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TERMS AND CONDITIONS OF CLIENT’S FINANCIAL INSTRUMENTS PORTFOLIO INDIVIDUAL MANAGEMENT AGREEMENT

Approved by the Board of JSC “Rietumu Asset Management” IMC, Minutes No. 16, 29.12.2020

Conditions of Client’s Financial Instruments Portfolio Individual Management Agreement (hereinafter – the Terms and Conditions) regulate the order of provision of individual financial instruments portfolio management services and constitute an integral part of Client’s Financial Instruments Portfolio Individual Management Agreement. Unless another regulatory order of their legal relations is stipulated by other contracts and/or agreements concluded by the Manager and the Client, the provisions of these contracts and/or agreements prevail over the Terms and Conditions.

BASIC DEFINITIONS

All terms not defined by the Terms and Conditions have the meaning given them by the corresponding rules of law of the Republic of Latvia. Except where the Terms and Conditions stipulate otherwise, the terms in the Section “Basic Definitions” defined in singular have the same meaning in plural, and the terms defined in plural have the same meaning in singular.

Accounts – the Cash Account and Financial Instruments Account.

Agreement – the Client’s Financial Instrument Portfolio Individual Management Agreement which is entered into by the Manager and the Client, and in accordance to which the Manager manages the Assets.

Assets – cash funds and/or Financial Instruments owned by the Client pursuant to title deed passed by the Client to the Manager for the Management and accepted by the Manager for the Management subject to the Terms and Conditions, as well as Proceeds of the Assets assigned for the Management.

Bank – the joint stock company “Rietumu Banka” registered in the Register of Enterprises of the Republic of Latvia on May 14, 1992, registered in the Commercial Register of the Republic of Latvia on November 11, 2004 under the unified registration No. 40003074497, the legal address: 7, Vesetas Street, Riga, LV-1013, the Republic of Latvia. The licence for credit institution activity was re-registered on April 22, 2008 by the Financial and Capital Market Commission. The number of the Licences Register is 06.01.04.018/245.

Cash Account – a special investment account opened by the Bank for the custody and accounting of the Client’s cash funds, which are under the Management.

Client – a private individual or a corporate entity, or a legal arrangement, or an association of such individuals/entities/arrangements to whom the Manager provides the Management services under the Agreement.

Client Identification – verification of facts and requisites in the Client’s Order, enabling verification that the Client’s Order has been submitted by the Client or the Client’s Representative.

Client’s Order – the Client’s instructions duly completed and submitted to the Manager in accordance with the Terms and Conditions which serve as a basis for submission of the Order for Transactions with Financial Instruments and/or cash funds of the Client to the Bank, as well as any other Client’s instruction in accordance with the Terms and Conditions.

Client’s Representative – a person entitled to manage the Assets and/or submit Client’s Orders, as well as receive information addressed to the Client, and represent the Client in its legal relations with the Manager in other ways within its authorisation.

Counterparty – a third party through whose mediation and/or support the Manager conducts the activities within the Management.

Electronic Signature Agreement – an agreement in the wording approved by the Bank about the provision of electronic signature services by the Bank to the Client, the integral part whereof form the Terms and

Conditions of Electronic Signature Agreement.

Financial Instruments – financial instruments in the interpretation of the “Law on Financial Instruments Market” (*Finanšu instrumentu tirgus likums*) of the Republic of Latvia, including, but not limited to: transferable securities (stocks, bonds), money market instruments, investment fund certificates or alternative investment fund certificates; and options, futures contracts, forward transactions, swap transactions, contracts for difference and other instruments.

Financial Instruments Account – an account opened by the Bank for the custody and accounting of the Client’s Financial Instruments which are under the Management.

Identification and Authorisation Tools:

- DigiPass OTP (One Time Password) – an OTP generation device;
- DigiPass – an OTP and Test Key generation device;
- Mobile DigiPass – a software installed on a mobile device to generate the OTP and Test Key;
- TCT – an individual Test Code Table;
- DC (Digital Certificate) – a digital certificate used to authorise the Orders in the Internet Bank.

Individual Portfolio – a portfolio of Assets compiled by the Manager within the Management.

Internet Bank – a remote control system of the Bank enabling the Client to submit the Client’s Orders via the internet in accordance with the Terms and Conditions of JSC “Rietumu Banka” and Client Agreement.

Investment Declaration – a document which forms an integral part of the Terms and Conditions and in accordance to which the Manager conducts the Management.

JSC “Rietumu Banka” and Client Agreement – an agreement in the wording approved by the Bank about the provision of financial services to the Client, the integral part whereof form the Terms and Conditions of JSC “Rietumu Banka” and Client Agreement.

Management – the Orders for Transactions with Financial Instruments and any other actions in respect of the Assets as well as abstention from those, carried out by the Manager in line with the provisions of the Terms and Conditions, in the interests of the Client, at the Client’s risk and expense.

Management Term – a time period indicated in the Investment Declaration during which the Manager conducts the Management. The Minimal Management Term is 12 (Twelve) months.

Manager – a joint stock company “Rietumu Asset Management” Investment Management Company, registered in the Commercial Register of the Republic of Latvia on January 29, 2014, with the unified registration number 40103753360, legal address: Vesetas 7, Riga, LV-1013, the Republic of Latvia. Licence for providing investment management services has been reregistered on 17 April 2014 by the Financial and Capital Market Commission. Licences Register No. 06.03.06.512/356.

Manager’s Losses – any expenses, losses, liabilities to the third parties, fines, penalties and duties, unenforceable obligations of third parties, as well as the loss of profits and damage to the Manager's reputation.

Order for Transactions with Financial Instruments – transactions and other actions with the Financial Instruments which are carried out by the Manager on behalf of the Client in accordance with the Terms and Conditions.

OTP – a one-time password acquired via DigiPass OTP, DigiPass or a Mobile DigiPass.

Party/Parties – the Client and the Manager referred to in the Terms and Conditions either separately or collectively.

Power of Attorney – a power of attorney for disposal of Assets and Accounts in the Bank on behalf of the Client in accordance with the sample approved by the Manager.

Proceeds – profit, including dividends, interests and any other increments in the Assets received from the Management.

Rietumu ID – an identification number (identifier) of the Client/Client’s Representative assigned by the Bank.

Terms and Conditions of JSC “Rietumu Banka” and Client Agreement – the Bank’s terms and conditions in accordance to which the Accounts are opened and maintained, and transactions with the Financial Instruments owned by the Client are conducted.

Test Key – a digital code calculated using a TCT, a DigiPass or a Mobile DigiPass in compliance with an algorithm set by the Bank.

Working Day – an official business day of the Manager in Riga, the Republic of Latvia.

