

GENERAL TERMS AND CONDITIONS OF SKB BANKA FOR SKB TRADER

Valid from 18 July 2022

I. GENERAL PROVISIONS

The issuer of these General Terms and Conditions of SKB banka for SKB Trader Service (hereinafter referred to as: »the General Terms and Conditions«) is SKB banka d.d. Ljubljana, Ajdovščina 4, Ljubljana e-mail: info@skb.si (hereinafter referred to as: »the Bank« or »SKB«).

The Bank provides investment services in accordance with the applicable Financial Instruments Act (Zakon o trgu finančnih instrumentov), the Banking Act (Zakon o bančništvu), other applicable regulations and the General Terms and Conditions on the Provision of Investment or Ancillary Investment Services.

These General Terms and Conditions are available on the Bank's website www.skb.si.

II. MEANING OF USED TERMS

The terms specified in these General Terms and Conditions have the following meaning:

Client – solely a legal entity that has entered into an Agreement with the Bank and independently executes FX transactions by using the Bank's service.

Counter transaction – reverse transaction of the same currency pair in identical amount, e.g. if the initial transaction was a purchase of USD 100,000 and sale of EUR, the counter-transaction means a sale of USD 100,000 USD and purchase of EUR.

Currency pair – comparison of the value of one currency with another currency (e.g. EUR/USD).

Exchange rate – the price of one currency expressed in another currency.

FX transaction or Transaction – transaction executed or to be executed by the Client electronically using the SKB Trader service in accordance with these General Terms and Condition and the Agreement.

Instruction manual – procedure, or instructions for using the SKB Trader service created by the Bank.

Market data – data on current and past prices / exchange rates of financial instruments and related data.

Password – a personal alphanumeric and secret string of characters/numbers that serves as the Client's identifier.

Personalized access data – the common name for the Username and Password.

Request for Quote - RFQ – a request from a Client asking for the exchange rate when the life quote is not available or shown in the System.

SKB Trader or System or Trading Application – the aggregate name for the electronic initiation service of FX transactions, all in accordance with these General Terms and Conditions and the Agreement.

SKB Trader Service Agreement – an agreement between the Bank and the Client, based on which the Client is provided with initial information for using the SKB Trader service (hereinafter referred to as: »the Agreement«).

SPOT – a foreign exchange transaction with the settlement date of two working days from the conclusion of the transaction (T+2).

User – a natural person who is either the legal representative of the client's legal entity or is authorized by the Client to enter into transactions with SKB.

Username – an alphanumeric and secret string of characters/numbers that serves as the Client's identifier.

Trade Ticket – the final document that is generated after the initiation of the Transaction, which contains all relevant information related to the initiated Transaction and which the Client shall authorise in accordance with these General Terms and Conditions.

III. PURPOSE

1. The purpose of the General Terms and Conditions of SKB Trader Service is the regulation of mutual rights and obligations of the Bank on the one hand and the Client on the other hand, when providing SKB Trader service (hereinafter referred to as: »the Service«).
2. The Bank provides the Client with the Service based on the concluded Agreement on the use of the SKB Trader service (hereinafter referred as: »the Agreement«). The Agreement between the Bank and the Client must be concluded in writing.
3. The General Terms and Conditions shall be an integral part of the Agreement concluded by the Bank with the Client, unless explicitly stated otherwise.
4. In addition to this Agreement on the use of SKB Trader electronic trading system services, the Client must sign a Framework Agreement on concluding transactions with SKB Bank's treasury with the relevant annexes (hereinafter referred as: »the Framework agreement«).
5. Prior to the conclusion of the Agreement, the Client must provide the Bank with all personal data necessary for the conclusion of the Agreement.
6. By signing the Agreement, the Client confirms that he/she is familiar with the applicable legal, subordinate and other rules and conditions of conducting FX transactions, and gives explicit consent to the application of these General Terms and Conditions.

