

**Agreement No. \_\_\_\_\_**

Vilnius \_\_\_\_\_

The public company Central Securities Depository of Lithuania, whose registered office is located Konstitucijos pr. 23, Vilnius, company code 110059343, hereinafter referred to as the Central Depository, represented by President Artūras Keleras, acting pursuant to the Articles of Association,

and

\_\_\_\_\_, whose registered office is located \_\_\_\_\_, company code \_\_\_\_\_, hereinafter referred to as the Participant, represented by \_\_\_\_\_, acting pursuant to \_\_\_\_\_,

have concluded the following agreement:

**SUBJECT OF AGREEMENT**

1. This agreement shall specify the rights and obligations of the Central Depository and the Participant with respect to each other, whenever the latter participates in the Central Depository's securities settlement system (hereinafter referred to as the SSS), the ways and moment for the placement of Participant's instructions with the SSS, the procedure for their execution, types of messages delivered to the Participant, the procedure for and ways of their placement, the principles of determining tariffs for the SSS services, the grounds for the termination of the agreement and other relations associated with the participation of the Participant in the SSS.

**CONCEPTS**

2. For the purpose of this agreement the following definitions shall be used:

2.1. **ISIN code** shall mean the international securities identification number allocated in accordance with the ISO standard 6166;

2.2. **Clearing bank** shall mean the payment System LITAS administered by the Bank of Lithuania.

2.3. **Securities settlement system** (hereinafter referred to as the SSS) shall mean a system, governed and administered by the Central Depository acting as its operator, for handling databases and processes on the basis of agreements of its participants, in compliance with the Rules on the Securities Settlement System of the Central Securities Depository of Lithuania (hereinafter referred to as the SSS Rules) and the standardized procedure, and designed with the purpose of carrying out registration and safekeeping of securities, execution of stock events and securities settlements between the SSS participants by making records of securities transfers

between general securities accounts and transmitting payment Instructions related to such securities transfers for further processing into the System 'LITAS'. The System shall execute real and designated time settlements of securities transactions, concluded on the Exchange or OTC, as well as free-of-payment securities transfers. Settlements shall be carried out according to trading session results provided by the information system of the Exchange and transfer instructions provided by the participants electronically. The SSS shall ensure a simultaneous, final and irrevocable settlement of securities within the SSS and cash settlements within the System 'LITAS'.

3. Other concepts used in this Agreement shall have the meaning assigned thereto in the legal acts or SSS Rules. The SSS Rules are registered with the Bank of Lithuania and publicly disclosed on the Internet at the address [www.csdl.lt](http://www.csdl.lt).

### **PARTICIPATION IN THE SYSTEM**

4. In accordance with the procedure laid down in this Agreement, a Participant shall be granted the status and the code of the Central Depository participant. Only a valid status of the Central Depository participant shall entitle him to participate in the SSS.

5. The status of the Central Depository participant shall come into effect with respect to the Participant on the following business day after signing this Agreement. The moment of signing of this Agreement shall be deemed to be the moment when the representative of the Central Depository signs it. When signing the Agreement he shall indicate the date of its signing.

6. The Participant undertakes to comply with all legal acts, SSS Rules and Central Depository's instructions or other standard acts (enforcement notes, etc.) regulating settlements of securities transactions as well as accounting of securities and their circulation.

### **OPENING AND MANAGEMENT OF GENERAL ACCOUNTS WITH THE CENTRAL DEPOSITORY**

7. The Central Depository undertakes according to the procedure prescribed by legal acts to open securities issue registration accounts and corresponding general securities accounts for each securities issue of the issuers represented by the Participant, for the total amount of securities owned by the Participant and its clients. In this case apart from other documents specified in legal acts and/or this Agreement (required for specific accounting operations), the Participant must provide an agreement with the issuer, which would envisage the right of the Participant to manage personal accounts of securities issued by the issuer and/or carry out other operations related to the accounting of securities issued by the issuer.

8. The general securities account shall be opened with the Central Depository on behalf of the Participant and the amount of securities entered on it shall be equal to the total securities amount on the personal securities accounts managed by the Participant, where the Participant carries out accounting of securities acting as account manager in compliance with the procedure established by legal acts. Securities issue registration accounts and general securities accounts are intended for securities circulation monitoring and do not give any proof of ownership to the securities. The securities issue registration account opened with the Central Depository shall specify the total number of securities of one issue that has been issued by a certain issuer, represented by the Participant. The general securities account shall be opened with the Central Depository on behalf of the Participant and it shall specify the total number of securities of one issue, accounting of which is managed by the Participant.

