

**CLIENT AGREEMENT FOR THE PROVISION OF INVESTMENT SERVICES BY THE  
CORPORATE AND INVESTMENT BANKING DIVISION OF BANCO SANTANDER, S.A.**

**Madrid, June 2, 2025**

**BETWEEN**

**Banco Santander, S.A.** (the “**Bank**”) is a credit institution registered at and subject to the supervision of Banco de España (Calle Alcalá 48, 28014-Madrid, Spain. Tel. 913 385 000. [www.bde.es](http://www.bde.es)) with number 0049. The activity described herein is subject to the supervision of the Spanish Securities Market Commission (hereinafter CNMV), with address at Calle Edison, 4, 28006 Madrid, Spain. Tel. 902 149 200. [www.cnmv.es](http://www.cnmv.es)).

**AND**

[\_\_\_\_\_], with registered number [\_\_\_\_\_] and registered office at [\_\_\_\_\_] (the “**Customer**”)

LEI: [\_\_\_\_\_]

[in case the persons acting under a power of attorney, the following information will have to be included:

[\_\_\_\_\_] with VAT number [\_\_\_\_\_] a national of [country], domiciled in Spain at [\_\_\_\_\_]

This **CLIENT AGREEMENT FOR THE PROVISION OF INVESTMENT SERVICES BY THE CORPORATE AND INVESTMENT BANKING DIVISION OF BANCO SANTANDER, S.A.** (hereinafter, the “**Client Agreement**”) is subject to the rules of conduct and reporting requirements set out in securities market legislation<sup>1</sup> and the provisions herein.

By accepting this Client Agreement, the Customer acknowledges having received and read the following information or that such information is readily available and freely accessible:

- General information on the Bank and the investment services and financial instruments it offers, as detailed in the MiFID brochure available at the website [www.bancosantander.es](http://www.bancosantander.es) under “MiFID Policies and Procedures”.
- Information on communications, language and methods of communication with the Bank.
- Information on the Bank’s action through credit institution agents.
- Information on the nature and frequency of information on execution of orders and periodic statements of financial instruments.
- Information on mechanisms for the protection and safeguarding of customer assets.
- Information on the general policy governing conflicts of interest.
- Information on customer classification for the purpose of investment services and/or products and the classification system.
- Information on the customer for the provision of investment products and services.
- Information on the process for the Bank’s provision of investment services.
- Information with a view to safeguarding financial instruments held on customers’ account.
- Information on order execution policy available on the website [www.bancosantander.es](http://www.bancosantander.es), titled “MiFID Policies and Procedures”.
- Information on certain financial instruments and their respective investment risks.

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<sup>1</sup>In accordance with Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments as supplemented by Commission Delegated Directive (EU) 2017/593 of 7 April 2016 and Commission Delegated Regulation (EU) 2017/565, of 25 April 2016. Also, in conformity with the Spanish Securities Markets and Investment Services Act (Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión (the “Spanish Securities Markets and Investment Services Act”)) and Royal Decree 813/2023, of 8 of November, on the legal regime of investment services companies and other entities that provide investment services, related laws and regulations and any other applicable laws and regulations.

- Information on inducements and limited application of the requirements under MiFID.
- Information on fees and related expenses and tax.
- Information on duration and termination of the Client Agreement.

## **CLAUSES**

### **1. Subject matter of the Client Agreement.**

**1.1.** Banco Santander, S.A. offers customers financial products and services sufficiently in advance to enable customers to learn about the features and characteristics of such products and services from the information and documentation provided by the Bank in a clear and impartial manner. In providing investment products and services, the bank will act honestly, professionally, impartially and in the Customer's best interest. With the aim of achieving greater agility and control in the Customer's transactions and investments through the Bank or in the services provided by the latter, the parties wish to regulate in a comprehensive manner, via a single document, the legal framework governing the execution, materialisation and reporting of such transactions, investments and services, for which purpose they enter into this Client Agreement.

**1.2.** This Client Agreement sets out the essential rights and obligations regulating the relationship between the Bank and the Customer with regard to the rules of conduct applicable to the provision of investment products and services such that, subject to the stipulations herein, the Customer may subscribe to certain investment products and services.

**1.3.** By accepting this Client Agreement, the Customer is hereby informed of its content and of the information set out at the beginning of this document that has been provided or made available beforehand, in which significant matters are addressed regarding the risks of operating with certain financial instruments and information given on certain policies adopted by the Bank on the provision of investment services and the commercialisation and transmission of orders on investment products. The Bank stands ready to answer any questions the Customer may have and inform the latter of any material change in the content of the information provided that might affect the Customer's decision to accept the services and contract the Bank's products.

**1.4.** When the Customer contracts in a standalone manner certain investment products and services, standalone contracts for the product or service should be signed separately as appropriate, along with the necessary orders for any specific transaction with investment products issued by the Customer to the Bank.

**1.5.** The Bank and the Customer acknowledge, by accepting this Client Agreement, that all the financial investment products or services they agree to arrange shall be undertaken pursuant to this Client Agreement, whereby the terms and conditions herein shall be fully applicable, and that, along with standalone contract and pre-contractual information relating to each service and product and to orders issued, shall comprise a single body of rights and obligations between the Bank and the Customer that shall be applicable to each of their contractual relationships. The foregoing will be notwithstanding any specific or particular conditions agreed in the standalone contracts of each of the products or services contracted by the Customer, which shall prevail over these terms and conditions in the event of a discrepancy.

**1.6.** The Customer may undertake transactions or contract services and products for financial instruments either in person or through channels of electronic banking, mobile banking or telephone banking as the Bank has available at any given time for such purposes, provided the Customer has contracted and activated such services, for which the pertinent contracts should be signed.

**1.7.** The Customer may contract other products and services offered by the Bank that are not envisaged in this Client Agreement. In doing so, the parties should sign the necessary documents to regulate the functioning and conditions of each product and/or service.

**TWO. Products and services covered by the Client Agreement.** This Client Agreement covers investment products and services offered or provided by the Bank directly or through other Santander Group companies. Specifically, the following products and services are subject to the

provisions of this Client Agreement, as will be those determined by the Bank or applicable legislation:

Custody and management of financial instruments on behalf of customers.  
Investment advisory services.  
Discretionary management of investment portfolios.  
Receipt and transmission of customer orders related to financial instruments.  
Execution and settlement of orders related to financial instruments on customers' behalf.  
Entry and recording of balances of securities and of investments and shares of collective investment institutions.  
Proprietary trading by the Bank.  
Products and transactions pursuant to the Spanish Framework Contract of Financial Transactions (CMOF in Spanish) and the Client Agreement of the International Swaps and Derivatives Association (ISDA).

The conditions for operating in certain products and services that the Bank makes available to the Customer, and the rights and obligations of the Customer and the Bank, along with proper notices regarding the risks of certain transactions or services, are set out in the terms and conditions of this Client Agreement and in the standalone contracts and in the orders and other documentation relating to the specific services and transactions arranged thereunder.

**THREE. Communication with customers. Language. Methods of communication.** All communications and notifications between the parties, in addition to any complaints addressed by the Customer to the Bank, shall be made using any method permitted by law and in English, unless otherwise agreed by the parties.

The following channels are available for communication between the Customer and the Bank:

- In person through the Bank's own network of branches, including the specialised networks Santander Private Banking, Santander Select and Santander Empresas, and the network of credit institution agents.
- By telephone through Santander Personal and Superline (+34 915 123 123).
- Via Internet and mobile banking for customers who have arranged these remote banking services.

