

## Terms and conditions for custody accounts with Nordea

These *terms and conditions for custody accounts with Nordea* are effective from 1 January 2021 and may be amended by Nordea upon giving one month's notice.

The terms and conditions are also available on [nordea.dk/mifid](https://nordea.dk/mifid).

*This document has been translated from Danish into English. However, the original Danish text is the governing text for all purposes, and in case of discrepancy the Danish wording will be applicable.*

### I. General

#### 1. General rules for securities in custody accounts

These terms and conditions apply to custody accounts with Nordea Danmark, filial af Nordea Bank Abp, Finland ("the bank"). Otherwise, the following terms and conditions apply:

- General terms and conditions for personal and corporate customers, respectively,
- Data processing policy,
- Securities trading in Nordea – non-professional customers and professional customers/eligible counterparties, respectively,
- Nordea's Execution Policy, and
- Nordea's Conflicts of Interest Policy.

#### 2. Opening of a custody account

Custody account holders must inform the bank of their name and address as well as the name(s) and address(es) of any other person(s) authorised to operate the custody account.

For custody account holders living/domiciled abroad, national legislation may place restrictions on the transactions that can be executed in relation to the custody account.

The bank makes reservations as to payment of any return on the securities until it is certain that the bank will receive the amount.

Special rules apply to collateral accounts, trust accounts, including the administration of trust funds and assets belonging to people without full legal capacity, and custody accounts attached to pension schemes, children's savings accounts, equity savings accounts, business tax schemes as well as other custody accounts.

Every quarter the bank will send a statement to the custody account holder of the items registered in the

custody account at the end of the quarter in question. Additional statements of current holdings can be obtained on request against payment.

Payments for custody services are due in June and December.

Custody account holders can in some cases choose whether or not to receive notifications from VP Securities A/S (VP) as required.

Nordea submits reports required by law about the custody account to the authorities.

### II. Danish securities – registered with VP

#### 1. Registration

VP registers the issuance and turnover of bonds, shares and other securities approved for registration. Furthermore, any rights attached to the securities are registered.

Registration is made on the custody account holder's account with VP (a VP account).

The bank does not handle corporate action events relating to unlisted securities registered with VP.

#### 2. Bonus shares and convertible bonds

Where it is announced that bonus shares or convertible bonds will be issued and if the time limit allows for notification, the bank will notify the custody account holder of this and include information about the options available to the custody account holder in relation to the issue.

If the bank has not received instructions by the date specified, the bank will be entitled, but not obliged, to choose the option which in the bank's opinion is most profitable for the custody account holder.

However, the bank does not guarantee that a sale of pre-emption rights or subscription rights can be effected. Unexercised rights registered with VP will be cancelled by VP without prior notice to the custody account holder.

#### 3. Bids for securities

If the time limit allows for notification, the bank will notify the custody account holder of any bids received from potential buyers. The bank cannot be held liable if the

custody account holder does not accept a bid within the time limit specified.

#### 4. **New issues**

If the time limit for subscription allows for notification, the bank will notify the custody account holder of any new issue of shares and/or bonds with pre-emption rights. The notification will contain information about the options available to the custody account holder in relation to the new issue.

If the bank has not received instructions before expiry of the time limit, the bank will be entitled, but not obliged, to sell the subscription rights at the best price obtainable. The bank does not guarantee that such a sale can be effected.

Payment for any subscription/exercise of subscription rights must be available on the settlement account on the subscription date.

Unexercised subscription rights registered with VP will be cancelled by VP after the closing of the subscription period without prior notice to the custody account holder.

#### 5. **Interest**

Interest on Danish bonds will be settled on the settlement account on the due date.

#### 6. **Drawing of bonds for redemption**

If Danish bonds are drawn for redemption, the amount drawn will be credited to the settlement account on the due date. Unless otherwise agreed, no notification will be sent to the custody account holder and any other holders of rights relating to the custody account.