9. For the purpose of primary trading in securities (in cases when the traded securities issue will not be added immediately to the earlier registered securities issue) the Central Depository undertakes to allocate ISIN code to the offered securities issue of the issuer represented by the Participant prior to the opening of the securities issue registration account. In

this case the Participant shall undertake, not later than within 1 business day after the receipt of the securities registration act issued by the Securities Commission or within 3 days after the adoption of the decision to issue securities not to be registered with the Lithuanian Securities Commission (further LSC), to apply to the Central Depository for the allocation of the ISIN code to the securities issue and must submit the following documents:

9.1. a copy of securities registration act issued by the Securities Commission or an issuer-certified copy of the Minutes of the meeting of the participants or the governing body of the issuer that has adopted the decision to issue the securities, and an application to register securities, in case they are not to be registered with the LSC; and

9.2. acting as the authorized agent of the issuer, an application for the allocation of an ISIN code.

A fee of an established amount must be paid to the Depository for the allocation of the ISIN code.

The ISIN code shall not be allocated unless all the documents have been submitted, they meet the requirements set for the documents of such nature, or the fee of an established amount to be charged for the allocation of the ISIN code has been paid.

10. The Central Depository undertakes within 1 business day (after the receipt of the documents provided for in paragraph 9, and the moment the fee of an established rate for the allocation of the ISIN code has been paid) to allocate the ISIN code to the securities issue, to notify the Participant thereof in writing and indicate the ISIN code allocated to the securities issue and the date of allocation.

11. In order to have the securities issue registration account opened (or adjusted), the Participant, acting as an authorized agent of the issuer concerned, undertakes not later than within 1 business day from the registration in the Register of Legal Persons of the Articles of Association of such an issuer (or their amendments) and a corresponding notification of the issuer to that effect to provide to the Central Depository the following documents (if any of the documents mentioned below have been submitted in the case established in paragraph 9, they shall need not be submitted anew)

11.1. a copy of the securities registration act issued by the Securities Commission;

11.2 a copy of the effective Articles of Association of the issuer (or amendments and supplements thereto);

11.3 a copy of the Securities Issue Prospectus (Memorandum);

11.4 a Report on Securities Offering Results;

11.5. other documents established by the Central Depository.

The established fee for the opening of (or making adjustments to) the issue registration account must be paid to the Central Depository.

Apart from the abovementioned documents the Participant can submit an application with regard to the assimilation of securities issues, provided the newly registered securities issue grants the same property and non-property rights to the shareholders of the issuer represented by the Participant.

12. The Central Depository undertakes to examine the documents provided for in paragraph 11 and take a decision on the opening of (or making adjustments to) the securities issue registration account within 1 business day of the receipt of all the documents specified in paragraph 11 and the moment of payment of the established fee charged for the opening of (or making adjustments to) the issue registration account.

13. The securities issue registration account shall not be opened (or adjusted) unless all the documents specified in paragraph 11 have been submitted or the data specified in the documents has been accurate or in conformity with the requirements set for them, as well as the established fee for the opening of (or making adjustments to) the issue registration account has been paid.

14. In case the Central Depository takes a decision to refuse opening (making adjustments to) of the securities issue registration account, he must notify the Participant of the refusal to open (or make adjustments to) the securities issue account in writing stating the deficiencies and inaccuracies found. Upon eliminating the deficiencies, the Participant may repeatedly apply to the Central Depository according to the procedure laid down in this Agreement.

15. In case the Central Depository takes a favorable decision concerning the matter provided for in paragraph 12, it must open a securities issue registration account within 2 business days after the adoption of the decision. The ISIN code allocated to the securities issue shall be left unchanged (if it has been allocated according to the procedure established in paragraph 10) or the previously opened account shall be adjusted and the corresponding entries shall be made in the securities issue registration account and in the general securities accounts of account managers.

#### **OPENING AND MANAGEMENT OF PERSONAL SECURITIES ACCOUNTS**

16. The Participant undertakes to open and manage personal securities accounts in compliance with the legal acts regulating accounting of securities, Central Depository's standard acts and guidelines on the issues of securities accounting.

17. When the issuer through the Central Depository exercises his right to find out the owners of the securities issued by him and in other cases prescribed by legal acts or by the Central Depository, the Participant undertakes upon receipt of a relevant request from the Central Depository to submit in writing to the Central Depository on the day specified in the request a list of owners of securities of the issuer (generated as on the day of submission of the list indicated in the request) in compliance with the requirements laid down in the legal acts (in the absence of which, in compliance with the Central Depository's guidelines). The Participant also undertakes in response to the enquiry of the Central Depository not later than within 2 business days to provide to the Central Depository information (the list of securities owners) on the clients of such a Participant (beneficial securities owners), who hold foreign securities in custody on the Central Depository's account, opened with a respective foreign central or international depository.

