

**GENERAL CONDITIONS FOR
TRANSACTIONS WITH FINANCIAL
INSTRUMENTS
Rev.3 / 08.2015**

INTRODUCTION	3
I. CUSTOMER CLASSIFICATION / CUSTOMER INFORMING	3
II. TYPES OF TRANSACTIONS WITH FINANCIAL INSTRUMENTS	4
II 1. Transactions with Financial Instruments.....	4
II 2. Selling/Buying Orders for Financial Instruments	4
II 3. Custody of Financial Instruments	4
III. PROVISIONS COMMON TO ALL TYPES OF TRANSACTIONS WITH FINANCIAL INSTRUMENTS.....	5
IV. FEES AND COMMISSIONS.....	7
V. BANK COMMUNICATION TO THE CLIENT	7
VI. DATA TRANSMISSION FROM/TO THIRD PARTIES.....	8
VII. RULES REGARDING THE PERFORMANCE AND ADMINISTRATION OF CUSTOMERS' ORDERS	9
VIII. APPLICATION OF GENERAL CONDITIONS FOR TRANSACTIONS PERFORMED WITH FINANCIAL INSTRUMENTS.....	9
IX. CONFIDENTIALITY.....	10
X. AMENDMENTS	10
XI. APPLICABLE LAW	11

INTRODUCTION

These „General Conditions for Performing Transactions with Financial Instruments” (GCTIF) shall settle the general framework of supplying the services with financial instruments that fall under the incidence of the following settlements of compulsory nature, applicable beginning with November 1st, 2007, which are provided by **UniCredit Bank S.A.** a company administered in a two-tier system, having its registered offices in Romania, Bucharest, 1F Expozitiei Blvd., 1st District, registered with the Trade Register under no.J40/7706/1991, with the Banking Register under no.RB-PJR-40-011/18.02.1999, the National Supervisory Authority for Personal Data Processing (ANSPDCP) with the notification no. 10964, having sole registration code 361536, fiscal attribute RO, subscribed and paid registered capital of RON 379,075,291.20, and which is supervised by the National Bank of Romania (the “NBR”), with registered offices in Romania, Bucharest, 25 Lipscani Street, sector 3, and postal code 030031, by means of its territorial units (the “**Bank**”) to its Clients, legal entities (herein after called the “**Client**” or the “**Customer**”). The above-mentioned services with financial instruments fall under:

- (i) European Guidelines no. 2004/39/EC on markets in financial instruments (MiFID) and no. 2006/73/EC regarding the organizational requirements for implementation stipulated in Guideline 2004/39/EC referring to the organisational conditions and the operation conditions for investment companies, adopted by the European Parliament and transposed in national legislation by the Regulations of the National Securities Commission no. 32/2006 regarding the services for financial investments, published in Official Gazette no. 103/12.02.2007 [and](#)
- (ii) Regulations of European Commission no. 1287/2006 for implementing Guideline 2004/39/EC.

These legislative provisions aim, among others, to the compliance at European level of the regulations regarding the supply of financial investment services as well as to provide a high protection level for investors and transparency of transactions as well.

The basis of business relations between the Customer and the Bank is the mutual confidence. The General Conditions for Transaction with Financial Instruments have the value of a contract and are binding upon the parties.

I. CUSTOMER CLASSIFICATION / CUSTOMER INFORMING

According to the above-mentioned legislative provisions our institution is obliged to classify the present/future customers in one of the following categories:

- **Professional Customer** – is the customer that has the experience, knowledge and capacity to take the investment decision and to assess the risks involved. The categories of professional customers are those specified in Apendix 8 to CNVM Regulations no. 32 / 2006 regarding the services on financial investments.
- **Eligible Counterparts** – by the meaning of Regulations no. 32 /2006 – the credit institutions and the insurance companies, the investment companies, other financial institution authorized or regulated, UCITS and their managemnt firms, pension funds and their managemnt firms, traders and other institutional investors authorized or settled according to community legislation or national laws of a member state, natural or legal persons having as main activites trading on own account of goods and/or derivate

financial instruments having as support the goods, traders, national governments and public entities subordinated to them including the public authorities that manage the public debt, central banks and supranational institutions.

- **Retail Customer** – customer that is not professional

On demand, any of the Customers of the Bank included in one of the above-mentioned categories can require its inclusion in another category with observance of the conditions stipulated by Regulations 32 /2006.

In relation to the bank, the Customer shall benefit from a high level of protection proper to category in which it is included in the conditions of CNVM Regulations no. 32 / 2006.