1. GENERAL PROVISIONS

1.1. The Client transfers the Assets, to which he/she holds the title and ownership rights, to the Manager, and the Manager accepts the Assets and undertakes the Management of the Assets in the Client’s interests at the Client’s expense according to provisions of the Terms and Conditions. The Client agrees to pay the Manager the remuneration for the Management in the amount and manner stipulated by the Terms and Conditions. The Client accepts and confirms as binding all the Manager’s actions carried out under the Terms and Conditions.

1.2. In order to transfer the Assets for the Management, the Client is obliged to:

1.2.1. sign the Agreement, *Power of Attorney*, Investment Declaration and other documents specified by the Manager in the presence of an authorized representative of the Manager or the Bank;

1.2.2. submit to the Manager an up-to-date and correctly filled in *Client Application Form for Operations on Financial Instruments Market*;

1.2.3. sign the JSC “Rietumu Banka” and Client Agreement and other documents at the request of the Bank required for opening and maintaining of the Accounts;

1.2.4. ensure availability of the Assets on the Accounts.

1.3. The Client undertakes not to revoke and timely renew the *Power of Attorney* issued to the Manager. The Client is obliged to timely submit to the Manager a renewed *Power of Attorney* not later than 1 (One) month before the valid *Power of Attorney* has expired.

1.4. The Client undertakes not to implement independent transactions with the Assets during the Management Term, including, not to give orders to the Bank regarding Financial Instruments and/or cash funds on the Accounts opened for the Management, without previously agreeing his/her actions with the Manager.

2. STATUS AND PROCEDURES OF ASSETS

2.1. By transferring the Assets to the Manager for the Management the Client confirms and warrants that:

2.1.1. the Client possesses the legal capacity for transferring the Assets for the Management;

2.1.2. the Client possesses all rights, permissions, licences and authorizations for transferring the Assets for the Management;

2.1.3. the Client is the sole owner of the Assets;

2.1.4. the Assets are free of any encumbrances, including are not pledged, are not the objects of guarantees and there are no guarantees regarding the Assets, the Assets are not banned and/or arrested, and the Client has no restrictions or limitations for disposition of the Assets;

2.1.5. the Client is aware of and accepts the conditions of Terms and Conditions of JSC “Rietumu Banka” and Client Agreement, including the procedure for issuing the Client's Orders through the Internet Bank;

2.1.6. the Client is informed about the fact that the Manager does not provide the Client with investment recommendations or any general recommendations; therefore, no information provided by the Manager can be considered as an investment recommendation or any other general recommendation;

2.1.7. third parties have no claims against the Manager in respect of the acceptance of the Assets for the Management.

2.2. Transfer of the Assets for the Management does not implicate transfer of ownership rights or title to the Assets. The Assets form a separate aggregate of tangible valuables segregated both from other assets transferred to the Manager for the Management by third parties and from the Manager’s own assets.

2.3. Proceeds are incorporated into composition of the Assets unless the Parties agree otherwise by a separate agreement in writing. The Client’s rights of disposal of the Proceeds are restricted to an obligation of the Client to pay the Manager the remuneration for the Management in the amount and manner stipulated by the Terms and Conditions.

3. PROCEDURES OF ASSET MANAGEMENT

3.1. The Client places the Assets transferred for the Management on the Accounts. The Assets may consist of cash funds and/or the Financial Instruments. The value of the Financial Instruments is determined as the market value at the moment of transferring the Financial Instruments for the Management.

3.2. The submission of the Investment Declaration to the Manager forms the grounds for the Management transactions. The Investment Declaration contains the following information:

3.2.1. value and composition of the transferred Assets;

3.2.2. structure of the Financial Instruments portfolio, within the framework of which the Manager has to implement the Management;

3.2.3. the Management Term.

3.3. After submission of the Investment Declaration, the Client is entitled to transfer additional cash funds and/or the Financial Instruments for the Management by transferring cash funds and/or the Financial Instruments to the Accounts. In the details of the transfer the Client must indicate that the cash funds and/or the Financial Instruments are being transferred for the Management, the date and the number of the Agreement. The Client must also inform the Manager about such transfer in advance. Such transfer is considered as the Client's Order to immediately supplement the composition of the Assets with the transferred cash funds and/or Financial Instruments and their Management. If the Client has failed to timely inform the Manager about such transfer, the Manager is entitled to refuse to accept the transferred cash funds and/or the Financial Instruments for the Management.

3.4. While performing the Management, the Manager, without additional consent from the Client at the Client's risk and expense, determines actions with respect to the Assets which are deemed as the most appropriate taking into account the Client's interests. The Manager's actions shall not conflict with the Investment Declaration provided by the Client.

3.5. While performing the Management, the Manager has the right to implement the following financial transactions:

3.5.1. place cash funds on deposits;

3.5.2. hold the Financial Instruments with the Counterparties;

3.5.3. pledge the Financial Instruments in order to obtain margin loan/financing in accordance with the Terms and Conditions of JSC "Rietumu Banka" and Client Agreement;

3.5.4. purchase/sale of the Financial Instruments, including the shares of investment funds, which are under the management of the Manager according to the prospectus and/or other documents of the fund. By signing the Agreement, the Client confirms to the Manager his/her consent to the purchase of shares of such investment funds and their inclusion into the composition of the Assets;

3.5.5. perform other transactions with the Assets which are not prohibited by the rules of law of the Republic of Latvia and the Investment Declaration and which the Manager considers necessary for the effective Management taking into account limitations set out in Clause 3.13 of the Terms and Conditions.

3.6. The Management also includes exercising the rights on the Financial Instruments included in the composition of Assets, if any, including, but not limited to, the participation in corporate actions, make decisions regarding the corporate actions and other decisions, which may affect the price of the Financial Instrument included in the composition of the Assets. By signing the Agreement, the Client authorises the Manager to carry out the activities specified in this Clause of the Terms and Conditions.

3.7. Any Manager's liabilities with regard to the Assets, including, but not limited to, liabilities related to payment of taxes, duties and other compulsory payments to the budget of a corresponding level and off-budget funds, incurred in the process of the Management in countries where the Assets are placed or in the country of the Manager's incorporation are deemed as necessary expenses subject to reimbursement as set out in Section 4 of the Terms and Conditions.

3.8. The Client bears tax liability, if the Proceeds or transactions with the Assets are taxable under the law of the Client's country of residence or the country, where the Assets have been transferred. The Client acknowledges and confirms that the Manager does not bear the aforesaid tax liability towards third parties. The Client undertakes to cover, using his Assets, all expenses and losses resulting from outstanding payment or failure to pay the aforementioned taxes.