If you have a complaint about us, please contact Servicio de Reclamaciones y Atención al Cliente, either through our online form available at <https://www.bancosantander.es/particulares/atencion-cliente>, or by email: [santander\\_reclamaciones@gruposantander.es](mailto:santander_reclamaciones@gruposantander.es), or via the postal address Apartado de Correos 35.250, 28080 Madrid or personally at any of our offices or through our client services line: +34 915 123 123. Our complaints procedure will follow the requirements of Applicable Rules. All complaint submissions are free of charge. Further information can be obtained upon request.

The means, channels and forms of sending orders on financial instruments are specifically described in each of the standalone contracts that regulate the service in question. Orders can be transmitted in person at one of the Bank's branches, or via online banking, mobile banking or telephone banking, provided the Customer has arranged these services with the Bank and they are available for such purpose.

**Conditions applicable to the delivery of information.** The Customer expressly authorises the Bank to deliver information to him/her on paper or any other durable format. For these purposes, the Bank may use information channels or tools that allow the Customer to store said information and retrieve it for a period suitable for the purpose the information shall be used for, and allow it to be reproduced unchanged. Specifically, and with respect to transactions ordered by telephone or electronically, the Customer is hereby informed that conversations are recorded and electronic communications are archived, and that the Customer shall have access, at its request, to recordings and communications relating to the transactions for a period of five years following the generation of the recording or file.

On signing this Client Agreement, the Customer gives his/her express consent for the Bank to provide the aforementioned information in accordance with the rules of conduct applicable to the provision of services and products under this Client Agreement, through electronic communication sent to the customer's email address or through any other notification service for mobile devices as specified by the Customer for such purpose, and through the Bank's website: [www.bancosantander.es](http://www.bancosantander.es).

**FOUR. Acting through credit institution agents.** Banco Santander, S.A. has a network of credit institution agents.

Agents are individuals or legal persons that, under a commercial relationship with the Bank and on the latter's behalf, carry out work to promote its services, capture business, receive and transmit customer orders, market financial instruments and, if authorised to do so by the Bank, provide advisory services on the financial instruments and investment services offered by the Bank.

Agents carry out their activity pursuant to criteria of confidentiality, objectivity, information transparency, professionalism and impartiality, committed to the best defence of the customer's interests, and they act in accordance with established codes and practices of conduct for such activities.

In accordance with Circular 4/2010, of 30 July, of Banco de España, Banco Santander verifies the professional capability of its agents and that their work conforms to prevailing regulation.

Agents of Banco Santander, S.A. are registered in Spain at the register Banco de España has set up for this purpose.

The Customer expressly acknowledges that he or she has been informed that the Bank may act through agents.

**FIVE. Nature and frequency of information on execution of orders and periodic statements of financial instruments.** Banco Santander, S.A. shall make available information on execution of orders, in accordance with the law, to customers to whom it provides services of investment, execution or receipt and transmission of orders on financial instruments.

By accepting this Client Agreement, the Customer gives specific consent that, when the Bank must send him/her a notice in a durable format confirming execution of an order no later than the first business day following such execution or, if the Bank receives confirmation from a third party, no later than the first business day on which the Bank receives such confirmation from a third party, such obligation may be considered fulfilled by the Bank by making such confirmation available to the Customer in the offices of the Bank or in the address for the sending of correspondence indicated in the heading of this document, either through electronic communications, or through online or telephone banking channels if the Customer has arranged and activated those services with the Bank.

The Customer shall have 15 days following the date of availability of such information to express their objection to the same. Once that period has passed, the transaction shall be considered to have been confirmed as notified.

Where discretionary portfolio management services are to be provided, customers shall be sent a statement of the portfolio management activities carried out on customers' behalf, including details of transactions executed during the period in question, with the frequency set out in the contract regulating such service, which shall be at least quarterly.

The Bank shall also deliver to customers, at least quarterly, a statement with details of the financial instruments held on their behalf, unless such information has previously been provided to the Customer in another periodic information statement.

**SIX. Mechanisms for the protection and safeguarding of customer assets.** Banco Santander, S.A. is an institution of recognised solvency, and it upholds and applies specific procedures to ensure the safeguarding of the assets it holds on behalf of its customers in relation

to both financial instruments and undertakings for the collective investment of transferable securities (UCITS).

Banco Santander, S.A. is a member of the Deposit Guarantee Fund for Credit Institutions (Calle José Ortega y Gasset, 22, 28006 Madrid. [www.fgd.es](http://www.fgd.es).) and it makes available to its customers detailed information on the Fund, its functioning, the grounds and procedure for making a claim, the guarantee, and its scope and regulation, among other matters, on the Notice Board available at the Bank's website ([www.bancosantander.es](http://www.bancosantander.es)), and at any of its branches.

**SEVEN. General policy on conflicts of interest** Banco Santander, S.A. has specific procedures enabling it to identify, record, proactively manage and, where they are unavoidable, reveal to its customers possible situations of conflict of interest that might be damaging to them.

This Policy sets for the guidelines for:

- Identifying the relationships, services, activities or operations in which conflicts of interest may arise.
- Facilitating guidelines for preventing conflicts of interest to the extent possible; and establishing the process for assessing conflicts, the mitigating measures and the reporting of conflicts of interest (including potential cases).
- Appropriately documenting the implementation of the measures established for the aforementioned purposes so that conflicts of interest may be controlled internally and explained to the regulators and/or competent authorities.

The Customer may request further information on the General Policy on Conflicts of Interest through any of the channels specified in "Communication with customers. Language. Methods of communication".

**EIGHT. Customer classification for purposes of investment services and/or products. Classification system.**

In conformity with applicable legislation, the customer classification system sets out three different categories in order to reflect, for each, the degree of knowledge and experience in financial markets and the capacity to undertake the risks deriving from the investment decisions, thus determining the rules of protection applicable to customers:

- Retail customers (mainly, all individuals acting as natural persons, SMEs, local entities, etc.) receive the highest level of protection provided by the law in both the execution of appropriateness and suitability assessments and in the scope of documentation and information prior to contracting and subsequent to the same that should be provided to this Customer category.
- Professional customers (mainly experienced institutional investors.), which receive an intermediate level of protection, based on the assumption that they possess the experience, knowledge and qualifications necessary to make their own investment decisions and understand and accept the risk thereof.
- Eligible counterparty customers (applicable to banks, savings banks, mutual & pension funds, SICAVs, securities firms, central banks, insurance companies, national governments and entities therein, etc.), which are granted a basic level of protection under the law since they are entities that are accustomed to acting directly in the financial markets.

In the provision of investment products and services, the Bank has established classification policies and procedures that comply with applicable rules of conduct and the objective criteria laid down in the law for classification of customers.

The Bank will categorise customers and inform them individually of the classification result in a durable format. This classification is equally valid for other Santander Group companies Santander Securities Services, S.A., Santander Investment Bolsa, S.V., S.A., Santander Private Banking Gestión, SGIIC, S.A. and Santander Asset Management SGIIC, S.A. in any cases where shared services are provided through the intermediation of Banco Santander.

By accepting this Client Agreement, the Customer expressly acknowledges having been informed of their initial classification.

If the Customer, in conformity with the Customer Classification Policy, is given the status of a professional customer upon acceptance of this Client Agreement or subsequently, the Bank will apply the established levels of protection to provide investment products and services to such customers, and the customer acknowledges understanding the effects of such status as Professional in dealings with the Bank.

**Customer right to request change in assigned classification.**

Under the Bank's Customer Classification Policy, a retail customer may request a change of classification to professional customer; a professional customer to retail customer or eligible counterparty customer; and eligible counterparty customer to professional customer or retail customer.

