

## **ANNEX 7. SERVICES OF FINANCIAL INVESTMENTS ON THE FOREIGN CAPITAL MARKETS**

### **PREAMBLE**

Whereas:

- The Client and the Intermediary entered into the Financial Investment Service Agreement (hereinafter called the “**Agreement**”);
- The Client requested to make transactions with Financial Instruments traded on foreign capital markets on which the Intermediary offers its services;
- The Intermediary can provide such services to its clients based on its collaboration with the intermediaries that are authorised members of the respective stock exchanges; To this end, for the services of receipt, transmission, execution and set-off of the clients’ orders on various capital markets, the Intermediary enters into a contract for accessing the foreign market trading systems (hereinafter “**Trading System**”) with the manager of each trading system (hereinafter called “**System Manager**”),

The **PARTIES** agree to conclude this Annex, with the following content:

### **ART.1 DEFINITIONS / TERMINOLOGY**

For the purpose hereof, the terms below have the following meaning:

“**Trading systems**” represent the electronic systems for trading on the foreign markets, to which the Intermediary subscribed by signing the contracts mentioned in the Preamble, and which grant the Intermediary access to proprietary trading or to trading in the clients’ name on foreign capital markets.

“**Market Regulations**” represent all the rules, instructions, memos issued by the market authority, the supervisory authority, the clearing house, the central depository or any other person authorised to regulate the execution of the Client’s orders, as well as the practices and/or terms confirmed by such authorities;

“**Taxes/Charges**” represent all the taxes, impositions, burdens, deductions and related debits, including any penalties and interests imposed for or regarding (i) the Financial Instruments or Cash, (ii) the transactions made hereunder or (iii) the Client;

„**Business Day**” means any day on which the Intermediary and the System Manager are open to the public.

## **ART. 2 OBJECT**

**2.1.** The object hereof is represented by the regulation of the legal relationships between the Intermediary and the Client, in connection with the Intermediary's providing, against a fee, services of intermediation on the foreign capital markets on which the Intermediary proposes its services. The updated list of the foreign capital markets on which the Intermediary offers its services may be consulted on the Intermediary's Internet page: [www.brd.ro](http://www.brd.ro).

**2.2.** The services hereunder will be provided by the Intermediary according to the regulations on the foreign capital markets and to the terms and conditions set in the Agreement. In this respect, any reference herein to "financial instruments" and to their "trading" shall be construed as a reference to the transaction made by the Intermediary in the Client's account, on any of the foreign markets on which the Intermediary will offer its services.

## **ART. 3 MONEYS AND FINANCIAL INSTRUMENTS OF THE CLIENT**

**3.1.** For the purpose of making the operations hereunder, the Intermediary shall open, maintain and operate in its records a Dedicated Account for the Client, in euros and/or another currency, depending on the currency of the market on which the Client wishes to trade. The Dedicated Account shall be distinct from the Dedicated Accounts of other clients and/or of the Intermediary and it shall be dedicated exclusively to the Client's transactions on the foreign capital markets. The number of each Dedicated Account opened by the Intermediary shall be communicated to the Client within 24 hours as of the opening of the account, through one of the means of communication chosen by the Client.

**3.2.** The principle of pre-financing of transactions, applicable to the Romanian markets of financial instruments, as defined in the Agreement, also applies to trading with financial instruments on the foreign markets, the Client being bound to meet the obligations according to the said principle. As for the money needed to settle the transactions, in the case of the transactions hereunder, such amounts are made up of the transaction price and any fee/tax for the financial investment services, owed by the Client according to the provisions hereof. The said amounts are exclusive of taxes/tax charges owed by the client. The payment of the taxes / tax charges shall not be incumbent on the Intermediary, but is a direct obligation of the Client.