- 3.9. The Manager implements transactions with the Assets on behalf of the Client, taking into account that he is acting as the Manager.
- 3.10. If the Manager cannot carry out further Management for any reason, acting in the Client's interests, the Manager is entitled to, having given prior notice to the Client thereof, appoint a third party to perform on behalf and in the name of the Manager actions required for the Management, on terms which are not worse than those stipulated by the Terms and Conditions.
- 3.11. The signing of the Agreement means that the Client by entrusting the Manager to perform the Management confirms that all the Manager's actions taken within and on the basis of the Terms and Conditions meet the Client's intentions and actions which the Client himself/herself would undertake for his/her own best benefit.
- 3.12. The Manager does not warrant the Client the return of the Assets, completely or partially, in case of adverse change in the market conditions and price fluctuations of the Financial Instruments comprising the Assets under the Management. The Manager's sole responsibility within the Management is to transfer the actual Proceeds received in the process of the Management to the Client's Cash Account.
- 3.13. The Manager is not entitled to use the Assets for:
- 3.13.1. discharging the Manager's own obligations;
 - 3.13.2. discharging third parties' obligations;
 - 3.13.3. acting as a guarantor and guarantee of discharging third parties' or Manager's own obligations at the expense of the Assets, except the cases when the obligations specified herein refer to the Management;
 - 3.13.4. taking actions that are directly contrary to the Investment Declaration.
- 3.14. The Client has the right to prematurely terminate the Management relations by submitting an *Order on Assets Withdrawal* to the Manager not later than 5 (Five) Working Days prior to the intended date of termination of the Management. In this case, the Manager disposes of the Assets at the current market price and transfers the cash funds received from the disposal to the Cash Account or the Client's current account with the Bank. The Client undertakes to pay the management fee for the Management and commission charges for early withdrawal of the Assets from the Management in line with the Investment Declaration.
- 3.15. The Client is obliged to submit to the Manager an *Order on Assets Withdrawal* not later than 5 (Five) Working Days prior to the end of the Management Term:
- 3.15.1. if the *Order on Assets Withdrawal* was submitted, the Manager disposes of the Assets at the current market price and transfers the cash funds received from the disposal to the Cash Account or the Client's current account with the Bank;
 - 3.15.2. if the Client fails to submit the *Order on Assets Withdrawal* in due time, the Management Term is renewed each time for the same term as it has been mentioned initially in the Investment Declaration. Additionally, the Client rather than the Manager is responsible for keeping track of the Management Term deadline.
- 3.16. If the Client completely withdraws the Assets from the Management in accordance with Clauses 3.14–3.15 hereof, the Agreement will be considered as terminated, but the *Power of Attorney* issued to the Manager as revoked from the moment when the Manager transfers cash funds received from the disposal of the Client's Assets to the Cash Account or the Client's current account with the Bank.
- 3.17. By separate agreement with the Manager, the Client is entitled to submit to the Manager an order in free form to terminate the Management without disposal of the Assets. Such order may be submitted together with the *Order on Assets Withdrawal* in the term specified in Clauses 3.14–3.15 hereof. In such case the Client takes over the Assets as they are at the time of termination of the Management, deducting the commissions and other payments stipulated in the Terms and Conditions for the benefit of the Manager. The Manager is entitled at its own discretion to refuse to terminate the Management without disposal of the Assets. According to this Clause of the Terms and Conditions the Agreement is considered to be terminated, but the *Power of Attorney* issued to the Manager as revoked as from the moment the Manager has approved the termination of the Management.
- 3.18. The Client is entitled to receive information about the composition of the Assets and balance of the Accounts from the Manager.

3.19. The Manager is entitled to request information from the Client and set the deadline and form of submission, as well as requirements for processing, approving thereof. The Manager determines the degree of sufficiency of the submitted and requested information in accordance with the requirements of the laws and regulations of the Republic of Latvia, the European Union and/or the Terms and Conditions. Especially the Manager is entitled to request that the Client's documents are notarised, certified with apostille and legalised.

3.20. The Client undertakes to provide reliable true information to the Manager concerning his/her legal status, details and corporate details, composition and status of the Assets, financial condition, knowledge and experience, investment goals and restrictions, and any other information, proofs and legal documents requested by the Manager, as well as immediately notify the Manager in writing in case of any changes in the previously submitted information.

3.21. In case of expiry of the validity term of the *Power of Attorney* or if revoked by the Client, the Manager terminates the Management activities. In such situation the Manager is entitled to terminate the Agreement in accordance with the procedure stipulated in Clause 13.5 of the Terms and Conditions.

3.22. The Client undertakes to ensure sufficient amount of the Financial Instruments and cash funds on Accounts to cover the remuneration for the Management as well as any other expenses and duties pertaining to the Management.

3.23. The Bank categorises the Client for operations on financial markets in accordance with the Terms and Conditions of JSC "Rietumu Banka" and Client Agreement. The Manager carries out the assessment of the Management services to the Client's interests. The Manager assesses the experience and knowledge of the Client's Representatives identified and registered by the Manager in investment area. If there are several Client's Representatives, the Manager, when assessing the conformity of the product and/or service to the Client, takes into account the experience and knowledge in the investment area of the Client's Representative having the lowest level of knowledge and experience. The result of the assessment affects the procedure of the Management and compilation of the Individual Portfolio.

4. THE REMUNERATION FOR THE MANAGEMENT AND PROCEDURES FOR REIMBURSEMENT OF EXPENSES

4.1. The Client pays the Manager the remuneration for the Management. Amount and arrangements for payment of the remuneration for the Management is defined for each Client individually and specified in the Investment Declaration. The Manager may unilaterally change the remuneration for the Management specified in the Investment Declaration by notifying the Client 10 (Ten) calendar days prior to the changes take effect. The Manager is also entitled to the reimbursement for administrative expenses incurred during the Management (registration duties, Financial Instruments re-registration, conversion fees etc.) and/or the Manager's Losses.

4.2. The remuneration for the Management and/or reimbursement for expenses and/or the Manager's Losses is paid upon the Manager's instruction to the Bank to charge relevant sums from the Accounts for the benefit of the Manager.

4.3. If on due date when the remuneration for the Management is to be paid and/or the expenses and/or the Manager's Losses are to be reimbursed, the Client has no cash funds in the necessary amount, the Manager at its sole discretion is entitled to:

4.3.1. submit an order to the Bank to sell some of the Client's Financial Instruments under the Management and apply proceeds for settlement of the Client's liabilities;

4.3.2. submit an order to the Bank to withhold cash funds in the amount due to the Manager as the remuneration for the Management and/or reimbursement for administrative expenses set out in Clause 4.1 of the Terms and Conditions for all or any periods as soon as cash funds become available on the Cash Account. Furthermore, cash funds due to the Manager shall be written off for any previous period.

4.4. In case of termination of the Management, the calculation of the remuneration for the Management and expenses incurred is made as of the date of such termination.

4.5. The Manager's authorisation specified in Clauses 4.2–4.3 of the Terms and Conditions to submit Orders to the Bank continue to be in force on the basis of the Terms and Conditions irrespective of the revocation or expiry of the *Power of Attorney* issued by the Client to the Manager.