18. Together with the list mentioned in paragraph 17, the Participant undertakes to simultaneously provide to the Central Depository the same list of securities owners in an electronic dbf file format. The fields of dbf file and the procedure of their filling in shall be established in compliance with the requirements established by legal acts or the Central Depository. The Participant undertakes to send such a dbf file to the Central Depository via a Participants' Secure Information Site or submit it on a data carrier.

#### **PLACEMENT AND EXECUTION OF TRANSFER INSTRUCTIONS. SETTLEMENT MOVEMENTS**

19. The Participant agrees and undertakes to deliver instructions provided for in the SSS Rules to the Central Depository, whereas the Central Depository undertakes according to the procedure prescribed by the SSS Rules following the received instructions to generate settlement movements and on their basis execute securities transfers between the general securities accounts of the Central Depository participants and enter payment instructions for the transfer of cash between settlement accounts of the participants into the system LITAS.

20. The Participant must deliver instructions provided for in the SSS Rules (*Receive free, Deliver free, Receive against payment, Deliver against payment, Cancel the documents*) to the Central Depository via the messaging system (MS) of the system LITAS, which ensures information interchange between the SSS, the system LITAS and the Participant. Only the documents provided in such manner shall be binding and the Central Depository shall be obliged to comply with them (provided they meet the other requirements imposed on the instructions).

The instructions related to the distribution or redemption of savings notes, upon approval of the securities/cash custodians shall be filed through the Participants' Secure Information Site (i.e. through the non-public Internet site administered by the Central Depository) or in other way agreed by the parties. The Central Depository shall be entitled to set also other types of instructions, which shall be delivered by the Participant through the Participants' secure information site of the Central Depository.

21. In order to place instructions and receive messages through the MS, the Participant must be connected to it by means of the Participant Access Workstation (PAW) and telecommunication network as well as the hardware and software of the SSS and his own. The Central Depository shall ensure connection of the Participants through VPN (*virtual private network*) with the MS only in case the Participant's hardware (required for such a connection) is located at the address: Konstitucijos pr. 23, Vilnius. The Central Depository provides the authorized agents of the Participants with the possibility for a fixed fee to use the hardware, which is located in the Central Depository, for access to the MS.

22. The Participant hereby entitles the Central Depository:

22.1 to receive information on the balance in the Participant's settlement account within the system LITAS and deliver instructions to the system LITAS for the transfer of cash from the Participant's settlement account (or to it), while carrying settlement of securities transactions.

22.2. to provide to the system LITAS the updated batch of instructions for the payment of net balance position, which has been updated in accordance with the information provided by the system LITAS to the Central Depository with regard to the accumulated amount of cash, in case the Participant earlier failed within the established time period to accumulate the whole amount of the required funds.

23. The Participant undertakes at a designated time to accumulate in his general securities account within the SSS and/or settlement account within the system LITAS the required amount of securities and/or cash needed for the execution of settlements in compliance with the settlement movements and other instructions confirmed by him.

The Participant agrees that securities shall be entered into the general securities account within the SSS held by him as the Participant (receiver of the securities) specified in the *Standard settlement conditions*<sup>1</sup> without his agreement, provided that an agreement to deliver cash with respect to the transaction concluded on the Exchange has been received from the other Participant who has an obligation to deliver cash.

The Participant agrees that cash shall be transferred to the settlement account with the clearing bank held by him as the Participant (receiver of cash) specified in the *Standard settlement conditions* without his agreement, provided that an agreement to deliver securities with respect to the transaction concluded on the Exchange has been received from the other Participant who has an obligation to deliver securities.

---

<sup>1</sup> Annex to the Rules on Settlement of Transactions Concluded on the Vilnius Stock Exchange

**CASES OF NON-FULFILLMENT OF INSTRUCTIONS (OR SETTLEMENT MOVEMENTS GENERATED ON THE BASIS OF SUCH INSTRUCTIONS AND DOCUMENTS PROVIDED FOR IN OTHER LEGAL ACTS)**

24. The Central Depository shall not execute any instructions (or settlement movements generated on the basis of such instructions and documents provided for in other legal acts) placed by the Participant:

24.1. in case there is no required amount of securities and/or cash for the settlement of securities transactions concluded by him or for the execution of other instructions on the general securities account and/or settlement account of the Participant within the system LITAS;

24.2. in case a bankruptcy case is initiated against the Participant, the extrajudicial or summary bankruptcy proceedings are applied (in this event, having received a notice concerning the initiation of the bankruptcy case against the Participant or the suspension of operations, the Central Depository shall suspend all instructions submitted by the Participant, with the exception of those, on the basis of which such generated settlement movements have already been started. The Participant may submit to the Central Depository only free-of-payment securities transfer instructions, which are not forbidden or which are binding by laws and regulations);

24.3. in case the Central Depository receives a written decision taken by the court or other institution authorized under the procedure prescribed by law, which forbids the Participant to dispose of cash and (or) securities (in such a case the Central Depository shall suspend any further execution of the submitted and not executed instructions of the Participant);

24.4. in case of termination of this agreement;

24.5. in other cases provided for by laws, legal acts or the SSS Rules.

