



Business Terms and Conditions for Investment Services

Effective date 19 September 2025

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1. Introduction

- 1.1. These Business Terms and Conditions (hereinafter the “**Terms**” or the “**Terms and Conditions**”) apply to the investment services and ancillary services, as those terms are defined by law (hereinafter jointly referred to as “**Investment Services**”), which Fossar Investment Bank hf. (hereinafter “**Fossar**”, the “**Company**” or the “**Bank**”) agrees to provide to the Client in accordance to Fossar’s operating licences. The Terms also apply, as applicable, to Fossar’s investment activities, as that term is defined by law.
- 1.2. The Client shall be deemed to have accepted these Terms in a binding manner when requesting or utilizing Fossar’s Investment Services in any way. Specific terms and agreements may apply in parallel with these Terms. Fossar may require the Client to sign or accept other specific terms or agreements before providing services based on these Terms and Conditions or for other services not covered by these terms. In the event of a discrepancy between these Terms and Conditions and the provisions of other agreements or Fossar’s terms and conditions for specific transactions, these Terms and Conditions shall concede. Fossar’s general business terms and conditions also apply to the Client’s legal relationship with the Bank and complement these Terms and Conditions.
- 1.3. The Client is encouraged to familiarize himself with the applicable laws and regulations that apply to the services described in these terms and conditions at any time and seek consultation as needed.
- 1.4. The Terms, as in force at any given time, can be accessed on Fossar’s website (www.fossar.is).

2. General information

- 2.1. The domicile of Fossar Investment Bank hf., Reg. No. 660907-0250, is at Ármúli 3, 108 Reykjavík, Iceland. Fossar’s telephone number is +354 522 4000 and Fossar’s email is info@fossar.is. General information on Fossar can be accessed on the Company’s website, www.fossar.is and in the general business terms. Fossar’s LEI code is 529900T0SDZCXS5QS72.
- 2.2. Fossar is licensed as a credit institution by the Financial Supervisory Authority of the Central Bank of Iceland, Kalkofnsvegur 1, 101 Reykjavík, Iceland, (email: sedlabanki@sedlabanki.is) and is subject to its supervision under Act No. 87/1998 on the Official Supervision of Financial Activities.
- 2.3. Fossar is part of the Skagi hf. group, reg. no. 690689-2009 (hereinafter referred to as “Skagi Group”).

3. Risks

- 3.1. The Client is aware that investment and trading in financial instruments are risky by nature. The Client is informed that it is imprudent to enter into contractual commitments or transactions without possessing a full understanding of the nature and extent of the risk involved. Clients are advised to base their prospective investments on their knowledge and experience relating to financial instruments, their financial situation, and investment goals.

- 3.2. By agreeing to these Terms and Conditions, the Client declares that he is adequately informed of the risk attached to the investment services that he wishes Fossar to execute for him and/or on his behalf, and Fossar will assume that the Client is informed of the risk and nature of the financial instruments in question prior to entering into business with Fossar. The Client declares that he has read and understood the overview of risks attached to the investment services and financial instruments, which can be found on the Fossar website. The Client may request a copy of the statement via postal mail.
- 3.3. The Client is aware that he bears all the risk and responsibility for all transactions carried out by Fossar on his behalf, irrespective of whether the Bank has provided information, advice, or recommendations.

4. Conflict of interests

- 4.1. Circumstances may arise where the interests of Fossar, or its employees, conflict with the interests of the Client or the interests of the Client are incompatible with the interests of other Fossar's Clients. Fossar has established a policy and rules on conflict of interest in order to identify, prevent and handle conflicts of interest, in connection with the provision of Investment Services. Fossar's rules on measures against conflicts of interest are accessible on Fossar's website (www.fossar.is).
- 4.2. The Client is aware that Fossar is an issuer of financial instruments and may have close relationships with other issuers of financial instruments or entities involved in their dissemination, such as companies within the Skagi Group. This situation can give rise to inherent conflicts of interest, as there is a risk of a lack of independence towards advice provided to the Client regarding financial instruments issued or distributed by these parties, or other services. Information about the parties with whom Fossar has close links to in this context will be provided on the Bank's website, in the event of such situation.
- 4.3. Fossar takes all appropriate measures to identify, prevent, or manage conflicts of interest. The Bank's organizational structure, segregation of work areas, and employees' confidentiality obligations prevent employees who are in contact with Clients from accessing unauthorized information, including information that could give rise to a conflict of interest.
- 4.4. The Client is aware that Fossar or related parties may act as counterparties in transactions involving financial instruments and may execute transactions on the market for other Clients simultaneously. The Client also acknowledges that his interests may differ from the interests of other Clients of Fossar or the Bank itself. Fossar cannot guarantee that such interests will not impact the yield or losses incurred by the Client's transactions.

5. Disclosures of the Client

- 5.1. The Client shall, whenever Fossar wishes so, provide Fossar with any information that the Bank deems necessary. If the Client does not provide the requested information, or in the case that the provided information is incomplete or unclear, Fossar reserves the right to not provide the requested services. The Client shall update the aforementioned information which he provides to Fossar, as the occasion arises.