5. CLIENT'S REPRESENTATIVES

5.1. The Client submits to the Manager information about the Client's Representatives authorised to submit the Client's Orders to the Manager. For registration of the Client's Representatives the Client uses the standard form approved by the Manager.

5.2. The Client is bound by any of the Client's Orders submitted by the Client's Representatives. The Manager is not liable for any loss or damage incurred by the Client due to the actions of the Client's Representatives. The Client is fully liable to the Manager for the actions of the Client's Representatives.

5.3. As a sample of handwritten signature of the Client's Representative the Manager uses the signature image on the Client Representative's identity document the copy of which is at the Manager's disposal. If the Manager holds copies of several identity documents of the Client's Representative bearing a signature image, the Manager is entitled to use any of them at its own discretion.

5.4. As an exception to Clause 5.3 of the Terms and Conditions, if in respect of the Client's Representative either the *Signature Sample Card of Client's Representative* (Private individual) or *Signature and Seal Sample Card* (corporate entity) submitted earlier are valid, the Manager is entitled to be guided by the signature sample of the Client's Representative which was specified in these documents.

5.5. The authorisation of the Client's Representatives has legal power until the Manager is duly informed about the cancellation of the authorisation of the Client's Representatives in writing. The Client is obliged to make sure that the Manager has received a notice on the cancellation of the authorisation of the Client's Representatives. The Manager is entitled, but is not obliged, to check the validity of the authorisation of the Client's Representatives in public registers, official journals or other information sources.

5.6. If the Client authorises a new Client's Representative, the Client must duly process a new *Client Representative's Registration Card* and notify the Manager on whether the previously authorised Client Representative is still authorised to represent the Client or this Client's Representative is no more entitled to act on behalf of the Client. The Manager is not liable for losses the Client may incur not complying with the provisions of this Clause.

5.7. When the composition and/or the extent of powers of the Client's Representatives change, the Manager is entitled to contact the Client and request additional information and documents from the Client. Until the receipt of the requested information and documents, the Manager is entitled not to execute Orders of the Client's Representatives. If contradictory or suspicious information or documents are received, the Manager is entitled, for the purposes of protection of its interests and prevention of the Manager's Losses, in addition to its other rights stipulated in the Terms and Conditions not to accept the Client's Orders until the final clarification of the circumstances. The Manager is not liable for consequences of the above-mentioned suspension of transactions and access restrictions.

5.8. The Client undertakes to inform the Manager about all changes in the status and/or authorisation of the Client's Representatives in writing not later than on the following Working Day after such changes take place. The Client is liable for the losses the Parties may incur as a result of the non-compliance with the conditions of this Clause of the Terms and Conditions.

5.9. The Client shall be liable for any losses incurred due to the civil incapacity of the Client and/or the Client's Representative, unless the Manager was notified in writing in advance of the above fact.

5.10. The Manager is not responsible for possible forgery of documents or insufficient, incorrect or incomplete presentation and/or translation thereof.

6. ORDERS AND IDENTIFICATION PROCEDURES

6.1. The Client is entitled to submit the Orders to the Manager personally or via the Client's Representative. The Client's Orders may be submitted in person, by post (in a written form) or via the Internet Bank.

6.2. The following documents are accepted by the Manager only in writing:

6.2.1. Agreement;

6.2.2. Investment Declaration, which is first drawn up, when signing the Agreement;

- 6.2.3. *Power of Attorney* (for disposal of Assets and Accounts in the Bank on behalf of the Client);
- 6.2.4. *Procedure for Out-of-Court Settlement of Complaints (Disputes)*;
- 6.2.5. *Client Representative's Registration Card*.

6.3. The Client is obliged to submit precise, consistent Client's Orders with clearly stated transaction subject. Any amendments, confirmations and repetitions should be pointed out as such by the Client.

6.4. The Client's Orders should be properly drawn and contain all the required verification and authentication details, adopted by the Manager and the Bank in accordance with the Terms and Conditions of JSC "Rietumu Banka" and Client Agreement. The Bank at the request of the Manager carries out the Client Identification in accordance with the requirements of the laws and regulations of the Republic of Latvia, European Union and the Terms and Conditions of JSC "Rietumu Banka" and Client Agreement.

6.5. The Client's Orders and other documents specified in Clause 6.1 of the Terms and Conditions and sent via the Internet Bank, apart from the required verification and authentication details, should be provided with Rietumu ID and Test Key, or DC. The Client's Orders via the Internet Bank may be submitted using the Rietumu ID and Identification and Authorisation Tools issued by the Bank on the basis of the Electronic Signature Agreement, as well as in accordance with the Terms and Conditions of JSC "Rietumu Banka" and Client Agreement.

6.6. The Client submits the Client's Orders during the Manager's working hours clearly defining the type of the Client's Order, the composition of the Assets affected by such Client's Order, execution time and other required conditions. If the Client's Order has not been delivered during the Manager's working hours, the Manager shall implement such Client's Order on the next Working Day. By signing the Agreement, the Client confirms that he has fully acquainted himself with the procedures of the delivering and implementing Client's Order adopted by the Manager and the Bank.

6.7. While implementing the Client's Orders, the Manager is not liable for any delays, errors, misunderstandings, or other difficulties resulting from unclear, partial, or inaccurate instructions of the Client, as well as due to any kind of distortions in transmission of the Client's Orders via the e-mail or for any other reasons beyond the Manager's control. The Manager is further relieved from liability for any mistakes and/or omissions in the details of the Client's Orders made by the Client.

6.8. The Manager is not liable for any loss or damage that may be incurred by the Client due to abuse, forgery, or fraudulent activities by third parties, if the Manager has observed the required Client Identification procedures in line with the Terms and Conditions.

6.9. The Client is liable for any damage resulting from defect in his/her or Client's Representative's signature identification or undiscovered forgery. In any case, the Manager is not liable towards the Client for any accidental damage.

6.10. The Manager informs the Client of the changes in the procedure of submission of the Client's Orders or Client Identification in due time.

6.11. The Manager is entitled not to accept for execution the Client's Orders:

- 6.11.1. in case they are not timely submitted or are incorrectly executed, or there are doubts about their authenticity, as well as in case of insufficient funds and/or Financial Instruments in the Accounts necessary for execution of such Client's Order and/or payment of management fee provided in the Terms and Conditions;
- 6.11.2. if they contradict the laws and regulations of the Republic of Latvia and/or the countries where the Assets are located, the provisions of the Terms and Conditions or are technically impossible;
- 6.11.3. without explaining the reasons, as well as without providing the Client with any information in the cases provided for in the laws and regulations of the Republic of Latvia.

6.12. Prior to executing the Client's Order submitted via e-mail or Internet Bank, the Manager is entitled to request a confirmation from the Client via any other means of communication at the Client's expense.

6.13. The Manager is entitled not to execute the Client's Order if the Manager has any doubts with respect to the authenticity and genuineness of the Client's Order. The Manager is not liable for damages which may occur as a result of such non-execution.