**INFORMATION MESSAGES. THE FACILITIES FOR ENSURING DATA SAFETY AND AUTHENTICITY.**

25. The Central Depository undertakes to submit to the Participant through the MS the messages (the structure of which is based on ISO 15022XML standard), listed in annex 1 of the Agreement. In case the type of information changes, the Central Depository shall notify the Participant thereof in writing and indicate the date, since which the annex referred above has been changed (this date may not be the day prior to the third day of the submission of the Central Depository's notification).

26. The Central Depository undertakes to provide to the Participant through the Participants' Secure Information Site of the Central Depository the messages listed in Annex 2 of the Agreement. In case the type of information has changes, the Central Depository shall notify the Participant thereof in writing and indicate the date, since which the annex referred above has been changed (this date may not be the day prior to the third day of the submission of the Central Depository's notification).

Note – paper form messages shall be submitted only in the absence of technical possibilities to provide them according to the procedure laid down in paragraphs 25 and 26 (the Central Depository shall be entitled to determine the structure of such messages.)

**THE PARTICIPANT'S SECURE INFORMATION SYSTEM OF THE CENTRAL DEPOSITORY**

27. When placing with the Central Depository the specified instructions and receiving the messages specified in paragraph 26 through the Participants' Secure Information Site of the Central Depository (at the address <https://ps.csdl.lt>), the Participant shall use valid facilities for ensuring data safety and authenticity provided to him in accordance with the procedure laid down in paragraphs 31.1-31.3 of this Agreement. The Participant can place the instructions

according to the schedule established by the Central Depository. The Central Depository undertakes to notify the Participant about the planned change of the Internet Web Site address not later than 5 business days in advance.

28. The Participant can input information of the selected instruction by filling in the form provided in the Participants' Secure Information Site of the Central Depository.

29. In the event the Central Depository places information messages for the Participant in the Participants' Secure Information Site of the Central Depository, the Participant can receive them by means of the facilities for ensuring data safety and authenticity provided to him as referred to in paragraphs 31.1.-31.3. The Central Depository shall not be held responsible for the Participant's failure to look through the information messages provided for him in due time.

30. In order to get the facilities for data safety and authenticity, the Participant must file to the Central Depository an application (the form of which shall be established by the Central Depository) and other required documents specified in the application.

The Central Depository shall consider the Participant's application within 2 business days and accept it, provided that the data presented are correct and all the required documents are attached.

31. In case the application has been accepted, the authorized employee of the Participant shall be granted the following facilities for ensuring data safety and authenticity:

31.1. a unique identification code of the authorized employee of the Participant;

31.2. a password, which is comprised of a stable element of the password and a certain dynamically changing unique sequence of digits, which is available in an electronic Secur ID card given by the Central Depository to the Participant;

31.3. a personal digital certificate.

32. The facilities for ensuring data safety and authenticity mentioned in paragraphs 31.1 and 31.2 of this Agreement shall be given to the Participant in a sealed envelope. The personal digital certificate referred to in paragraph 31.3 of this Agreement shall be installed in the computer hardware of the Participant from the Participants' Secure Information Site of the Central Depository, which is accessible by using the unique identification code of the authorized employee of the Participant and the password.

33. The facilities for ensuring data safety and authenticity shall be valid for the following period:

33.1. the unique identification code identifying the authorized employee of the Participant – for indefinite duration;

33.2. the password and personal digital certificate – for two years (subsequently updated upon request of the Participant).

34. Upon expiration of the validity period mentioned in paragraph 33.2 of this Agreement or 1 month prior to its expiration, the relevant facilities for ensuring data safety and authenticity shall be granted under general procedure established in this Agreement. A new Secur ID card shall be issued only after the previously issued card has been returned.

35. In case the Secur ID card or other facilities ensuring data safety and authenticity given to the Participant cease operating prior to the expiration of their validity, the Central Depository undertakes to replace these facilities free of charge within 1 business day of the receipt of the Participant's written notice, except for the cases where the Secur ID card has been damaged due to physical, mechanical, chemical or other impact, while the other facilities have ceased operating due to the Participant's fault. In case any dispute arises with regard to the nature of the damage made to the Secur ID card, the parties agree that it shall be referred to an

expert (the producer of the Secur ID card is considered to be the expert), while the party whose arguments are not confirmed by the expert's examination shall be obliged to cover the costs of the examination. In the event that the facilities for ensuring data safety and authenticity become invalid prior to the expiration of the established validity term due to the Participant's fault, the latter must cover the costs related to the replacement of these facilities.