#### 7. **Dividends**

Dividends on Danish shares and investment fund shares less withholding tax, if any, will normally be credited to the settlement account on the third business day after the general meeting.

If the custody account holder is liable to tax in a country that has entered into a double taxation treaty with Denmark, the custody account holder can in respect of certain countries agree with the bank that a lower withholding tax rate should be applied.

It is possible to enter into an agreement on the automatic reinvestment of dividends on some investment funds.

#### 8. **Registration in the holder's name**

Until 1 July 2015 it was possible for Danish issuers of securities to lay down in their articles of association whether shares should be issued in registered or bearer form. Since 1 July 2015 issuers can no longer decide that shares should be issued in bearer form and all

shares issued after that date will therefore be registered in the name of the holder.

#### 9. **Special rules for bearer shares**

Existing bearer shares will only be registered in the holder's name at the request of the custody account holder.

According to the Danish Companies Act custody account holders cannot exercise their rights as holders of shares if the shares have not been registered in the name of the holder in the company's register and/or the Danish Business Authority's register of bearer shares. It is thus the holders of the shares who are responsible for registering their ownership if they want to exercise their rights as holders of bearer shares. The registration requirement does not apply to shares listed on the stock exchange, though.

Bearer shares that change status to shares in registered form as well as shares that already are in registered form will be registered in the holder's name unless otherwise agreed. Securities sold will be deregistered.

### III. **Foreign securities – registered with VP**

#### 1. **General**

Any return on foreign securities registered with VP will be transferred to the bank and credited to the custody account holder's settlement account.

If the custody account holder is liable to tax in Denmark and a double tax treaty has been entered into between Denmark and the country of origin of the foreign securities, the bank can help to ensure that the custody account holder is covered by the treaty.

Foreign bonds registered with VP cannot be registered in the name of the holder, even if they can be registered in the holder's name in the country of origin.

### IV. **General rules for securities in VP**

#### 1. **Deregistration**

When a security is no longer registered with VP, the custody account holder and any holders of rights relating to the custody account will receive a letter explaining the procedure for the delivery of documents in replacement of the registered securities.

#### 2. **Legislation**

The specific rules applying to registration with VP appear from the Danish Capital Markets Act as well as from the executive orders issued under the Act.

### 3. **Compensation**

VP is liable in damages for any loss resulting from VP's errors in connection with registration, alteration or cancellation of rights attaching to accounts with VP or payments made from these accounts in accordance with applicable law.

The bank is, in its capacity as account controller, in accordance with applicable law liable in damages for any loss resulting from its own errors in connection with the effecting of registration, alteration or cancellation of rights attached to accounts with VP or payments made from these accounts.

If the custody account holder has contributed to the error, with intent or through negligence, the damages from VP or the bank may be reduced or the right to damages may be entirely lost.

## V. **Foreign securities – not registered with VP**

### 1. **Safekeeping**

Unless otherwise agreed, foreign securities are generally held in a joint custody account with a foreign custodian bank designated by the bank, in the bank's name, but separated from the bank's other securities.

As the securities are not registered with VP, they are not comprised by the compensation scheme under the Danish Capital Markets Act.

The bank will be liable for any losses due to the inadequate solvency of the foreign custodian bank and for any errors or mistakes made in respect of the securities deposited. Hence, the custody account holder is protected against losses if the foreign custodian bank goes bankrupt.

The custody account holder is to the same extent as the bank subject to any rules of law and customs that apply to the foreign custodian bank as well as to its terms and conditions.

The bank is entitled to provide information about the identity of the custody account holder, the holdings of securities as well as dividend and interest payments if required by the laws of the country in question.

Notices of general meetings will be forwarded in accordance with chapter VI herein. With respect to companies not covered by chapter VI herein, the custody account holder cannot expect to receive notices of general meetings and cannot exercise any voting rights via the bank.

Other notices from the companies will only be forwarded if they concern corporate action events that in the bank's opinion can result in a significant change in the value of the security.