The change request should be sent to the bank in writing via the form provided for this purpose and available on the website of [www.bancosantander.es](http://www.bancosantander.es), "MiFID, MiFID Regulation" or in the Bank's branches, and it must bear the Customer's signature and the date from which the new classification is to take effect. The Bank will accept the request for a classification change provided the Customer meets the legal and regulatory requirements, or it will deny the request and inform the Customer of this in due course. A request for and acceptance of a change from retail customer to professional customer specifically implies an express waiver of the treatment and degree of protection afforded to a retail customer.

If the new classification granted arises from data that the Bank cannot directly verify or cannot verify completely and is based on information provided by the Customer, the latter shall be liable for the accuracy and truthfulness of the same, where the Bank shall be exonerated of any damages or liabilities that should arise from the inaccuracy or absence of veracity of such data and information.

The Customer acknowledges having been informed by the Bank of the right to request a different classification, provided the requirements of the law and the Customer Classification Process are met, and of the limitations that may arise from the change.

**NINE. Customer information for the provision of investment products and services.**

**9.1.** To enable the Bank to offer its products and provide its services under this Client Agreement, the Customer undertakes to provide to the Bank all necessary information in consideration of the service or product, in accordance with applicable rules of conduct and, in particular, the information necessary to classify the Customer and assess the appropriateness or suitability, as applicable, pursuant to the law and regulation.

The Customer declares and confirms that all the information provided to the Bank prior to and/or upon acceptance of this Client Agreement is truthful, complete and accurate, and undertakes to provide any information necessary for the signing of standalone contracts of investment products and/or services to be contracted with the Bank in the future in a manner that is also truthful, complete and accurate. The Bank shall trust the information provided by the Customer to be reliable, unless it has knowledge that said information is clearly outdated, inaccurate or incomplete.

**9.2.** The Bank hereby informs the Customer, when it is necessary to evaluate suitability by completing the suitability test presented by the Bank, that if the Customer fails to provide the information requested by the Bank, or if the information provided is not sufficient in relation to the Customer's knowledge and experience on the financial products or instruments in question, the Bank will be unable to determine whether the product or service the Customer wishes to contract is appropriate for him or her. In the event that it is necessary, yet not possible to perform a suitability assessment due to a lack of information provided by the Customer in relation to his or her knowledge and experience of the financial products or instruments in question, the Bank shall inform the Customer of such fact and will warn the Customer of the consequences of contracting the product or service.

The Customer hereby expressly acknowledges having received and understood this warning. In the event of a complex product, the Bank will request from the Customer written confirmation of

this fact, as required in Circular 3/2013, of 19 July, of the National Security Markets Commission, in concordant regulations or any that should replace or supplement them in the future.

For the provision of investment advisory services and discretionary portfolio management, suitability and appropriateness must be assessed, for which the Customer is obligated to provide the information requested in the suitability test presented by the Bank. This test also includes information on the Customer's knowledge and experience (encompassing the appropriateness test), and the Customer's financial position and investment objectives. Where the suitability assessment is necessary yet cannot be carried out due to a lack of information from the Customer, the Bank may not provide the indicated services.

The Customer hereby expressly acknowledges having received and understood this warning.

**9.3.** If a standalone contract is undertaken by several parties and such contracts allows for executing transactions under a co-ownership arrangement (independently of the form of agreed, joint or joint and several decision-making), for which the Bank is required to carry out the same test assessing the suitability and appropriateness for the Customer, to the extent that law and regulation allow, the Customer gives consent, from the signing of this Client Agreement, for the Bank to assess suitability or appropriateness, as the case may be, based on the first owner, who is assumed to have the most knowledge and experience of a specific product or service, such that the assessment corresponding to the owner with the most knowledge and experience shall be accepted by the other owners.

In the event of transactions under a co-ownership arrangement where the Bank need only perform the appropriateness test, the Customer gives consent for the Bank to use as the basis for such assessment the party to the contract with the most knowledge and experience. Nevertheless, the Customer shall reserve the right to request at any time that the Bank follow a different procedure, by indicating as such expressly and in writing (with the signature of all the owners), without prejudice to the full validity and effectiveness of previously contracted products or services.

**9.4.** When the Bank makes use of the intermediation of third parties for the presentation or provision of an investment to the Customer, the third party providing the investment service or ancillary service may, through the intermediation of the Bank, use as a basis the information on the Customer transmitted by the Bank. The Customer, by accepting this Client Agreement, gives specific consent as required for such provision in relation to another investment company.

**9.5.** The Customer undertakes to inform the Bank of any change in their situation that may result in a modification of their classification or of the suitability or appropriateness assessment. The Bank, in any event, reserves the right to make any change in the Customer's classification pursuant to the conditions laid down in the law and its own Customer Classification Policy.

## **TEN.- Procedure for provision of investment services.**

### **10.1. Investment Advice.**

The Customer shall sign a specific agreement for the provision of investment advice. The Corporate and Investment Banking division of Banco Santander, S.A. does not provide investment advice.

### **10.2. Non-advised sales.**

For the non-advised contracting of either complex or non-complex products, and for retail, professional or counterparty customers, Banco Santander, S.A. has controls in place in its computerised trading platform that generate the necessary alerts.

The Bank provides customers with tools that assist them in making investment decisions, thus providing complete and appropriate information within the range of products it commercialises.

The Bank has a wide range of products that include undertakings for collective investment in transferable securities of third-party providers. It will also submit to the Customer, at least annually, position statements with the valuation of the instruments commercialised, and profitability, cost and expense reports.

In the marketing of complex products for retail customers, as required by securities market regulations, an appropriateness assessment for the Customer must be made and the Customer shall be duly advised if the transaction is rated as not appropriate in the assessment.

The appropriateness test shall be carried out pursuant to the model the Bank has established for this purpose. However, if the Customer has completed the suitability test, the Bank has chosen to use available appropriateness information in the suitability test carried out on customers, with no need for another questionnaire for reasons of efficiency and automation of processes. The suitability test gathers information on the customer's knowledge and experience and, for this reason, it includes the appropriateness test. However, execution of the suitability test for assessing appropriateness does not involve a presumption that the Bank is obligated to provide a service of financial advisory or portfolio management. If the Customer does not wish to receive services of advisory or discretionary management, completion of the appropriateness tests shall be sufficient, including solely the questionnaire on financial knowledge and experience for the purposes of the assessment.

As a general rule, the Bank shall use appropriate tools to oversee appropriate marketing of complex and non-complex products to retail customers through the appropriateness test, for which it will use the suitability test if the Customer has one or, otherwise, the appropriateness test completed by the Customer. Hence, when the Customer demands a complex and non-complex product without having completed the aforementioned suitability or appropriateness tests, it shall be understood that the Customer is doing so at their own initiative.

For the assessment of appropriateness, consideration shall be given only to answers given by the Customer to questions relating to their financial knowledge and experience set out in either the appropriateness test or in the suitability test.

For certain transactions that are carried out at the Customer's initiative, such as the simple execution with non-complex products, the Bank may not assess the appropriateness of such transactions for the Customer, and shall duly inform the latter of this. Orders issued directly by the Customer for non-complex products through the Bank's available remote channels are carried out at the Customer's initiative and may, consequently, not be assessed. The Customer is informed and grants its consent to the Bank's procedure for non-advised sales, in relation to the simple execution and commercialisation of investment products and services.