36. In order to temporarily suspend (e.g. in case of illness or vacations) or annul (e.g. upon termination of employment contract, or in case the employee has started working in the capacity having no relation to securities accounting) the power of the employees to place electronic settlement instructions or receive information messages of the Central Depository, the Participant must notify the Central Depository on the fact in writing. The latter no later than within 1 business day shall suspend or annul the validity of the facilities for ensuring data safety and authenticity provided to the employee of the Participant. It shall be considered that the employee of the Participant concerned forfeits the right to place transfer instructions and/or receive information messages of the Central Depository on behalf of that Participant as of the moment when the Central Depository upon request of the Participant temporarily suspends or annuls the facilities for ensuring data safety and authenticity and confirms this in writing. Upon annulment of the Participant's facilities for ensuring data safety and authenticity, the Secur ID card must be returned to the Central Depository. Upon expiration of the period of temporary suspension, the authorized employee of the Participant shall regain the possibility to use the facilities for ensuring data safety and authenticity.

37. The Central Depository and the Participant undertake to ensure that their employees would keep secret the facilities for data safety and authenticity indicated in paragraph 31 of this Agreement and promise to immediately notify each other in writing in case these facilities have become or could have become known to any third persons. The obligation to keep secret established in this paragraph covers the prohibition for one employee of the Participant to transfer to another employee his facilities for data safety and authenticity without the Central Depository knowing it.

38. As the Central Depository carries out only a formal checking of the facilities for ensuring data safety and authenticity and has no right to refuse execution of instructions that meet the established requirements (except for the cases provided for in paragraph 24 of the Agreement), the Participant assumes the responsibility for the transfer instructions that meet the established requirements placed on his behalf not only by his authorized employees but also by third persons, except for the cases where the Central Depository itself intentionally or due to carelessness has transferred the facilities for ensuring data safety and authenticity to third persons, who, taking the advantage, have placed an instruction on behalf of the Participant. In case the facilities for ensuring data safety and authenticity have become known to third persons due to the Central Depository's fault, it undertakes to annul these facilities on its own initiative and immediately notify the Participant concerned about the fact and grant to the latter new facilities for ensuring data safety and authenticity free of charge within one day. In all the other cases, the rules established in paragraph 36 of this Agreement shall be applied to the validity and annulment of the facilities for ensuring data safety and authenticity, while the costs related to the replacement of the facilities for ensuring data safety and authenticity shall be covered by the Participant.

39. All the data included in instructions provided by the Participant shall be automatically coded during the transfer with the help of a personal digital certificate that has been granted to the authorized employee of the Participant concerned.

40. After the receipt of the instruction, the Central Depository undertakes to immediately provide in its Participants' Secure Information Site the information concerning the entry of the received instructions into the Central Depository's SSS. The Participant may get information on the settlement instructions placed on his behalf by using the facilities for ensuring data safety and

authenticity provided to his authorized employees. The presence of the above-mentioned information in the Participants' Secure Information Site of the Central Depository shall be direct proof that the Central Depository has received the settlement instruction concerned.

41. Having checked the transfer instructions placed electronically and having identified technical or logical errors, or having established other conditions defined in legal acts under which execution of the transfer instructions concerned is impossible, the Central Depository shall refuse to execute such instructions. This fact together with the stated grounds for the refusal to execute the instruction concerned shall be reported to the Participant only in the Participants' Secure Information Site of the Central Depository accessible only to the Participant.

42. The checking referred to in paragraph 41 of the Agreement has a formal nature, therefore the Central Depository shall not be liable for wrong instructions placed by the Participant provided these instructions have been technically (or formally) correct.

43. Having found no technical or logical errors as well as in the absence of other obstacles specified in legal acts for the execution of the settlement instructions concerned, the Central Depository undertakes to execute settlement according to the instruction.

#### **NOTIFICATION ON THE CHANGE IN DATA AND/OR DOCUMENTS**

44. The Participant undertakes to notify the Central Depository on the changes of the data provided for in the SSS Rules or the documents (which he delivered to the Central Depository prior to the entry into this Agreement, seeking to become a participant of the Central Depository), namely the change of:

44.1. the data specified in the application,

44.2 the registration certificate, Articles of Association (bank statute and regulations of structural subdivisions);

44.3. the permit issued by the Securities Commission (with the list of the financial brokers) or the banking license, without a restriction imposed on the bank's right to render investment services;

44.4. the chief executive,

44.5. the authorized employees, indicated in the signature card (a new signature card shall be provided alongside);

44.6. other additional data, submitted on request of the SSS operator,

44.7. the agreement, referred to in the Operation Rules of the Payment System LITAS.

In addition the Participant must notify the Central Depository on the changes in official requisites (name, address of the headquarters) of the issuers represented by the said Participant. The Participant also undertakes to repeatedly file with the Central Depository the documents listed in the SSS Rules, in the event there have been any changes made therein.