6.14. The Client may cancel the Client's Order prior to its implementation by the Manager.

- 6.15. Financial accounting entries implemented mistakenly by the Manager may be cancelled by ordinary reversal (return to the initial status).
- 6.16. The Assets will not be transferred to the Accounts if the transfer instruction lacks the Accounts' numbers, names, or other payment details required for transfer execution, or if any of these are incorrectly given.
- 6.17. Account statements and other information, including information about changes in operating procedures and the remuneration for the Management, provided by the Manager under the Terms and Conditions, will be delivered using the open channels and means of communication.
- 6.18. The Client approves that he/she has access to the Internet and agrees to that the Manager is entitled to submit to the Client information which is not confidential and/or is not addressed personally to the Client, by posting it on the website www.rietumu.com/en/ram
- 6.19. If the information is not of individual and/or confidential character, it is placed on the website www.rietumu.com/en/ram or in the official gazette of the Republic of Latvia "Latvijas Vēstnesis".
- 6.20. The date of receipt of information from the Manager by the Client, depending on the used means of communication, is considered to be:
- 6.20.1. the date of sending such information by Internet Bank or electronic mail or a phone message;
- 6.20.2. 14 (Fourteenth) day, including the date of sending of the correspondence by post as certified in the mail receipt;
- 6.20.3. the date when the information is posted on the Manager's webpage www.rietumu.com/en/ram;
- 6.20.4. the date of publication in the official gazette of the Republic of Latvia "Latvijas Vēstnesis".
- 6.21. The Client is obliged to regularly check the information on the Manager's website www.rietumu.com/en/ram and in the Internet Bank, including to follow the amendments to the Terms and Conditions and/or the Agreement.

7. CONFIDENTIALITY

- 7.1. The Manager complies with the confidentiality requirements in accordance with the laws and regulations of the Republic of Latvia and/or the European Union. The Manager discloses information related to the Client's activities only directly to the Client and/or the Client's Representatives via the Client's contact information specified in the Agreement and/or in the corresponding Client's Orders and/or other documents. Such information may only be disclosed to third parties with the Client's consent or without the Client's consent in cases explicitly provided for and/or permitted by the rules of law of the Republic of Latvia and/or the European Union, regulations and other regulatory documents of depositaries and/or stock exchanges, the Counterparties or the country of issue of the Financial Instruments, and/or is related to the Management.
- 7.2. The Manager discloses information about the Assets, the Client, the Client's Representatives, the Client's Beneficial Owners upon official request of authorised public authorities or request of the Counterparties. Furthermore, the Manager is entitled to exchange any information with the Bank without limitations.
- 7.3. The Manager processes the information submitted by the Client and personal details of the Client, the Client's Beneficial Owner(-s), the Client's Representatives and other private individuals related to the Client in accordance with the laws and regulations of the Republic of Latvia and/or the European Union. The Manager is entitled to, including, but not limited to, use and pass the information specified in this Clause to the companies which are related to the Manager within the framework of the Client's cooperation with these companies.
- 7.4. When transferring to the Manager any personal data of or any information about private individuals the Client approves the following:
- 7.4.1. the Client is entitled to transfer to the Manager all personal data to be transferred by the Client and complies with the requirements of the laws and regulations on the protection of personal data applicable to the Client;
- 7.4.2. the Client has duly notified and obtained all necessary consents of private individuals, including Clients' underlying clients and partners, for the transferring of their personal data to the Manager and further processing of these personal data by the Manager for the purposes related to the servicing of the Client on the grounds of the Terms and Conditions, the fulfilment by the Manager of its lawful obligations and the legitimate interests of the Manager in respect of rendering services to the Client. Such further processing of personal data includes,

but is not limited to, the transferring of information regarding private individuals outside the European Union to the countries which do not provide a level of personal data protection equivalent to the Republic of Latvia which may complicate or make impossible the exercising of the right of private individual related to the processing of personal data;

7.4.3. the Client undertakes upon request of the Manager to promptly provide documentary evidence of the collected consents or other legal grounds for the transferring of personal data to the Manager and further processing thereof by the Manager in accordance with the Clause 7.4.2 hereof;

7.4.4. the Client and all Client's Representatives have read and agree with the current wording of *JSC "Rietumu Assets Management" IMC Client Personal Data Processing Notice*, which is published on the website of the Manager www.rietumu.com/en/ram. The Client has notified all private individuals whose personal data he/she has transferred to the Manager about *JSC "Rietumu Assets Management" IMC Client's Personal Data Processing Notice* and guarantees that they agree with this document. The Manager is entitled unilaterally without notice to change the wording of this document;

7.4.5. the Client is liable to the Manager for any violation of Clauses 7.4.1–7.4.4 hereof, and for any related consequences, including, but not limited to, claims of private individuals and/or the supervisory institutions to the Manager. The Client will provide full assistance to the Manager in order to confirm the legitimacy of processing of personal data, which were transferred by the Client to the Manager. The Client will protect the Manager from any claims of private individuals related to the Client regarding the processing of personal data, and guarantees full compensation of the Manager's Losses arising from claims of this kind.

7.5. The Manager is not liable for any actions of third parties, including, but not limited to, further disclosure, use, storage or transferring of information, to whom during the provision of services to the Client within the Terms and Conditions or within the fulfilment by the Manager of its lawful obligations and the Manager's legitimate interests the Manager has disclosed personal data of the Client and/or other private individuals related to the Client.

7.6. The Client confirms that when any information related to the Client is being transmitted to third parties, including the Counterparties, the Client's Representatives and/or the Client itself, the Manager is entitled to use communication channels, including, but not limited to, post, e-mail, telephone and fax. The Manager is not liable for damages resulting from the possible unauthorized access and/or illegal use of this information by third parties contrary to the interests of the Client.

7.7. The Manager is entitled to make an audio recording of the Client's phone calls in order to improve the quality of service or to record the Client's messages.

8. LIABILITY OF PARTIES

8.1. The Manager covers losses incurred by the Client as a result of wilful misconduct by the Manager.

8.2. The Manager is liable only for direct losses the Manager has inflicted on the Client; the Manager does not cover indirect losses, including unearned profit.

8.3. The Manager is not responsible for the Client's losses related to the price changes in the financial and stock markets, unfulfilled obligations and/or insolvency of third parties, refusal of the issuers of the Financial Instruments to fulfil the obligations.

8.4. The Manager is not liable for third parties' and/or Counterparties' actions or failures to act and for any consequences related to their financial standing and quality of their services.

8.5. The Manager is not liable for the Client's obligations to third parties.

8.6. The Client is solely liable for the registration/declaration of the Client's accounts according to the laws and regulations of the country of the Client's residency.