**3.3.** If, at the time of transmission of the order, the amounts in the Dedicated Account are not sufficient for the transaction to be made, then the Intermediary can, at the Client's order, credit the account dedicated to the transactions on foreign markets with amounts existing in the Client's other accounts opened with the Intermediary with a view of performing the other financial investment services (the Dedicated Account for spot transactions on the capital market in Romania, and the Dedicated Account opened for trading on SIBEX). The Client's debit order can be transmitted by telephone (recorded conversation) or in writing – e-mail (only if the client has a right of electronic signature, the specifications of which have previously been sent to the Intermediary), by means of the Bloomberg and Reuters applications or by fax (doubled by the transmission of the order by phone within one hour as of the time of the fax). The Client shall indicate in the Order the Dedicated Account from which the Client wishes to make the transfer (the account for trading on BSE or the account for trading on SIBEX), and the amount with which the Intermediary is authorised to debit the said account.

The Intermediary shall make this transfer only if the Dedicated Accounts which the Client wishes to debit do not hold any blocked amounts that make the object of other transactions initiated by the Client and outstanding (to be settled). In this case, the amounts shall be debited only up to the amounts already blocked, and the transaction shall be made within the limit of the amounts thus credited. The Client is liable for the correct instructions given to the Intermediary.

The Client's authorisation in this respect also includes the authorisation to make the foreign exchange operation if the currency of the indicated account is different from the currency in which the transactions are to be settled. In this case, the foreign exchange operation shall be made in the conditions specified in article 3.5. below.

**3.4.** The Client undertakes to make available to the Intermediary the amounts necessary for making the requested Transactions, in the currency of the foreign capital market on which the transaction will be made.

**3.5.** If the Client credits the Dedicated Account in a currency other than the currency of the capital market on which the transaction was ordered, the Client agrees that the Intermediary may perform, on behalf of and for the benefit of the Client, the foreign exchange operation, by using its own foreign exchange services, at the rate of exchange applied by the Intermediary at the time of such operation.

In this case, the Client irrevocably waives any claims it may raise following a foreign exchange operation the Client may deem unfavourable.

#### ***ART. 4 THE INTERMEDIARY'S ORDER EXECUTION AND TRANSACTION CONFIRMATION POLICY***

**4.1.** By derogation from the Agreement provisions, the Intermediary confirms to the Client and, as applicable, to the custodian agent, the execution of the trading order no later than the first business day after receipt of the confirmation from the System Manager.

**4.2.** By exception from the Agreement provisions, the confirmations of execution of the trading orders and the statements of account sent by the Intermediary are deemed correct and approved by the Client if, within 2 (two) business days, the Client has not issued any written notice to the Intermediary, whereby to signal the existence of malfunctions. After the expiry of the previously indicated term, the data are considered as acknowledged by the Client and, except for frauds, no ulterior corrections shall be taken into consideration by the Intermediary. The expiry term of 2 (two) business days is calculated as of the transmission of the confirmations/statements through fax or e-mail.

#### ***ART. 5 FEES AND PAYMENT***

**5.1.** For the financial investment services, according to this Annex, the Client owes to the Intermediary the corresponding fees/charges, specified in the List of rates and fees (enclosed to the

Agreement). Also, the Client owes to the Intermediary, according to the provisions of the Agreement, the rates and fees for the functioning of the Dedicated Account opened for the Client for the purpose of making the operations hereunder.

**5.2.** By way of exception from the provisions of the Agreement, the intermediation (brokerage) fee does not include the fees and other costs related to the trading and to the settlement of transactions on the respective foreign markets.

The trading and settlement fees for the foreign markets on which transactions will be made are presented in the List of rates and fees (enclosed to the Agreement).

**5.3.** Based on the cost items mentioned herein, the Client shall calculate and credit the Dedicated Account with the funds necessary for performing the transaction.

**5.4.** In the case of the transactions hereunder, the calculation and payment of the taxes or fiscal charges related to the transaction are the direct obligation of the Client, who is the sole responsible for the correct execution of such obligation.

The Intermediary shall be kept liable towards the Client or a public authority/institution for the manner of calculation, as well as for the payment of the charges / taxes owed by the Client for the transactions made on the foreign capital markets.

