurance in the name and on behalf of Nordea Life.

The Bank and Nordea Life are part of the Nordea Group.

A Client that wishes to give an order must be a legal person and they must have submitted a valid LEI Code to the Bank. In the case of a private person, the Bank requires that the Client has provided the Bank with the necessary information on their nationalities and other necessary additional information. If the Client is represented by an authorised person, the corresponding information on the authorised person must also be made available.

3. Client categorisation

As an investor, the Client is categorised as a Retail Client, unless the Client has been informed otherwise or the client categorisation has been changed at the Client's request.

General terms and conditions of this Investment Service Agreement, continuation

6. Processing of personal and client information

As the data controller, the Bank processes personal data to deliver products and services that have been agreed on between the parties and for other purposes, such as to comply with laws and other regulations. Detailed information on the processing of personal data at the Bank can be obtained from Nordea's privacy policy, which is available on the Bank's website at nordea.fi or can be obtained by contacting the Bank. The privacy policy contains information on the rights related to the processing of personal data, such as the access to information, rectification and data portability.

Clients that are legal persons must deliver Nordea's privacy policy to the people whose personal data they disclose to the Bank.

The Client's personal credit information may be used when concluding agreements on investment services or when handling the Client's investment orders. Credit information is obtained from Suomen Asiakastieto Oy's credit information register.

In accordance with currently valid legislation, the Client's information can be disclosed, for example, to companies situated in Finland or abroad that currently belong to the same domestic or foreign group or economic consortium with the Bank or to companies which are legally in such a position that information can be disclosed to them.

In addition, the Client's information can be disclosed to other service providers concerned in order to identify the Client, execute or settle the action and transaction if the Client uses the service in question.

7. Service languages

Depending on the service point and investment service, customer service, the agreement terms and conditions and the Bank's other documents are available in Finnish and/or Swedish.

If there are differences between the different language versions of the agreement terms and conditions or the Bank's other documents, the Finnish version shall take precedence.

8. Recording of conversations and messages

The Bank records conversations held or messages exchanged with the Client that are related to the offering of investment services and that lead, or may lead, to the reception, transmission or execution of orders by the Client. The Bank is entitled to use recordings of phone calls and other conversations as evidence in order to resolve any disputes concerning an order or for other purposes separately notified to the Client.

The Bank is obliged to surrender the recordings to the competent authorities upon request. Copies of the recordings of conversations held or messages exchanged with the Client are available upon request for a period of five (5) years, or at the request of a competent authority for a period of seven (7) years.

9. Terms and conditions governing investment advice

'Investment advice' refers to the provision of individual recommendations, either at the Client's request or at the Bank's initiative, concerning one or more business transactions related to financial instruments. Investment advice also covers the provision of recommendations concerning Nordea Life's unit-linked insurance offered by the Bank.

Investment advice provided by the Bank to its Clients is non-independent. Non-independent investment advice as referred to in the Finnish Act on Investment Services refers to investment advice that is not independent. The investment advice provided by the Bank is not based on an extensive analysis of different financial instruments, but is mainly limited to the Bank's own products or to products to which the Bank has close links. Nordea's investment advice is mainly based on the actively managed funds.

Before providing investment advice, the Bank must acquire sufficient information on the Client's investment experience and knowledge and financial standing, including ability to bear loss, as

well as investment targets, including risk limit, so that the Bank is able to recommend to the Client suitable financial instruments and services particularly complying with the Client's risk limit and ability to bear loss. If the Client does not provide the Bank with sufficient information or the Bank considers that a given financial instrument or service does not suit the Client, the Bank notifies the Client thereof and warns about the risk involved in the business transaction in question.

The Bank does not provide the Client with regular assessment of the suitability of the financial instruments recommended to the Client concerned unless otherwise agreed on with the Client.

10. Principles of executing and transmitting orders

The Bank has operating principles and processes for executing and transmitting orders in order to ensure that the best possible result can be obtained for its Clients, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

The Client accepts it that the Bank may execute an order outside the trading venue. The Client also accepts the fact that the Bank may, at its discretion, decide not to publish the Client's limit order if it deviates considerably from the prevailing market situation.

The Client is aware and accepts that the counterparty to the order may be the Bank, a company belonging to the same Group, an entity or a foundation under its authority, their pension fund or pension foundation or the party that actually executes the trade.

If a Client wants to give specific instructions on the execution of their order, the Client must contact the Bank's Customer Service or nearest branch.

On its website, the Bank shall make public, on an annual basis, for each class of financial instruments, the top five execution venues measured by the trading volume, as well as information on the quality of execution.

The operating principles in full and a summary are available either at the Bank's branches or at nordea.fi/mifid2.

11. Orders with non-complex financial instruments at the Client's request

When orders are executed or transmitted at the Client's request with the so-called non-complex financial instruments in compliance with the relevant legislation, the Bank does not assess the appropriateness of the financial instruments to the Client or thereby whether the Client has sufficient knowledge and experience to understand all the risks involved in the financial instrument.

12. Operating principles of practices to be followed in recognising and preventing conflicts of interests

The Bank has operating principles for preventing and managing conflicts of interests. A separate account has been drawn up of these principles and it is available either at the Bank's branches or at nordea.fi/mifid2.

13. Inducements

The Bank may accept inducements from its cooperation partners. Before the provision of a service, the Client will be provided with specific information on the amount of the inducements related to the service or on their calculation method, in which case the exact amount of the received or paid inducement or benefit will be reported to the Client in arrears.

The intention with the inducements is to improve the quality of the service provided to the Client, and they do not obstruct the Bank from fulfilling its obligation to act honestly, fairly and professionally in accordance with the best interest of the Client. The Bank is liable to ensure that the value of the quality improvements received by the Client is in proportion to the inducements received by the Bank.

General terms and conditions of this Investment Service Agreement, continuation

14. Amendments to the agreement terms and conditions

The Bank is entitled to amend the terms and conditions of this Agreement.

The Bank will send a written notification of such amendments to the terms and conditions that increase the Client's obligations or reduce the Client's rights, in Netbank or through another durable medium. The amendments will become effective at the beginning of the calendar month immediately following a period of thirty (30) calendar days from sending the notification or publishing the amendments in the Bank's Netbank or through another durable medium.

The agreement is considered valid in the amended form unless terminated by the Client at least five (5) banking days before the amendment enters into force.

The Bank will inform the Client of any revisions in its prices and fees in its tariff.

15. Notifications between the Bank and the Client

The Client shall send notifications concerning these terms and conditions to the Bank in writing, in the Bank's Netbank or in some other manner to be separately agreed on.

As a rule, the Bank delivers disclosures and documents related to the provision of investment and ancillary services (e.g. reports, statements and notifications) digitally through a durable medium to all Clients with access codes unless otherwise provided in the special terms and conditions applied to the service in question. A non-professional Client is, however, entitled to receive the above-mentioned information on paper by contacting Nordea Customer Service and requesting to receive the information on paper.

Unless otherwise proven, the Client is considered to have been notified and time limits are considered to begin once the notification has been delivered to the Netbank service or made available to the Client through another durable medium, or on the seventh (7th) calendar day following the day the relevant notifications were placed in the mail for delivery, or on the day the notification was given to a courier.

If the Client resides abroad permanently and is unable to receive notifications digitally in Netbank or through another permanent medium, the Client is considered to have been notified fourteen (14) calendar days after the notification was sent, unless otherwise proven.

16. The Bank's responsibility and liability to compensate

The Bank is liable for any direct loss suffered by the Client due to the Bank's errors or neglect. The Bank is not liable for any indirect or consequential damage, such as unobtained profit. Furthermore, the Bank is not liable for any damage caused to any third party.

The Bank is not liable for the financial result of operations, tax implications or risks involved in investing.

These terms and conditions do not limit the Client's rights under legislation governing book-entry accounts or securities accounts on which agreements deviating from this legislation may not be concluded.

17. Client's financial liability

The Client is aware of the risks inherent in investment activities and is liable for the financial results and tax implications of their activities and investment decisions. This liability is vested with the Client regardless of whether the Bank has conducted a suitability or appropriateness assessment of the Client and the financial instrument or whether the Client is considered to have received investment advice for their investment decision.

The Client is also aware of the fact that an investment decision cannot be based merely on marketing of and marketing material on the financial instrument but on the information on the financial instrument as a whole. Past performance is not a guarantee of future results.

18. Client's complaints

Any complaints or claims regarding this Agreement shall be made in writing to the Bank or via a Client mail message to the Bank's Netbank without delay and no later than within thirty (30) calendar days after the Client was informed of the measure. The Client is considered to have received the information in the manner stated in section 15 "Notifications between the Bank and the Client", unless otherwise proven.

However, any complaints regarding investment or ancillary services shall be made to the Bank or other service provider within the time limit laid down in the general terms and conditions of a separate agreement concluded on the service.

Any complaints regarding one-off orders made in investment funds shall be made to the Bank in writing and without delay, but no later than within seven (7) calendar days after the Client was informed of the measure that is the subject of the complaint.

19. Force majeure

Neither contracting party is liable for any damage arising from unreasonable difficulties in their operations due to a force majeure or similar event. A contracting party is liable to notify the other party in writing or otherwise in a proven manner as soon as possible after being affected by a force majeure.

If the force majeure concerns the Bank, the Bank may publish the required notification in the national daily newspapers.

20. Protection provided by the Deposit Guarantee Fund and the Investor's Compensation Fund

The Client's assets and financial instruments held by the Bank are covered by the Deposit Guarantee Fund and the Investor's Compensation Fund at any given time to the extent laid down by the law.

The Investor's Compensation Fund compensates Retail Clients for up to 20,000 euros in the cases where the Bank is not able to pay its liabilities due to permanent payment difficulties.

The Investor's Compensation Fund does not cover investment fund activities or unit-linked insurance or deposits. The compensation does not cover any losses arising from fluctuations in the prices of securities. The Client is not entitled to compensation from the Investor's Compensation Fund if the Client will receive compensation for the assets in question from the Deposit Guarantee Fund.

21. Validity of this Agreement

This Agreement is valid until further notice. Both parties have the right to give notice on this Agreement with immediate effect. Nevertheless, this Agreement shall end not earlier than after the Client's all separate agreements on the investment or ancillary service have been terminated.

22. Special terms and conditions applied to US persons domiciled in the United States or in other countries subject to restrictions

Investments will not be marketed to US persons domiciled in the United States or other countries subject to restrictions. Neither will investment advice or such investment information that can be considered advice or a suggestion be offered to them. US residents cannot subscribe for fund units or take out unit-linked insurance.

The Bank is entitled to limit the service offered under this Agreement to Clients domiciled in the United States or other countries subject to restrictions without notice. The Bank is entitled to terminate this Agreement immediately if the Client moves to the United States or to another country subject to restrictions. The Client undertakes to notify the Bank immediately if they move outside Finland.

23. Assignment of this Agreement

The Bank is entitled, without consent from the Client, to assign its rights and obligations under this Agreement to an entity belonging to the same group as the Bank.

General terms and conditions of this Investment Service Agreement, continuation

24. Applicable law and settlement of disputes

Finnish law shall be applied in the settlement of disputes.

If disputes that cannot be settled by negotiation arise between the parties by virtue of this Agreement, a Client can contact the Bank's Client Ombudsman at: palveluasiamies@nordea.fi. More detailed information on the Bank's customer feedback process and appeals is available at the nearest Nordea branch or at nordea.fi.