8.7. The Client undertakes to reimburse the Manager's Losses, if such incurred.

8.8. If any of the following events has occurred:

8.8.1. the Client has failed to fulfil his/her obligations under any of transactions concluded with the Manager and/or breached any provision of the Agreement, the Terms and Conditions or any other contract or agreement concluded between the Manager and the Client;

- 8.8.2. the process of insolvency, reorganization, liquidation or other procedure which leads to transfer, suspension or termination of the Client's obligations or alienation of a significant part of the Client's assets is initiated in respect of the Client or by the Client, or the Client has decided to initiate such a process or procedure;
- 8.8.3. the Client has lost any licence or permission for conducting business or significant restrictions on conducting of commercial or professional activities have been imposed on the Client by competent public authorities;
- 8.8.4. disability, death of the Client or liquidation of the Client (corporate entity) occurs or is declared;
- 8.8.5. the Client is not able to fulfil any of his/her obligations and/or becomes insolvent within the meaning of laws and regulations applicable to the Client;
- 8.8.6. the Client has provided false information to the Manager,
- 8.8.7. the Client does not comply with the requirements of all laws and regulations applicable to the Manager and/or the Client, and to their activities, including, but not limited to, the Client has committed a violation or an attempt to violate the laws and regulations of the Republic of Latvia and/or the European Union;
- 8.8.8. the Client has committed a violation of national and/or international sanctions or an attempt to violate and/or circumvent the sanctions applied in the territory of the Republic of Latvia;
- 8.8.9. restrictions are imposed on the Accounts or the process of closing in the Bank is initiated;
- 8.8.10. the Client has revoked or has failed to extend the *Power of Attorney*;
- the Cross Default situation takes force for the Client, i.e. the Client's obligations that arose towards the Manager at the moment of such default shall be deemed unfulfilled in respect to all contracts, transactions or other agreements.
- 8.9. In any case specified in Clause 8.8 hereof, the Manager is entitled to unilaterally, at its own discretion and without prior notice to the Client, take any of the following actions:
- 8.9.1. not to execute or cancel any of the Client's Orders;
- 8.9.2. to sell the Assets;
- 8.9.3. to deduct from the Client remuneration, expenses and the Manager's Losses in accordance with Clauses 4.2-4.3. of the Terms and Conditions;
- 8.9.4. to offset the obligations with the Client;
- 8.9.5. not to execute or terminate execution of own obligations under the Terms and Conditions or any transaction, contract or agreement concluded between the Manager and the Client;
- 8.9.6. to take any necessary action in respect of the Client and the Assets to protect interests of the Manager and to prevent the Manager's Losses;
- 8.9.7. to demand the immediate early fulfilment of any obligations of the Client to the Manager;
- 8.9.8. to immediately terminate all contracts and agreements between the Client and the Manager, including termination of the Agreement in accordance with Clause 13.5 hereof;
- 8.9.9. to perform any other actions with the Assets which are necessary to carry out the actions specified in Clause 8.9 hereof.
- 8.10. Acting in accordance with Clause 8.9 hereof the Manager is not liable to the Client and third parties for any losses or expenses. The Manager's rights under Clause 8.9 hereof supplement other rights of the Manager determined by the Terms and Conditions and do not depend on other provisions of the Terms and Conditions. The Manager's failure to exercise own rights under Clause 8.9 hereof does not mean a waiver of such rights by the Manager.
- 8.11. The Client undertakes, throughout the cooperation with the Manager, to comply with requirements of all laws and regulations that are applicable to the operations of the Client and/or the Manager. The Client confirms that his/her operations with the Manager will be lawful. The Client undertakes not to perform actions and not to submit Orders that violate the laws and regulations applicable to the Client and/or the Manager, and namely the laws and regulations of the country of registration and/or residence of the Client, the Republic of Latvia and/or the European Union, international laws.
- 8.12. If the Terms and Conditions provide for the obligations of the Client and/or the Client's Representative towards the Manager, the Client and the Client's Representative shall be jointly liable to the Manager for the fulfilment of such obligations.

9. FORCE MAJEURE

9.1. The Manager is fully released from liability for a complete or partial failure to discharge obligations for operations and deals concluded under the Terms and Conditions if such a failure is caused by force majeure events:

9.1.1. extraordinary and unavoidable circumstances of acts of God, including but not limited to natural disasters, fire, flood, an earthquake, warfare, terror acts, riots, strikes;

9.1.2. the delay to fulfil obligations (moratorium) established by a statutory act of the country of registration of the Manager or the Counterparty;

9.1.3. technical failures, delays, malfunctions, failure of computers and/or communications systems, and/or hardware, and/or software; power supply malfunctions, utilities emergencies;

9.1.4. decisions and/or activities of local and/or foreign public authorities, and/or international organizations, and/or Counterparties;

9.1.5. financial/money market collapse, distortions, serious constraints, closure and/or suspension of operations thereon, and/or industry crisis;

9.1.6. entry into force and/or amendments, and/or suspension of a statutory act of the country of registration of the Manager or the Counterparty affecting the fulfilment of obligations under the Terms and Conditions.

10. DECLARATION OF RISK AWARENESS

10.1 The Client who receives the Management service has to understand that any investments in Financial Instruments involve risks and do not provide any guarantees for both the return of the principal amount and the generation of any income on it. It is recommended to discuss the below specified risks related to the funds invested in the Individual Portfolio with your financial and tax consultants. Any type of risk can leave negative impact on results of the Individual Portfolio and, consequently, on the value of its assets. The listed risks do not claim to make an all-around report on all risks related to investments in the Individual Portfolio.

10.1.1. Market Risk

A risk that the Individual Portfolio will incur losses due to the revaluation of Financial Instruments included in the Individual Portfolio, where this revaluation is related to the change of market value under the influence of the following factors: exchange rates, interest rates, prices of capital securities and commodities, or the issuer's solvency will adversely affect the value of the Individual Portfolio.

10.1.2. Liquidity Risk

A risk that there will be no possibility to sell, liquidate Financial Instruments included in the Individual Portfolio or to make a transaction that results in closing a position in the desired term without substantial losses.

10.1.3. Exchange Risk

A risk that the Individual Portfolio will incur losses due to the change of the exchange rate of the base currency of the Individual Portfolio and

10.1.3.1. the Client's currency,

10.1.3.2. the currency of Financial Instruments included in the Individual Portfolio.

11.1.4. Credit Risk

A risk that the Individual Portfolio will incur losses because the issuer fails to fulfil its contractual liabilities. In order to assess the credit risk of bonds and other debt instruments the issuer's credit rating can be used. The debt instruments with a lower rating are usually considered to be instruments with a higher credit risk and therefore with a higher probability of non-fulfilment of their contractual liabilities. Ratings of credit agencies offer an opinion concerning the ability and readiness of the issuer to fulfil its liabilities in due time and to the full extent on the basis of an analysis of the issuer's financial history and an analysis at the moment of assigning the rating. Thus, the credit rating assigned to debt instruments not necessarily discloses the current financial standing of the issuer and does not assess the volatility and liquidity of the Financial Instrument. In spite of the fact that the credit ratings can be useful instruments for analysis of the issuer's solvency, they are not a warranty for quality or a guarantee for fulfilment of respective liabilities in future.