### **10.3. Discretionary investment portfolio management.**

Provision of the service of discretionary management, for which the Customer mandates Banco Santander in writing to manage the Customer's wealth, requires a current suitability test in order to be compliant with the Securities Market Act. Consequently, the Bank does not provide the service of discretionary management of portfolios to customers that lack the suitability test. Management shall be executed in accordance with the mandate conferred and the information provided by the customer on their knowledge and experience, financial position and investment objectives.

In addition to the investor profile of the suitability test executed on the sole holder or primary holder (in the event of co-holdship), all portfolios under discretionary management at the Bank have their own defined risk profile in accordance with its investment policy. This profile is recorded, under the Customer's signature, in the standard contract of investment portfolio management.

Control of the risk level against the investor profile resulting from the test will take into consideration all the customer's positions as sole holder or primary holder (in the event of co-holdship) held at the Bank, such that the discretionary management portfolio will be added, for these purposes, to any other investments the Customer has at the Bank.

Discretionary management portfolios are subject to periodic review of performance or results, with a particular focus on the performance of both market strategies taken and the selection of assets.

Also, each portfolio has a reference parameter (specified in the contract) that will enable the Customer to compare the portfolio's performance.



The Bank will inform the Customer of any depreciations in the value of the managed portfolio that are equal to or greater than 10%, or multiples of this percentage, compared to the value as measured at the start of each reporting period.

Discretionary management portfolios are also subject to constant control of the risk they accept, both in general terms and by type of asset or degree of concentration.

The following assets are eligible for discretionary management portfolios: securities listed on stock exchanges or organised trading systems; shares or holdings of undertakings for collective investment of transferable securities; money market instruments; financial liabilities (at Banco Santander); listed fixed-income securities and hybrid instruments with an available market price, and derivative financial instruments. The method of valuating these assets will depend on their type, and such method will be set out in the standard contract for the managed portfolio.

Banco Santander ensures the proper integration of ethical, social and environmental criteria in its business activity, and it has diverse policies, codes and internal rules and regulations applicable to each area. Accordingly, portfolios managed by the Bank shall not make investments in assets issued by companies that do not observe such policies.

In its discretionary management activity, the Bank will perform all manner of transactions related to purchases, sales, subscriptions and redemptions (direct and in a transfer), amortisations, swaps and conversions in the aforementioned asset categories and, generally, any transactions necessary to carry out the mandated portfolio management and administration. In no event shall the commitments acquired in contracted transactions exceed the value of the portfolio under management, especially with respect to the possible use of derivative instruments.

The Bank shall not engage in any securities lending with respect to the assets included in a discretionary management portfolio. And no transactions shall be made with derivative financial instruments on commodities that are settled physically.

The foregoing shall apply pursuant to the terms agreed in any standard contract for investment portfolio management the Customer should sign with the Bank.

The Bank may delegate discretionary management of portfolios to other entities, where such delegation shall not constitute a limitation of the Bank's liability to the Customer.

The Customer acknowledges having received information and that he or she knows and consents to the procedure for provision of the service of management of portfolios, of instruments that may be managed therein and on behalf of the Customer, and of transactions and instruments prohibited under the standalone management contract.

#### **ELEVEN. Information with a view to safeguarding financial instruments held on customers' account.**

In the event the Customer should request the corresponding investment services and/or products, and the standalone contracts are signed, Banco Santander, S.A. shall receive, execute or transmit for execution to other entities empowered for such purposes, at the expense and risk of the Customer, any orders the latter should issue or the transactions the Bank should decide, subject to Customer authorisation, on any investments or disinvestments the Customer wishes to execute in securities and other financial instruments, and financial instruments acquired with the involvement of the Bank shall remain under the administration, deposit and registration of the Bank, unless the Bank is unable to undertake such administration, deposit and registration for any reason. With respect to certain financial instruments, the Bank may trade with its proprietary assets and/or act as a counterparty to conclude transactions with its customers.

##### **11.1. Custody and administration of financial instruments.**

The Bank is obligated to exercise custody over physical securities and maintain, as the case may be, any previously executed registration of financial instruments represented in book entry form. The service of custody and administration requires the opening of a portfolio of financial instruments or of a securities account that must necessarily be associated with a cash account. The Bank will credit to the associated account the amounts of sales or redemptions, interest, cash dividends, returns of nominal amounts and rounding up of contribution and any other returns from

transactions arising from financial instruments under custody, registration and administration. Amounts relating to subscriptions of undertakings for collective investment of transferable securities (UCITS), purchase of shares, bonds, subscription rights or other securities and financial instruments, subscriptions, swaps and conversions shall also be charged to the account.

Unless written instructions are received from the Customer to the contrary and suitably in advance, the Bank shall be authorised to perform all actions or transactions relating to the ordinary administration of a deposit or securities register of financial instruments, in order to ensure that said instruments preserve the rights attaching to them, in accordance with prevailing legislation. The Bank shall perform, inter alia, the following transactions: a) Collect all corresponding interest, coupons, returns or dividends, or the principal in a sale or partial repayment or full cancellation, with the presentation or delivery of the securities, and, where applicable, cancel or remove the corresponding registry entry; b) undertake all mandatory operations, such as presenting the securities for swaps, exchanges, replacements, stamped following capital increases or decreases, where applicable, or payments of uncalled capital or the related capital calls, following the provision of funds for such purposes, forced sales, scrip issues, etc.; c) inform the Customer of all voluntary or optional transactions, requesting the pertinent instructions, which should be received by the Bank at least two trading days on the market where the securities are traded before the completion of the transaction in question, so that this may be completed within the specified time period; if not, the Bank shall be authorised to sell the rights corresponding to subscriptions to securities payable in cash, if they can be traded and there is a market, or receive the new freely allotted securities, with the corresponding sale of excess rights, all in the Customer's best interests; with the Bank reserving the right to decide not to sell the subscription rights when the transmission amount of such rights is lower than the costs for fees and royalties charged by the market.

To exercise the voting and other related shareholder rights associated with the securities, the Bank shall receive no instructions from the Customer and shall not communicate with the corresponding issuer or sub-custodian.

The Bank will not be liable for any errors or omissions caused by the Customer and not rectified by the latter in the appropriate manner and timeframe.

It shall be understood that the Customer gives consent to and is bound by all the transactions, settlements and balances of which he/she is notified if they are not contested within a period of fifteen (15) calendar days.

The Bank shall not be liable for losses or impairment of financial instruments under custody, registration or administration due to market risks, force majeure or unforeseen circumstances.

#### **11.2. Sub-custodians, nominees and omnibus accounts.**

The Bank hereby informs the Customer that, by providing the service of administration, custody and registration of financial instruments on behalf of its customers in both discretionary management portfolios and in solely depository portfolios, the Bank may engage the services of sub-custodians when necessary or convenient for custody and effective administration of securities, with the Bank expressly authorised to use such sub-custodians. The Customer is informed that the Bank may delegate to third parties the individual registration of the Customer's financial instruments. Nevertheless, the Bank shall be liable to the Customer for custody and administration of such financial instruments, except as provided in the law, this Client Agreement and any standalone contracts signed pursuant to the latter.

In the execution of transactions with securities in foreign markets where usual practice requires (for reasons of cost and operational simplicity) the use of an omnibus account, the aforementioned securities shall be deposited in an omnibus account opened in the name of the custodian of the securities, i.e. the Bank (or a third party assigned for this purpose), at an international sub-custodian, where the securities belonging to a group of customers shall be held in custody. In this case, both the Bank and the appointed sub-custodians shall adopt the necessary measures to ensure that these securities remain permanently identified, within the custody structure described, as belonging to customers and duly segregated from the assets of the Bank and the sub-custodian. Additionally, the Bank and the sub-custodians shall keep the required internal records to be able to demonstrate, immediately and at all times, the financial instrument positions and transactions in progress for each of their customers.