IV. ACCESS AND SECURE USE OF SERVICE

1. The Bank shall assign to the Client the initial personalised access data (username and password) based on which the Client is allowed to access and use the Service under the terms and rules defined by the Bank's Agreement, the General Terms and Conditions and Framework agreement which are available to the Client on the Bank's official website www.skb.si.
2. The Client must change the initial password when first logging onto the Service. Also, the Client must change passwords periodically, whereby any damage resulting from not changing it could cause damage to the Client.
3. The User's personalized access data (username and password) are protected personal data known only to the User. The User must handle the assigned personalised access data carefully and not write down the password or send it by e-mail or other media. The User must protect the personalised access data with great care against unwanted access and insight of third parties and protect against the use of unauthorized persons. If the abuse of access by a third party causes damage to the Client's property, the Bank shall not be liable for such damage. Any login to the Service by using the correct personalised access data is considered by the Bank to have been fully authorized by the Client.
4. The Client shall observe all security measures when using the Service, in particular:
 - Ensure that the Service is accessed exclusively through the link available on the Bank's official website (www.skb.si);
 - Ensure that the Service is accessed exclusively through computers or other devices that have adequate protection against viruses or other harmful programs;
 - Take all reasonable steps to protect personalised access data; remember the username/password received, and the notifications containing these data must be immediately deleted/erased.
 - If the Client identifies or suspects a theft and/or (potential) misuse of personalised access data, the Client must immediately inform the Bank (Treasury Department to the e-mail SKBtrader@skb.si or contact phone +386 1 471 5094). This notification becomes effective after the Client receives a confirmation from the Bank that the notification has been received, as well as what preventive actions have been taken.

The Client is responsible for all damages incurred prior to receiving the confirmation from the Bank. The Bank shall be liable for all damages incurred after the receipt of the confirmation, unless it is proved that the damage was caused by the intent or gross negligence of the Client.

5. The Client shall assume full responsibility for all obligations and possible damage incurred to the Client or the Bank by using personalised access data resulting from gross negligence. The following, but not limited to, is considered utmost negligence : failure to comply with the above safety measures, disclosing personalised access data to third parties, keeping personalised access data in one place, sending personalised access data via electronic or other media, recording of personalised access data in other documents or mobile phones, failure to inform the Bank immediately about loss, theft and/or (potential) misuse of personalised access data, etc.
6. Should the Bank identify or suspect a theft and/or (potential) misuse of personalised security features, the Bank shall have the right, with no obligation, to block further use of the Service. In this case, the account freeze may be imposed after informing the Client and with his/her consent. The Bank assumes no responsibility for damage caused due to imposing an account freeze.

V. CONTENT OF THE SERVICE

1. SKB Trader is a fully automated system for displaying exchange rates and initiating a real-time purchase or sale of foreign currencies between the Bank and the Client.
2. Through the SKB Trader electronic trading system, the Bank provides the following types of services to the Client:
 - a) Execution of foreign exchange transactions according to the settlement date:
 - On the same day (value date T)
 - For tomorrow (value date T+1)
 - On SPOT (value date T+2)
 - Forward foreign exchange transactions (currency date longer than T+2) -in case the Client has all the necessary documentation for concluding such transactions with the Bank.
 - b) The minimum amount of an individual foreign exchange transaction is at least EUR 1,000.00 in equivalent.
 - c) The service is available for the execution of foreign exchange transactions during the operation of the SKB Trader system, which is every working day from 8.00 until 16.00.
3. The Client uses the Service independently and assumes full responsibility for all consequences of concluded FX Transactions, whereby the use of the System does not imply the provision of any advisory services.
4. The Trading application enables the overview of currency pairs and blotter of initiated transactions adjustable to the Client's needs and with 24/7/365 availability.
5. For the use of the Service, the Bank applies a technological solution that enables a secure connection between the Client and the Bank, which is the standard of secure communication for commercial purposes.
6. The Bank reserves the right to suspend the temporary or permanent provision of a particular service or functionality at any time if there occurs any circumstances or suspicions of a violation of applicable laws or regulations or if the provision of certain functionality would call into question the quality, promptness and efficiency of service delivery as a whole.