6. Client categorisation

- 6.1. According to Act no. 115/2021 on Markets in Financial Instruments, the Bank is required to categorise its Clients as retail investors, professional investors or eligible counterparties at the beginning of a business relationship. The categorisation is conducted based on law and Fossar's rules on Client Categorization, which are published on Fossar's website, and relies on the information provided by the Client. Fossar informs the Client of its categorization, the Client's right to request a different categorization and its consequences.
- 6.2. The Client acknowledges that Fossar may potentially be unable to provide the requested investment services if the Client provides incorrect or inadequate information regarding categorization. Professional investors are responsible for notifying Fossar of any changes which may affect their categorization as professional investors.
- 6.3. The Client can request a different categorisation.
 - 6.3.1. If a professional investor requests to be categorised and treated as a retail investor, either in general or for a specific transaction, service, financial instrument, or product, the investor must enter into a written agreement with Fossar confirming that the Client will not be categorised as a professional investor.
 - 6.3.2. Retail investors who request to be categorised and treated as professional investors by Fossar must meet the relevant conditions stipulated by law. Fossar shall be notified in writing of such a request, indicating whether the request applies generally or for a particular transaction or type of transaction. The Client must then declare that they are aware of the consequences of losing the legal protection to which they may otherwise be entitled.
 - 6.3.3. Fossar is permitted to categorise and treat an eligible counterparty or professional investor as a retail investor without a specific request. Furthermore, Fossar is permitted to categorise and treat an eligible counterparty as a professional investor. The eligible counterparty must provide consent to be treated as such prior to the execution of any transactions.
- 6.4. Fossar is authorized to assume that professional investors and eligible counterparties possess the adequate experience, knowledge and expertise to independently evaluate Fossar's services and properly assess the risk that it incurs and that they are financially capable of bearing all investment risks consistent with their investment objectives. Eligible counterparties are subject to lower levels of investor protection in comparison to professional investors.

7. Investment advice and portfolio management

- 7.1. The Client can request investment advice from Fossar, i.e. personal recommendations to a client, either upon its request or at the initiative of the investment firm, in relation to financial instruments, or portfolio management, which consists of the Bank managing the Client's portfolio in accordance with a predetermined investment policy. A written agreement between the Client and Fossar shall form the basis of investment advice and portfolio management services.

- 7.2. Fossar does not provide personal investment advice unless there is a written agreement on such services. Any viewpoints which Fossar and its employees may express, whether orally or in writing, concerning economic outlooks, ideas, proposals, market conditions, general recommendations and other such information shared directly with the client or made available by other means, are only provided for information purposes and under no circumstances constitute investment advice to the client.
- 7.3. Prior to providing investment advice or asset management services, Fossar must assess the Client's suitability in regards to the investment services to be provided to the Client. Fossar gathers information from the Client regarding their knowledge and experience, financial situation, and investment objective. The information is, inter alia, obtained by providing a questionnaire to the Client which he shall answer to the best of his knowledge. On the basis of the information provided by the Client, Fossar assesses whether a product or services is suitable for the Client. Clients shall inform Fossar in writing on changes that may occur that can affect their suitability assessment.
- 7.4. Whenever requested by Fossar, Clients must provide Fossar with the information, that the company deems necessary to obtain. The information provided by the Client may be used as a basis for the assessment of suitability. If the Client does not provide Fossar with the requested information, or the information provided is insufficient, Fossar reserves the right to not provide the requested services or conduct observation and gather additional documentation that the Bank deems necessary, to ensure the reliability of the information. Fossar shall not be held responsible for any damages that may arise if the Client provides false or inadequate information, including if it results in Fossar providing the Client with unsuitable advice. Fossar may request additional information from the Client, if necessary. Clients acknowledge that false or inadequate information hinders Fossar's ability to assess the suitability of an investment service or financial instrument. In the case of investment advice or portfolio management, services cannot be provided to the Client until sufficient information is provided.
- 7.5. When Fossar provides investment advice to retail investors, they will be provided with a suitability report that outlines the investment advice given and how it aligns with their priorities, objectives, and requirements. In cases of distance selling where providing the suitability report in advance is impossible, Fossar is permitted, with the Client's consent, to deliver the report once the trade has been executed. By accepting these terms, the Client accepts such an arrangement for the delivery of the suitability report in distance selling.
- 7.6. Fossar will not conduct periodic assessments of whether the financial instruments that have been recommended are suitable for the Client, unless specifically agreed upon or required by law.
- 7.7. Fossar's investment advice is not considered independent investment advice as defined by the Act on Markets for Financial Instruments, as the investment advice is not based on extensive analysis of various types of financial instruments. The Client is aware that Fossar is an issuer of financial instruments and may have close relationships with other issuers of financial instruments or entities providing financial instruments. Therefore, the advice may be limited to financial instruments issued or provided by entities with close relationships to Fossar or other legal or financial relationships with Fossar, such as on the basis of a contract,

which could reduce the independence of the advice. A list of entities with close relationships to Fossar in this sense at any given time can be found on Fossar's website www.fossar.is. Further information can be found in Fossar's rules on measures against conflict of interest.