Clients can also contact the following public agencies:

The Finnish Financial Ombudsman Bureau can help in resolving disputes but does not issue legally binding decisions. The Finnish Insurance Complaints Board, Banking Complaints Board and Investment Complaints Board operate in connection with the Finnish Financial Ombudsman Bureau.

Contact information:

Porkkalankatu 1, FI-00180 Helsinki, tel +358 9 6850 120. Further information available at: www.fine.fi The Investment Complaints Board gives recommendations for resolutions in disputes submitted to the board by Retail Clients and service providers.

The board handles matters between a service provider and a Retail Client related to investment and investment fund services as referred to in the Finnish Act on Investment Services and the Finnish Act on Common Funds. In addition, the board handles matters between a service provider and a Retail Client related to unit-linked insurance subject to the Finnish Insurance Contracts Act.

The proposals for resolutions concern the application of the law, authoritative orders, good securities market practice, good insurance practice and agreement terms and conditions as well as the procedures applied by service providers. They may also concern compensation amounts.

The Investment Complaints Board does not handle claims targeted at other parties than firms providing investment services, fund companies or insurers providing unit-linked insurance products.

Contact information:

Porkkalankatu 1, FI-00180 Helsinki, tel +358 9 6850 120. Further information available at:

The Consumer Disputes Board proposes recommendations for resolutions on disputes between consumers and businesses concerning the purchase of a commodity, such as a financial service, or an agreement on a commodity. The Board does not deal with matters related to securities.

Contact information:

Hämeentie 3,
PO Box 306, FI-00531 Helsinki,
Tel +358 29 566 5200 (switchboard)
Further information at: www.kuluttajariita.fi.

Disputes over investment services and products may also be submitted to the District Court of the Finnish municipality in whose jurisdiction the consumer has their domicile. If the consumer is not a resident of Finland, disputes shall be settled at the District Court of Helsinki.

The agreement can be signed in the manner agreed on, either in writing or digitally in Nordea's service. If the signing has been made in writing, the signature has been made as follows

Signatures

Place and date	Place and date
Client's signature	Nordea Bank Abp
Name in block letters	Name in block letters

1. The purpose of the Execution Policy is to obtain the best possible results on a continuous basis when executing client transactions.

This Execution Policy sets out Nordea's arrangements ensuring that the best possible results will be obtained for its clients when executing orders (best execution). This document is a summary of Nordea's principles of executing orders for its clients. www.nordea.fi/mifid2

Nordea provides best execution of transactions in financial instruments such as shares, bonds, derivatives (options, futures and warrants), investment fund units and structured products. Detailed information on how transactions in each class of financial instruments will be executed for Nordea's clients is available in the appendices to the Execution Policy.

2. Handling of transactions and how Nordea provides best execution

Nordea provides best execution to all its non-professional clients. This is a summary of how Nordea does it:

Nordea's different methods for executing client transactions

Orders or transactions submitted to a trading venue As a member of a trading venue, Nordea buys or sells financial instruments on behalf of clients. There is no intermediary between Nordea, acting on the client's behalf, and the trading venue.

Orders or transactions transmitted to another investment firm (broker) for execution In such a case, Nordea is not a member of the trading venue where the instruments the client wishes to buy or sell are admitted to trading.

Dealing on own account In such a case, the client's transaction is executed directly on Nordea's own account (i.e. acting as a principal).

Specific instructions from the client

Where a client provides specific instructions to Nordea on the execution of an order wholly or in part, Nordea will execute that transaction in accordance with those instructions. This may prevent Nordea from taking some or all of the steps that have been put in place to obtain the best possible result when executing client orders or transactions.

Nordea's prioritisation of the execution factors

For non-professional clients, the total consideration constitutes the provision of best execution, and transactions are executed immediately at the best available price.

Total consideration is always defined as the price of the relevant financial instrument plus any additional cost that may have to be paid in relation to the execution, such as execution venue fees and clearing and settlement fees. Detailed information can be found in Nordea Markets Terms and Conditions for Trading in Financial Instruments published at www.nordea.fi/mifid2

Other execution factors (speed, likelihood of execution and settlement, size, nature and/or any other relevant consideration) may be given precedence to total consideration only insofar as they are incremental in delivering the best possible result in terms of total consideration.

3. Reservations and matters beyond Nordea's reasonable control

In the event of system disruption, irregularities, breakdown or exceptional market conditions beyond Nordea's reasonable control, Nordea may execute transactions on other trading venues than those mentioned in the list of trading venues published at www.nordea.com/mifid.

Even in such exceptional circumstances, Nordea will always try to obtain best execution in whatever method Nordea may choose or in specific situations have access to.

4. Monitoring, policy review and reporting

The Execution Policy is monitored continuously, and the Policy is updated at least once a year.

Nordea reports its execution quality and details of execution on its website at www.nordea.com/mifid.

As a client, you must be aware of and understand the following matters, among others:

- you invest and have other positions in financial instruments at your own risk
- as a client, you must read with care Nordea Bank Abp's service-specific terms and conditions and, as applicable the Key Investor Information Document, prospectus and other information, characteristics and risks regarding the financial instrument in question
- when trading in financial instruments, it is important that you check the calculations of your transactions and holdings and file a complaint about any errors as soon as possible
- it is essential for you to monitor the value fluctuations in your holdings of financial instruments and positions on a continuous basis
- you must be proactive and take the necessary measures in order to reduce the risk of loss in your investments and positions

1. Trading in financial instrument

Trading in **financial instruments**, i.e. trading in shares in limited liability companies and equivalent participation rights in other types of undertakings, bonds, depositary receipts, fund units, money market instruments, derivative contracts or other securities which are negotiable on the capital market, mainly takes place on a trading venue in an organised manner. Trading is performed through investment firms operating on a **trading venue**. As a client, you normally have to contact such an investment firm in order to buy or sell financial instruments.

1.1 Trading venues and systematic internalisers

'Trading venue' refers to a regulated market and two types of trading facilities: a multilateral trading facility (MTF) and an organised trading facility (OTF). In addition, a client can also engage in trading through an investment firm operating as a systematic internaliser (SI) or in some other manner when trading takes place on an investment firm's own account or on behalf of some other client.

Various types of financial instruments are traded on a **regulated market**. In relation to shares, only shares of publicly listed companies can be quoted and admitted to trading on a regulated market, and there are stringent requirements for such companies, inter alia, regarding the company's size, business, ownership structure and public reporting of the company's finances and operations.

A **multilateral trading facility (MTF)** can be described as a trading facility that is operated and managed by a stock exchange or an investment firm. Typically, less stringent requirements, regarding i.e. communications and business, apply for financial instruments traded on a multilateral trading facility compared to financial instruments traded on a regulated market.

An **organised trading facility (OTF)** is similar to a multilateral trading facility in many ways. On an organised trading facility, only such financial instruments can be traded that are not shares or securities comparable to shares, such as bonds and derivatives. In addition, looser rules can be applied to trading on an organised trading facility, including matching of orders, compared to trading on a regulated market or multilateral trading facility.

A **systematic internaliser (SI)** is an investment firm which, on an organised, frequent and systematic basis, deals on own account when executing client orders outside a regulated market or a trading facility. A systematic internaliser is obliged to publish buy and sell bids on prices that correspond to the market price for liquid financial instruments traded on a trading venue and in which the systematic internaliser performs systematic internal trading.

A trade can also be executed through an investment firm without it being a systematic internaliser, by executing a client's order on the firm's own account or on behalf of the firm's other client.

There is currently one regulated market in Finland: Nasdaq Helsinki Oy (hereinafter referred to as the 'Helsinki Stock Exchange'). Moreover, organised trading takes place on other trading venues, such as Nasdaq Helsinki Oy's First North Finland, which is a multilateral trading facility. Further information on the trading venues used by the bank is available at www.nordea.fi.

Trading on regulated markets, trading facilities and other trading venues constitutes a **secondary market** for financial instruments which are not newly issued. If the secondary market functions well, i.e. it is easy to find buyers and sellers for shares and there is continuous notation of bid prices from buyers and sellers, as well as transaction prices (closing rates) for completed transactions, which also benefits businesses. This is because it is easier for businesses, when required, to issue new instruments and thereby obtain more capital for their operations. The primary market is the market on which the purchase of and subscription for newly issued financial instruments takes place.

1.2 Trading and quotation lists

In relation to shares, trading venues usually divide the shares into different lists which are published, for example, on the trading venues' website, in daily newspapers and other forms of media. A decisive factor in the choice of the list on which a company's shares are traded may be the company's market value (e.g. Large, Mid and Small Cap on the Helsinki Stock Exchange). The most traded shares may also be compiled onto a specific list. Shares with a high turnover that are quoted on lists with stringent requirements are generally deemed to involve a lower risk than shares on other lists.

Information on share prices and other information related to shares and other types of financial instruments, such as fund units, options and bonds, are also published regularly on the trading venues' websites, in daily newspapers and other forms of media.

2. Risks associated with financial instruments and trading in financial instruments

2.1 General remarks on risks

Financial instruments can yield **return** either in the form of **dividends** (shares and funds) or interest (fixed-income instruments). In addition, the price of the instrument may increase or decrease compared to the price when the investment was made. In the description below, 'investment' also includes any negative positions (negative holdings) in the instrument (for instance, see section 7 below regarding short selling). 'Total return' is the sum of the dividends or interest and the price change to the financial instrument.

Naturally, the investor seeks a total return that is positive, i.e. that yields a **profit**, preferably as high as possible. However, there is also a **risk** that the total return will be negative, i.e. that there will be a **loss** on the investment. The risk of loss varies according to the financial instrument. Normally, the chance of a profit on an investment in a financial instrument is linked to the risk of loss. The longer the investment is held, the greater the opportunity for profit or the risk of loss. In connection with investments, 'risk' sometimes refers to both risk of loss and opportunity for profit. However, in these instructions, 'risk' only denotes risk of loss. There are various means of investing so that the risk of loss decreases. As a rule, it is recommended that investments are not only made in one single or in few financial instruments, but they should be diversified into **several different** instruments. This allows spreading the risks and prevents the risks from cumulating and occurring simultaneously. Normally, spreading investments into foreign markets will also reduce the risk of the portfolio as a whole, even if trading in foreign financial instruments also involves a **currency risk**.

Investments in financial instruments are exposed to a **financial risk**, which will be described in more detail below. The client is personally liable for the risk and thus must investigate their investment options through an investment firm or the agent that manages their assets. This means that the client is to become acquainted with the terms and conditions of trading in the financial instruments in question (the general terms and conditions, Key Investor Information Documents, prospectuses and the like), and the characteristics of the instruments and the related risks. The client must also regularly monitor their investments in such instruments. This is the case even if the client has received personal advice in conjunction with the investment. The client should, in their own interests, be prepared to take measures promptly as necessary, for example, through selling investments that have performed negatively or by providing additional security for investments financed with loans whose security value has fallen.

It is also important to consider the risks involved in trading on a trading venue other than a regulated market where the requirements imposed are generally less stringent.

On 2 February Different types of risk concepts etc.

Risk assessment, in which you must engage as a client in order to invest in financial instruments and to monitor your holdings regularly, includes a number of risk concepts and other factors that you must take into account and consider. A brief description of some of the most common risk concepts is provided below.

Market risk – the risk that the market on which you as a client have an investment (e.g. the Finnish equity market) weakens in full or in part.