II. TYPES OF TRANSACTIONS WITH FINANCIAL INSTRUMENTS

II 1. Transactions with Financial Instruments

The Bank requires the Customer to conclude a separate contract for transactions with financial instruments based on the rules and procedures of the Bank as well as for services regarding the transactions with financial instruments offered by the Bank to the Customer as well as of the terms and provisions of these General Conditions for Transaction with Financial Instruments and with observance of the provisions of the applicable legislation in force.

II 2. Selling/Buying Orders for Financial Instruments

- (1) The Bank shall fulfill the orders for buying or selling financial instruments quoted or traded on official markets in accordance with the legislation in force.
- (2) In case of all financial instruments traded on foreign markets, the Bank is mandated by the Client to choose the place of performing; the performing shall be, in this case, subject to usage of Stock Exchange or the market from the performing place.
- (3) The Bank can refrain from fulfilling, entirely or partly, of orders or it can cancel the fulfillment of orders in case that the current account of the Customer does not show a sufficient balance.
- (4) The Bank cannot involve itself in financing the transactions with financial instruments regarding the financial instruments held in the name of a Customer or use in another way these financial instruments for the own account or for the account of another Customer of the Bank, except the case when the conditions stipulated by the applicable legislation in force are fulfilled.
- (5) The objections regarding the approval of performing the transactions with financial instruments shall be submitted at once, by using the fastest means but not later than 24 hours from receiving the confirmation of transaction performing.

II 3. Custody of Financial Instruments

Keeping in Custody

- (1) At the request of the Customer, the Bank safe-keeps the financial instruments and cash belonging to the Customer or that it holds in custody, according to the legislation in force.
- (2) The Bank shall not use any of the financial instruments that it holds in custody or the rights arising from them and it will not transfer these financial instruments without the express agreement of the Customer.
- (3) The Bank shall return to the Customer, upon his request, the financial instruments and the cash funds given to it.
- (4) The Bank has the right to hold in custody the financial instruments and cash belonging to its Customers, in different accounts, opened in the name of each Customer, except the case when the Bank has received other instructions from the Customer.
- (5) The Bank shall be responsible for the careful and safe-keeping of the securities given to it, according to instructions of the National Securities Commission or another entity authorised by the law in this respect.
- (6) The opening of custody accounts and/or current accounts is made according to the internal procedure and legal regulations in force provided that the Customer observes the rules established by the Bank for opening such accounts according to documents required by the Bank and provided at the moment of the account opening.
- (7) The Bank is authorized to register the financial instruments held by the Customer in his name, in the name of the Bank or in a fiduciary account opened in the name of a third party, according to the regulations in force, if the Customer agrees that the financial instruments should be kept in such an account. The Bank shall not be responsible in case the third party is chosen according to the Customer's instructions.
- (8) Neither the Customer nor another person can raise claims against the third party that holds the financial instruments in custody; such claims can only be raised by the Bank that gave the financial instruments to a third party for safe-keeping.
- (9) Nevertheless, the Bank has to assign the Customer, upon his request, all the debts on the third party that derive from the custody contract concluded between the Bank and the Customer related to financial instruments owned by the Customer.

III. PROVISIONS COMMON TO ALL TYPES OF TRANSACTIONS WITH FINANCIAL INSTRUMENTS

- (1) The Bank shall provide the Customer with reports related to the services supplied, that include, where applicable, the costs related to transactions and services performed in the name of the Customer. The Bank shall provide the Customer with all information displayed by the system with regard to the prices and the transaction volume related to the traded financial instruments.
- (2) The Bank shall provide the Retail Customer or the potential Retail Customer with information on the costs and the related tariffs that shall include, depending on the case, the following: the total price that shall be paid by Customer referring to the financial instrument or the investment service or the ancillary service including all expenses, commissions, tariffs and the related charges as well as all the fees payable by means of the Bank or, in case an accurate price cannot be stated, the calculation basis of the total price, so that the Customer can verify it.