- 7.8. Non-independent advice includes that Fossar may, when carrying out individual instructions from the Client and/or in relation to Fossar's services to the Client, receive and retain fees, commissions or other financial or non-financial benefits that a third party (e.g., domestic, or foreign funds with which Fossar collaborates) pays or provides Fossar. When appropriate, Fossar guarantees that such financial or non-financial benefits enhance the quality of the Bank's service to the Client and do not prevent Fossar from operating honourably, fair, and professionally, aligned with the Client's interests, as stated in this agreement and Bank's rules on measures against conflict of interest, which are available on Fossar's website, www.fossar.is.
- 7.9. By accepting these Terms, the Client acknowledges being informed that Fossar's investment advice is non-independent and confirms his understanding of its significance.

8. Receipt and transmission of orders

Assessment of appropriateness

- 8.1. Prior to providing the Client with services involving reception, transmission, or execution of orders, the Bank generally obtains information about the Client's knowledge and experience in the field of investments pertaining to the specific type of product or service. The purpose of gathering information from the Client and assessing the appropriateness is to ensure that Fossar acts in the Client's best interests.
- 8.2. This assessment includes gathering information, which may be obtained through a questionnaire that the Client is required to complete to the best of his knowledge. Clients shall inform Fossar in writing on changes that may occur that can affect their appropriateness assessment. If Fossar determines that the Client lacks the necessary knowledge and experience to understand the inherent risks associated with a particular product or service, the Bank will issue a warning to the Client. If the Client still desires to proceed with the transaction despite the warning, they do so at their own risk. Fossar reserves the right, on an individual basis, to refuse to facilitate transactions or provide services that are deemed inappropriate for a Client.
- 8.3. Whenever requested by Fossar, Clients must provide Fossar with the information, that the company deems necessary to obtain. The information provided by the Client may be used as a basis for the assessment of appropriateness. If the Client does not provide Fossar with the requested information, or the information provided is insufficient, Fossar reserves the right to not provide the requested services or conduct observation and gather additional documentation that the Bank deems necessary, to ensure the reliability of the information. Clients acknowledge that false or inadequate information hinders Fossar's ability to assess the appropriateness of an investment service or financial instrument. Fossar shall not be held responsible for any damages that may arise if the Client provides false or inadequate information.

- 8.4. Fossar is not obliged to assess whether a transaction is appropriate for the Client in the case where the Bank is executing or receiving and transmitting orders regarding simple financial instruments, where the service is provided at the Client's initiative. In such cases, the Client is not afforded the same protection under the appropriate rules on business practices.

Form and content of client orders

- 8.5. Client orders concerning financial instruments must be clear, easily understandable, and provide sufficient information to enable Fossar to provide the relevant service. The Client bears full responsibility and risk concerning his orders to Fossar. Fossar reserves the right to decline the transmission or execution of orders that, in the Bank's opinion, are not appropriate for the Client.
- 8.6. Fossar is, in general, prohibited from receiving, transmitting, or executing instructions if the Client, who is a legal entity, has not been issued an LEI code (*Legal Entity Identifier*) or has not disclosed their LEI code. The Client shall provide Fossar with the LEI code at the beginning of the business relationship and shall notify Fossar of any changes to their LEI code. The reception and transmission or execution of certain orders are prohibited unless the Client provides Fossar with a national identification number (e.g., personal identification number, social security number), which is determined by the individual's citizenship.
- 8.7. A request for a transaction becomes binding for the Client from the moment it is received by Fossar, unless otherwise specifically agreed.
- 8.8. Orders received from Clients are transmitted and executed in accordance with the Bank's policy on the best execution of client orders, which are applicable to both retail and professional investors, based on the Client's categorisation. Fossar's rules for the best execution of client orders can be accessed on the Bank's website.
- 8.9. The Client is free to provide specific orders of execution and Fossar will then attempt to provide services in accordance with the Client's instructions. The execution of orders is subject to the rules of the execution venue where the transaction takes place, and the Client must comply with them as applicable.

Contracts

- 8.10. The Client undertakes to approve contracts, trading receipts, confirmations, or statements with Fossar within two days of their issuance. Approval can be provided by the Client's signature or by approval in a durable medium. If the Client does not raise an objection regarding the substance of aforementioned documents within two days, Fossar is permitted to consider the content of contracts, trading receipts, confirmations, or statements to contain the correct information, unless they contain obvious errors, and to furthermore consider them approved by the Client.

Fossar's rights and obligations

- 8.11. The approval of Fossar's employees is required for the transmission and execution of all transactions and Fossar may, at its sole discretion, approve or reject a client order, for instance if the Client's instructions are difficult to understand, unclear or in breach of law,

in Fossar's opinion, and without further explanation. Furthermore, Fossar is permitted to limit the number and amount of orders that the Company agrees to process.

- 8.12. Fossar reserves the right to revoke orders that the Bank considers to have been issued for illegal purposes, a noticeable error, a violation of laws or regulations, or are subject to technical disturbances. Fossar shall not be held responsible for any damages that the Client may suffer as a result.
- 8.13. Furthermore, Fossar is permitted to require any documents, information, or collateral which Fossar considers adequate for a trade.

