

Securities trading in Nordea - Professional customers and eligible counterparties

These *terms and conditions for securities trading in Nordea – professional customers and eligible counterparties* apply from 3 January 2018 and can be amended by the bank with one month's notice.

The terms can also be found on nordea.dk/mifid.

1 Background

These terms and conditions apply to agreements on trading of financial instruments (except agreements on portfolio management) entered into between a professional customer or eligible counterparty and Nordea Danmark, filial af Nordea Bank AB (publ), Sverige (the "Bank") unless otherwise agreed.

These terms and conditions apply when trading the following financial instruments:

- equities
- bonds
- certificates
- capital-protected notes
- notes
- investment fund units (Danish), including
 - UCITS;
 - alternative investment funds (AIFs)
- foreign exchange-traded funds (ETFs)
- foreign non-exchange-traded funds
- other financial instruments, including:
 - financial futures and similar instruments
 - forward rate agreements (FRA contracts)
 - interest rate and currency swaps as well as swaps on equities and equity indices
 - commodity instruments etc, including similar instruments with cash settlement
 - call or put options on a security and
 - options on equity and bond indices, including similar instruments with cash settlement.
 - warrants
 - mini-futures

Trading in financial instruments covers the investment services listed in schedule 4 to the Danish Act on Financial Regulation (as amended from time to time), including amongst others receiving and transmission of orders, execution of orders and investment advisory services on financial instruments.

Any agreement that the customer has with the Bank, which includes terms and conditions for securities trading, applies except where specifically varied in these terms and conditions, including:

- Nordea's Customer contract for Derivative Transactions (with accompanying appendices),
- ISDA Master Agreement,
- Global Master Repurchase Agreement,
- Terms and conditions for custody accounts with Nordea,
- General terms and conditions for corporate customers etc.,
- Other agreements on investment services.

2 Customer classification

The Bank shall classify each customer as a professional customer, an eligible counterparty or a non-professional customer.

The classification is made in accordance with the rules set out in Appendices 1 and 2 of the Danish Executive Order on investor protection.

The Bank will treat customers in accordance with such classification unless otherwise agreed in writing between the parties.

The Bank may at its own initiative – either in general or on an ad hoc basis – treat a professional customer as a non-professional customer.

In addition, the Bank may at the customer's request – either in general or on an ad hoc basis – treat an eligible counterparty as a professional customer or a non-professional customer.

In such case, the Bank will notify the customer of the effect that the changed classification will have on the degree of investor protection.

The customer must inform the Bank of any changes that may affect the possibility of being treated as a professional counterparty.

3 Reporting of transactions for persons

The Bank is required by regulation to report its customers' trades in financial instruments to competent authorities.

The Bank is required to know the nationality, birthdate and similar information on its personal customers for the purpose of reporting their trades to the competent authorities.

Without this information personal customers cannot trade in financial instruments through Nordea.

4 Reporting of transactions for corporate customers

Corporate customers, including companies, foundations and associations are required by regulation to have a LEI-code (legal entity identifier) in order to be able to trade financial instruments, including derivatives, which are traded on a trading venue in EU, or where the derivatives' underlying financial instrument(s) is on a trading venue in the EU. The LEI-code is used for reporting of transactions in financial instruments to competent authorities.

If an entity does not already have a LEI-code, it can be obtained from one of the official LEI-code issuers. Read more about LEI-codes on nordeamarkets.com/lei, also with information about how to obtain a LEI-code.

Without a LEI code, corporate customers cannot trade in financial instruments through Nordea.

5 Rules applicable to professional customers (only)

The following provisions in clauses 5.1- 5.4 below are only applicable where the bank has classified the customer as a professional customer and accordingly does not apply for eligible counterparties.

5.1 Execution Policy

The Bank may execute the customer's order on a stock exchange (regulated market), multilateral trading facility, organised trading facility, through a broker or outside a trading venue with Nordea Bank AB (publ) as the customer's counterparty for its own account.

The Bank will execute the customer's orders in accordance with the Bank's Execution Policy.

An updated version of the Execution Policy will be available at all times at www.nordea.dk/mifid.

Any significant changes in the Execution Policy will be published on the website above. A list of the main trading venues used by the Bank is available at nordea.dk/mifid.