The Customer is hereby informed that, in accordance with EU legislation, customers' securities deposits held in accounts opened at credit entities shall be protected by guarantee mechanisms under the terms and conditions and up to the limits established by the law of each Member State. Outside the EU, these deposits may not be protected by equivalent or similar guarantee mechanisms.

Acknowledging these risks, the Customer is also informed that, pursuant to Spanish legislation governing the protection of customer assets, the Bank does not guarantee and is not obliged to restore the securities in the event of bankruptcy or insolvency of an international sub-custodian. Its responsibility in relation to the use of sub-custodians and global accounts resides in using (itself or through a designated sub-custodian) due diligence in the assessment, selection, contracting, maintenance and control of international sub-custodians, applying stringent criteria and requirements in terms of solvency, operational and legal risk and quality of service, and informing its customers in a manner that is clear, comprehensive and understandable, of the risks they are assuming as a result of their decision to contract and deposit foreign securities in their accounts held with the Bank. If the Customer is not prepared to accept these possible risks or the general operating methods of omnibus accounts held at sub-custodian banks, they should not perform transactions on foreign securities.

The Customer is also informed that the use of omnibus accounts for the custody of foreign securities may involve temporary restrictions on the availability of these securities or the full exercise of their associated rights, in addition to impairment in value, or even loss as a result of the specific risks affecting these transactions, and the fact that the securities and their custody may be subject to the legal framework of a third state, which may be outside the European Union, in the terms described below. The rights held by customers on foreign securities deposited in their account at the Bank or funds related to transactions on these securities may be different, in terms of ownership and insolvency, to those that would apply if they were subject to the legislation of an EU Member State.

In its selection of sub-custodians, the Bank shall exercise the same caution that it would exercise as if it were dealing with its own securities, and shall act with the due competency, attention and diligence in the selection, designation and periodic supervision of sub-custodians, thus ensuring that they are entities with a sound reputation in terms of experience and prestige in the market. Unless the Customer expressly requests that their securities and financial instruments are held in a separate account (when possible, and if the issuer and the Bank provide such a service and the Customer covers any additional expenses generated), the securities and financial instruments under sub-custody or registered may be held by the Bank under such sub-custody or registration as part of a global balance on account of third parties, and in accordance with the rules of the service, market, body or entity in question.

The Customer expressly authorises the Bank to make use of omnibus accounts when required by usual trading practices in foreign markets, and has been previously warned of the risks accepted as a result of such practices, and of the identity and credit quality of the depository institution.

The Bank provides to the Customer complete, up-to-date and accurate information on the identity, country of origin, credit rating, requirements and rules on separation of assets and the specific risks arising, in each case, from use of omnibus accounts of each of the international sub-custodians, and it urges the Customer to carefully examine and analyse such information before contracting and depositing foreign securities in the Customer's accounts. Such information may be found at [www.bancosantander.es](http://www.bancosantander.es), under "Legal information-MIFID-- Sub-custodian information".

Also, and when provided in an agreement between a management company domiciled or based in Spain and the Bank, undertakings for collective investment of transferable securities (UCITS) incorporated in Spain may be listed in the register of equity holders of the management company of the fund being marketed through the bank, in the name of the entity on account of such equity holders. In such case, the Bank will maintain a register identifying the individual equity holders with the balance and value of their holdings, in accordance with prevailing legislation.

Further to the above, and with respect to undertakings for collective investment in transferable securities (UCITS), or for a venture capital entity or closed collective investment entity not incorporated in Spain, a Customer with the status of equity holder or shareholder, by accepting this Client Agreement, is hereby informed and gives express authorisation and consent for the shares or holdings subscribed pursuant to a standalone contract, and for the same reasons as set out previously, to be registered in an omnibus account in the management company of the UCITS in the name of the entity providing nominee services (the Bank or a third party designated for this purpose).

The nominee will adopt measures as necessary so that the shares or holdings of each UCITS are permanently identified as the property of the equity holder or shareholder and duly segregated, as the case may be, from the proprietary assets of the nominee and/or that the nominee keeps them registered in its name on behalf of other third parties of the nominee, who shall maintain necessary internal records to know, immediately and at all times, the equity holder or shareholder's position in the UCITS.

The Customer states that the information that has been provided on the custody and registration of the assets, on the existence of omnibus accounts and their risks, and on the function of sub-custodians and nominees, is sufficient to know how the Bank provides the service of administration, custody and registration on its behalf.

#### **11.3. Rights of guarantee, withholding and offset.**

Pursuant to legislation on the securities market, the Customer is hereby informed of the existence of a right of financial guarantee in favour of market members, of central counterparties and of central depositories on securities or cash following settlement, when they have advanced the cash or securities to cover such settlement in the event of customer default or insolvency. The guarantee covers the price of the securities, the cash, and the amount of any sanctions or penalties.

The Customer is likewise informed that, in the custody of foreign financial instruments, it is usual practice for the international sub-custodian, in order to provide the services set down in the corresponding agreements, to insist that customers recognise their right to hold, guarantee, realise or dispose of the securities as a way of ensuring against the risk of non-compliance with the financial obligations established in the agreement.

The Bank is hereby authorised to charge the associated account for any amounts necessary to cover fees, expenses and taxes for custody owed by the Customer, and if there are insufficient funds in the associated account, it may charge any of the current accounts, or any of the savings accounts held at the Bank in the Customer's name. If there is insufficient balance in these accounts, the Bank may proceed to sell the financial instruments deposited, registered or administered and offset the relevant amounts against the resulting proceeds, without prejudice of the Bank's legal right to make withholdings on the Customer's financial instruments as a guarantee of the remuneration owed.

**TWELVE. Information on Order Execution Policy. Receipt, transmission and execution of orders.** With the aim of upholding the principle of acting in the Customer's best interest, with respect to the service of order execution, Banco Santander, S.A. may decide to transfer to a third party for execution any orders it receives from the Customer, rather than execute them directly. The Bank provides the service of receipt and transmission of orders for shares and holdings in UCITS of management companies not related to the Santander Group, certain listed equity instruments, certain fixed income instruments and certain derivatives on regulated markets in which the Bank transmits customer orders to a third party for execution. The Bank also provides the service of execution of orders for unlisted mutual funds (except the UCITS of third-party managers), certain listed equity instruments, certain fixed income instruments, certain derivatives on regulated markets and, generally, non-stock exchange products in which the Bank directly executes customers' orders.

The Bank, in compliance with applicable rules of conduct, has established an Order Execution Policy or best execution policy, available at the website [www.bancosantander.es](http://www.bancosantander.es), under "MiFID,

Policies and Procedures". This policy specifies suitable mechanisms and procedures to achieve the best result for retail and professional customers based on different factors such as price, costs, rapid response, settlement volume and probability of the transaction, where the total consideration (price and costs) is a priority factor for retail customers. In over-the-counter (OTC) transactions where the Bank acts as a counterparty, the best execution policy aims to achieve equity in the price offered in transactions.

For different securities categories, the Bank will identify the key execution venues, such that it will transmit orders for execution to those specific venues. In its evaluation of execution venues, the Bank will generally take into consideration the availability of significant and sufficient liquidity, and whether clearing and settlement of executed transactions is carried out through recognised central counterparties or clearing and settlement systems with a high credit rating, and it will annually review the execution quality of the different venues.