9. Information to the Client

- 9.1. Information regarding estimated costs and associated fees for Investment Services are accessible on Fossar's website. Depending on the circumstances, this information may also be separately delivered to the Client on a durable medium before the services are provided.
- 9.2. After providing Investment Services, Fossar will send a summary or other confirmation of the transaction to the Client, as required by law and as appropriate for the specific service.
- 9.3. Fossar will maintain an overview containing information on all costs and fees, including those related to investment services and financial instruments, which are not due to underlying market risk. When mandated by law, this overview will be regularly provided to the Client throughout the duration of the lifetime of the relevant investment.
- 9.4. If the Client has not in writing commented on a trade slip or statement within two (2) days from their date of issue, Fossar will assume that the information they contain is correct, except in the case of obvious errors. Errors shall be corrected and a notice sent to such effect.
- 9.5. If Fossar determines not to execute a Client instruction or decides to withdraw or cancel the instructions, Fossar will endeavour to notify the Client as soon as possible.

10. Recording of telephone conversations and documentation

- 10.1. Fossar may record and preserve all telephone calls and electronic communications with a Client related to investment services, in accordance with the law. Such data is retained by Fossar for the duration specified by law and is generally deleted thereafter. The data shall be available upon request for five years and, at the request of the Financial Supervisory Authority of the Central Bank of Iceland, for up to seven years.
- 10.2. Fossar may be obligated to disclose or provide access to recordings of telephone conversations and other data related to services provided to its Clients.
- 10.3. The Client acknowledges and agrees that recorded conversations and other data may be submitted in court as evidence in the course of legal proceedings in the event of a dispute between Fossar and the Client. In other respects, such data will be treated in the same manner as other Client information which is subject to confidentiality according to law.

11. Settlement of transactions with financial instruments

- 11.1. By agreeing to these Terms and Conditions the Client authorizes Fossar to take any measures necessary to transfer financial instruments in his name as specified in the Client's trading instructions or in these Terms, in accordance with applicable laws and regulations governing the registration and transfer of securities and other financial instruments without need for the Client's involvement. In the event of the Client's refusal to do so, Fossar may seek the assistance of the relevant District Commissioner or District Court to take any action that the Client fails to take.
- 11.2. If the Client requests the sale of a financial instrument held by the Client or by a third party, the Client is required to ensure that the financial instrument in question is delivered to Fossar as promptly as possible and, in any case, before the trade is to be settled. A financial instrument is regarded as having been delivered to Fossar when it is available to the Company for disposal. Fossar is entitled to confirmation from the Client stating that he is the owner or is in a position to deliver the financial instrument in question.
- 11.3. In cases where Fossar has not received the necessary right of disposal to the financial instrument when settlement is scheduled, Fossar is granted full and unlimited authority to purchase a financial instrument at market price or borrow the financial instrument in question at market price for the purpose of effecting the trade and settling it with the buyer of the financial instrument in accordance with the original instructions of the Client. The Client warrants that the above measures are to the complete indemnification of Fossar and that the Client will pay all costs, commissions and expenditures relating to such trades. Fossar is permitted, but not required, to utilize its authorities pursuant to this clause.
- 11.4. The Client shall compensate Fossar for any damage resulting from delays in the delivery of financial instruments, including any fines imposed by the trading platform, public body, or other third parties on Fossar or resulting from any claims from other parties who may possess a claim for compensation against Fossar due to the Client's failure to fulfil their obligations.
- 11.5. When purchasing financial instruments, the Client agrees to maintain a sufficient deposit in his account with Fossar, or an account specified by the Client, equivalent to the purchase price of the relevant financial instruments, along with associated costs and taxes, by the settlement date. Similarly, when selling financial instruments, deliver the relevant financial instruments to Fossar prior to the settlement date. The Client acknowledges his responsibility for any damages incurred by Fossar if the financial instruments or assets as mentioned above are not available.
- 11.6. Fossar shall have a right of retention (Icelandic: *haldsréttur*) over the financial instruments and other assets held by the Client with Fossar with regard to due payments that the Bank may be entitled to from the Client concerning transactions with financial instruments.
- 11.7. If a claim is not settled on its due date or, if applicable, on the acceleration date, Fossar may charge the Client's account with Fossar in the currency of the claim and thereby settle the original claim. The same applies to accounts of the Client that Fossar has opened with a third party in connection with investment services provided to the Client.
- 11.8. Settlement not taking place on the settlement date due to events that relate to the Client shall constitute a substantial breach of contract (Icelandic: *veruleg vanefnd*). In such case,

Fossar may inter alia dispose of the purchased financial instrument or any other financial instruments in the custody of Fossar toward the debt in a manner the Bank deems appropriate, at no cost to Fossar. If Fossar exercises the abovementioned right, the Bank may claim the Client for any difference that may arise between the purchase value of the relevant financial instruments and the sale price, including any costs. The Client bears the risk of exchange rate fluctuations of the respective financial instruments. The Client shall be liable for and shall reimburse Fossar for any costs which may be incurred by the Bank relating to such settlement failure and indemnify the Bank for any loss or damage that it may incur. For this purpose, Fossar may debit the Client's account.