Credit risk – for example, the risk of an issuer's or a counterparty's insolvency to pay back interest or capital in accordance with the issue terms and conditions of the financial instrument in question.

Price volatility risk – the risk that high volatility in the price of the financial instrument may have an adverse effect on the investment.

Exchange risk – the risk that the price of a financial instrument falls.

Tax risk – the risk that the valid tax rules and/or tax rates are unclear or may change.

Currency risk – the risk that a foreign currency to which a holding is tied (e.g. units in a fund investing in US securities quoted in USD) weakens.

Risk of leverage effect – the risk resulting from the structure of a derivative instrument which means that there is a risk that the price performance of the underlying asset affects the price of the derivative more negatively.

Legal risk – the risk that the applicable laws and regulations are unclear or may be amended.

Company-specific risk – the risk that a certain company under-performs or is affected by a negative event in which case the financial instruments tied to the company may lose value.

Sector-specific risk – the risk that a certain sector under-performs or is affected by a negative event in which case the financial instruments tied to the sector may lose value.

Liquidity risk – the risk that you are unable to sell or buy a financial instrument at an opportune time.

Interest rate risk – the risk that the financial instrument in which you have invested decreases in value due to changes in the market interest rate.

3. Shares and financial instruments comparable to shares

3.1 General remarks on shares

3.1.1 Shares and limited liability companies

Shares are securities comparable to equity issued by limited liability companies. The value of a share is based on the currently valid view of the value of the limited liability company that issued the share. The potential return on an investment in shares is composed of dividends and the value increase of the capital, if any. If a limited liability company makes a profit, it usually distributes **dividends** on the shares. Shares also entitle the holder to **voting rights** at the general meeting of the company, which is the highest-ranking decision-making body in the company. Voting rights and the entitlement to dividends may, however, vary depending on the class of shares in question. There are two types of companies: **public** and **private**. Only shares of public companies may be traded on a trading venue.

3.1.2 Share price

The **price** of a share is primarily affected by the supply and demand for the share, which are determined by the **company's future outlook**, at least in the long term. The valuation of the share is mainly based on investors' analyses and assessments of the company's potential for **future profits**. **Future developments in the operating environment**, such as economic fluctuations, technology, legislation and competition, determine the demand for the company's products or services and are of fundamental significance to the price performance of the company's shares.

The prevailing **interest rate level** also has a considerable effect on the price performance. If market rates rise, new fixed-income instruments issued concurrently will provide a higher return. In such a case, the prices of the shares traded usually fall, like the prices of the fixed-income instruments issued earlier. The reason for this is that the increased return on the newly issued fixed-income instruments will be, relatively speaking, better than the return on shares, as well as on already issued fixed-income instruments. In addition, share prices are negatively affected by the fact that the interest payments on the company's debts increase when market interest rates increase, which narrows the profit margin.

Similarly, **other circumstances directly related to the company**, such as changes in the company's management and organisation and disruptions in production, may strongly affect the company's future ability to create profits, both in the long and short term. In the worst-case scenario, the company may perform so poorly that it must be **declared bankrupt**. The share capital, i.e. the capital invested by the shareholders, is the capital that is used first for the company's debt payments. This often results in the shares of the company becoming worthless.

Moreover, the prices on certain major **foreign stock exchanges and other trading venues** have an impact on prices in Finland. This is due, among others, to the fact that some Finnish companies are also listed on foreign markets, and prices equalise between the markets. Changes to the share price of a company engaged in a certain sector may often affect the prices of other companies engaged in the same sector. This effect may also extend to companies based in different countries.

The various market operators have different kinds of needs for investing cash (liquid assets) or for obtaining cash reserves. They often also have different views on how the prices should perform. These circumstances, including how the company is valued, have an effect on there being both buyers and sellers on the market. If, instead, investors are unanimous in their views of the price trends, all of them want to either buy, in which case pressure to buy is created, or to sell, thereby creating pressure to sell. Under prevailing pressure to buy, the prices increase, whereas in the event of pressure to sell the prices fall.

Turnover, i.e. the volume of shares bought or sold, contributes to the share price. A high turnover means that the spread between the price the buyers are prepared to pay (**bid price**) and the price the sellers ask for (**ask price**), decreases. A share with a high turnover, when large amounts can be traded with only a minor effect on the price, enjoys good liquidity and is therefore easy to buy and sell. Companies listed on regulated markets often have higher **liquidity**. During the day or longer periods of time, the prices of different shares may vary (**volatility**), i.e. they increase or decrease, and the range of the price variations may differ.

The prices at which shares are traded (**transaction prices**) and the highest, lowest and most recently quoted bid/ask prices and further information on the traded volume in euros are published in most major daily newspapers and on the websites maintained by trading venues, investment firms and media companies. Some of the price quotes may be more up-to-date than others depending on the publication method.

3.1.3 Various classes of shares

Shares can be divided into different classes of shares which are marked with letters or codes, such as "A" or "B" shares. In general, shares differ in terms of the voting rights they entitle the holders to. A share normally entitles to one vote in all matters dealt with at a general meeting, but it may be ruled in the Articles of Association that the shares of the various classes of shares entitle to a different number of votes or that some of the company's shares do not entitle to a voting right at all. The differences in the voting right are due, among others, to the fact that, in conjunction with diversification of ownership, the original founders or owners of the company prefer to maintain their influence in the company by being given stronger voting rights. Thus newly issued shares may obtain a weaker voting right compared to that of the original shares. The classes of shares may also differ in terms of dividend payments.

3.1.4 Shares with no nominal value/nominal value of shares, split and consolidation of shares (reverse share split)

The starting point of the Finnish Limited Liability Companies Act is a capital regime **without nominal value**, which means that a company's shares have no nominal value and that thereby individual shares do not represent a certain proportion of the company's share capital unless the Articles of Association contain a separate provision stating that the company's shares carry a **nominal value**.

If a provision on **nominal value** is included in the Articles of Association, 'nominal value' is the proportion represented by each share of the company's share capital. Upon the establishment of a company, at least the nominal value amount of each share must be entered into the share capital. Correspondingly, when new shares are issued in a **share issue**, the share capital must be simultaneously increased by at least the nominal value of the shares issued. If the shares have a nominal value, the share capital may not be reduced so that it would be less than the summed-up nominal value of the shares.

In a capital regime **without a nominal value**, there is no linkage between the share and share capital, in which case, for example, the share capital can be increased by not issuing shares or by issuing shares without raising the share capital. In a regime with no nominal value, the subscription price of shares can thereby be determined regardless of the amount of the share capital.

Companies sometimes prefer to change the share value, for example, because the price, i.e. the market price, of the share has risen strongly. By dividing the share into two or more parts with different nominal values (**split**), the nominal value of the share decreases and the share price also falls at the same time. The shareholders still have their capital left after the split, but it is divided into more shares whose nominal value and price are lower. In a regime with no nominal value, a similar result can be reached by issuing new shares in a free-of-charge share issue in an equal proportion, for example, two new shares for one share.

Conversely, shares can also be **consolidated (reverse split)**, if the price falls dramatically. At least two shares are then merged into one share. The shareholders still have their capital left after the reverse split, but it is divided into fewer shares whose nominal value and price are higher.

3.1.5 Initial Public Offering, privatisation and acquisitions

Initial Public Offering (IPO) means that the shares of a company are introduced onto the equity market, i.e. are admitted to trading on a regulated market or a multilateral trading facility (MTF). The public is then invited to **subscribe for** (buy) shares of the company. Most often, this relates to an existing company which has not previously been traded on a regulated market or other trading venue and whose owners have decided to expand the ownership base and facilitate trading in the company's shares. If the company is state-owned, the IPO, i.e. the entry into the market, is called **privatisation**.

A **company acquisition** normally involves one or more investors making an offer to the shareholders of a company, on certain terms and conditions, to buy their shares. If the buyer obtains more than nine tenths of the total number of shares and votes in the acquired company, the buyer (redeemer) is entitled to redeem the other shareholders' shares at an equitable price. In this case, the buyer can demand a **compulsory purchase** of the remaining shares from the shareholders who have not accepted the company acquisition offer. These shareholders are then obliged to sell their shares to the buyer for compensation which is determined through an arbitration proceeding. A shareholder whose shares can be redeemed (minority shareholder) has, correspondingly, the right to demand the redemption of their shares.

3.1.6 Share issues

A company can acquire more capital for its operations, for example, through a share issue subject to a fee, either by issuing new shares (**rights issue**) or surrendering its shares in its possession for subscription in a share issue. A share issue may involve the issue of shares against payment (**share issue against payment**) or **free of charge** (share issue without payment). The existing shareholders often receive **subscription rights** entailing a pre-emptive right to subscribe for shares in a share issue. The number of shares that may be subscribed for is normally established in relation to the number of shares previously held by the shareholders. The subscriber must pay a certain price (issue price), which is often lower than the market price, for the newly issued shares. Immediately after the subscription rights (which normally have a certain market value) are detached from the shares, the price of the shares normally declines but, at the same time, shareholders who have subscribed have a larger number of shares. During the subscription period, which in general lasts for several weeks, those shareholders who do not subscribe for shares may attempt to sell their subscription rights on the marketplace on which the shares are traded. Upon the expiry of the subscription period, the subscription rights lapse and thus become useless and worthless.

A limited liability company can also arrange a **directed share issue** to a certain circle of investors only if the company has a weighty financial reason for doing so. A limited liability company can also carry out **contribution in kind** of new shares in order to acquire other companies, business operations or assets instead of cash. Both directed issues and contribution in kind involve a **dilution** effect on the existing shareholders' portion of the company's votes and share capital, but the number of the shares held and the market value of the invested capital normally remain unchanged. The dilution effect may also relate, for example, to the redemption of the options granted by the company.

In the case of a **share issue without payment**, the share capital is not usually increased in a capital regime with no nominal value. The summed-up number of the shares then increases as equity remains unchanged and the share-specific value decreases. Although a share issue without payment reduces the share price, the shareholder normally retains the market value of the capital invested due to the increased number of the shares. Companies with a nominal value laid down in their Articles of Association must, however, raise the share capital in conjunction with a share issue without payment as well. In such a case, the share capital can be increased with **an increase of the share capital from reserves**, for example, in which case the company's assets are transferred to the share capital from its free equity.

3.2 General remarks on financial instruments comparable to shares

Financial instruments closely connected with shares are share-index bonds, depositary receipts, convertible debentures, share and share index options, share and share index futures, warrants and leverage certificates.

3.2.1 Index bonds/share-index bonds

Index bonds/share index bonds are bonds whose yield depends on a share index, for example, instead of interest. If the index develops positively, the yield follows it and increases. If the index declines, there may be no yield. However, the nominal value of the bond, which may be lower than the amount invested, is always repaid at maturity and thereby the risk of loss is limited compared to shares and fund units, for example. The risk with an investment in a share index bond can, in addition to any paid premium and costs, be defined as alternative interest income, i.e. the interest the investor would have received on the invested amount with an alternative investment. Index bonds can have different names, such as share index bonds, SPAX, share bonds, credit basket bonds, interest basket bonds or currency basket bonds, depending on the asset class that determines the bond's return. Index bonds are also often said to be capital-guaranteed or capital-protected products. These concepts are to describe, as stated above, that irrespective of whether or not the product yields a profit, the nominal amount is repaid, i.e. normally the amount invested less any paid premium. NB. Capital protection does not apply to a situation in which the issuer is declared bankrupt or undergoes corporate restructuring proceedings connected with a public abatement of debts (lowering of receivables). Banks, other credit institutions and investment firms, on the other hand, may become objects of a crisis resolution. This means that the government may take them over and that their losses are handled so that the holdings of the shareholders and creditors are written down and/or the creditors' receivables are converted into shareholding (debt write-down or bail-in).