VI. USAGE OF THE SERVICE

1. The Bank shall enable access and provide the Client with the use of the technical and IT infrastructure for executing the FX Transactions. The decision to buy or sell foreign currencies is made exclusively by the Client (quantity and price) who bears the risk of making his/her decision, and the Bank is in no case responsible for the consequences of the Client's investment decisions.
2. The Client bears the risk of possible inefficient use of funds in carrying out the Transactions. The Bank shall not bear the risk of any gain or loss arising from the Client's execution of the Transactions. The Bank is also not liable for any damage arising from events/circumstances that are beyond its influence or are the result of any justified measure/action taken by the Bank.
3. The Bank has not breached its obligations under the Agreement and the General Terms and Conditions if it is prevented from carrying out the assumed transactions for reasons on which the Bank has no influence (power outages, malfunctioning of the telecommunication system, etc.)
4. The Bank shall take all reasonable steps to ensure the availability of the Service, but shall not be liable for the following:
 - In case of inability to initiate a Transaction due to the Client's error or an error in the application that prevents the transaction from being properly initiated and of which the Client failed to notify the Bank,
 - Damages resulting from deferrals in data transmission due to incorrect or incomplete transmission of data or due to disconnection, unless otherwise caused – by a gross failure,
 - In case of unavailability of the Service resulting from technical problems on the Bank's and/or Client's computers, outages or interferences in telecommunication channels, power system failures or as a result of force majeure,
 - In case of unavailability of the Service for reasons of force majeure or actions of third parties (strikes, wars, riots, terrorist acts, decisions of public authorities or bodies with public authorities, etc.) or due to telecommunication interferences not caused by malfunctions or dysfunctions of the Bank's equipment,
 - In case of unavailability of the Service that was caused due to defects or malfunctions in the Client's equipment, regardless of the reasons of their occurrence,
 - Damage resulting from the failure to provide data on changes to personal information necessary for the proper and secure functioning of the Service.
5. The Bank shall attempt to remedy any technical difficulties in the functioning of the Service as soon as possible. The Client may be partially or completely prevented from using the Service during regular maintenance of the Service. Regular maintenance of the Services is carried out without a notice at a time when the service is least used.
6. The Service is distributed via an electronic channel and for its use the Client shall provide minimum technical conditions, including internet access, at their own cost. The Bank is not responsible for any possible costs that the Client may incur in upgrading the hardware, software and/or internet browsers for the purpose of using the Service, or for any costs that may arise as a result of failing to improve/secure the appropriate technical conditions by the Client. In case of inadequate technical (pre) conditions for using the Service, the following problems are possible, but not exclusively:
 - Reduced network speed and system performance,
 - Reduced response time of the Service and/or complete blocking of the Service, etc.

The Bank shall assume no responsibility for the consequences of the problems listed above (e.g. execution of the Transaction under different parameters/conditions than those specified by the Client, delay in execution of the Transaction, non-execution of the Transaction, etc.), except in the case of problems on IT equipment implemented by the Bank.