10.1.5. Country Risk

A risk that the Individual Portfolio will incur losses because all or most of the issuers of securities and/or Counterparties of a country being its residents fail to fulfil their contract liabilities due to such internal reasons as changes in economic, political and legal situation in this country.

10.1.6. Counterparty Risk

A risk that the Individual Portfolio will incur losses due to the counterparty's failure to fulfil its liabilities at the time of a deal or when making settlements. The Individual Portfolio is exposed to the risk when making both over-the-counter and exchange transactions.

10.1.7. Concentration Risk

A loss occurrence risk due to the substantial exposure to persons or organisations subject to similar risks. The concentration risk involves the absence of sufficient diversification that exposes the Client to additional risks. The concentration risk can have various forms, including substantial exposure levels to individual financial instruments and/or issuers in the Individual Portfolio, groups of financial instruments and/or issuers, financial instruments and/or issuers of a certain economic sector or geographic region, individual products and service providers.

10.1.8. Information Risk

A loss occurrence risk due to the lack of availability or the absence of complete information about Financial Instruments included in the Individual Portfolio or their issuers.

10.1.9. Legal and Regulatory Risk

A loss occurrence risk or additional expenses risk due to amendments to laws and regulations of the Republic of Latvia or foreign countries.

10.1.10. Risk Related to Investments in Derivative Financial Instruments

To protect the Individual Portfolio assets against the market value fluctuation risk which may occur as a result of a change in the price of a respective asset or exchange rate, the Manager is entitled to make investments in derivative Financial Instruments on account of the Individual Portfolio. The Client has to understand that transactions with derivative Financial Instruments involve additional risks. No guarantees or assurances are possible that the use of derivative Financial Instruments will allow or help to attain the investment objectives of the Individual Portfolio. Derivative Financial Instruments fully or at least to a sufficiently high degree correlate with or relate to the value of the underlying asset (Financial Instruments, value of ratios or indexes). Therefore, the use of derivative Financial Instruments is not always effective and sometimes can have a negative impact on the investment objective.

10.1.11. Operational Risk

A risk that the Individual Portfolio will incur losses due to the lack of satisfactory control over documentation, procedures, payments, accounting entries, transactions and activities of personnel. Operational risk also includes risks of operating system breakdowns, equipment failure risks, risks of damaging or destructing property by fire, natural disasters as well as malicious intent and fraud.

10.2. The risk management is a process of implementation of measures by the Manager enabling to minimize the negative impact and probability of losses and increase the security of Individual Portfolio:

10.2.1. Diversification among individual Financial Instruments, issuers, counterparties, asset classes, geographic regions and industries is the main factor that stimulates the limitation of unreasonably high risks of substantial losses in a long-term period. The Client's assets are managed as a balanced portfolio according to diversification principles and within target ranges of distribution of funds among various asset classes, geographic regions and industries specified in the Investment Declaration.

10.2.2. The Manager holds a view that combination of several Financial Instruments with different investment risk character in the Portfolio can ensure a more acceptable risk level for achieving the client's long-term objectives than substantial investments in individual Financial Instruments. In order to protect the investor's funds from unfavourable fluctuations within the limits of a specific class of assets, geographic regions and industries the Manager takes reasonable measures to avoid excessive concentration of assets.

10.2.3. The Manager strictly observes and regularly assesses the compliance of the Individual Portfolio with the norms and limitations specified in the Investment Declaration, agreements and laws and regulations of the Republic of Latvia. If non-compliance with the above-mentioned norms and limitations is established, rebalancing of the Portfolio is made according to the rebalancing principles.

10.2.4. For further risk mitigation of the Individual Portfolio a thorough quantitative and qualitative analysis is made concerning financial and non-financial information about issuers, counterparties, economic industries, regions and countries. The Individual Portfolio includes exclusively the investment objects that meet the investment criteria of the Manager.

10.2.5. To protect assets of the Individual Portfolio against the market value fluctuation risk which may occur from changes in the price of a respective asset or exchange rate the Manager is entitled to make investments in derivative Financial Instruments at the expense of the Individual Portfolio.

10.2.6. In order to reduce the operational risk, the Manager has elaborated and constantly monitors the implementation of the established procedures, due performance of professional duties by its employees and the existence of qualified support of the operating system of the Manager.

10.2.7. To achieve the Client's investment objectives with a minimum risk the Manager makes a systematic analysis and a constant monitoring of changes of the investor's profile, market and economic factors and the Client's Individual Portfolio. However, the Manager does not guarantee repayment of the principal amount of the investment and receipt of any additional income.

11. CLIENT'S ACKNOWLEDGMENTS

11.1. By signing the Agreement, the Client acknowledges that:

11.1.1. he/she is aware of that potential yield of the Financial Instrument is proportional to the investment risk, accordingly, the higher is the yield of the Financial Instrument, the greater is the risk of losses stemming from transactions with the Financial Instruments;

11.1.2. all Manager's actions taken within and on the basis of the Terms and Conditions correspond to the Client's intentions and actions which the Client himself/herself would undertake for his/her own benefit;

11.1.3. he/she realises that the Manager does not warrant the return of the Assets to the Client, completely or partially, in case of its loss as a result of adverse market conditions, provided the Manager has acted in accordance with the provisions of the Terms and Conditions;

11.1.4. he/she is able to bear all risks that may arise pertaining to investments and has sufficient material and/or financial resources to survive investment losses, including the loss of all Assets under the Management;

11.1.5. he/she has carefully read, understood, and accepts all terms of the Terms and Conditions, the text and legal consequences of which are clear to the Client. Respectively, the Client undertakes to observe the provisions of the Terms and Conditions;

11.1.6. he/she acknowledges all powers of attorney and warranties given by the Client to the Manager under the Terms and Conditions;

11.1.7. he/she acknowledges that he/she is responsible for completeness and authenticity of the information submitted to the Manager;

11.1.8. he/she has familiarized himself and agrees to the remuneration for the Management, the Client's Order delivery rules and the Client Identification procedure, as well as other procedures adopted by the Manager;

11.1.9. he/she is aware of the fact that possible financing which may be stipulated by the Investment Declaration is a high-risk investment method and that he/she may sustain substantial losses due to significant price fluctuations of the pledged Financial Instruments;

11.1.10. he/she has familiarized himself/herself and agrees with the *Excerpt from JSC "Rietumu Asset Management" IMC Deal Execution Policy* and the *Excerpt from JSC "Rietumu Asset Management" IMC Policy on Management of Conflicts of Interests*;

11.1.11. he/she has read and agree with the Terms and Conditions.