3.2.2 Depositary receipts

Depositary receipts are receipts regarding the right to foreign shares which the issuer of the receipt holds/manages on behalf of the holder. Depositary receipts are traded as shares on a regulated market or trading venue and the price normally follows the price on the foreign marketplaces on which the share is traded. In addition to the general risks associated with trading in shares and other types of participating interests, currency risks should be considered.

3.2.3 Convertible instruments

Convertible instruments (convertibles) are fixed-income securities (loans to the issuer of the convertible) which may be exchanged for shares within a certain period of time. The return on the convertible, i.e. the coupon interest, is normally higher than the dividend of the shares received in exchange. The price of the convertibles is expressed as a percentage of the nominal value of the convertible.

3.2.4 Reverse convertibles

Reverse convertibles are a cross between a fixed-income investment and a share investment. The reverse convertible is tied to one or several underlying shares or indices. This investment yields interest, i.e. a fixed, guaranteed return. If the underlying shares or indices perform well, the original invested amount plus the fixed return are repaid to the investor. However, if the underlying shares or indices perform negatively, there is a risk that the investor receives, instead of the invested amount, one or several shares included in the reverse convertible or an equivalent amount in cash, in addition to the pre-defined return.

3.2.5 Share options and share index options

There are different types of **share options**. Acquired call options entitle the holder to buy already issued shares at a pre-determined price within a specific period of time. Conversely, put options entitle the holder to sell shares at a pre-determined price within a specific period of time. There is an **issued** option corresponding to each **acquired** option. The risk for the person who acquires an option is, unless measures are taken to limit the risks, that the option will decrease in value or becomes worthless on the expiry date. In the latter case, the person loses the premium paid. The issuer of the option may face an unlimited risk unless measures are undertaken to limit the risks. The price of the options normally follows the rate of the underlying shares or indices, but most often the rate fluctuations and the price effect are higher in the case of options.

The most extensive trading in share options takes place on regulated markets where share index options are also traded. These share index options yield a profit or loss directly in cash (cash settlement) related to the performance of the underlying index. See also section 5 “Derivatives”.

3.2.6 Share futures, share index futures and futures

A **forward contract** or **forward** means that the parties enter into a mutually binding agreement on the purchase and sale of the underlying asset at a pre-determined price at a time laid down in the agreement. No premium is paid because the parties have corresponding obligations towards one another by virtue of the agreement.

A **future** is a variant of a forward contract or forward. The difference between a future and a forward is the method of settlement, i.e. when a party to the agreement receives or makes a payment according to whether the position has yielded a profit or generated a loss. In the case of a future, the settlement is made daily in the form of running payment transactions between the buyer and the seller according to the daily change in the value of the underlying asset. In the case of a forward, the settlement is not made until in connection with the closing date of the financial instrument.

See also section 5 “Derivatives”.

3.2.7 Warrants

Call and put options with longer terms until expiration are also traded. These are usually called **warrants**. Warrants may be used in order to buy or sell underlying shares or, in other cases, to acquire cash if the price of the underlying share performs well in relation to the warrant’s redemption price. Subscription warrants for shares can be used during a certain period of time for subscribing for corresponding newly issued shares. See also section 5 “Derivatives”.

3.2.8 Leverage certificates

Leverage certificates, often simply called **certificates**, are in general combinations of call and put options, and they depend on their underlying asset, such a share, an index or a commodity. A certificate has no nominal value. A leverage certificate should not be confused with e.g. a commercial paper, which is a type of debt instrument which can be issued by a company in order to borrow money from the capital market.

A special characteristic of a leverage certificate is that relatively small changes to the price of the underlying asset may result in significant changes in the value of the holder’s investment. The investor may benefit from these value changes but they may also be to the investor’s disadvantage. The holder should pay particular attention to the fact that the value of the leverage certificates may fall or even collapse so as to become completely worthless, causing the amount invested being lost in full or in part. In many cases, the same applies to options and warrants. See also section 5 “Derivatives”.

4. Fixed-income instruments

Fixed-income instruments entitle their holder to a **right of claim** against the issuer of a loan. The return is normally paid **in the form of interest**. There are various types of fixed-income instruments depending on the issuer that has issued the instrument, the security provided for the loan by the issuer, the **term** until the maturity date and the type of payment of interest. The interest (coupon) is normally paid annually.

Another form of interest payment is to sell financial instruments at a discount (**discount paper**). Upon sale, the price of the instrument is calculated by discounting the loan amount, including calculated interest, to current value. The current value or the price is lower than the amount received upon maturity (**nominal amount**). **Banks’ certificates of deposit and treasury bills** are examples of discount papers, as well as bonds with a **zero coupon structure**.

A third form of fixed-income bond is the government **premium bond**, in which the interest on the bond is drawn among the holders of premium bonds. There are also fixed-income instruments and other forms of saving in which the interest is hedged against inflation and the investment thereby yields fixed **real interest**.

The **risk** associated with fixed-income instruments relates to any changes in exchange rates (exchange rate risk) during the terms of the instruments as **market interest rates** change. Another risk factor is that the issuer may not be able to **repay** the loan (credit risk). Thus loans for the repayment of which full security has been provided are typically less risky than unsecured loans. In general, however, it can be stated that the risk of loss associated with fixed-income instruments is lower than with shares. A fixed-income instrument issued by an issuer with a high credit rating may therefore be a good alternative for investors who prefer to minimise the risk that the capital saved decreases in value, and it may be recommended for short-term savings. Similarly, for long-term savings in which the capital is not to be jeopardised, fixed-income investments are highly common, when accruing a pension reserve, for example. The disadvantage of a fixed-income investment is that, as a rule, it yields a low increase in value. Examples of fixed-income investments are savings accounts, private bonds and fixed-income funds.

The rates are confirmed daily both for short-term (less than one year) instruments, such as treasury bills, and for instruments with longer terms until maturity, such as bonds. This takes place on the money and bond markets. Analyses and assessments made by central banks and other major institutional market operators of the performance of numerous different economic factors in the short and long term have an effect on market rates. Among these are inflation, economic cycles and interest rate trends in Finland and other countries. A central bank can take measures related to monetary policy in order to direct the market rate performance so that inflation remains within a certain target. The financial instruments traded on the money and bond markets (e.g. **government bonds, treasury bonds and mortgage bonds**) are often traded in large quantities (multi-million amounts).

If market interest rates increase, the prices of already issued fixed-income financial instruments will fall if they provide fixed interest, since new bonds are issued bearing rates of interest that follow current market rates and thereby provide a higher rate of interest than the already issued instruments. Conversely, the prices of already issued instruments increase when market interest rates decline.

Loans issued by the state and municipalities are in most cases deemed to be risk-free with respect to repayment, which thereby also applies to government bonds and municipal bonds. Issuers other than the state and municipalities may occasionally, in conjunction with the issuance of bonds, provide **security** in the form of other financial instruments or other assets (security in the form of chattel or real security).

There are also other fixed-income instruments which involve a higher risk compared to bonds if the issuer runs into difficulties in repaying a loan. An example of these are **debentures**, since these loans are not repaid until all the other creditors have received their repayments.

One form of fixed-income instruments is **secured bonds**. These are connected with a priority right subject to specific legislation. The rules concerning secured bonds aim at ensuring that an investor will receive full payment in accordance with the agreed schedule even if the issuer of the bonds was declared bankrupt, provided that the value of the property placed as security is sufficiently high.

5. Derivative contracts

Derivative contracts, such as options and forward contracts, are issued with various types of underlying assets like shares, bonds, commodities, and currencies. Derivative instruments may be utilised in order to reduce the risks associated with an investment.

The price trends of the underlying asset also have an effect on the price of a derivative contract. A particular point to be noted is that the price effect on a derivative contract, i.e. an investment, is often more substantial than a change in the underlying asset's value. Therefore the price effect is called **leverage**, which may lead to a higher return on the capital invested compared to investing in the underlying asset directly. On the other hand, in an investment in derivatives, leverage may just as well lead to greater losses in relation to the price movement of the underlying asset if the price of the underlying asset does not develop as expected. Leverage, i.e. the chance of yield or risk of loss, changes according to the structure and use of derivative contracts. This poses high requirements for the monitoring of the price trends of the derivative contract and underlying asset. In their own interest, investors should be prepared to act quickly, often during the day, in case the investment in the derivative contract performs negatively. When assessing risks, it is also important to consider that selling a position or holding may become more difficult during negative price trends.

6. Funds and fund units

A fund is a "portfolio", which invests the capital collected from investors in various types of financial instruments, such as shares and bonds. The assets in the fund are owned jointly by all the unitholders in the proportion they have invested in the fund. Funds are managed by a fund management company. There are various types of funds with different kinds of targets and investment policies. 'Investment policy' means the types of financial instruments in which the fund invests. A brief summary is set out below of some of the most common types of funds.

An **equity fund** invests all or most of the capital invested by the unitholders either in shares or equity-related securities. There are also **balanced funds** that invest in both equities and fixed-income instruments, as well as **fixed-income funds** in which the capital is mainly invested in fixed-income instruments.

One of the basic ideas of an equity fund is that it invests in several different shares and other equity-related financial instruments, which means that the company-specific risk for the unitholders is lower compared to the risk faced by shareholders who invest in only one or few different shares. In addition, unitholders do not themselves have to make decisions on choosing, buying, selling and monitoring the shares or to manage them otherwise, either.

The idea of fixed-income funds is the same as that of equity funds – investments are made in several different fixed-income instruments in order to spread the risk in the fund, and the fund is managed on the basis of the expected interest.

A **fund of funds** is a fund that invests in other funds. A fund of funds can be seen as an alternative to investing in several different funds. In this fund form, the risk can be spread as well as in a fund portfolio compiled by the investor themselves. There are funds of funds with various investment policies and risk levels.

Index funds represent a type of fund that is not managed actively, but they invest in a basket of financial instruments that follows the benchmark index.

Another type of fund is a **hedge fund**. 'To hedge' means 'to protect'. Although the purpose of hedging is to protect an investment from unexpected changes in the market, a hedge fund may be a high-risk fund, as such funds are often financed by multiple loans. However, the differences between various hedge funds are large. There are also hedge funds with low risk. Hedge funds seek to yield a positive return regardless of whether the equity or fixed-income markets are growing or declining. A hedge fund is often a non-UCITS fund which may allocate its assets more freely than the traditional investment funds. The focus of the investment policy can vary from shares, currencies and fixed-income financial instruments to various arbitrage strategies (speculations on changes in the interest rates and/or exchange rates, for example). Hedge funds use derivatives more often than the traditional funds in order to increase or reduce the fund's risk. Short selling (see below) is also common.

Funds can also be divided into **investment funds** (also called **UCITS**) and **alternative investment funds** (also called **AIFs**), such as **non-UCITS funds**. UCITS are funds that meet the requirements laid down in the UCITS Directive 2009/65/EC in terms of the spreading of risk, investment restrictions and information disclosure. A non-UCITS fund is one type of alternative investment fund. Non-UCITS funds and other alternative investment funds (cf. hedge funds above) are funds which in various ways deviate from the hedging provisions of the UCITS regulation. Thus it is highly recommended that clients find out which investment provisions the AIF selected follows. More detailed information on a fund's investment rules, allocation and risk profile is available in the fund prospectus and Key Investor Information Document. A currency risk is also associated with funds investing in foreign financial instruments (see also section 2.2 above).