Thus, the Agreement provisions regarding the calculation, deduction and payment by the Intermediary of the taxes / fiscal charges become inapplicable in the case of the transactions hereunder.

#### ***ART. 6 OTHER RULES SPECIFIC TO THE EXECUTION OF TRANSACTIONS ON THE FOREIGN MARKETS***

Under the services of intermediation on the foreign capital markets, the general rules set by Agreement are completed with the following **specific rules**:

**6.1.** When transmitting an order, the Client shall follow the compliance with the regulations applicable to the financial instruments traded on the foreign market(s) on which the Client will trade, including with any special rules applicable to transactions with financial instruments issued by its affiliates.

**6.2.** The Client undertakes to inform the Intermediary on any legal/contractual restriction regarding the transfer of any financial instrument it sells, by providing the Intermediary, if necessary, with any additional documents required to comply with the respective regulations.

**6.3.** The Client agrees that the Trading Orders may be automatically processed by the Trading System to which the Intermediary subscribed, and executed in the same manner, depending on the procedures and regulations specific to each capital market, on the days and at the times of trading specific to each market, these factors being able to cause delays in the execution of the Orders.

**6.4.** Once the Intermediary has accepted to execute a Trading Order, the Client is entitled to request the modification/cancellation of the orders that have not been executed, whose validity has not expired, and which are allowed to be taken off / modified on the market.

The Client shall undertake / cover the part of the transaction which was executed according to the initial order. Nevertheless, even where the Intermediary agrees with the cancellation/modification of the order, the Client is aware of the fact that such modification or cancellation can be made only for the part of the transaction that was not executed at the time of receipt of such request by the System Manager. Still, in certain situations, it is possible that the modification / cancellation cannot be operated for the unexecuted part of the transaction, either.

In any case, a request for the modification or cancellation of an order shall contain sufficient details for it to be operated, provided the request is accepted by the Intermediary.

**6.5.** Any reference in the Agreement to the “institutions, authorities and other entities” means both the Romanian ones and those of the various capital markets on which the Intermediary offers trading services.

**6.6.** For the purpose of providing the services hereunder, the Client chooses the following means of communication by the Intermediary of the confirmations of the made transactions, statements of account and other documents:

- By fax – at the fax number.....
- By e-mail – at the e-mail address.....

#### ***Art. 7 REPRESENTATIONS AND WARRANTIES***

The Client confirms the validity and actuality of the representations and warranties given in the Agreement, and also represents that:

**7.1.** At the date of signing of this Annex and throughout its application period, the Client has the power to conclude and perform the transactions hereunder, and no transaction ordered on the Client’s behalf contravenes the legal, administrative or contractual provisions applicable to the Client and/or its activity, both in terms of internal legislation and of foreign capital markets regulations.

**7.2.** The Client understands the terms and conditions of execution of the services hereunder and undertakes the risks arising from the transactions with financial instruments on foreign markets. The Client also understands that the investment risk generated by the transactions concluded on its behalf and for its account belong exclusively to the Client and that it cannot claim any damages from the Intermediary for the losses incurred following its investment in financial instruments. The information provided by the Intermediary’s employees shall not be considered as decisions to invest. The Client undertakes the entire responsibility for its decision to invest.

**7.3.** The Client is fully aware of the capital market legislation, including the legislation regarding the foreign market(s) on which the Client will give trading orders, and undertakes to respect it, being fully and solely liable for its own actions/inactions on the capital market. Should the Client consider that it does not hold all the necessary information, the Client shall request the Intermediary for materials, information, data and other financial information about the issuers listed on the foreign markets, and the Intermediary shall provide the same as and

when it receives such information from the System Manager or can obtain it from the entities acting on the foreign capital markets on which the Client wishes to trade.

**7.4.** The Client declares to be the sole responsible for the correct calculation of the amount necessary for the transaction to be made.