All the above-mentioned data and documents shall be submitted not later than the next business day after the change is made (or after the registration of the amendments to the documents with the state registers or institutions, and the moment when the Participant is informed thereof according to the established procedure).

45. In case a bankruptcy case is initiated against the Participant or extrajudicial or summary bankruptcy proceedings are applied, the Participant undertakes to notify the Central Depository immediately (on the same business day after becoming aware of the fact). The notice on the initiation of a bankruptcy case shall disclose the calendar day and time of the judgment.

46. In the event that the Supervisory authorities have suspended or rescinded the working license of the Participant or in any other way restricted his activities, the Participant undertakes

to immediately (on the same business day after becoming aware of the fact) notify in writing the Central Depository about it.

47. The parties agree that the notices provided for in paragraphs 44-46 will be submitted to the Central Depository first by fax and later by sending a registered letter, using a courier or delivering personally.

The Central Depository must within 1 business day inform the Participant in writing about the change of its requisites provided in this agreement.

### **RISK MANAGEMENT FACILITIES**

48. The Participant must implement and manage credit and liquidity risk management facilities in his operations taking into account the requirements of legal acts, operational characteristics and client investment safety.

49. The Central Depository shall ensure that in settling instructions placed by the SSS Participants, securities would be timely transferred from the general securities account of one SSS Participant to the general securities account of another SSS Participant and payment instructions to the System 'LITAS' would be timely initiated.

50. The Central Depository shall provide for such operational risk management facilities of the SSS as an early warning system for the identification of securities defaults and explicit procedures for guaranteeing timely admission and execution of the submitted instructions.

51. The Central Depository shall extend no credits to SSS Participants for the elimination of any possible shortage of securities or cash.

52. The Central Depository shall ensure the entirety of hardware, software and organizational measures that sets the conditions to receive the Participant's instructions, to execute settlement movements and submit other documents in case of outage of hardware and software.

53. In the event of natural disaster, the Central Depository shall employ reserve hardware and software as well as workstations located outside the main building for the operation of the SSS and storage of data archives.

54. The parties agree that the Depository shall be entitled to control the compliance of the Participant with this Agreement and other legal acts regulating settlement of securities transactions.

### **THE FEES FOR PARTICIPANTS CHARGED BY THE CENTRAL DEPOSITORY**

55. The Participant hereby undertakes to pay to the Central Depository:

55.1. fees or other charges, including fines and late payment charges (further referred to in summary as the fees), established by the Central Depository's instruction *The Procedure for the Determination and Payment of the Fees of the Central Securities Depository of Lithuania* or by other documents regulating payment of fees to the Depository;

55.2. a fee for the use of the Participants' Secure Information Site of the Central Depository – LTL178,69 (excluding VAT) per month (the Central Depository, taking into account the demand for and the costs of rendering the service, shall be entitled to change the rate of such a fee after informing the Participant about it in writing at least 20 days in advance);

55.3. a fee for the use of technical equipment located within the Central Depository, which creates the virtual private network (VPN) access point enabling the Participant to join the messaging system (MS), in case he accesses the MS by means of the equipment located within the Central Depository. The fee consists of the following constituent parts:

55.3.1. a one-off access charge – LTL5000;

55.3.2. a charge for the monthly administration of the Participant - LTL165; and

55.3.3. a charge for the rent of room space - LTL110 (paid in case the Participant is not located at the address Konstitucijos pr. 23, Vilnius).

56. The Participant undertakes to pay the fees established by the Central Depository in its instruction *The Procedure for the Determination and Payment of the Fees of the Central Securities Depository of Lithuania* or in other documents regulating the payment of fees to the Depository within the terms prescribed by the aforementioned Instruction or other documents. The Participant must pay all other fees mentioned in paragraph 55 within 10 days of the receipt of the relevant invoice.

57. The parties agree that the Central Depository shall have the right to one-sidedly change/amend the fees or their rates specified in paragraph 55 or fix new fees, notifying the Participant about that in advance.

The Central Depository undertakes to notify the Participant in writing at least 10 days prior to the planned date for taking a decision concerning the change or fixing of the fee and at least 20 days prior to the enforcement of the changed/amended or newly fixed fees or their rates. In case the Participant disagrees with the changed/amended/newly fixed fees or their rates, he shall have the right to terminate this Agreement according to the procedure laid down in paragraph 78.3. Otherwise it would be deemed that the Participant agrees and undertakes to pay in accordance with the changed/amended fees.

## **RESPONSIBILITY**

58. The parties undertake to duly meet their obligations and refrain from any actions, which could cause harm to each other.

59. The party, which has violated its contractual obligations, must indemnify for the damages caused to the other party due to such violations. The losses generated by negligent performance of one of the parties shall be indemnified only if the party is found guilty.