Unit holders receive the number of units in the fund which corresponds to their share of the invested capital from the fund's total capital. The units can be subscribed for and redeemed through investment firms selling units in funds or directly from the management company. However, it is important to note that certain funds have a pre-determined period when the fund is "open" for subscription and redemption, which means that regular trading is not always possible. The unit's current value is regularly calculated by the management company and is based on the price trends of the financial instruments included in the fund. The value of an investment fund is determined based on the market value of the securities and other assets in its investment portfolio. The capital invested in a fund may both increase and decrease in value, and thereby the investor cannot be sure that they will obtain back the invested capital in full. A fund may also involve a liquidity risk, which means that it might not be possible to convert fund units into cash in the planned timetable or at the desired price.

There are also **ETFs** (Exchange-Traded Funds), i.e. **listed funds**. ETFs resemble common investment funds but they can be bought from international stock exchanges, just like shares. In this case, the object of trading is a fund whose price trends follow the index selected or other underlying asset. The risks inherent in investing in ETFs are basically the same as in other international fund investments, and the risk level of the products may vary according to the investment strategy and investment alternatives.

ETFs can be divided into two groups based on what they own. A physical ETF buys securities, whereas a synthetic ETF uses derivatives instead of buying. The disadvantage of a synthetic ETF in particular is the counterparty risk, i.e. credit risk, associated with the solvency of the counterparty to the derivative contract used by the fund.

7. Short selling

Short selling means that the party who has borrowed financial instruments and simultaneously undertaken to return the same type of instruments to the lender at a later date sells the borrowed instruments. In making the sale, the lender counts on being able, on the date of the return of the instruments, to acquire instruments on the market at a lower price than the price at which the borrowed instruments were sold. If, instead, the price has risen, a loss is incurred, which can be substantial if the price has increased significantly.

8. Borrowing

In many cases, financial instruments may be purchased with partly borrowed capital. As the client's own capital and the borrowed capital affect the yield, the client can through loan financing obtain a higher profit when the investment performs well compared to an investment financed only with the client's own capital. The debt connected with the borrowed capital is not affected by either increases or decreases in the price of the purchased financial instruments, which is an advantage in the case of an increase in the prices. If the price of the purchased instruments decreases, it is also a disadvantage, as the debt remains at 100 per cent. This means that the decrease drains the investor's own capital correspondingly. Thus while the price falls, the investor's own capital may be lost in part or in full while the debt must be repaid in whole or in part with the income from the sale of the financial instruments which have fallen in value. The debt must be repaid even if the income from the sale does not cover the entire debt.

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As a global financial services provider, Nordea Bank Abp and its subsidiaries ("Nordea") regularly face potential or actual conflict of interest situations. Nordea's Conflicts of Interest Policy applies to all employees and people working on behalf of Nordea. All Nordea employees are required to act fairly, honestly and professionally, and in accordance with the best interests of Nordea's customers.

The Policy requires identifying all actual and potential conflicts of interest and any potential impact that these conflicts may have for customers. It is required to ensure effective measures are in place to prevent or manage risk of detriment for Nordea or Nordea's customers. The Policy outlines the main types of organisational or administrative measures that are used to prevent or manage conflicts of interest (e.g. segregation of duties, information barriers etc.). In provision of certain financial services, identified conflicts of interest for which the available measures are not sufficient to ensure avoiding risk of detriment to customers, Nordea is required to disclose the general nature and sources of the conflict of interest as well as the steps taken to mitigate the risk.

You can find the complete Conflicts of Interest Policy on our website www.nordea.com.

1. Scope of application and applicable provisions and agreements

These terms and conditions are applied to securities brokerage activities (execution and brokerage) between Nordea Bank Abp (the "Bank"), and the customer who has a valid investment services agreement.

These terms and conditions are not applied to securities brokerage offered to the customer by Nordea Markets or to subscriptions to or redemptions of fund units in investment funds managed by Nordea Fund Ltd.

In addition to these terms and conditions, orders are governed by Finnish or foreign legislation and official regulations valid at any given time, the rules and regulations given by each market place and clearing house, and any other agreements between the customer and the Bank. If the customer has included the service intended for investing offered by the bank in Netbank at any given time in his Netbank agreement, the Bank's currently valid "General agreement terms governing services with access codes" are also applied.

If these terms and conditions differ from the applicable law or market rules, the law and market rules valid in the country in question shall be applied.

2. Definitions

Security

Security refers to Finnish and foreign securities as provided in the Finnish Act on Investment Services.

Customer

A contracting party who has accepted these terms and conditions and whom the Bank has accepted as its customer. The customer acts in his own name and on his own behalf in relation to the Bank.

Trading Venue

Trading Venue refers to a regulated market, a multilateral trading system and an organised trading system as referred to in the law, to corresponding trading in a country other than Finland as well as to Finnish or foreign clearing corporations.

Group

The Group refers to Nordea Bank Abp and all companies owned and/or controlled directly or indirectly by Nordea Bank Abp at any given time.

Market Rules

Market rules refer to the decisions, orders and instructions issued by the authorities under the valid legislation, as well as the rules, regulations and orders of the Trading Venues, self-regulatory rules of the markets and the trading practice applied at any given time.

LEI

An identifier that identifies distinct legal entities that engage in transactions on the financial markets. LEI is an abbreviation of Legal Entity Identifier. An LEI has 20 characters and is based on the ISO 17442 standard.

Limit Price

The minimum price of a sale order and maximum price of a buy order given by the Customer.

Settlement Date

The time when a securities trade is settled.

Investors' Compensation Fund

The Investors' Compensation Fund referred to in the law.

Order

A binding order given by the Customer to the Bank to buy or sell securities or execute other measures related to Securities.

3. Validity and content of the Order

The Customer can submit Orders verbally, electronically in writing or in another manner separately agreed on with the Customer.

The Bank may not accept an Order from the Customer before the necessary Customer identifier has been saved in the Bank's data systems. If the Customer is a legal person, it must inform the Bank of its valid LEI. With respect to private persons, the Bank requires that the Customer provides it with the necessary information on his or her nationalities and other necessary additional information. If the Customer is represented by a proxy, the corresponding information on the proxy must also be made available. The Bank may accept an Order once it has received the necessary information and it has had a reasonable amount of time to update the information into its data systems and to perform all other necessary measures to verify the correctness of the information given.

The Bank has the right to send to the Customer written information concerning an Order either electronically through its online banking service, or by post or in another manner separately agreed on with the Customer. The Customer accepts that the use of electronic means of communication involves special risks. For example, the message may not arrive at its destination; the message may fall into the hands of a third party or a third party may alter the content of the message. The Bank is entitled to trust the authenticity and correctness of an Order it has received by electronic means of communication. The content and time of arrival of an Order sent by electronic means of communication is verified from the Bank's data system or fax machine.

An Order enters into force once the Bank has obtained sufficient information about it and accepted it as an Order. The Bank must record the content of a verbal Order in writing, and the Bank is obliged to record its telephone conversations with the Customer related to Orders. The Customer is responsible for the arrival of an Order at the Bank.

An Order given by the Customer should include the following:

1. Name of the Customer and the person who gave the Order;
2. Type of the Order (buy or sell);
3. Type and amount of the Security;
4. Limit Price;
5. Validity of the Order;
6. Possible authorisation given by the Customer to execute the Order during its validity period at a moment the Bank deems best; and
7. Other information needed to execute the Order and settle the trade.

The Bank has the right to leave an Order with insufficient details un-executed.

The Customer is aware that unless he or she gives instructions to the contrary, the Bank may be obliged to publish the Customer's Order regarding a share if the Order cannot be executed immediately at the Limit Price determined by the Customer or at a more favourable price. If the price condition included in the Customer's Order deviates materially from the prevailing market price of the Security which the Order concerns, the Customer understands and accepts that the Bank may refuse to publish such an Order.

4. Validity of the Order

If the Customer does not give a validity period in the Order, the Bank considers it to be valid until the end of trading on the business day in question.

If trading in the Trading Venue has already ended when the Order comes into effect, the Order will be valid for the following trading day. The Order will expire thirty (30) calendar days after it came into effect if the ordered trade has not been executed or the Order has not been cancelled before that, or unless the Bank and the Customer have otherwise agreed or unless otherwise provided by the prevailing market practice.

5. Expiry, change or revocation of an Order

An order will expire automatically if the Trading Venue's trading system removes the Order which has already been saved in the trading system due to, for example, the share trading ex-dividend or ex-rights, the share being split, a share issue being executed, share classes or shares being combined, or a merger or demerger being executed. An Order concerning a convertible bond does not expire once the Security trades ex-coupon.

The Customer has the right to change or revoke an Order before making a binding offer that leads to a trade or making the trade. The change or revocation will enter into force once the Bank has received it and it has been saved in the Trading Venue's trading system. Increasing or decreasing the amount of the object of the Order, and changing the price, are regarded as revocation of the Order and simultaneous issuing of a new Order. Changing an Order can affect its priority status. If the Bank has already taken measures to execute the Order, a revocation requires that the Customer compensate any expenses and loss that the Bank may incur. An Order cannot be changed or revoked in so far as it has already been executed.

6. Processing the Order

The Bank will process an Order in the Customer's interest without undue delay unless it has been specifically agreed with the Customer that the Order will be processed at a time deemed best by the Bank or at some other time.

The Bank has operating principles and processes in place for executing and brokering Orders to ensure that the best possible outcome is achieved for the Customer, taking into account material factors concerning the execution of an Order, such as the price, costs, speed, probability of execution and delivery, size and nature.

The Bank's operating principles for the executing and brokering Orders, and a summary of them, are available either at the Bank's branches or at: nordea.fi/mifid2.

The Bank executes an Order according to its operating principles concerning the execution of Orders valid at any given time, unless the Customer gives special instructions deviating from these principles. When the Customer gives an Order, he or she is regarded to have approved the Bank's operating principles concerning the execution of Orders valid at any given time.

Any specific instructions given by the Customer that deviate from the Bank's valid operating principles concerning the execution of Orders may, due to factors contained in the instructions, prevent the Bank, in the case of certain Orders, from performing measures in accordance with the operating principles, the objective of which is to achieve the best possible outcome for the Customer.

The Customer accepts that the Bank may execute an Order outside the Trading Venue. The Customer also accepts the fact that the Bank may, if necessary, decide not to publish the Customer's Limit Price Order if it deviates considerably from the prevailing market situation.

The Customer is obliged to contribute to the processing of the Order. If the Bank regards it to be in the Customer's best interest, the Bank is entitled to refrain from executing an Order until a new Order, requested by the Bank, concerning the execution of the Order is received from the Customer.

The Bank is entitled to use external assistance in attending to the tasks stated in the Order without informing the Customer in advance. In such cases, information about the Customer may be disclosed only to a degree enabling the execution of Orders.

The Customer must ensure that his or her book-entry account holds the marketable book-entry securities subject to a sell Order. The Bank is entitled to reserve the book-entry securities for the execution and settlement of the trade. If a sell Order concerns physical securities, the certificates must be delivered to the Bank when the Order is submitted or within a time limit otherwise agreed. If necessary, the Customer must provide the Bank with the documentation needed to validate his or her acquisition of title.