- 11.9. Fossar may facilitate the settlement of transactions due to non-performance by the Client, by temporarily providing funds or financial instruments in order to settle transactions vis-à-vis the relevant counterparty. In such case, the Client shall repay such funds to the Bank without delay and with default interest in accordance with Article 16.7 and 16.8, if Fossar demands it, for everyday passing until the full repayment of the loan. The Client shall be liable for and shall reimburse Fossar for any costs which may be incurred by the Bank relating to the above and indemnify the Bank for any loss or damage that it may incur. For this purpose, Fossar may debit the Client's account.
- 11.10. When a sell-side Client does not deliver the financial instrument involved in the settlement, Fossar may invite a third party to enter into the transaction and deliver the financial instrument in question (buy-in). In such circumstances, Fossar's Client pays the difference that may be between the agreed selling price of the financial instrument and the price that Fossar has paid to the relevant third party with regard to the above.
- 11.11. If any action is required by the Client with regard to settlement, he shall take all necessary and relevant measures. In the event of the Client's refusal to do so, Fossar may seek the assistance of the relevant District Commissioner or District Court to take the action that the Client fails to take.

12. Custody of financial instruments, assets, and omnibus accounts

General

- 12.1. Fossar keeps records of all services provided by the Bank and all transactions in which it acts as an intermediary in the field of financial instrument transactions.
- 12.2. Upon the transfer of assets to Fossar or on the establishment of business with Fossar, a custodial account will be opened in the name of the Client on the basis of these Terms and Conditions and an agreement on a custodial account, unless otherwise agreed. Fossar, or a company to which Fossar outsources custody services, will assume the role of the custodian in accordance with the provisions of these Terms and Conditions and agreements with the Client.
- 12.3. Fossar shall ensure the segregation of the Clients assets from the assets of Fossar and ensure, to the best of its ability, that they are inaccessible to Fossar's creditors.
- 12.4. In the event that financial instruments are directly delivered to the Client, which should be held by Fossar pursuant to a power of attorney or agreement, the Client must notify the Bank

and promptly place the financial instruments under Fossar's custody. If the Client fails to return a financial instrument purchased through Fossar that was delivered to them and is meant to be held by the Bank, Fossar will remove it from the Client's custody account with the Company.

- 12.5. The transfer of title to a financial instrument to the Client shall be carried out and registered by Fossar in line with the nature of the financial instrument and in accordance with Act No. 7/2020 on Central Securities Depositories, Settlement and Electronic Registration of Financial Instruments, and regulations established on the basis of that Act, except as otherwise provided by law, rules, the nature of the financial instrument or a separate written agreement. Fossar will in such cases act as an account operator for the Client within the meaning of that Act.
- 12.6. Fossar is a member of the Icelandic Depositors' and Investors' Guarantee Fund, cf. Article 3 of Act No. 98/1999 on Deposit Guarantees and Investor Compensation Scheme. The fund guarantees deposits, financial instruments, and cash with certain exceptions. Further information on the fund and its pay-out rules can be found at <http://www.tif.is>.

Outsourcing

- 12.7. Fossar is permitted to entrust a company within the Skagi Group or a third party ("Outsourcing Provider") with providing services covered by these Terms and related tasks ("Outsourcing Services"), including the custody of the Client's financial instruments and settlement.
- 12.8. The Client's acceptance of these Terms shall be deemed written consent by the Client, pursuant to Article 60 of Act No. 161/2002 on Financial Undertakings, to the disclosure of information relating to the Outsourced Services, in accordance with Clause 12.7. Such information shall be disclosed solely for the purpose of enabling the Outsourcing Provider to perform the Outsourced Services.
- 12.9. The Client agrees that Fossar is authorized to use the services of a company within the Skagi Group or a third party for the custody of the financial instruments and assets of the Client, such as another financial undertaking or clearing house, provided that the Client's assets are kept in a separate account of Fossar which is opened on behalf of the Client or in Fossar's omnibus account with a third party. Fossar is responsible for the outsourced assignment. In other respects, Fossar's liability for acts or omissions of the third parties is subject to applicable laws.

Omnibus accounts

- 12.10. The Client acknowledges and agrees that Fossar is authorized to keep the financial instruments of the Client in an omnibus account and to receive payments on the Client's behalf from issuers of financial instruments. The client further agrees that information regarding omnibus registrations and clients shall be retained, including changes to omnibus accounts, for at least five years following the termination of the business relationship.
- 12.11. The Client confirms that they are aware that Fossar is required to disclose information to the Financial Supervisory Authority pursuant to Regulation No. 706/2008 on omnibus accounts

and custody of financial instruments in an omnibus account. The principal legal consequences of omnibus accounts are the following:

- 12.11.1. Financial instruments registered in an omnibus account do not carry voting rights at shareholders' meetings.
- 12.11.2. The Client will not be registered in the register of shareholders of the company in question. Dividends or other rights proceeding from the company will be entered into Fossar's omnibus account as the property of the Client pursuant to Fossar's omnibus account.
- 12.11.3. In the event of a Bankruptcy of a financial undertaking being, a request being made for a debt moratorium, the winding-up of the institution or comparable measures, the Client can, on the basis of the registration, withdraw financial instruments from the omnibus account, provided there is no dispute as to the Client's title. However, disputes over title can lead to the loss of rights.