### 2. **New issues, bonus shares etc**

If the time limit for subscription allows for notification, the bank will notify the custody account holder of any new share issue and/or invitation to subscribe for bonds, including convertible bonds and warrants, as well as any bonus share issue.

The bank cannot be held liable if the custody account holder does not respond within the set time limit or if the custody account holder is not entitled to carry out the transaction.

The bank will always try to carry out instructions from the custody account holder but cannot guarantee that the instructions are executed.

Settlement of an issue, including the crediting of proceeds etc, will not be effected until the correspondent bank has made the proceeds available to the bank.

### 3. **Interest payments etc**

Interest payments etc on bonds deposited in the bank's name with a custodian bank chosen by the bank will normally be settled on the custody account holder's settlement account on the due date.

### 4. **Dividends**

Any share dividends received by the bank will be credited to the custody account holder's settlement account as soon as the bank has been notified by the foreign custodian bank that dividend has been paid and the amount has been made available to the bank. Unless otherwise agreed, the bank is not responsible for the recovery of withholding tax paid abroad.

## VI. **Special rules on shareholder rights**

### 1. **Scope**

On 3 September 2020 new rules came into force on the exercise of shareholder rights with respect to a company (the "issuer") which has its registered office in an EU member state and the shares of which are admitted to trading on a regulated market situated or operating within an EU member state. In these terms and conditions for custody accounts the new rules will be referred to as SRD II.

### 2. **Identification of shareholders**

According to SRD II the bank is under an obligation, at the request of an issuer or a third party representing the

issuer, to provide the issuer with certain information (name, address etc) which will make it possible for the issuer to identify those of the bank's customers who are shareholders of the issuer in question.

When the bank receives a request in accordance with SRD II, the bank will as soon as possible provide the information required under SRD II. In accordance with these terms and conditions for custody accounts the customer accepts that such information is passed on.

### 3. **Corporate action events**

When an issuer sends notification about a corporate action event in accordance with SRD II, the bank will as soon as possible pass on the information which the issuer is required to provide to its shareholders to the bank's customers. An issuer may choose to publish notifications of corporate action events on its website. In that case the bank will pass on the information about such publication on the issuer's website.

If the issuer chooses to send information about a corporate action event directly to its shareholders, the bank will not at the same time send the same information to the bank's customers.

### 4. **Exercise of shareholder rights**

To the extent that the bank is required to do so under the law, the bank will make it possible for the bank's customers to exercise their shareholder rights with respect to an issuer in which the customers are shareholders.

### 2. **Notice of termination and changes to the agreement**

The bank may terminate a custody agreement without notice. If the bank terminates a custody agreement, the custody account holder must be informed of the reason.

The custody account holder may terminate a custody agreement without notice. In case of termination the custody account holder must inform the bank where they want any securities in the custody account to be transferred to.

The bank is entitled to change the custody terms and conditions by giving one month's notice. Notification of any such changes will take place through publication on [nordea.dk/mifid](http://nordea.dk/mifid), via Netbank, the bank's mobile banking app or via the bank's electronic trading platforms. The bank may also notify about such changes by letter or by advertisements in the press if it finds such notification expedient.

The applicable terms and conditions will always be available on [nordea.dk/mifid](http://nordea.dk/mifid).

### 3. **Governing law and venue**

Any legal disputes are settled according to Danish law by Danish courts.

## VII. **Other conditions**

### 1. **Investor guarantee scheme**

In the event of Nordea Bank Abp's bankruptcy the custody account holder will have the securities registered with VP delivered.

Where the bank cannot deliver the securities held by the custody account holder, the custody account holder will be covered by the Finnish investor guarantee scheme possibly supplemented with the Danish investor guarantee scheme by up to EUR 20,000.

If several persons own securities jointly, each person is regarded as an independent investor provided that such persons are registered as the holders of the custody account.

Losses resulting from the failure of an issuer to fulfil its obligations pertaining to the securities (counterparty risk) and losses due to the depreciation of securities are not covered.