The Bank is entitled to execute an Order in parts.

Unless agreed otherwise with the Customer, the Bank is entitled to combine the Customer's Order with another customer's order or with its own Order in accordance with the law and Market Rules.

The Customer is aware and accepts that the counterparty to the Order may be the Bank, a company belonging to the same Group,

a corporation or foundation under its authority, their pension fund or foundation or the party that actually executes the trade.

The Bank will annually publish on its website the five most important market places for each financial instrument in terms of trading volume in the previous year, as well as information about the quality of trade execution.

7. Operating principles of practices to be followed in recognising and preventing conflicts of interests

The Bank has a policy for the prevention and management of conflicts of interest. A separate account has been drawn up of these principles and it is available at the Bank's branches or at nordea.fi/mifid2.

8. Notification of an executed Order

The Bank notifies the Customer of an executed Order by sending him or her a notification without delay and on the banking day following the trade execution at the latest, unless otherwise agreed on with the Customer.

Unless agreed on otherwise with the Customer, a notification may be sent electronically through Netbank if the Customer has a valid Netbank agreement. If a Securities trade is executed outside Finland, the Bank notifies the Customer of the execution without delay after the Bank has been informed of it.

The Bank does not have the right to reveal to the Customer the other party to the trade.

9. Delivery of the Securities and collateral

The Bank is liable to ensure that the Securities purchased on behalf of the Customer can be delivered to the Customer on the trade's Settlement Date. If all of the Securities cannot be delivered at that time, the Customer must accept partial delivery.

Securities that are traded outside Finland can be delivered after the foreign sub-custodian has informed the Bank of reception of the Securities.

If the delivery is delayed or incorrect because of the Bank, the Bank is liable to compensate the Customer for the loss caused; however, not indirect or consequential loss, such as loss of income or unearned profit.

The Customer must check the Bank's notification of an executed Order (calculation of purchase or sale) and inform the Bank without delay of any error; however, at least within seven (7) calendar days of receipt of the notification. The time is regarded to begin as stated in clause 16.2 *Notifications sent by the Bank* of these terms. If the securities subject to a sell Order are not available to the Bank as provided by the Market Rules, the Customer is liable to pay to the Bank any costs, loss or penalty charge caused by this.

In a trade executed on the basis of an Order, the Bank is entitled to take action to settle the trade and to safeguard the Bank's right of retention and to safeguard the right of pledge of the clearing corporation with respect to the Order.

The Bank is entitled to, without the Customer's instruction or consent, revoke an entry related to a trade made to the Customer's account, if the trade was subject to contractual settlement and the trade cannot be settled for reasons beyond the Bank's control.

10. The Bank's right to acquire Securities on behalf of the seller

If it is apparent that the Customer is unable to fulfil the obligation to deliver the traded Securities within the time limit determined in the clearing corporation's rules, the Bank can obtain the traded Securities in the name and on behalf of the Customer in a way it sees fit without further hearing the Customer. In addition, the Bank is entitled to make an agreement on Securities lending, on its own initiative and in the name and on behalf of the Customer, as provided by Nordea's general terms of securities lending agreement.

In the situation described above, the Bank can acquire the Securities in some other way on behalf of the Customer or on its own behalf without informing the Customer of this in advance.

The use of Securities as collateral and other measures safeguarding settlement are laid down in the rules of the clearing corporation. The Customer is liable for all costs, including fees, taxes or other expenses and for possible damage caused by the measures referred to in this clause.

11. Trade price and other payment

The Customer pays the purchase price of the Securities, added with the Bank's receivables and possible tax and other charges on the trade, on the Settlement Date of the trade.

The funds needed for a Securities purchase must be on the Customer's account before the Execution Date. The Customer is liable to the Bank for any loss caused by delay in payment. The Customer is liable to pay interest on arrears on the delayed amount in accordance with the provisions of the Finnish Interest Act valid at any given time.

The Customer authorises the Bank to debit the account stated in the Order with the purchase price of the Securities, and other charges and fees resulting from the Order, on their Settlement Dates. The Customer ensures that the account has sufficient funds at any given time for debiting the transaction and the Bank's receivables. If there are no sufficient funds on the account on the Settlement Date, the Bank is not responsible for executing the Order.

The Bank ensures that the transaction price received for Securities subject to a sell Order, less the Bank's receivables related to the Order and possible asset transfer tax payable on the trade, is paid to the Customer on the Settlement Date of the sell Order. If it is not possible to pay the transaction price in full, the Customer undertakes to accept partial payment. A precondition for the payment of the transaction price is that the Customer has fulfilled his or her obligations pertaining to the Order.

If payment is delayed because of the Bank, the Bank is liable to pay interest in arrears on the delayed amount in accordance with the provisions of the Interest Act valid at any given time. The Bank is not liable for indirect or consequential loss.

Unless otherwise agreed with the Customer, the Bank is entitled to decide where and when the foreign currency required for the execution of an Order is acquired. The Customer is liable for the costs arising from the exchange of currency and bears the risk arising from the fluctuation of exchange rates related to the Order.

The Bank is entitled to, without the Customer's instruction or consent, revoke an entry related to a trade made to the Customer's cash account if the trade was subject to contractual settlement and the trade cannot be settled for reasons beyond the Bank's control.

12. The Bank's fees, commissions and charges

For the handling of an Order, the Bank charges the fees in accordance with its tariff or fees or commissions separately agreed with the Customer, as well as the costs related to handling the Order.

If the price of an individual transaction has not been determined in the tariff or it has not been separately agreed, the Bank is entitled to charge the expenses arising from the transaction and a reasonable fee.

13. The Bank's right of retention and lien

To protect its receivables, the Bank is entitled to enter a right of lien or a restriction on the right of disposal on the Customer's book-entry account and to block the Customer's cash account.

If the Customer does not pay the Bank's receivable when the Securities were available to him or her, the Bank is entitled to, without further hearing the Customer, sell the Securities in the manner it sees fit and, if possible, in a regulated market, in multilateral trading or organised trading, or in corresponding trading in a foreign country, and to use the received price and any yield due as payment of its receivable and sales costs and any losses it has incurred.

To ensure the fulfilment of obligations related to a trade to be settled, the Bank has a right of lien on a book-entry security which, ensuing a trade, has been entered on a commission account referred to in the Finnish legislation on book-entry accounts. What has been stated about book-entry securities is also applied to a sold or purchased security that has been delivered to a foreign sub-custodian, clearing corporation or clearing party for settlement of a trade.

14. Coupons related to securities

If physical securities subject to a sell Order have share issue, dividend or interest coupons that have been detached between the date of submitting the Order and the trading date, such coupons will belong to the Customer. The Bank must notify the Customer of the availability of such coupons without delay.

If the Customer neglects to collect the coupons after being notified, the Bank is not liable for any consequent loss.

15. Rescinding a trade and leaving an Order unexecuted

The Market Rules set out the Bank's and the Customer's right to rescind an executed trade. The Customer does not have the right to rescind a trade executed on the basis of an Order in a Trading Venue. The Bank is entitled not to execute an Order if the Customer has materially failed to fulfil his or her obligations under the Order, under these terms and conditions, or under the Market Rules, or if the Bank has reason to suspect abuse of insider information or market manipulation. The Customer must compensate the damage caused to the Bank.

The Bank is entitled to refrain from measures required by an Order, or to cancel an Order, if a sell reservation made in favour of the Bank is removed or otherwise becomes ineffective, or if the Securities are no longer administered by the Bank or the Customer.

16. Complaints, notifications and duty to disclose

16.1 Customer's obligation to complain

Should the Customer consider the Bank to have breached the agreement terms and conditions, the Customer must submit a written complaint to the Bank without delay and within seven (7) calendar days from receiving information of the action related to the trade in question.

If the trade is not executed, the time limit for the Customer's complaint is regarded to begin when the validity of the Order ends. If a complaint is not made within this time, the Customer is considered to have accepted the action.

However, a Customer who is a professional client must submit a complaint about the Bank's actions immediately after having been informed of such actions. Once the Customer has been informed of a possible conflict of interest between the Customer and the Bank or between the Customer and another customer of the Bank, the Customer is considered to have approved the situation unless he or she immediately submits a complaint about it to the Bank. The Customer may request the Bank for further information on a conflict of interest.

If the Customer waives his or her right to receive the notifications referred to above in clause 8 *Notification of an executed Order*, the Customer will lose his or her right to complain.

16.2 Notifications sent by the Bank

Unless the contrary is proved, the time limit is considered to begin on the seventh (7th) calendar day after the date on which the notification was submitted for postal delivery, or on the date on which the notification was given to a messenger.

If the Customer resides permanently abroad, the notification is assumed to have reached the Customer on the fourteenth (14) calendar day after the notification was sent, unless the contrary is proved.

If the Bank makes the notification available to the Customer through Netbank, the notification is assumed to have reached the Customer on the third (3rd) calendar day, at the latest, following the date on which the notification was made available to the Customer.

The Bank is not obliged to inform the Customer of any class action lawsuits concerning a Security underlying an existing or prior Order even if the Bank became aware of such lawsuit.

16.3 Customer's obligation to report changes in his or her information and a change of contact person

The Customer is liable, without undue delay, to inform the Bank in writing or by electronic means of any changes in his or her name, address, tax status, nationalities, LEI and other customer information.

The Bank is entitled on its own initiative to update the contact information on the basis of information provided by the Finnish Population Register Centre or other official authorities.

The Customer must notify the Bank of a change of its contact person.

The Bank is not liable for losses resulting from the Customer failing to inform the Bank of changes in the information given to the Bank.

17. Recording of conversations and messages

The Bank has a statutory obligation to record conversations held or messages exchanged with the Customer that are related to the offering of investment services and that lead, or may lead, to the reception, forwarding or execution of Orders. The Bank is entitled to use recordings of phone calls and other conversations as evidence in order to resolve possible disputes concerning an order.

The Bank is obliged to surrender the recordings to the relevant authorities upon request. Copies of the recordings of conversations held or messages exchanged with the customer are available upon request by the Customer for a period of five (5) years, or upon request by a competent authority for a period of seven (7) years.

18. Use of personal and customer data

As a data controller the Bank processes personal data to deliver the products and services that are agreed between the parties and for other purposes such as to comply with laws and other regulations. For detailed information on processing of personal data, please review Nordea's privacy policy, which can be found by following this link nordea.fi/en or by contacting the Bank. The privacy policy contains information about the rights in connection with the processing of personal data such as the access to information, rectification, data portability, etc.

A customer that is a legal entity shall forward Nordea's privacy policy to the individuals whose personal data it discloses to the Bank.

The Customer's personal credit information may be used when drawing up agreements relating to investment services, or when executing the Customer's investment orders. Credit information is obtained from Suomen Asiakastieto Oy's credit information register.

In accordance with current legislation, customer data can be disclosed to, for example, a company located either in Finland or abroad that is part of the same domestic or foreign group or financial consortium as the Bank, or to another company that is legally in a position to have such data surrendered to it.

The Customer's data can also be disclosed to another service provider in order to identify the Customer, or to execute or identify a transaction, as long as the Customer uses that provider's service.

19. The Contracting Parties' responsibilities

19.1 The Bank's responsibility

The Bank is liable for any direct losses suffered by the Customer due to the Bank's errors or negligence. The maximum amount of compensation for damages is limited to the market value of the assets at the time the Bank's error or neglect was discovered or should have been discovered.