Transactions outside the European Economic Area

- 12.12. Fossar's Client may request transactions in financial instruments that are listed outside the European Economic Area. In such circumstances, the assets of the Client, whether held in the Client's own account or Fossar's omnibus account, may fall within the scope of legislation outside the jurisdiction of the European Economic Area, which may entail a different legal position for the Client.

13. Collateral

- 13.1. The Client may be required to provide collateral that Fossar regards as adequate to secure prompt and full payment, whether in respect of individual trades or contracts or as universal collateral. The Client undertakes to sign separate collateral agreements, bonds, mortgages, or other comparable documents, if requested.
- 13.2. Since the market value of collateral can change without notice, particularly if the collateral is pledged in the form of financial instruments, the Client is aware that a revaluation can result in a call for additional collateral. If Fossar requests collateral or additional collateral, the Client shall comply with Fossar's request within three (3) banking days from the time that Fossar makes the request. However, substantial changes in market conditions may call for shorter notice, and in such cases, Fossar is entitled to give shorter notice, even within the day, or to shorten a previously given notice.
- 13.3. If a contract provides that the value of a collateral must remain above a specified minimum, and if the value of the collateral falls below the specified minimum, the Client shall provide additional collateral so that the contractually agreed minimum is achieved.

14. Commissions and fees

- 14.1. Fossar reserves the right to charge commissions and fees for services rendered pursuant to Fossar's fee schedule as current at any time or as agreed between the Client and Fossar. The

Client declares to be familiar to Fossar's price quotation and the list of commissions and fees, which is available on Fossar's website.

- 14.2. Fossar is only permitted to receive or provide a fee from a third party in relation to an Investment Services if such payment enhances the quality of the service, does not impede the Company's ability to fulfil its obligations of acting with honesty, fairness, and professionalism in the best interests of its Clients, and if the Client is informed about the payment.
- 14.3. When Fossar provides independent investment advice and portfolio management services, Fossar is only permitted to receive and retain minor non-monetary benefits that are capable of enhancing the quality of service provided to a Client and are of a scale and nature such that they could not be judged to impair compliance with the investment firm's duty to act with honesty, fairness, and professionalism in the best interest of the Client, and shall be clearly disclosed to the Client.

15. Setting off (netting)

- 15.1. Setting off is subject to the following:
 - 15.1.1. Fossar is permitted to set-off any claims it has against the Client with any claims the client may have against Fossar in relation to their business relationship. In such an event, the profit and/or loss of the parties relating to the parties' business shall be settled collectively and only the balance, if any, shall be paid.
 - 15.1.2. If obligations of the Client are accelerated, Fossar is entitled to offset or net the claims according to all contracts governed by these terms and conditions, allowing the profit and loss of each party from all contracts shall be settled collectively and only the balance, if any, shall be paid.
- 15.2. Settlement pursuant to this Article, i.e., valuation of financial instruments and conversions, is subject to Article 11.
- 15.3. By acceptance of these Terms and Conditions, the Client agrees that a contract has been established with Fossar pursuant to Chapter VI of Act No. 115/2021 on Markets in Financial Instruments to the effect that the obligations of the Client and Fossar pursuant to derivative contracts, if applicable, shall be balanced against each other, by netting, on renewal or default, suspension of payments, composition with creditors or Bankruptcy, and that the contract shall remain in full effect notwithstanding the relevant provisions of the Act no. 21/1991 on Bankruptcy, etc.

16. Breach of contract

- 16.1. In the event of substantial breach by the Client, as determined by Fossar, under these Terms and Conditions, or related trades or contracts, Fossar is permitted, without obligation, to sell financial instruments in full or in part, to accelerate (Icelandic: *gjaldfella*) contracts of the parties in full or in part or close them without notice. Acceleration means that the closing date of a contract is advanced to the date of acceleration.

- 16.2. In the event of non-material defaults by the Client in respect of any commitment hereunder or under any trade or contract under these Terms and Conditions, the Client shall have two (2) days to remedy the events that led to the breach. The grace period shall be calculated from the time at which the breach occurred.
- 16.3. The following listed events shall always constitute substantial breaches of obligations by the Client. The list is not exhaustive.
- 16.3.1. The Client has not remedied a breach within two (2) banking days, as provided in Section 16.2;
 - 16.3.2. The Client is in breach of obligations to Fossar other than those falling within the scope of these Terms and Conditions and has not remedied the breach within two (2) banking days from the time that the breach began, or is repeatedly in breach of obligations to Fossar;
 - 16.3.3. The Client does provide Fossar with a confirmation of a trade within 7 days from its date, or before the due date if it falls within that time limit;
 - 16.3.4. The Client does not supply adequate collateral or additional collateral within the time limit set in Article 13;
 - 16.3.5. The Client is ordered by a court of law to pay a cash debt which is listed in the default register, the estate of the Client is subjected to a levy of execution, the Client petitions for a moratorium on debts or seeks composition, enters into negotiations with creditors on partial or full relief from debts, petitions for Bankruptcy proceedings (or statutory law permits or requires the submission of such a petition), a petition is submitted for the enforced auction of the Client's assets, a creditor responds to the payment difficulties of the Client by granting a debt restructuring loan, postponing payments on the loan or extending a loan period, or the financial situation of the Client is such that there is a significant likelihood that he will not be able to meet his obligations under these Terms and Conditions, or other events similar or comparable to those described above occur;
 - 16.3.6. The Client neglects his disclosure obligations pursuant to these Terms and Conditions or provides false or inadequate information;
 - 16.3.7. The Client does not discharge his payment obligation on the settlement date of a contract or financial instrument;
 - 16.3.8. The Client does not prove his identity by submitting the documents and papers required, as provided in Act no. 140/2018 on measures against money laundering and terrorist financing;
 - 16.3.9. A decision is made that a Client, who is a legal entity, merges with another company or companies, is divided, or that there will be a significant change in the company's objectives or the ownership of the company. The Client must notify Fossar of such a decision without delay.
- 16.4. If obligations of the Client are accelerated, Fossar is fully authorised, without further notice, to seek enforcement of all its claims in any manner, at the discretion of the Bank, e.g., by seeking enforcement of its claims through the collateral pledged by the Client. Fossar may