The Customer acknowledges that the information provided is sufficient to form an adequate opinion on the execution policy of the Bank and, in particular, the Customer knows that the aforementioned policy takes into consideration the Customer's classification pursuant to this Client Agreement, the characteristics of Customer orders, those of the financial instrument referred to by the order and the entities to which orders are sent for execution. When orders are transmitted to third parties for execution, the Bank's policy is based on selecting entities that have adopted order execution policies that conform to prevailing legislation and on taking into account the category of financial instrument for which the Customer order is issued. The Bank may select a single entity to which it will give or transmit orders for execution, provided the entity has adopted appropriate measures to ensure that the Bank is acting in the Customer's best interest.

The Customer, by accepting this Client Agreement, gives express consent to such general Order Execution Policy and is informed that, in the event the Bank delegates management of investment portfolios to management companies belonging to the Santander Group, such companies will make investment and disinvestment decisions in application of their own policies, which shall conform with the principles of the Bank's Order Execution Policy.

#### **Considerations on customer orders.**

Customer orders must be clear and precise in their scope and meaning, such that the Bank may know exactly what it is being instructed to do.

The Bank will execute or order execution of orders for buying, subscribing, selling or redeeming of financial instruments in accordance with the instructions issued by the Customer in Bank models, and with strict observance of the Code of Conduct in Securities Markets and of the Order Execution Policy of the Bank, which does not imply mandatory achievement of the best result for each and every one of the Customer's orders, and without the result always consisting of obtaining the best price, given the relative importance other factors may have in certain transactions.

Orders on shares or holdings of UCITS of management companies not related to the Santander Group, where the Bank is the marketer, are carried out through Allfunds Bank, S.A., the entity selected as the preferential platform. Orders as part of services of advisory or management of portfolios of UCITS with different classes registered at the CNMV shall be processed for execution with the class that is most beneficial to the Customer, pursuant to the requirements of each class and, when applicable, will be carried out pursuant to the relevant Customer order. Execution of orders issued on UCITS registered for commercialisation in Spain of managers related to the Santander Group shall be carried out directly by the Spanish managers of the Santander Group.

If a Customer should wish to cancel or modify an order after it has been transmitted, the Bank will diligently endeavour to achieve this goal. However, because execution of orders depends on the involvement of third parties unrelated to the Bank, the Bank accepts no liability whatsoever in the event the order is executed as initially specified.

If execution of an order involves physical transport of securities in the form of instruments, such transport shall be at the expense and risk of the Customer.

The Bank shall fulfil orders, execute them or provide the necessary resources to transmit them to the entity charged with the task of executing them, as quickly as possible.

Orders to be executed through a regulated market, a multilateral trading facility (MTF), or an organised trading facility (OTF), or other types of execution venues envisaged in the law, shall be subject to the rules and regulations of the multilateral system in which they are executed.

In some cases, Customer orders on financial instruments may be combined with other customers' orders or those of the Bank itself where market practices or conditions warrant this. The Bank has procedures and mechanisms in place to ensure that no economic harm will be caused to the Customer in such cases.

The Bank reserves the right to:

- i. Refuse to sell securities on behalf of the Customer if they are not deposited in the portfolio of financial instruments or securities account held by the Customer at the Bank prior to executing such a sale.
- ii. Execute or not securities purchase orders above the available balance in the cash account associated with the portfolio of financial instruments or the securities account.
- iii. Execute or not orders that fail to meet the requirements of the Bank, that have not been signed in writing or via electronic signature, or that have not been issued through the available channels of the Bank, until the Bank has received confirmation from the Customer that meets such requirements.
- iv. Buy once again, on behalf of and at the expense of the Customer, securities for which the Customer has issued a sell order, but which at time of delivery show a defect of form, or are inadmissible in the clearing and settlement system - where an order must be executed in conformity with such system's own regulations - or where the Customer has failed to deliver the order to the Bank in time to deliver it to the buyer.
- v. Execute or not, at its own discretion, credit or term orders.
- vi. The Bank disclaims any liability whatsoever if an order cannot be executed owing to causes that are attributable to the Customer or to third parties.

The Bank, when executing or transmitting for execution an order of the Customer and/or on behalf of the Customer, may buy securities from or sell them to:

- i. Any entity controlled directly or indirectly by the Bank or the Santander Group.
- ii. Any securities portfolio held by any Customer of the Bank or by an entity belonging to the Santander Group.

The Customer gives express consent to such transactions by accepting this Client Agreement.

For certain securities or financial instruments, the Customer knows that, depending on the product or market in question, the Bank itself may act as counterparty of the transactions ordered by the Customer.

The Bank may also, in executing Customer orders, or in the provision of any investment service or ancillary service, make use of the intermediation of entities controlled directly or indirectly by the Bank or forming part of the Santander Group, at its own discretion. In such case, the entities in question will be entitled to independent compensation for their services.

In any event, the Bank shall have fulfilled its obligations by carrying out the specific instructions of the Customer, even if the best possible result sought by the Bank's policy is not attained.

With respect to certain financial instruments the Customer intends to contract under this Client Agreement, the Bank informs the Customer that an order may be executed outside a regulated market or multilateral trading facility, especially due to the characteristics of the financial instrument in question and of the entities that perform, for such instruments, functions that are similar to those of the specified execution venues. In such cases, the Customer hereby gives prior

express consent in general for all such transactions carried out under this Client Agreement and, as the case may be, under any standalone contracts entered into by the Bank and the Customer.

Any inability to intermediate or correctly execute the Customer's orders due to legal restrictions, court-ordered attachments, unforeseen circumstances, force majeure, or any other cause beyond the control of the Bank will not entitle the Customer to demand reimbursement from the Bank or any other entity controlled directly or indirectly by the Bank or forming part of the Santander Group.

The Customer shall cover any expenses incurred by the Bank with correspondents, intermediaries, clearing and settlement systems and other entities whose involvement is required to fulfil the Customer's orders or instructions, or transactions with financial instruments the Bank is to carry out.

The Bank will not be liable for any loss, damage or harm that arises with respect to securities or financial instruments contracted and/or their returns as a result of a bankruptcy, insolvency, or defective functioning of third-party issuers or of any entities related to the issue in question.

Unless expressly envisaged in writing, the Bank will not be liable for recovery of the principal invested or for the future profitability of the securities or financial instruments contracted by the Customer. Any past returns shown in marketing documentation or in the pre-contractual information for an investment are no guarantee or indication of future returns.

The foregoing shall also be applicable to financial instruments specified in the following sections, notwithstanding any exceptions to be taken into account due to the specific regime applicable to a given financial instrument.

#### **12.1. Investments in public debt.**

(i) The Customer may, at any time and by means of the appropriate communication, request that the Bank present to Banco de España, on behalf and in representation of the Customer, the pertinent application for subscription to public debt.

The Customer may purchase from the Bank any public debt in the portfolio of the latter, or request the Bank's intermediation in the purchase of public debt from other market managers of public debt in book entries, with or without a repurchase agreement, and in accordance with the conditions applicable to the nominal, amount, price and maturity agreed in the transaction. Such transactions are subject to the requirements established by the Ministry of Economy and Finance and Banco de España for execution and their legal regime.

(ii) The Bank shall send the Customer, in every case, a receipt or certification of the execution of each transaction. Such receipts shall not be representative of the security, or transmissible or marketable, and shall only serve as proof of execution of the transaction on the Customer's behalf and as identification thereof.

In the event bearer securities are traded, such securities shall be deposited at the Bank.