The Bank is entitled to declare a lost or destroyed security void on behalf of the Customer and without a separate Order.

The Bank is not responsible for loss caused by the insolvency, bankruptcy or system errors of Trading Venues, securities depositories, clearing corporations and sub-custodians.

19.2 The Customer's responsibility

The Customer is liable to compensate the Bank for any direct loss caused by the Customer's failure to fulfil his or her obligations under these terms and conditions or agreements between the Customer and the Bank. Such loss may include additional expenses and work arising from a breach of agreement and costs arising from changes in the prices of Securities.

The Customer understands and accepts that owning and exchange of foreign Securities may involve unforeseen political, financial, legal, taxational and other risks different from investing in Finnish Securities. These risks will be borne by the Customer.

When making investment decisions the Customer must base his or her decision on his or her own assessment of the Securities and the risks related to the investment decision. The Customer is liable for the financial outcome and taxation consequences of his or her actions and decisions. This liability is vested with the Customer regardless of whether the Bank has conducted a suitability and appropriateness assessment of the Customer or the Security or whether the Customer is considered to have received investment advice for his or her investment decision. The Customer is aware of the fact that an investment decision cannot be based merely on marketing of and marketing material on a Security but on the information on the Security as a whole.

19.3 Indirect or consequential loss

A Contracting Party is not liable for any indirect or consequential loss caused to the other party. Such loss may include unearned profits and investment losses.

20. Force majeure

A Contracting Party is not liable for damage caused by a force majeure.

Force majeure refers to an unforeseeable circumstance beyond the parties' control which prevents the Contracting Parties from fulfilling their obligation and which is in a causal relationship to the unfulfilment of the obligation. Examples of a force majeure are disruptions in the distribution of electricity, data communications or data systems, fires, natural catastrophes, earthquakes, wars, insurrection, and strikes, lockouts or other industrial action.

A party to the agreement can invoke force majeure only if the other party has been notified of the obstacle in writing or in another verifiable manner as soon as possible or if the other party has otherwise been aware of the obstacle. If the force majeure concerns the Bank, it may also publish the required notification in a national daily news-paper. Another condition for releasing a party from liability is that the affected party has attempted to restrict the damage caused to the other party to the furthest extent possible.

21. The Bank's obligation of due diligence related to suspicious business operations

The Bank is obliged to interrupt a business transaction for further enquiries or reject it if it discovers that the structure or size of the Customer's orders or the company's size or its head quarter location (a) differ from the usual, (b) do not have a manifest financial purpose, or (c) do not conform with the Customer's financial situation or business operations, or if the Bank has reason to suspect the legitimacy of the origins of the funds included in the transaction. In such a case, the Bank must notify the Money Laundering Clearing House of the matter without delay, and upon the Money Laundering Clearing House's request submit to it all information and documents that may help in investigating the suspicion.

If, however, refusing or interrupting the business transaction would be likely to hinder identification of the beneficiary of the business transaction, the Bank may execute the transaction, after which it must immediately notify the Money Laundering Clearing House. According to law, the Bank must not reveal to the party under suspicion that it is making a notification.

The Money Laundering Clearing House may order the Bank to refrain from executing the business transaction for five (5) banking days at the most, if this is necessary for preliminary investigation by the authorities.

Information may also be submitted within the limits set by the Market Rules.

22. Amendment of the terms and conditions

The Bank has the right to amend these terms and conditions.

The Bank will inform the Customer of such amendments to the terms and conditions that increase his or her obligations or reduce his or her rights in writing or, in the case of customers of the service intended for investing offered by the Bank in Netbank at any given time, as a message included in the online service, or otherwise through a permanent medium. The amendments will enter into force from the beginning of the first calendar month following thirty (30) calendar days after the notification was sent or the amendment was published in the online service or through another permanent medium.

The agreement is considered valid in the amended form unless terminated by the Customer at least five (5) banking days before the amendment enters into force.

The Bank will inform the Customer of changes in its prices and fees in its tariff.

23. Validity and termination of the terms and conditions

Unless agreed on otherwise with the Customer, these terms and conditions are valid throughout the validity of the Investment Service Agreement. If the Investment Services Agreement is terminated, the validity of these terms and conditions will expire without a separate notice.

24. Applicable law and settlement of disputes

Finnish law shall be applied in the settlement of disputes.

Any disputes arising from an Order will be settled at the District Court of Helsinki. However, a personal customer is entitled to bring suit in the district court in his or her own domicile if the Customer's domicile is in Finland.

If the Bank so wishes, and if the Customer is a consumer as defined by legislation, and if the Customer consents to it, disputes can be settled by arbitration as laid down in legislation on arbitration. In such a case the Bank bears the arbitrators' fees unless the Customer's suit or opposition of the suit has been manifestly unfounded.

These terms and conditions have been drafted in Finnish, Swedish and English. Should there be differences between the Finnish original and the translations, the Finnish original shall take precedence.

I The scope of application of the terms and conditions and the definitions used

1. Purpose and scope of the terms and conditions

These terms and conditions are applied in Nordea Bank Abp's (the 'bank'), lines of business to the execution and transmission of subscription orders concerning bonds and bond trading with non-professional clients when transactions are not made in a Trading venue.

The parties can separately agree that these terms and conditions are applied to the agreement relationship between the bank and a professional client.

If the bank has agreed with the customer separately on trading in some other manner than as referred to in this agreement, the separately agreed terms and conditions are applied to trading primarily and these terms and conditions secondarily.

2. Definitions

Professional client

A professional client means a professional client as referred to in legislation.

Securities broker

A securities broker refers to:

- 1) an investment firm,
- 2) a foreign investment firm,
- 3) a credit institution, and
- 4) a foreign credit institution and a foreign financial institution.

Customer

A party to the agreement who has accepted these terms and conditions and whom the bank has accepted as its customer.

The customer acts in his own name and on his own behalf in relation to the bank.

Customer Service

The bank's customer service available by telephone and through the Customer Mail function in Netbank.

Non-professional client

A non-professional client means a non-professional client as referred to in legislation.

Price quotation

A buy or sell offer on a bond submitted by the bank to the customer upon the customer's request.

Bond

A unit in a bond or other corresponding obligation of the debtor in physical or book-entry form, as referred to in legislation.

Secondary market

Trading in bonds after their issuance.

Trading venue

A regulated market, a multilateral trading system and an organised trading system, as referred to in the law, corresponding trading in a country other than Finland as well as a Finnish or foreign clearing corporation.

Group

The Group refers to Nordea Bank Abp and all companies owned and/or controlled directly or indirectly by Nordea Bank Abp at any given time.

LEI

An identifier that identifies distinct legal entities that engage in transactions on the financial markets. LEI is an abbreviation of Legal Entity Identifier. An LEI has 20 characters and is based on the ISO 17442 standard.

Issuer

An issuer refers to a Finnish or foreign legal entity of private or public law, including the bank, which issues or is going to issue a bond.

Market rules

Market rules refer to decisions and authoritative orders and instructions issued under the valid legislation, as well as the rules, regulations and instructions of clearing corporations, other selfregulation of the markets and the trading practice applied at any given time.

Subscription

A subscription for a bond by the investor in accordance with the bond terms and conditions when a bond is issued in the primary market.

Banking day

A banking day refers to a day when banks are generally open in Finland and securities are traded in at Finnish Trading venues.

Settlement day

The intended time for the settlement of a bond trade.

Clearing corporation

A Finnish or foreign clearing corporation, as referred to in legislation.

Authorised person

A person acting on a customer's written authorisation, authorised to make subscriptions and trades which are binding on the customer on the customer's behalf.

Netbank service

A service used by the customer with access codes.

II Bond subscription

1. Subscription order

The Customer delivers to the bank a subscription order and the instructions relating to the execution of the subscription in accordance with the terms of issue as well as with any bond-specific subscription instructions issued by the bank separately.

The Customer can submit subscription orders to the bank by visiting a branch, calling the Customer Service, using the Netbank service or in another manner separately agreed upon with the customer.

2. Processing of a subscription order

The bank processes a subscription order it has received carefully in the customer's best interest. The bank's currently valid operating principles concerning the execution of orders are not applied to the execution of subscription orders.

The bank records the subscription order in the subscription system on behalf of the customer or the customer does it in the Netbank service by him- or herself.

3. Notification of an accepted subscription

The bank provides the Customer with a subscription receipt of a subscription recorded by the bank. A subscription made by the Customer in the Netbank service can be verified in the Netbank system.

4. Delivery of bonds

The issuer is liable to ensure that the bonds the Customer has subscribed for are entered into the Customer's book-entry account or securities safe custody, or if the bond is in physical form, that the bonds can be delivered to the Customer in accordance with the terms of issue.

5. Payment of subscription price

The Customer authorises the bank to debit the subscription price of the bond to an account with the bank indicated by the customer.

6. Commissions received by the bank from issuers

The bank may receive a commission from the issuer of the bond on the subscription orders it has executed or transmitted. Further information on the commission the bank receives is available in the bond prospectus and product-specific marketing material or from the bank in another manner.

III Trading in bonds

1. Conclusion of a trade

In secondary market trading the Customer requests the bank to issue a price quotation and submits the instructions concerning the execution of the trade to the bank by visiting a branch, by calling the Customer Service or in another manner separately agreed upon with the Customer. The Customer is liable for ensuring that a price quotation request arrives to the bank.

A price quotation request submitted by the Customer must include the following, as applicable:

- 1) names of the Customer and the authorised person who asks for a price quotation,
- 2) bond type and amount, and
- 3) whether the request concerns a buy or sell quotation.

At its discretion, the bank is entitled not to issue a price quotation requested by the customer.

The Customer must respond to the price quotation given by the bank immediately, unless otherwise separately agreed. A trade binding on the bank and Customer is concluded when the Customer accepts the bank's price quotation.

The bank's currently valid operating principles concerning the execution of orders are not applied to trading in bonds on the primary and secondary markets. The Customer is aware and accepts that the bank is the counterparty to the trade and that the trade is not executed in a Trading venue.

2. Trade confirmation

The bank notifies the Customer of an executed trade by posting him or her a trade confirmation on the banking day following the trade conclusion at the latest, unless otherwise agreed upon with the Customer. The notification can be delivered electronically via Netbank if the trade has also been concluded there.

3. Settlement instructions and currency exchange

On the basis of the concluded trade, the bank takes measures to settle the trade. The Customer is liable to contribute to the settlement of the trade.

If the book-entry account and safe custody indicated by the Customer are with the bank and the bank and the customer do not agree otherwise, the bank settles the trade without any tradespecific settlement instructions from the Customer. To settle a trade in a foreign currency, the Customer authorises the bank to conclude the foreign exchange trade necessary for settling the trade. The foreign exchange trade is concluded at the exchange rate quoted on the trade date. The Customer is liable for any costs arising from the currency exchange and bears the risk arising from the fluctuation of exchange rates.

4. Delivery of bonds

The bank is liable to ensure that the bonds the Customer has purchased from the bank can be delivered to the Customer on the settlement date in accordance with the market rules or terms and conditions agreed on separately.

If the bonds the Customer has sold to the bank are not available to the bank as provided in the market rules, the Customer must compensate the bank for any loss caused by this.