- (3) The Bank shall assume no liability for the authenticity, validity or complete nature of documents and for the adverse effects that may arise due to the use of improper materials , or for the interpretation or improper translation of these documents, or the type, quantity or nature of assets that could be mentioned in these documents.
- (4) The documents issued by a foreign authority submitted to the Bank, such as identity papers or authorizations shall be analysed with diligence by the Bank. Nevertheless, the Bank does not assume any responsibility with regard to their authenticity.
- (5) The Bank is not obliged to verify the authenticity, complete character or validity of some documents drawn up in Rmanian or in a foreign language concerning: trustees appointment, testamentary administrators, syndic judges or other administrators.
- (6) The Customer shall bear any current or future loss due to forgery, legal non-validity or incorrect interpretation/translation of such documents sent to the Bank.
- (7) The Customer understands and accepts the fact that the services of the Bank can be performed by one or several companies affiliated to the Bank or by any other specialized third company or by the sub-contractors of these companies. The Bank shall not be kept responsible for the selection and/or the activity of these third parties if the Bank did not act maliciously or it did not show a serious negligence in selecting the third party.
- (8) The Bank is exonerated from liability in case of delays caused by the partner banks due to legal holidays, external banking work-flow or any other cause not imputable to Bank as well.
- (9) The Bank may suspend the fulfillment of any obligation assumed to the Customer due to the non-fulfillment of any obligation towards the Bank even if such obligations are not yet due and exigible or they are not based on the same legal relationship.
- (10) The Bank does not assume any liability with regard to the effects and consequences deriving from the termination of its activity further to some fortuitous cases or force majeure (including but not limited to international conflicts, violent or armed actions, rebellions, measures taken by any government/local or international authority, regional or international organization or by any central bank, labour conflicts at the level of the personnel of the Bank or of some third parties providing services to the Bank, boycotts, current failures or breakdown of communication lines or of equipment of the Bank or of some third parties whose services are used by the Bank). In such cases, the Bank shall have the right to take those reasonable necessary measures to diminish the negative effects that such cases can have towards the customer.
- (11) The Customer shall confirm that each transaction relates to a certain market risk and he shall be informed by the Bank regarding that risk, and that it is capable to evaluate the fund and to understand the transactins (by himself or by a specialized independent consultancy company) and understands and accepts the terms, conditions and the risk related to them, shown previously by the Bank according to the protection level offered to the Customer in compliance with the category it belongs to. At the same time, the Customer has the capacity to assume and he assumes the risks of the transaction; therefore, he benefits from the proper protection level of the investor and from the transparency of the transactions as well.

IV. FEES AND COMMISSIONS

- (1) For the services provided, the Bank shall charge interests, commissions, charges, fees according to the legislation in force and the tariffs of the Bank, except the cases when there are agreements establishing other levels. The Customer bears the commissions related to the services provided by the Bank, regardless of the commercial relations between the customer and third parties.
- (2) The special/additional banking operations as well as those that are not specified in the tariffs of the Bank are additionally charged by assimilation with similar operations or, in case that they cannot be assimilated, by negotiation with the applicant of the respective service.
- (3) The Bank is entitled to modify the level of interests, commissions, charges and according to legal provisions in force. The Customer shall be informed in due time about any amendments to the interests, commissions, charges and fees, via communication means agreed upon between the parties.
- (4) In addition to the usual and agreed interests, fees and commissions, the Customer shall also bear the extraordinary expenses, especially the stamp fees and the legal fees, judicial stamp, taxes, the costs related to insurances and legal representations, the cost of telephone, telegraphic and fax communications as well as the postal fees paid during the business relations. The Bank may collect such amounts in a single installment.
- (5) The Bank is entitled to calculate and charge the interest rate applied to an unauthorized overdraft, for all customers' overdue debts (including commissions and fees).
- (6) The Bank has the right to debit the Customer's accounts with the amounts representing fees and/or taxes related to operations/ documents ordered/received from/for the Customer. In case it is not possible, the Bank has the right to refuse the operation and return the documents.
- (7) The Customer shall fully indemnify the Bank for any costs, expenses and other obligations that the Bank bears within the judicial and extrajudicial procedures in case that the Bank becomes a party in legal procedures and disputes between the Customer and a third party.
- (8) Any amount payable by the Customer to the Bank according to this article can be debited by the Bank from any Customer account .

The Bank shall provide the Customer with the main terms of the provisions related to tariffs, commissions or other benefits, provided that the additional details are shown upon the express request of the Customer.

V. BANK COMMUNICATION TO THE CLIENT

- (1) The written communications of the Bank are considered as received by the Customer after the normal period of time according to post circuit in order to be sent the said communications if these were sent to the last address notified to the Bank by the Customer even if the said address is of a third party entitled to receive the correspondence.
- (2) The sending is considered as made if the Bank holds a confirmation of any kind of a copy of the letter in question bearing the signature in original of the Customer or of its representatives or if the receiving is acknowledged by a confirmation for receiving issued by post office or by a fast courier service, depending on case.