60. In case a Participant fails to pay in time the required fees to the Central Depository in accordance with this Agreement (or if any other circumstances provided for in the instruction, mentioned in paragraph 55.1, arise), he must pay forfeit of the established amount (fines and late payment charges) fixed in the instruction of the Central Depository *The Procedure for the Determination and Payment of the Fees of the Central Securities Depository of Lithuania*, or in other documents, regulating payment of fees to the Central Depository (excluding the fines, which are provided for in this Agreement).

61. If a Participant fails to fulfill his obligations provided for in paragraphs 17-18 of the Agreement in due time or properly, the said Participant must pay a fine of 200 litas to the Central Depository.

62. If a Participant fails to fulfill his obligations provided for in paragraphs 44-46 of the Agreement in due time or properly, the said Participant must pay a fine of 200 litas to the Central Depository.

63. In case of the securities or cash default (i.e. non-confirmation of the settlement movement generated on the basis of the automatched trades or in the absence of the amount of securities and/or cash in participant's account required for the settlement of the automatched trade), the Participant specified in the *Standard Settlement Conditions* must pay to the Central Depository a fine in the amount laid down in the Central Depository's instruction *The Procedure for the Determination and Payment of the Fees of the Central Securities Depository of Lithuania* or in other documents regulating the payment of fees to the Central Depository. The fine shall be paid for each day of the default.

In case the Participant specified in the *Standard Settlement Conditions* fails to confirm the settlement movement generated on the basis of manual trades in securities concluded on the Stock Exchange, he must pay to the Central Depository a fine of 100 Litass for the postponement of the settlement movement to the following settlement day (or cancellation of the settlement movement). The fine shall be paid for each day of the default.

64. If the Central Depository fails to fulfill or fulfills unduly his obligations taken under this Agreement, the Participant can:

64.1. obligate the Central Depository within the sound and reasonable terms indicated by the Participant to fulfill the violated obligation;

64.2. claim compensation for the losses of the Participant incurred by non-fulfillment or improper fulfillment of obligation (with reference to the provisions of paragraph 59).

65. The liability for any failure to fulfill obligations provided for in paragraphs 44-46 till the duly fulfillment of such obligations shall fall upon the Participant.

66. The Parties, which failed to fulfill their obligations in time due to *force majeure* circumstances, shall be released from the liability following the Resolution No 840 of the Government of the Republic of Lithuania as of 15 July 1996 (if the legal act referred to above is replaced by another one during the validity time of the Agreement, it shall be deemed that the Parties have automatically agreed on the reference to the other legal act of that nature).

67. The Party, which due to force majeure circumstances cannot fulfill the obligations under this Agreement, must notify the other Party in writing not later than within 1 business day. In case the Party has been late in notifying the other Party of the force majeure circumstances or has failed to inform the other Party thereof, it shall forfeit the right to refer to such circumstances as the grounds for being released from the liability concerning the untimely fulfillment or non-fulfillment of assumed obligations and from indemnification of losses and payment of forfeit.

68. Should force majeure circumstances arise, fulfillment of obligations of the Parties shall be postponed for the period not exceeding 30 days. In case the force majeure circumstances continue for a longer than 30 days period, the Parties may terminate this Agreement.

69. Deficiency of cash or securities or failure to settle in accordance with the conditions of this Agreement may not be considered as force majeure circumstances.

70. The Central Depository shall not be liable for the losses incurred by a Participant (and/or his clients) due to the crises or other unfavorable changes in securities market, actions or omissions of the issuers or third parties, changes in exchange rates and inflation as well as other risks related with securities. The Depository shall not be liable for any other damage incurred by a Participant (and/or his clients), if it has originated through no fault of the Depository.

71. Other (not referred to above) damages, inflicted by one Party to the other shall be indemnified in compliance with the laws of the Republic of Lithuania.

## **CONFIDENTIALITY**

72. The parties agree that any information on settlements, arranged and carried out on the basis of this Agreement shall be considered confidential and may not be disclosed and disseminated or used for the purposes not related with settlement of securities transactions. Information on the number, volumes and periodicity of operations carried out by the Participant shall not be considered confidential.

73. Other persons shall be entitled to get information on settlements, arranged and carried out pursuant to this Agreement only in cases and in accordance with the procedure prescribed by law.

## **VALIDITY OF THE AGREEMENT**

74. This Agreement shall come into force as of the moment of its signing.

75. Paragraphs 4 and 5 of this Agreement shall not apply to the intermediary of public trading in securities who has been a participant of the Central Depository prior to the signing of this Agreement.

76. Paragraphs 30 and 32 of this Agreement shall not apply to the intermediaries of public trading in securities who have entered into an appropriate agreement (concerning the placement, accounting and safekeeping of free-of-payment securities transfers and other electronically provided documents and provision of electronic information messages) with the Central Depository prior to the signing of this Agreement, and the facilities for ensuring data safety and authenticity given to them shall be considered as corresponding to the facilities for ensuring data safety and authenticity designed for gaining access to the Participants' Secure Information Site of the Central Depository as specified in paragraph 31 of this Agreement.