**7.5.** The Client represents it is aware of the fact that the Intermediary can be periodically asked by the regulatory or self-regulatory bodies of the various capital markets to present information regarding the transactions performed by the intermediary. In this respect, the Client specifically authorises the Intermediary to make such documents available to the authority requesting them, without the Client's prior approval.

The Client is aware of the fact that third party collaborators' access to some or all of the transaction-related data/information is inherent to the trading process and, consequently, expresses its consent to their access to such data/information.

**7.6.** The Client represents that the information included in the documents / statements provided to the Intermediary or otherwise transmitted is real, complete and without omissions, and undertakes responsibility in this respect.

**7.7.** The Client guarantees the validity of the content of such representations and authorisations both at the time of signing this Annex, and for the entire validity duration thereof. Should one of these representations cease to reflect the reality, the Intermediary shall be entitled to cease enforcing this Annex, according to the provisions of art. 10 below.

## **ART. 8 SPECIFIC CONTRACTUAL LIABILITY**

In addition to the rules related to the liability of the parties, set under the Agreement, in the case of the transactions hereunder, the Parties also agree on the following:

**8.1.** The System Manager does not undertake any liability for any action or omission to act, and does not guarantee in any way the correctness, performance or rapidity of the service provided by the System Manager and, consequently, the Intermediary cannot be held liable towards the Client, either, for any prejudices caused by the occurrence of any of the situations mentioned here above.

**8.2.** The Intermediary, conditioned by the limitations / parameters and other controls imposed on it by the System Manager, can find itself forced to postpone certain orders, to introduce limits and restrictions (in terms of volume, prices or timing) applicable to the Client. The intermediary shall inform the Client of the nature or level of the limitations to which the Client is submitted. The Client remains the sole responsible, in any circumstance, for the orders executed in these conditions.

**8.3.** The intermediary shall not be liable for the losses or damage caused directly/indirectly to the Client by the execution of the Client's orders through the Trading System, in case of:

- Malfunction or failure of the computer or communication network made available by the System Manager or a third party (Internet provider, etc.);
- Malfunction or failure of the Intermediary's computer/communication network;
- Any act of God or force majeure.

## **ART. 9 APPLICABLE REGULATIONS**

**9.1.** The content and the services hereunder are governed by the Romanian law, according to the Agreement. The Agreement is completed by the related regulations regarding the capital market.

**9.2.** The services provided hereunder are submitted inclusively to the market regulations of the foreign markets to which the Intermediary grants access (the rules, instructions or memos issued by the supervisory authority, the clearing house, the central depository or any other person authorized to regulate the execution of the Client's orders, as well as the practices or terms confirmed by such authorities).

**9.3.** The Client and the Intermediary agree to perform all the operations and activities necessary for enforcing the contractual obligations, while complying inclusively with the regulations of the capital markets on which the Intermediary offers its services.

**9.4.** All references to the market regulations and/or relevant legal provisions are references to the legislation in force and its amendments.

## **ART. 10 AMENDMENT AND TERMINATION**

**10.1.** Any amendment of the clauses hereof is made only with the written consent of the parties, through addendum signed in this respect.

**10.2.** This Annex can be terminated in the following conditions:

- (a) By the written consent of the parties;
- (b) By unilateral denunciation of the Agreement regarding the services hereunder (partial denunciation), by either party, provided a written termination notice is sent to the other party at least 30 days before the termination date. The Intermediary can denounce unilaterally the Agreement at any time, without prior notice, if the System Manager restricts/forbids the Intermediary's access to the trading system;
- (c) If one of the proceedings stipulated by the insolvency law was started against either party;
- (d) In case of death, dissolution or voluntary liquidation;
- (e) In case the NSE withdraws its authorisation given to the Intermediary;
- (f) by termination according to art. 10.3.