5. Payment of the trade

The Customer pays the purchase price of the bonds the Customer has purchased, including the secondary market compensation and added with any asset transfer tax to be charged on the trade, on the settlement date. The payment must be at the bank's disposal by the time of payment in accordance with the market rules, or a time agreed separately. The Customer is liable for any loss caused to the bank by a delay in payment.

The Customer authorises the bank to debit to the account with the bank indicated by the Customer the purchase price of the bonds and any other charges based on the trade on the settlement date. The Customer ensures that the account has sufficient funds at any given time for debiting the transaction and the bank's receivables.

The Customer is liable to pay default interest on the delayed amount in accordance with the provisions of the Interest Act.

The bank is liable to ensure that the purchase price of the bonds the Customer has sold to the bank, including the secondary market compensation, if any, and deducted with any withholding tax or asset transfer tax charged on the trade, is paid to the Customer on the settlement date. A precondition for the payment of the trading price is that the Customer has fulfilled his or her obligations pertaining to the trade. If the payment is delayed because of a reason attributable to the bank, the bank is liable to pay default interest on the delayed amount in accordance with the provisions of the Interest Act.

6. Cancellation of a trade

If the Customer does not pay the purchase price or deliver the bonds subject to the trade in accordance with these terms and conditions, the bank is entitled to cancel the trade by notifying the customer separately of the cancellation.

A trade which is under settlement in a clearing corporation can only be cancelled in accordance with the market rules. If the cancellation is caused by a reason attributable to the customer, the Customer must compensate the damage caused to the bank by the cancellation.

IV Other terms of subscription and trading

1. Customer's duty to inform

The bank cannot accept the Customer's order before the necessary Customer's LEI has been saved in the bank's data systems. If the Customer is a legal person, it must inform the bank of its valid LEI. In the case of a private person, the bank requires that the Customer has provided the bank with the necessary information on his or her nationalities and other necessary additional information. If the Customer is represented by an Authorised person, the corresponding information on the Authorised person must also be made available. The bank may accept an Order once it has received the necessary information and it has had reasonable time to update such information to its data systems and to perform other necessary measures for verifying the correctness of the information given.

The Customer must, without undue delay, inform the bank in writing or electronically of his or her name, address and tax status, all of his or her nationalities, its LEI and other changes to its customer information.

The bank is entitled on its own initiative to update the contact information using information from the population register or another reliable official source.

The Customer must notify the bank of a change of his or her Authorised person.

The bank is not responsible for damage caused by the fact that the Customer has not informed the bank of changes in the information he or she has provided.

2. Reporting, complaints and duty to report

The Customer must check all notifications and reports, including trade confirmations, the Customer receives from the bank. The Customer must notify the bank of any errors immediately after receiving the information. Unless proved otherwise, the Customer is considered to have received a notification within seven (7) calendar days from the dispatch of a notification concerning a transaction if the Customer's reporting address is in Finland. If the Customer's address is outside Finland, the Customer is considered to have received a notification within fourteen (14) calendar days from the dispatch of the notification, unless otherwise agreed.

The bank and a customer who is not a professional client or an eligible counterparty are considered to have accepted the actions of the other party unless they notify the other party within seven (7) calendar days at the latest of becoming aware of the actions of the other party that they do not accept the actions of the party in question.

If no complaint is made within the above-mentioned time limits, both contracting parties are considered to have approved the other party's actions.

The bank has a policy for the prevention and management of conflicts of interest. A separate account has been drawn up of these principles and it is available at the bank's branches or at www.nordea.fi/mifid2

The Customer must inform the bank without undue delay of changes in the information he or she has given to the bank in writing (by post, electronically through the Netbank Service or in another manner separately agreed on with the customer). The bank is not liable for damage resulting from the Customer not notifying the bank of changes in the aforementioned information.

3. Recording of conversations and messages

The bank records and stores all discussions and messages between the bank and the Customer relating to the provision of investment services if they result, or could result, in the reception, transmission or execution of customer orders. The bank retains the right to use telephone and other recordings as evidence of orders issued, in order to resolve any potential disputes and for any other purposes the Customer has been separately informed of.

The bank is obliged to surrender these recordings to the competent authority on request. A copy of discussions held and messages exchanged between the bank and the Customer is available on request for a period of five years, or for seven years on the request of a competent authority.

4. Use of personal and customer data

As a data controller the bank processes personal data to deliver the products and services that are agreed between the parties and for other purposes such as to comply with laws and other regulations. For detailed information on processing of personal data, please review Nordea's privacy policy, which can be found by following this link nordea.fi/en or by contacting the bank. The privacy policy contains information about the rights in connection with the processing of personal data such as the access to information, rectification, data portability, etc.

A Customer that is a legal entity shall forward Nordea's privacy policy to the individuals whose personal data it discloses to the bank.

The Customer's personal credit information may be used when drawing up agreements relating to investment services, or when executing the Customer's investment orders. Credit information is obtained from Suomen Asiakastieto Oy's credit information register.

In accordance with current legislation, customer data can be disclosed to, for example, a company located either in Finland or abroad that is part of the same domestic or foreign group or financial consortium as the bank, or to another company that is legally in a position to have such data surrendered to it.

The Customer's data can also be disclosed to another service provider in order to identify the Customer, or to execute or identify a transaction, as long as the Customer uses that provider's service.

IV Liability of the parties to the agreement

1. The bank's liabilities

The bank is liable for any direct losses suffered by the Customer due to the bank's errors or negligence. The maximum amount of compensation for damages is limited to the market value of the assets at the time the bank's error or neglect was discovered or should have been discovered.

The bank is not liable for any financial loss incurred by the Customer, such as loss of income or unearned yield, exchange rate loss, disturbances in other contractual relationships, claims by a third party or other loss or damage that is difficult for the bank to foresee.

The bank is not liable for the operations of a clearing corporation or any loss they may cause to the Customer. If the Customer suffers loss because of the operations of a clearing corporation, the bank

will take reasonable action to charge compensation from the clearing corporation insofar as the rules of the clearing corporation allow it.

The bank will pay the Customer the proportion of the received compensation the Customer is entitled to without delay. The bank is not liable for loss incurred by the Customer due to insolvency, bankruptcy, liquidation, corporate restructuring or other such proceedings concerning the issuer, clearing corporation, other securities broker or sub-custodian. The bank is also not liable for actions related to the aforementioned proceedings that fall under the responsibility of the creditor.

The bank is not liable for damage caused by incorrect information received from third parties, including issuers.

2. The Customer's liability

The Customer is liable to compensate the bank for any direct damage caused by the Customer's failure to fulfil his or her obligations under these terms and conditions or agreements. Such damage may include additional expenses and work arising from a breach of agreement and costs arising from changes in the prices of bonds and exchange rates.

When making investment decisions, the Customer must always base his or her decision on his or her own assessment of the risks related to the bond and the investment decision. The Customer is liable for the financial outcome and taxation consequences of his or her actions and investment decisions. This liability is vested with the Customer regardless of whether the bank has conducted a suitability and appropriateness assessment of the Customer or the bond or whether the Customer is considered to have received investment advice for his or her investment decision. The Customer is aware that an investment decision cannot be based merely on the marketing of and marketing material on a bond but it should be based on the overall information on the bond.

3. Indirect or consequential loss

A party to the agreement is not liable for any indirect or consequential loss caused to the other party. Such loss may include unearned profits and investment losses.

4. Force majeure

A party to the agreement is not liable for damage caused by a force majeure.

Force majeure refers to an unforeseeable circumstance beyond the parties' control which prevents the parties to the agreement from fulfilling their obligation and which is in a causal relationship to the unfulfilment of the obligation. Examples of a force majeure are disruptions in the distribution of electricity, data communications or data systems, fires, natural catastrophes, earthquakes, wars, insurrection, and strikes, lockouts or other industrial action.

A party to the agreement can invoke force majeure only if the other party has been notified of the obstacle in writing or in another verifiable manner as soon as possible or if the other party has otherwise been aware of the obstacle. If the force majeure concerns the bank, it may publish the required notification in a national daily newspaper. In addition, a prerequisite for releasing a party from liability is that the party to the agreement has attempted to restrict the damage caused to the other party to the furthest extent possible.

VI Bank's special obligation of customer due diligence and suspicious business transactions

The bank complies with the currently valid legislation on preventing and clearing money laundering and terrorist financing and the orders and instructions of the authorities based on it, as well as self-regulation. Based on these regulations the bank is under obligation to obtain information on the Customer's business activities and their nature and scope in order to know the Customer and to establish the grounds for using the bank's services or products.

The Customer declares that nothing suspicious or illegal pertains to the origin of the funds which have been used for a subscription or trade or left in safe custody.

However, if the bank detects, for example, that the structure or volume of the customer's trading, or the size of his or her company or the location of its place of business, differs from usual, or that the business transactions do not have a manifest financial purpose, or they do not conform with the experience or information the bank has acquired of the Customer, the bank must, observing due diligence, investigate the customer's grounds for and purpose of using its services in accordance with the Act on Preventing and Clearing Money Laundering and Terrorist Financing and other regulations issued on money laundering, and, if necessary, the origin of the funds.

If, after having fulfilled the above-mentioned obligation of due diligence or for other reasons, the bank has reason to consider a business transaction suspicious, or suspect the legal origin of the assets related to a business transaction or their use for funding terrorism as referred to in the Penal Code, or punishable attempt thereof, it is obligated to interrupt the business transaction for further investigation or to refuse to carry it out. In such a case the bank must without delay report the case to the Money Laundering Clearing House or other authority as provided by law and give the authority upon its request all information and documents that may be important in clearing the suspicion.

If it is not possible to refuse executing the business transaction or if its refusal or interruption would be likely to hinder finding out the beneficiary owner of the business transaction, the bank may execute the transaction, after which it must immediately report the matter to the Money Laundering Clearing House or other authority as provided by law. According to law, the bank must not disclose to the party under suspicion that it will submit a report.

The Money Laundering Clearing House or other authority as provided by law may order the bank to refrain from executing a business transaction for five (5) banking days at the most, if it is necessary in order to prevent or clear money laundering or terrorist financing.

The Customer is also aware that if the bank has reason to suspect misuse of insider information in breach of the law or market manipulation, the bank must without delay report the matter to the Financial Supervisory Authority or other authority as provided by law and the bank may not disclose to the customer that it will submit such a report. In such a case, the bank is liable for the Customer's financial loss only if the bank has not observed such due diligence as can reasonably be required from it considering the circumstances.

VII Other terms and conditions

1. Applicable law and conflicts

These terms and conditions are governed by Finnish law and, where applicable, the currently valid market rules. Should these terms and conditions differ from applicable imperative legislation or market rules, the law and the market rules will primarily be applied.

Should these terms and conditions differ from the terms of issue of a bond to be issued, the terms of issue are primarily applied.

These terms and conditions are available in Finnish, Swedish and English. Should the language versions be in conflict with each other, the Finnish terms and conditions take precedence.

2. Settlement of disputes

Any disputes arising from trading are settled in the Helsinki District Court. However, a customer who is considered a consumer is entitled to bring suit in the district court in his or her own domicile if the customer's domicile is in Finland.

If the bank so wishes, disputes can be settled by arbitration proceedings in accordance with the Arbitration Act. However, if the Customer is a consumer as referred to in the Consumer Protection Act, it is required that the Customer gives his or her consent to start the arbitration proceedings. In such an event the bank is liable for the arbitrators' fees unless the legal action taken by the Customer or the customer's objection to the suit is clearly unfounded.