#### **12.2. Investments in mutual funds.**

The Customer may, at any time, request the Bank's intermediation in the subscription, transfer and redemption of shares and equity holdings, in any currency, in undertakings for collective investment in transferable securities, mutual funds, whether SICAVs or investment companies (UCITS) in which the Bank is able to intermediate.

In order to formalise such orders, the Customer must complete the request in writing for the UCITS in question, or give instructions to the Bank to do so on the Customer's behalf, in order to complete the necessary formalities. In general, subscriptions must meet the minimum investment amounts established in the official documentation of the UCITS.

Subscription and redemption of UCITS equity holdings and shares shall be subject to the valuation rules and the applicable net asset value in accordance with the official documentation of the UCITS.

For transactions in UCITS not based in Spain, the Customer accepts that subscribed securities may be registered in the name of the Bank, with the latter providing a nominee service.

The Bank will send the Customer any communications, reports and other information provided by the management company of the UCITS, in conformity with the prevailing applicable regime.

Upon subscription to the UCITS by the Customer under this Client Agreement, the Bank will deliver to the Customer the Key Investor Information Document (KIID, or any such document that may replace it in future) and the latest available bi-annual report or when applicable, the KIID, the commercialisation report and the latest available report with economic content. Such documents are considered to contain appropriate information on such financial instruments and on the expenses and costs of such products, and will enable the Customer to understand the essential characteristics, nature and risks of the UCITS, and to make grounded investment decisions without having to rely on other documents. In accordance with Banco Santander's fee list or any standalone contract the Customer signs with the Bank, the Bank may receive a fee for the custody and registration of shares or equity holdings of foreign UCITS, and of shares or equity holdings of Spanish UCITS represented in book entries (including, inter alia, ETFs and SICAVs).

### **12.3. Transactions in derivative or structured products.**

The Customer is hereby informed that derivative transactions and/or structured products transactions are classified as complex products and, accordingly, those transactions are neither appropriate nor suitable for the Customer unless the Customer possesses sufficient knowledge and experience.

(i) This Client Agreement covers all types of transactions carried out with financial instruments, such as futures, options, forwards, swaps, structured transactions, on regulated markets or otherwise, Spanish or foreign, and on any underlying financial or other rates or assets (interest rates, exchange rates, shares, currencies, stock indices or other).

For transactions with financial instruments traded on organised markets, the Customer shall issue to the Bank an order and provide any data required for the correct transmission and execution of the order. Nevertheless, the Bank must first approve the specific transaction(s) and/or contracts the Customer wishes to undertake and the amount thereof, and it may request the signing of any documents it deems necessary for the proper documentation of the specific transaction.

(ii) Transactions with financial instruments traded on regulated markets shall be carried out at the expense and risk of the Customer, irrespective of the relationship the Bank has with the counterparty, where the Customer shall be liable for any obligations arising from such transactions to the Bank or to third parties. Accordingly, the Customer undertakes to post and adjust collateral within the timeframes and subject to the formal aspects as necessary for the transactions and/or contracts registered in the Customer's securities account, and sign any documents necessary for this purpose. The Customer is hereby informed that, as a result of market fluctuations, the collateral provided may be modified repeatedly, even daily, and the Customer undertakes to provide it in the agreed time and form. The Customer also undertakes to comply with legislation applicable to such transactions and with the regulations of markets in which transactions are executed.

(iii) The Customer is hereby informed that trading in options and futures, or in any other derivative product, or in structured products that entail a combination of one or more derivative instruments with any other financial asset requires specific investor knowledge both of the products and of the functioning of markets and of trading systems, and that the Customer must be ready to accept elevated risk and possesses the financial capacity to accept such risk.

Trading in derivative and structured products also requires constant vigilance of the position. Such instruments, owing to their specific characteristics, constitute sophisticated financial products that involve a high degree of risk that may result in the loss of all or part of the amount invested or, in some cases, may result in unlimited losses that even surpass the amount of capital invested. A profit may quickly become a loss because of price variations due to market fluctuations.

### **12.4. Transactions in exchange-traded instruments.**



In transactions with listed equities, SICAV shares, some fixed income instruments, warrants, certificates and Exchange-Traded Products (ETPs), traded on exchanges where the Bank is not a member, the Bank acts as a recipient of its customers' orders and transmitter of the same to the intermediary, which is ultimately responsible for the execution of such orders in the selected execution venues.

The Bank, acting through intermediaries, will direct the equity transactions of its retail customers preferably towards regulated markets, provided such markets offer conditions for optimal execution, or to MTFs.

In trading equities in the Spanish market, the Bank has the clearing member Santander Securities Services, S.A., an entity equipped with the technical means for clearing and settlement of flows and the safeguarding of the correspondence between the central accounting register and the second-tier register of transactions.

For transactions with listed equities, SICAV shares, warrants, certificates and Exchange-Traded Products (ETPs) traded in secondary markets where the Bank is a member of the market, the Bank will direct its customers' transactions preferably towards regulated markets, provided such markets offer conditions for optimal execution, or to MTFs.

The Customer is hereby informed that ETPs, due to their diversity and the possible use of derivatives, may involve a high degree of complexity, a fact that requires extensive financial knowledge and special vigilance on the part of the investing Customer and, accordingly, acquisition thereof is not appropriate or suitable for the Customer if he or she does not possess sufficient knowledge and experience. Also, fixed income financial instruments issued by credit institutions and investment services companies of the European Union are considered complex, as these are liabilities that are eligible for internal recapitalisation of the issuer<sup>2</sup>. Therefore, the appropriateness of these instruments for retail customers must be assessed.

In accordance with Order ECC/2316/2015, of 4 November, on reporting and classification requirements of financial products, such products are classified according to their level of risk, liquidity and complexity, pursuant to the characteristics thereof. This regulation does not apply to public debt issued by the central government, autonomous regions and local authorities, or to debt issued by the institutions, bodies or authorities of the European Union and the central governments, regional or local authorities or other public authorities, bodies governed by public law or public enterprises of Member States of the European union that are similar to Spanish bodies.

## **12.5 Primary market transactions**

Banco Santander, S.A. informs that for the corporate and investment professional clients, the ex-ante information will be provided in the issue prospectus in the case of equity transactions or, in the case of fixed income transactions upon request, as it may be indicated in the issue announcements messages.

### **THIRTEEN. Information on financial instruments and their respective investment risks.**

Banco Santander, S.A. informs the Customer that, in accordance with legal requirements, it will deliver or make available to the Customer, prior to the contracting of an investment product or service, information that is relevant to such investment. The Bank further informs the Customer that the general information on the Bank and the investment services and financial products it offers are set out in this Client Agreement and in the MiFID brochure, which is available at the website [www.bancosantander.es](http://www.bancosantander.es), under "MiFID Policies and Procedures" and on the notice board of the Bank's branches.

The Bank would remind the Customer of the importance of having full knowledge of all information relating to the provision of investment services by the Bank contained, along with this Client Agreement, in the MiFID brochure, which is available to the Customer. The Customer states that

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<sup>2</sup> In accordance with Law 11/2015, of 18 June, on recovery and resolution of credit institutions and investment services companies, and EU Directive 2014/59.

he or she has been informed of this fact and is aware that he or she has free access to the Bank's website and the notice board in branches.