- (3) The Bank may use any means of communication (letters, phone, fax, SMS, e-mail, listings at the territorial units' premisses) at the head offices of the territorial units etc.) in order to inform the Customer referring to any aspect connected to transactions with financial instruments.

The Bank is exonerated from liability in case of losses undergone by the Customer further to delays, losses, omissions, errors of transmission/receiving, misunderstandings or mistakes of communications by phone, fax, e-mail as well as of any messages, letters or documents if they are not due to its negligence or serious fault.

- (4) The Bank does not assume any responsibility as regards the effects and consequences arising from delay, non-receiving, damaging, loss or from other errors of transmission of messages, letters or documents including of those that are referring to settlement operations between banks and within the Bank.
- (5) The Customer will pick up the correspondence in any communication manner previously agreed between the Customer and the Bank.
- (6) Any communication/complaint concerning the statements of account and the balances mentioned in this one as well as concerning any other communication of the Bank must be notified in maximum 5 working day from the date of transaction / communication. The absence of a notification within the term mentioned shall be considered as acceptance from the Customer of the said statement/the said communication.
- (7) The phone talks had with the Bank by the Customer or its representatives/empowered persons can be recorded in view of being provided a maximum level of safety of the transactions ordered to the Bank/made by the Bank and they could be used as a proof of the transactions ordered / made. The instructions transmitted by the Customer to the Bank by phone are subject to the terms and conditions stipulated in the special contract regarding the transmission of instructions by phone signed by the Customer with the Bank.
- (8) The instructions transmitted by the Customer to the Bank by fax are subject to the terms and conditions stipulated in the special contract regarding the transmission of instructions by fax signed by the Customer with the Bank.

VI. DATA TRANSMISSION FROM/TO THIRD PARTIES

- (1) The Customer agrees that the Bank should process and store the personal data supplied including the personal numerical code according to art.5 of Law no. 677/2001 in view of being developed the banking activities including the direct marketing. The Bank has the right, for the same reason, to transmit these data to third parties, such as, but not limited to any company within UniCredit Group etc.
- (2) The Customer became aware of provisions of Law no. 677/2001 for protection of persons regarding the processing of data of personal nature and the free circulation of these data that includes the main rights of the person had in view in the context of processing of data of personal nature – the access right to data, the intervention and opposition right – that can be exerted within the legal limits sending a letter to the Bank accompanied by a copy of the identity document.
- (3) The Customer declares on own liability that it obtained in view of being transferred to the Bank for the purpose of developing the banking activities including the direct marketing the consent of the persons whose personal data it supplies including the consent to transfer the personal numerical code. The Bank has the right, for the same purpose, to send these data to third parties, such as but not limited to any company within UniCredit Group etc.

- (4) The Customer shall authorize the Bank to require/to supply from/to the Central Office of Payment Incidents, the Central Office of Banking Risks, the Credit Office or institutions similar to these ones, depending on case, any data referring to its activity and whenever it considers as being necessary this fact.
- (5) The Customer agrees explicitly, irrevocably and unconditionally that the Bank has the right to supply all the required information concerning the Customer (including the personal data of the Customers natural persons) to all banks and companies that belong to the same group with the Bank (including for marketing purposes) and including to the financial auditor.

VII. RULES REGARDING THE PERFORMANCE AND ADMINISTRATION OF CUSTOMERS' ORDERS

- (1) The Bank can perform services of main or connected financial investments in the name of a Customer by means of another authorized institution according to applicable legislation in force in the conditions in which in this way it is made a transaction more advantageous for the Customer and/or it does not increase the level of commissions and the other expenses borne by the Customer, in the conditions of CNVM Regulations no. 32 / 2006.
- (2) In case that it performs the Customer's orders, the Bank must take all the measures necessary for obtaining the best possible results for its Customer.
- (3) In case that the Customer sends a specific instruction, the Bank is obliged to perform the order according to that instruction.
- (4) The Bank shall supply its Customer the adequate information regarding the policy for performing the orders and it shall provide the Client with a copy of this specific Execution Policy.
- (5) In case of the orders sent by phone, the Bank shall provide the recording on magnetic tape or on an equivalent support.
- (6) The Bank shall inform the Customer immediately on the refuse to perform an order together with the justification of the refuse.
- (7) The Bank shall not misuse the information referring to orders in waiting of the Customer and it shall take all the measures necessary to prevent the abusive use of this information by any person relevant to Bank.
- (8) In case of instructions received by phone, the Bank can, as a measure of precaution, and before their performing, to require their confirmation by the Customer by fax, on costs of this one, depending on the nature of the existing situation.