VII. EXECUTING OF TRANSACTIONS

1. The Ticket with all the transaction data that will appear on the screen as well as an overview of the transaction in the list of transactions (the so-called blotter) with the specified status "Completed" is a confirmation of a successfully executed Transaction. In case the execution of the Transaction is interrupted for any reason, the Client shall check whether the Transaction was executed correctly or not.
2. Once a FX Transaction has been executed in the system it can no longer be cancelled or changed. All entered elements of the Transaction (amount, value date, buy/sell, currency pair) take effect immediately and irrevocably from the moment the Transaction is executed.
3. All transactions with the status "Completed" will be automatically settled by the Bank. Transactions will also be executed and settled even when the Client unintentionally entered the wrong amount due to an error when entering the amount and/or the wrong currency pair. The system does not check the available balance in the Client's account before executing the Transaction, which means that the Transaction in any currency pair and in any amount can be executed. When using the Service and initiating the Transaction and in line with the Agreement, the Client shall provide the necessary funds to cover the transaction in his/her account.
4. An unwanted foreign exchange position created by executing a transaction by mistake can always be closed by executing a Counter transaction.
5. The Bank shall be entitled to a compensation in the event the Client fails to settle the Transaction for the following reasons, but not exclusively:
 - There are insufficient funds to complete the transaction in the account,
 - Technical problems with the use of internet banking that are beyond the Bank's responsibility,
 - Suspected misuse of the Service (the Client shall notify the Bank immediately; Treasury Department to e-mail SKBtrader@skb.si or phone +386 1 471 5094),
 - The Client has subsequently changed the decision to execute the Transaction (for example, due to changes in market conditions or similar),
 - Inability to authorise a Transaction due to a change in Client's status (for example, account freeze), which occurred after initiating the Transaction by using this Service.
6. The amount of compensation will be determined based on the Counter transaction. The decision to execute a possible Counter transaction is made at the discretion of the Bank for the purpose of settling damage, that should be clearly documented and communicated to the Client. The Bank executes the Counter transaction without a special order from the Client. The Counter transactions should be carried out and concluded immediately and without delay after it is determined that the Client failed to meet its obligations, and based on which the Bank would have the same rights as it would have if all the Client's obligations had been fulfilled. The Bank may use any of the Client's funds with the Bank to settle this damage or other overdue and outstanding liabilities of the Client to the Bank without a special order.
7. At the discretion of the Bank and without prior notice, the Bank can temporary or permanently suspend the execution of transactions in some or all currency pairs/currencies via the SKB Trader application in the following situation, but not exclusively:
 - Extraordinary market situations such as extremely volatile/unstable markets, turbulent market conditions, etc.,
 - If in the Bank's view, initiating transactions could have an effect on market manipulation,
 - At the Bank's discretion, initiating a transaction could indicate a breach of laws and implementing regulations.
8. At the discretion of the Bank and in turbulent and volatile/unstable market conditions, the exchange rates may be updated at any time and their change may be more frequent and can deviate in relation to the Quotation presented/offered through the System.
9. The Bank shall have the right to suspend at any time the use of the Service for an indefinite period of time. The Clients acknowledge and agree that upon termination of the Service, the execution of all Transactions between the Bank and the Client will be subject to the rules/conditions applicable to initiating phone transactions as determined in the Framework agreement. In this case, the Bank will notify all Clients of the suspension via the official website.

VIII. REQUEST FOR QUOTE

1. For amounts of a FX Transaction in the excess of the amount defined by the Bank in the Annex to this Agreement, an individual Request for Quote – RFQ can be submitted for such Transaction through the System.
2. The Bank shall provide the quote as soon as possible after the receipt of the request.
3. When initiating the individual Request for Quote the price shown in the system may be changed or withdrawn at any time.
4. If the Client initiates a Request for Quote the Bank's offer and acceptance of the offer by the Client must be performed in the same Transaction.
5. Requesting the Quotation is carried out according to the Instruction manual, which is an integral part of these General Terms and Conditions and is published on the official website of the Bank as well as in the trading application itself.

IX. OTHER PROVISIONS

1. The Client accepts the intellectual property of the third-party service provider in relation to Market data. The Client agrees not to allow third parties access to Market data or portions thereof and will not publish or transmit such data to third parties.
2. The Client's funds are kept in the Client's transaction account opened with the Bank.
3. The Client explicitly states and accepts the authenticity, validity and compliance of the data recorded and stored in the system, as well as the fact that mentioned data can be used for the Bank's records.
4. The Bank may at any time supplement and amend the General Terms and Conditions in the case of adjustment to laws and implementing regulations and for the purpose of continuous improvement of the Service.
5. All amendments to the General Terms and Conditions that define and determine the terms of use of the Service shall be provided by the Bank in the agreed manner, via the Bank's official website www.skb.si, where they will be published at least 15 days before their entry into force.
6. These General Terms and Conditions enter into force on 18 July 2022.