decide, at its sole discretion, whether to seek enforcement of all the collateral pledged or any part of the collateral and, if the latter, in what order.

- 16.5. In the event that the Client has substantially breached its obligations towards Fossar, the Client agrees that Fossar has full and unlimited authority to sell the financial instruments of the Client, sign receipts for all payments and take any action needed that Fossar considers advantageous. In the event that any further action on the Client's part is required in order to effect a transfer of title to any financial instruments, e.g. by the delivery of any necessary documents, the Client undertakes to make all necessary arrangements to this end; in the event of any failure by the Client to do so, Fossar may seek the assistance of the District Commissioner or District Court of Reykjavík or other competent authorities, domestic or foreign, to effect the performance of the obligations neglected by the Client.
- 16.6. Fossar may, without obligation, convert claims in foreign currencies into Icelandic króna on the date of acceleration or, as applicable, on the due date of the claim or later. Such conversion shall be based on the registered buy-rate of the Central Bank of Iceland at 11:00 a.m. on the day of settlement.
- 16.7. The amount of an accelerated or due and payable claim shall carry default interest in accordance with paragraph 1 of Article 6 of Act no. 38/2001 on interest and indexation from the due date until the date of payment. If a specific agreement has been made regarding default interest in a contract on a trade, the provisions of that contract shall apply. It is of no relevance whether the amount of the claim is in Icelandic króna or foreign currency or whether Fossar has decided to convert the amount into Icelandic króna.
- 16.8. In the event of a breach by the Client on obligations hereunder, the Client undertakes to pay to Fossar, in addition to interest and/or default interest, any costs incurred by Fossar as a result of the breach, litigation costs or other court costs, counsel's fees or other expenses payable by Fossar, together with other legal costs resulting from collection pursuant to these Terms and Conditions, in addition to any cost pursuant to Fossar's fee schedule.
- 16.9. In cases where the above measures are insufficient to cover all Fossar's claims towards the Client, the Client undertakes to pay in full the entire balance of any unpaid claims.

17. Termination

- 17.1. The mutual notice period for termination of agreements established under these Terms and Conditions is 14 days, subject to any relevant agreement stating otherwise, and begins on the day the notice is received by the other party in a verifiable manner.
- 17.2. For procedure, reasons, and consequences of termination, a reference is made to the General Business Terms and Conditions, and their provisions apply in full to the termination of these Terms and Conditions.

18. Taxes

- 18.1. The Client shall pay all public levies or taxes which may be imposed on the contract, payments pursuant to the contract or specific transactions, at no cost to Fossar.

- 18.2. When transactions are carried out abroad, Fossar may be obliged to withhold funds due to the deduction at source or other fees. The same may apply when transactions are carried out in Iceland for foreign Clients.
- 18.3. In cases where Fossar is required to collect taxes or public fees from the Client, the Bank shall be permitted to pay such fees by charging the Client's account and, as the occasion arises, by selling the assets that stand as collateral for the Client's transactions with Fossar. The tax treatment depends on the circumstances of each Client individually and may be subject to change in the future.

19. Liability

- 19.1. Regarding Fossar's liability for damage incurred by the Client, a referral is made to Fossar's General Terms and Conditions and the provisions of individual agreements. However, Fossar's liability for damage that a Client may incur regarding investment services is stipulated below.
- 19.1.1. Since market conditions can change significantly in a short time, Fossar cannot guarantee that a Client's instructions regarding the effecting of a contract or a trade can be processed at the requested price. Consequently, Fossar does not guarantee notifications to the Client regarding the position of contracts or their closing at certain limits unless such services have been specifically negotiated with all the specific and general reservations that may apply at any time. Therefore, it is entirely the responsibility of the Client to monitor the position and trends of the contracts concluded with Fossar.
- 19.1.2. Fossar is not liable for any direct or indirect losses or damage suffered by the Client if a tax collectible from the Client is not collected or incorrectly collected. In the event of a tax and/or public levy being imposed on a contract or individual transaction falling within the scope of these Terms and Conditions, the Client shall pay such additional charges.
- 19.1.3. Fossar is not liable for any direct or indirect damage or loss that the Client may suffer directly or indirectly as a result of any technical failure, whether hardware or software, or for other similar reasons, e.g. in the use of a postal service, telephone, or e-mail. Furthermore, Fossar is not liable for damage or losses caused directly or indirectly as a result of information or actions of any third party.
- 19.1.4. Fossar is not liable for damage resulting from events of force majeure, including war or impending armed conflict, natural disasters, strikes, closures of borders or trading bans or embargos, or other comparable events. In the event of a substantial change in the business terms of Fossar as a result of events for which Fossar cannot be held responsible, e.g. changes in loan markets, government decisions, or other comparable events, resulting that Fossar is unable to obtain loan funding for trading in financial instruments or contracts falling within the provisions of these Terms and Conditions on similar terms as those anticipated on the negotiation of the contract, Fossar may, following prior notification of the Client, accelerate balances of loans or advance the maturity date with seven (7) days' notice. The same applies in the