**10.3.** (1) a) The Intermediary is entitled to consider this Annex as unilaterally terminated ipso jure, without need for the intervention of the court of justice or of the court of arbitration, without putting in default and any other additional formality, except for a simple letter of information on the termination, sent to the Client by courier or mail with acknowledgement of receipt, if the Client fails to meet, delays meeting or inappropriately meets any of the following obligations:

- To comply with the specific obligations stipulated in art. 6.1, art. 6.2 and art. 6.4;
- To observe the representations and warranties hereunder.

b) Should the Client fail to meet, delay meeting or inadequately meet any obligations other than those specifically indicated at letter a) above, the Intermediary is entitled to consider this Annex as unilaterally denounced, ipso jure, without need for the intervention of the court of justice or of the court of arbitration, by a written notification to the Client transmitted by courier or mail with acknowledgement of receipt, 5 business days before the termination date.

**10.4.** The termination hereof in any of conditions mentioned at art. 10.2 here above takes effect only regarding the contractual relations related to the services of financial intermediation on the foreign capital markets, without affecting the performance of the master agreement signed between the Intermediary and the Client.

Nevertheless, the termination of the master agreement of financial services will result in the termination of the provisions of this Annex.

### ***ART. 11 DISPUTE SETTLEMENT***

The parties shall try to first solve amicably any dispute occurred between them with regard to the construction and execution of the provisions hereof.

Should they fail to solve the dispute amicably, such dispute shall be referred to the Romanian relevant courts for resolution.

### ***ART. 12 PROVISIONS APPLICABLE ONLY TO REMOTE AGREEMENTS***

**12.1.** This article only applies if this Annex has been entered into remotely. The clauses contrary to this article do not apply if this Annex has been entered into remotely.

The legal norms taken into consideration as legal grounds for the contractual relation are the ones in Romania, i.e. Law 297/2004 and Regulation 32/2006, as further amended and completed.

**12.2.** The signing of this Annex is subject to the receipt by the Intermediary of the written consent of the potential client regarding the remote signing of this Annex. Before transmitting the written consent with regard to the remote signing of this Annex, the Client should enquire on the contents thereof, as well as of the Intermediary's presentation document.

The declaration signed by the Client will be transmitted to the Intermediary's headquarters, by mail with acknowledgement of receipt, at the following address: BRD – Groupe Societe Generale, B-dul Ion Mihalache 1-7, Sector 1, București Romania, for the attention of: „Directiei Piete Financiare”

**12.3.** By way of exception from the provisions of art. 10.2, letter b, the Client is entitled to unilaterally denounce this Annex, without prior notice, within 14 calendar days as of the agreement signing date. Unilateral denunciation is done through a written notification sent by mail with acknowledgement of receipt. The Client is not subject to penalties in the case of unilateral denunciation or to the payment of unsolicited services, but the Client shall pay all the costs arising from the Intermediary's activity – as agreed upon in the Agreement – until the Intermediary receives notice of denunciation of this Annex.

### ***ART. 13 FINAL PROVISIONS***

**13.1** The Client authorizes and asks the Intermediary to carry out trading services for the Client, including by designating and using third party custodians and sub-custodians, agents and clearing systems, in capacity of delegates, representatives, brokers, agents or sub-custodians, to perform any of the Intermediary's obligations based on this Service Agreement for trading financial instruments on foreign markets.

**13.2.** The provisions herein are joint with the provisions of the Financial Investment Service Agreement and cannot be applied independently therefrom.

Apart from the exceptions to the Agreement, mentioned herein, all the other clauses of the Agreement remain in full force and effect, including with regard to the services hereunder.

Should there occur any contradiction between the provisions herein and the other provisions of the Agreement, the provisions of this Annex shall prevail.

This Annex is also completed with the following annex:

Signed this day, ....., in 2 counterparts, each party has read and understood the agreement, and has received one copy.

**Name of the Intermediary's representative**

**Name of the Client / Representative**

**Daniel POCOREA**  
**Signature**

**Tudor CERNICA**  
**Signature**

**Signature**

**Stamp**

**Stamp**