5.2 Conflicts of interest

The objective of the Bank's Conflicts of Interest Policy is to ensure that such conflicts are minimised or avoided. The policy is available at www.nordea.dk/mifid.

5.3 Trading options

The following alternatives are available:

- securities trading with investment advisory services
- execution only securities trading.

i) Securities trading with investment advisory services

Securities trading with investment advisory services
When investment advisory services are provided, the Bank must assess whether the transaction is suitable for the customer, that is, whether it meets the customer's investment goal and whether the customer is able to assume the financial risk associated with the transaction. In addition, the Bank must assess whether the customer has the necessary experience and knowledge of the risks associated with the investment.

The customer must provide the Bank with the information necessary to make such assessments.

The Bank has the right to assume that the customer has the necessary experience and knowledge in connection with the transactions and services for which the customer is classified as professional. For professional customers covered by Appendix 1 a of the Danish Executive Order on investor protection, the Bank also has the right to assume that such customers are able to bear the potential losses resulting from the transaction.

Should the Bank consider a transaction or service not suitable for the customer or should the customer not provide the necessary information to assess the customer's suitability, the Bank will inform the customer accordingly.

ii) Execution only transactions with financial instruments

Customers may choose to invest in securities and execute orders on their own initiative. The Bank must be instructed of this. Such instructions are always considered to be given when customers trade online. In such cases the Bank will not assess whether transactions are suitable for the customer.

5.4 Non-independent investment advice and inducements

Nordea Danmark, filial af Nordea Bank AB (publ) gives non-independent investment advice. The Bank may receive commissions (inducements) in connection with investment advice and services connected thereto if, the purpose is to increase the quality of the advisory services provided, such commissions do not prevent the Bank from fulfilling its obligation to act in accordance with the customer's interests and that the customer has been informed of such commissions.

An overview of the commissions the Bank receives in the investment area is available at nordea.dk/mifid

6 Information to the customers

The Bank may use electronic communication to give information to the customer on financial instruments unless otherwise agreed with the Bank.

Prior to the execution of an order, the customer will be informed about all costs connected with the execution of the order. Each cost will be divided into categories. This applies for investment advice and execution only services. Once the order has been executed the Bank will send a trade confirmation with relevant information to the customer about the execution of the trade.

The customer also receives an annual aggregated overview of the costs that the customer has paid to the Bank during the year. This overview will be sent together with the holding statement which are sent at the end of each year.

7 Information about the Bank

Information about the bank is available at www.nordea.dk.

The Bank as a branch of Nordea Bank AB (publ), Sverige is under supervision by:

The Swedish Financial Supervisory Authority
(*Finansinspektionen*)
P.O. Box 7821, SE-103 97 Stockholm
E-mail: finansinspektionen@fi.se
Telephone: + 46 8 408 980 00

The Bank is also due to Danish legislation under supervision by:

The Danish Financial Supervisory Authority
(*Finanstilsynet*)
E-mail: Finanstilsynet@ftnet.dk
Århusgade 110, 2100 Copenhagen Ø,
telephone +45 33 55 82 82.

8 Recording and storing of conversations

The Bank records and retains telephone conversations and other electronic communication which may be assumed to result in a transaction with financial instruments, for example when the customer submits orders for trading or instructions regarding the customer's custody account. Copies of recorded conversations and retained electronic communication with customers will be made available on request for a period of five years. The customer shall be entitled to review recorded conversations and retained electronic communication on request and subject to a reasonable fee as may be charged by the bank

9 Amendments

The Bank may change these terms and conditions by giving one month' notice. Amendments concerning new products or improving the terms and conditions of the customer can be made by giving less than one month's notice. Changes will be published on Nordea.dk/mifid and Nordea Investor, where the terms and conditions in force (from time to time) can be found. The bank may also choose to inform about such changes by letter and/or by advertisements in the press, where it deems it appropriate.

10 Miscellaneous

10.1 Communication

Communication will be in Danish unless otherwise agreed or apparent from the circumstances.

All notices and communication between the parties in connection with these terms and conditions may be given in English and by e-mail, letter or telefax (with subsequent con-firmation by letter) to the Bank at the address stated in the covering letter and to the customer at the address most recently stated to the Bank.

10.2 Governing law and jurisdiction

Danish law applies in legal disputes and such disputes shall be settled by Danish courts.