event of significant changes for the worse in the business terms of the State Treasury on overseas credit markets.

- 19.1.5. Fossar is not liable for any direct or indirect damage or losses resulting from events of a political, social, financial, or economic nature that are likely to prevent, terminate or disrupt in part or in full the services provided by Fossar, even if such events are not classified as events of force majeure.
- 19.1.6. Fossar is not liable if the Bank is unable to buy or sell the financial instruments or currency that the Client has requested in the price range requested by the Client.
- 19.1.7. Fossar is not liable for the performance of counterparties under contracts which the Bank has entered into for the benefit of its Clients, regardless of whether Fossar is acting as principal or on behalf of the Client.
- 19.1.8. Fossar, its board directors, management, or other employees or representatives shall not be held liable for damages, costs, or expenses incurred by the Client resulting from business transactions or contracts entered into on the basis of these Terms and Conditions unless such losses are a direct consequence of their gross negligence or wilful misconduct. Liability shall not in any circumstances extend to indirect damages suffered by the Client, such as losses suffered by the Client or third party, due to loss of profits or loss of Clients goodwill or loss of business opportunities due to or arising relating to these Terms and Conditions, whether due to negligence, breach of contract, misleading information, or other causes.

20. Changes to the Terms and Conditions

- 20.1. Fossar reserves the right to terminate these Terms and Conditions, add to them or amend them at any time, and such changes will become effective without prior notice once the updated terms are published on Fossar's website (www.fossar.is). If the Client continues to engage in business with Fossar or uses the Bank's services in any manner after the amended Terms and Conditions have taken effect, it will be assumed that the Client has accepted the amendments. The Client acknowledges that all amendments to the Bank's Terms and Conditions will be made available on Fossar's website, www.fossar.is, unless otherwise required by law or agreed upon. If the Client does not agree with the amendments made to these terms and conditions, they have the option to terminate their business relationship with the Bank in accordance with the provisions outlined herein.
- 20.2. All information provided to Clients will be in electronic form. However, retail investors have the right to request and receive information in paper form, free of charge.
- 20.3. These Terms and Conditions are standardised and no deviation from them is generally permitted in respect of individual Clients. Any inscriptions, deletions, additions, or other modifications of the terms made unilaterally by the Client have no effect on Fossar.

21. Further provisions

- 21.1. These Terms and Conditions, and any contracts entered based on these Terms and Conditions, are subject to Icelandic law. In the event of any dispute relating to the

interpretation of these Terms and Conditions or any contracts entered into on the basis of these Terms and Conditions, the dispute shall be brought before the District Court of Reykjavík. The Client is aware that he may defer disputes to the Complaints Committee on Transactions with Financial Firms. Further information on the committee and the complaints process may be found at www.nefndir.is.

- 21.2. These Terms and Conditions are not intended to confer on eligible counterparties and professional investors greater protection than afforded by law. In cases where these Terms and Conditions exceed the protection granted to such Clients according to law, the provisions of law shall apply.
- 21.3. By accepting these terms, the Client confirms that he has familiarized himself with Fossar's rules on best execution of client orders and agrees that the policies and procedures laid out in the rules will prevail in the investment services. The Client specifically confirms that Fossar is authorized to execute client orders outside of regulated markets unless otherwise specified. Moreover, the Client confirms that he is aware that by providing specific orders of execution chances are that best execution will not be achieved. The Client furthermore confirms that he has familiarized himself with Fossar's conflict of interest policy and rules, and agrees with what is stated there. The aforementioned policy, rules and overview is available on Fossar's website, www.fossar.is.
- 21.4. The Client cannot assign his rights or obligations pursuant to these Terms and Conditions or contracts made based on these Terms and Conditions without the written consent of Fossar. Fossar may assign all or any of its rights and obligations hereunder, in full or in part, to a company within the Skagi Group or a third party, including another financial undertaking within the meaning of the Act No. 161/2002 on Financial Undertakings. In such circumstances and for such purpose, Fossar is permitted to deliver these Terms and Conditions and other contracts between the parties, and the Client's acceptance of these Terms shall be deemed to satisfy the requirements of Article 60 of Act No. 161/2002 on Financial Undertakings regarding the Client's written consent to the communication of confidential information under that Act.
- 21.5. These Terms are issued in Icelandic and English versions. In the event of any contradiction between the two, the Icelandic version shall take precedence.