The Bank informs the Customer that any investment decision on a financial instrument, irrespective of the purpose, whether speculative, investment or hedging-related, entails the acceptance of risks for the Customer, who must make a proper assessment prior to contracting. Risk of different kinds is an inherent feature of financial instruments, and each investment may bear one or more risks; in addition, there is the probability that the risks associated to a financial instrument comprising one or more different instruments will be greater than the risks of any of the individual components of such an instrument. Risk is synonymous with uncertainty about the result of the investment, and that means the potential of obtaining either greater or lesser returns than expected but, also, in the worst case, losing part or all the capital invested. Risk and return are related. As a general rule, the greater the expectation of returns, the greater the risk one must accept. Hence, the Customer must decide the level of risk he or she is willing to accept if he or she intends to achieve larger returns, and past returns are no guarantee of future returns.

The MiFID classification of financial products, the different types of financial products and the different risk factors that are generally applicable to each product type are described in the MiFID brochure of Banco Santander.

**FOURTEEN. Inducements.** Inducements are fees, commissions and non-monetary benefits the Bank pays to or receives from third parties related to the provision to its customers of investment services for financial instruments.

Inducements paid or received do not prevent Banco Santander, S.A. from acting in the best interest of its customers. When the Bank receives inducements, it will apply the mechanisms and measures in place so that the products and services offered to customers will be suitable and appropriate, in accordance with prevailing legislation. The Bank makes available to its customers a number of tools to assist them in making investment decisions, and it provides them with sufficient information to properly monitor their investments.

Information on current inducements is available to customers at the website [www.bancosantander.es](http://www.bancosantander.es), under "Legal information: MIFID". The Bank further informs its customers, in accordance with the type of financial product or service contracted, about any incentive related to such products or services. The Bank will provide customers with detailed information on any inducements received in relation to the provision of an investment service or specific transaction carried out on customers' behalf.

Finally, the Bank may receive payments from certain trading venues in strict application and under the approved tariffs of such venues. These payments will be returned to the Client in cases where the fee scheme agreed with the Bank foresees it. Otherwise, the Customer is informed of the existence of these payments. In any case, the Bank will not charge brokerage fees that unjustifiably discriminate some trading venues over others.

**FIFTEEN. Fees and related expenses and tax.** Subject to the below, we shall notify you of our costs and charges related to the provision of our services and financial instruments in good time prior to the provision of such service. We may change these at any time and will notify you of any such changes. Any such changes will not apply to transactions executed prior to the time of the change. You expressly consent to the Bank providing general information, including information on cost and expenses, through internet, in particular through the following link: <https://www.bancosantander.es/es/espacio-mifid/information-in-english> .

Without prejudice to the obligations set out in MiFID II, where we have categorised you as an eligible counterparty or professional client pursuant to the classification referred to in clause eight, you agree to a limited application of the detailed requirements on costs and charges in accordance with and where permitted by Article 50(1) (information on costs and associated charges) of the MIFID II Delegated Regulation 2017/565. In this circumstance and where relevant, we will not provide you with:

- an illustration showing the cumulative effect of costs on return when providing a service on an ex-ante or ex-post basis;
- where any part of the total costs and charges is to be paid in or represents an amount of foreign currency, an indication of the currency involved, the applicable currency conversion rates and the arrangements for payment or other performance; or
- costs and associated charges charged by other parties for their services where we have directed you to such other parties and all costs and charges associated with the manufacturing and managing of financial instruments, by such third party, where they are not a cost charged by us.

When the Bank recommends or markets financial instruments, it will inform customers sufficiently in advance of all the costs and expenses of the investment services and ancillary services, and of those related to the financial instrument recommended or marketed. This information will include the form of payment of the same, which may be explicit via a charge to a current account, or implicit in the price of the instrument, and either upon contracting, or on a recurring basis. The information will include the currency, data on the exchange rate and costs applied to any transactions in a currency other than the euro.

The above information will be provided, in any case, for financial instruments that have a KID under PRIIP regulations, or a KIID under UCITS regulations<sup>3</sup>.

If the Bank is unable to provide a breakdown of the costs and expenses prior to providing the service, it will provide customers with a reasonable estimate thereof.

Subsequent to provision of the service, the Bank will inform customers of the total costs and expenses of the transaction, and the Customer may request a detailed breakdown thereof.

If the Bank is recommending or marketing the instruments, or if investment services are provided on a recurring basis, the Bank will send aggregate data of the costs and expenses of the investments at least annually.

The Customer shall be responsible, and shall be charged for any expenses or fees that have been duly informed in standalone contracts or in orders, in so far as such expenses and fees are required for the contracting of a service or an investment in a specific product.

All postal expenses incurred in the sending of any document relating to this Client Agreement shall be borne by the Customer, in addition to all applicable taxes relating to the creation, compliance with or extinction of obligations derived from this Client Agreement or any standalone contracts entered into pursuant to the latter, in accordance with the law.

The Customer hereby confirms that he or she has been informed by the Bank of fees, related expenses and taxes that apply and, as the case may be, the Customer must cover for each transaction or service contracted.

**SIXTEEN. Duration and termination of the Client Agreement.** This Client Agreement shall continue unless and until terminated earlier in accordance with its terms. The Customer may unilaterally terminate this Client Agreement at any time, subject to prior notice of the Bank of fifteen calendar days. During the prior notice period, the Customer may not issue any new order, or contract any investment product or service under this Client Agreement.

The Bank may also terminate the Client Agreement, informing the Customer in writing with at least one month's notice, unless said cancellation is due to: a) non-payment by the Customer of any of the commitments deriving from the agreement, b) non-compliance with anti-money

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<sup>3</sup> KID: document with key investment data (Key Investment Document).

PRIIPs: European regulation on packaged retail and insurance-based investment products.

KIID: document with key information for the investor (Key Investor Information Document).

UCITS: European Directive on Undertakings for the Collective Investment in Transferable Securities.

laundrying and market abuse regulations, or c) the Customer evidences credit risk in which case the agreement may be terminated with immediate effect.

Termination of this Client Agreement will make it impossible to contract new investment products or services with the Bank, and will cause termination of any standalone contracts of an indefinite period that have been signed hereunder. Any standalone contracts entered into for a definite period shall remain in force until termination, and the same conditions of this Client Agreement applicable thereto shall also remain in force.

**SEVENTEEN. Addresses.** The Customer must designate an address in Spain. In the absence of a specific address for correspondence in Spain, communications may be effected only electronically, through the channels established by the Bank and which allow for storage and recovery and duplication of information, without such information being altered.

Any change or amendment to this address shall be submitted in writing to the other parties, which shall be exempt from any liability until this notification has been delivered. If the address is moved abroad, the Customer shall designate an address in Spain for the purposes of this Client Agreement. Otherwise, the address stated in the agreement or the Customer's last reported address shall be used.

**EIGHTEEN. Laws and jurisdiction.** This Client Agreement and any other document the parties may entered into for the products and services envisaged herein shall be governed by the laws of Spain. Any disputes that should arise in relation to the interpretation, application or performance of the same shall be submitted to the jurisdiction of Spanish courts that are competent pursuant to Spanish civil procedure law.

This Client Agreement supersedes in totality any prior Client Agreement there may be between the Bank and the Customer for the provision of investment services.

The Customer, who has knowledge of the entire terms and conditions set out in this Client Agreement that includes the general terms and conditions accepted by both parties, hereby declares that he or she has received, read and understood the entire terms and conditions set out in this Client Agreement and acknowledges that he or she has at his or her disposal the MiFID brochure available at the website [www.bancosantander.es](http://www.bancosantander.es) as well as on any notice board of any branches of Banco Santander, S.A.

Signed for and on  
behalf of **Banco  
Santander, S.A.**  
by:

Signed for and on  
behalf of the  
**Customer** by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Position

\_\_\_\_\_  
Date