77. The Agreement shall be valid for a period of unlimited duration and may be terminated or expire in accordance with the procedure prescribed by this Agreement or by law.

## **TERMINATION OF THE AGREEMENT**

78. The Agreement may be terminated:

78.1. by consent of the Parties;

78.2. on the initiative of any one of the Parties upon notifying in writing the other Party at least 30 days in advance (with the exceptions given below);

78.3. on the initiative of the Participant upon notifying the Central Depository at least 5 days in advance, in case the Participant does not agree with the fees referred to in paragraph 55 that have been amended or supplemented unilaterally by the Central Depository;

78.4. on the initiative of the Central Depository upon notifying the Participant at least 5 days in advance in case the Participant fails to fulfill or fulfils improperly its obligations under the Agreement or violates the SSS Rules;

78.5. in case a bankruptcy case has been initiated to the Participant or Central Depository, a license issued to them has been revoked or their activities have been restricted in any other way (in such a case the agreement may be terminated by any of the Parties from the date indicated in its notice about the termination of the activities.

78.6 in other cases provided for in legal acts.

79. Upon termination of this Agreement on any grounds the Parties must meet all their obligations to each other, which have originated prior to the termination of the Agreement, except the cases, where obligations cannot be fulfilled in compliance with the requirements of legal acts or this Agreement.

## **THE PROCEDURE FOR SETTLEMENT OF DISPUTES**

80. The Parties agree that all the disputes, disagreements and claims, which may arise between the Parties with regard to application, interpretation or compliance with the Agreement, shall be settled by way of negotiation.

81. In case of failure to settle within 15 days all the disputes, disagreements and claims, which arise between the Parties with regard to application, interpretation or compliance with the Agreement, they shall be resolved in accordance with the procedure provided for in the laws of

the Republic of Lithuania in local court situated in the locality of the Central Depository's head office.

### **FINAL PROVISIONS**

82. This Agreement may be amended and supplemented by consent of the Parties. Such amendments and supplements to the Agreement must be made in writing and signed by the authorized representatives of the Parties to the Agreement. In cases provided for in legal acts, amendments and supplements to the Agreement must require that permission from the Competent Authorities be obtained.

83. The parties explicitly agree that records of telephone conversations, fax and e-mail messages shall be treated as evidence in disputes between the Parties.

84. The Participant shall confirm that he has been provided with the conditions allowing him to thoroughly familiarize himself with the draft Agreement prior to signing the Agreement.

85. The parties shall agree that since the moment of signing of this Agreement, the preceding agreements and/or arrangements, by means of which the Parties have regulated legal relationships of the same type (as in this agreement), shall be void.

86. This agreement is made in two copies having the same legal power: one to the Participant, the other to the Depository. Representatives of the Parties must undersign each page of the Agreement, otherwise the Agreement shall be void.

### **LEGAL ADDRESSES AND SIGNATURES OF THE PARTIES**

*Central Depository* – public company Central Securities Depository of Lithuania; company code 110059343; Address: Konstitucijos pr. 23, Vilnius; tel. +3705 2638510, fax. +3705 2721676, Account No LT 917044060001720016, SEB Vilniaus Bankas, bank code 70440.

*Participant-*

---

Place of seal

---

Place of seal

***Annex 1 to Agreement No. \_\_\_\_\_***

*Messages (the structure of which is based on ISO 15022XML standard) provided by the Central Depository to the Participant through the messaging system (MS).*

The Central Depository provides to the Participant through the MS the following messages, the structure of which is based on ISO 15022XML standard:

SETADV - Settlement status and processing advice;  
SETALG - Settlement allegation;

Confirmation advice (CONFIRM):

FREEREC – Receive free confirmation,  
FREEDEC – Deliver free confirmation,  
DVPREC – Receive against payment confirmation,  
DVPDEC – Deliver against payment confirmation.

Statement of securities holdings (STMNT):

STTRAN – Statement of transactions (Statement of account),  
STPEND – Statement of pending transactions,  
STBAL – Securities balance,  
STHOLD – Statement of holdings (balance of accounts).

*Annex 2 to Agreement No. \_\_\_\_\_*

*Messages provided to the Participant through the Participants' Secure Information Site of the Central Depository*

The Central Depository provides the following messages through *the Participants' Secure Information Site*:

:

- Settlement movements to be confirmed;
- Confirmed settlement movements
- Aggregate settlement positions
- Consolidated statement of securities transfers
- Consolidated journal of operations
- Balances in securities accounts
- Statement of securities accounts
- Depository's fees