VIII. APPLICATION OF GENERAL CONDITIONS FOR TRANSACTIONS PERFORMED WITH FINANCIAL INSTRUMENTS

- (1) In the conditions in which the Customer requires the Bank to carry on transactions with financial instruments, this one shall sign and accept the Special Conditions for Transactions with Financial Instruments as well as the General Utilisation Conditions or the General Business Conditions of the Bank, as the case may be, in view of carrying on the operations of transfers/cash related to transactions with the financial instruments.

- (2) The Bank shall not enter any contractual relationship with the Customer only if the latter accepted the present General Conditions for Transaction with Financial Instruments.
- (3) No exception from these General Conditions for Transaction with Financial Instruments can be invoked only if such a derogation was agreed in writing. In case that it was agreed verbally as regards such a derogation from these Conditions, this fact must be stated in writing and approved by both parties (Customer and Bank).
- (4) By signing the present General Conditions for Transaction with Financial Instruments, the Customer becomes aware of and accepts that the Bank makes available for it services and banking products that it considers to be adequate and that are in conformity with the strategy of the Bank observing the provisions of the Romanian legislation in force, the rules, usages and international practices in the banking field, the regulations and the internal procedures of the Bank.
- (5) The Customer is obliged that at the date of receiving the General Conditions for Transaction with Financial Instruments to submit the Bank its real situation as well as the information required by the Bank.
- (6) Any document issued by a foreign entity (notary, court of justice, etc) shall meet the requirements of super-authentication/putting apostille according to legislative provisions in force.
- (7) The submission of incomplete documents or incorrect information draws the responsibility of the Customer for the possible damages caused, the Bank having the right to cease the contractual relations.
- (8) The Customer is obliged to submit the Bank, whenever this considers as being necessary, any documents and/or statements considered as necessary for the substantiation of the operation carried on by Bank and/or the determination of the real situation of the Customer.

IX. CONFIDENTIALITY

- (1) The Bank shall take all necessary measures for providing confidentiality and the secrecy of banking operations ordered by the Customer, according to the international practice and the Romanian law.
- (2) The Bank may disclose information related to the professional secret in the cases expressly specified by legislation in force.
- (3) The Customer binds itself to keep the confidentiality of terms and conditions for carrying on the contractual relations with the Bank, otherwise binding itself to cover the damages caused to the Bank.

X. AMENDMENTS

- (1) The hereby General Conditions for Performing Transactions with Financial Instruments are to be seen in connection with the provisions of the applicable agreements by means of which various products and banking services are provided to the Customer. In case of a conflict between certain provisions of these General Conditions for Performing Transactions with Financial Instruments and the conditions in those agreements, the latter shall prevail.
- (2) The hereby General Conditions for Performing Transactions with Financial Instruments are to be seen, for transfers/cash transactions, in connection to the provisions of the General

Utilisation Conditions of the banking product or of the General Business Conditions of the Bank, as the case may be. In case of a conflict between certain provisions in these General Conditions for Performing Transactions with Financial Instruments and the provisions in the General Utilization conditions of the banking product/General Business Conditions of the Bank, the provisions in the General Conditions for Performing Transactions with Financial Instruments shall prevail.

- (3) The Bank can decide, unilaterally, when it considers to be appropriate, the amendment of the hereby General Conditions for Performing Transactions with Financial Instruments and/or ceasing of relations with the Customer, entirely or for a certain operation.
- (4) Any amendments to the hereby General Conditions for Performing Transactions with Financial Instruments shall be notified to the Customer in writing or by any means of communication agreed with the Customer or listed at the premises of the territorial units of the Bank or published on the Internet page of the Bank and they shall become opposable to Customers from the date of notification/listing/publication, as per the case.

XI. APPLICABLE LAW

- (1) The law in force in Romania shall govern all relations between the Customer and the Bank even if there is a lawsuit developed abroad. The disputes that can arise between the Bank and the Customer, either if he is an individual or a legal entity, shall be solved amiably or they shall be submitted to a competent trial court in Romania for solving.
- (2) The hereby General Conditions for Performing Transactions with Financial Instruments are completed by the General Utilisation Conditions/ General Business Conditions of the Bank, as the case may be, the special contracts as well as the provisions of the internal legislation in force, the regulations issued by the National Bank of Romania, the National Securities Commission, the Rules and International Usage as well as by the own regulations and working procedures of the Bank.