12. CLAIM AND DISPUTE SETTLEMENT

12.1. The Client has the right to submit claims and disputes in accordance with the procedure stipulated in *Procedure for Out-of-Court Settlement of Complaints (Disputes)*.

12.2. If an application or a complaint is received from the Client, in respect of whom a lawful restriction of communication or correspondence in the territory of the Republic of Latvia and/or beyond its borders is imposed, the application or the complaint must be sent in accordance with the established procedure, and the

application or the complaint must contain all necessary requisites. Otherwise, the Manager is entitled not to register the application or the complaint, and not to respond to it.

12.3. Audio recordings of the Client's Orders transmitted over the phone and electronic documents/electronic copy of a paper document delivered via the Internet Bank, fax, e-mail is legal proof and may be used by the Parties as an evidence, when resolving the disputes.

12.4. The Parties settle any dispute and disagreement relating to the Terms and Conditions and/or the Agreement by means of negotiation. If the Parties fail to reach an agreement, the dispute is referred to a court of general jurisdiction of the Republic of Latvia. The dispute is resolved in accordance with the laws and regulations of the Republic of Latvia without regard to its conflict of laws provisions.

12.5. Rules of law of the Republic of Latvia govern the Terms and Conditions and the Agreement.

12.6. Clause 12.4 of the Terms and Conditions shall not prejudice the Manager's rights to bring actions, file complaints and claims in respect of the Client in its country of residence/county of location, as well as otherwise protect its rights in the Client's country of residence or business activity.

13. FINAL PROVISIONS

13.1. The Terms and Conditions come into effect once the Parties have signed the Agreement. The obligations of the Manager for the Management come into force, subject to the condition that the Client has provided the Manager with all documents specified by the Manager and has a sufficient amount of cash funds and/or Financial Instruments on the Accounts.

13.2. The Manager is entitled to unilaterally amend any provision of the Terms and Conditions, notifying the Client thereof 10 (Ten) calendar days before the new provisions come into effect, unless other provisions of the Terms and Conditions and/or laws and regulations of the Republic of Latvia/ the European Union stipulate otherwise. If the Client does not accept the respective changes, the Client is entitled to reject the services of the Manager. In such case the Terms and Conditions will regulate relations of the Parties until the Client withdraws the Assets from the Management and/or the Manager terminates the Management and until the Parties fully fulfil their obligations to each other. Otherwise, the Client is deemed to have agreed to such changes.

13.3. The Client is entitled to prematurely terminate the Management and terminate the Agreement by issuing an order for complete withdrawal of the Assets from the Management in accordance with Clauses 3.14–3.17 of the Terms and Conditions.

13.4. The Manager is entitled to prematurely terminate the Management and terminate the Agreement by notifying the Client 10 (Ten) days before the termination date of the Management and the Agreement, unless the Terms and Conditions or the laws and regulations of the Republic of Latvia stipulate otherwise. The Manager is entitled not to indicate to the Client the reason for termination of the Management and the Agreement.

13.5. Regardless of provisions of Clause 13.4 hereof, the Manager is entitled to unilaterally terminate the Management and/or relations with the Client (to terminate the validity of the Agreement) immediately without giving a reason thereof to the Client, when:

13.5.1. the Manager has information or suspicion that the Client's activities fail to comply with the laws and regulations of the Republic of Latvia, the European Union, the internal policies of the Manager, the Agreement and/or the Terms and Conditions, and/or

13.5.2. in respect of the Client at least one of the Cross Default events specified in Clause 8.8 hereof has arisen, and/or

13.5.3. the Manager has information or suspicion that the Client commits legally punishable, dishonest or unethical act towards the Manager and/or towards third parties, and/or

13.5.4. if the Manager has good grounds to believe that further cooperation with the Client will harm its reputation or will result in the Manager's Losses, and/or;

13.5.5. the Client has failed to submit the documents requested by the Manager in accordance with the conditions of the Terms and Conditions in the term specified by the Manager, and/or

13.5.6. if the certifications and warranties specified in Clause 2.1 and/or 11.1 of the Terms and Conditions are not true.

13.6. The Client agrees that in the event of an immediate suspension of the Management and/or termination of the relations with the Client (termination of the validity of the Agreement) on the Manager's initiative in accordance with Clause 13.5 of the Terms and Conditions, the Manager is entitled to unilaterally without prior agreement with the Client make such decision and the Manager is not obliged to explain to the Client the reasons and grounds for such decision. At the same time the Manager is entitled to unilaterally without prior agreement with the Client take a decision on the procedure and time period in which the Client is obliged to withdraw his/her Assets.

13.7. If the Agreement is terminated pursuant to provisions of the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing of the Republic of Latvia (*Noziedzīgi iegūtu līdzekļu legalizācijas un terorisma un proliferācijas finansēšanas novēršanas likums*), the Manager immediately suspends transactions on the Client's accounts and further use of the Client's Assets takes place in accordance with restrictions and/or requirements stipulated by the laws and regulations of the Republic of Latvia. In this case the Manager is not obliged to explain to the Client the reasons and grounds for termination of the Agreement, and the Manager is entitled to unilaterally without prior agreement with the Client take a decision on the time limit and procedure for transferring the Assets.

13.8. Upon termination of the Management and termination of the Agreement at the initiative of the Manager, the Manager shall not dispose of the Assets. The Client takes over the Assets as they are at the moment of termination of the Management, unless otherwise provided by the laws and regulations of the Republic of Latvia. Furthermore, the Manager is entitled to withhold from the Client the remuneration, expenses and losses of the Manager in accordance with Clauses 4.2–4.3 of the Terms and Conditions.

13.9. If at the time of termination/suspension of the Agreement or after termination/suspension thereof the Client has outstanding liabilities towards the Manager, and/or the Manager has claims in respect of the Client (including, but not limited to the Manager's right to compensation of the Manager's Losses and receipt of remuneration/commission), the Client's obligations and/or the Manager's claims shall not expire but continue to exist, and until their full execution and/or fulfilment the Parties shall be guided by the provisions of the Terms and Conditions. In this case all Client's obligations towards the Manager shall be fulfilled prior to the other Client's obligations towards the third parties.

13.10. The Manager does not return documents submitted by the Client to the Manager during their cooperation.

13.11. If any of the provisions of the Terms and Conditions or the Agreement becomes void, it does not affect the validity of other provisions of the Terms and Conditions or the Agreement.

13.12. The text of the Terms and Conditions is drawn up and approved by the Manager in Latvian, Russian and English. Texts in all three languages provided in this Clause of the Terms and Conditions have an equal legal power. In the event of conflict between the text of the Terms and Conditions in Latvian and text of the Terms and Conditions in any other language, the Terms and Conditions in Latvian are applied. The current version of the Agreement and the Terms and Conditions are published on the website of the Manager www.rietumu.com/en/ram.