

## 1. GENERAL PROVISIONS

- 1.1** The General Terms and Conditions of the Contract apply to the contracts like “Location Contracts” [commonly also known as “Investment Agreements”], hereinafter referred to as the Contract/Contracts, executed by FRL Capital Limited, with its registered office in London, acting under the name of Finroyal, and the Clients from the EEA territory (the Economic European Area), and shall constitute an integral part thereof.
- 1.2** Contracts, annexes or appendices to the Contracts may determine the rights and obligations of the Parties in the manner that does not comply with these General Terms and Conditions of the Contract. Given any discrepancies between the language of the Contract and the General Terms and Conditions of the Contract, the Parties shall be subject to the Contract, annex or appendix.

## 2. DEFINITIONS

- 2.1** In these General Terms and Conditions of the Contract, hereinafter referred to as the “GTCC”, the Reverse, appendices, annexes as well as all and any documents drafted or issued in connection with the Contract, the following terms shall have the meaning described below:
- a) Finroyal – FRL Capital Limited with its registered office in London (the United Kingdom of Great Britain and Northern Ireland);
- b) Applicant – a natural person, a legal person, an organisational units holding no legal personality, that intends to execute the Contract and to that extent submits a relevant application or acts to that extent to the benefit of a third person. At the time of effective execution of the Contract, the Applicant, or a person authorized thereby, shall become a Client;
- c) Client – a natural person, a legal person, an organisational units holding no legal personality being a party to an effectively executed contract, individually or jointly with any other Client;
- d) Reverse – the first page of the Contract, which includes the data of the Client, including, among others, the form and value of interest rates, a declared duration of the Contract,
- e) ICN – the Identification Client Number, which is also a registration number (an account number), granted by Finroyal when executing the Contract;
- f) Password – a sequence of signs (letters, digits) determined by the Client, allowing for the communication with Finroyal after executing the Contract, and making orders through the ECC;
- g) Cut – a contractual penalty for the termination of the Contract by the Client, by the specified time;

h) Currency of the Contract – exchangeable currency in which the Value of the Contract is determined and which shall be used for the reimbursement of funds to the Client;

i) Value of the Contract – the value of Finroyal liabilities towards the Client on the day the Contracts becomes legally effective;

j) Representative – an employee of Finroyal or an employee of a third party that may, under the Contract executed thereby with Finroyal, carry out specific activities on behalf and to the benefit of Finroyal;

k) ECC – the Electronic Communication Channels – the channels of electronic communication carried out by Finroyal, allowing for remote contacts between the parties to the Contract via the Internet or by telephone.

## 3. SUBJECT-MATTER OF THE CONTRACT

- 3.1** Finroyal carries out investment activity on its own behalf and to its own benefit.
- 3.2** Under the Contract, the Client shall provide Finroyal with specific funds and shall transfer the ownership thereof to Finroyal, and Finroyal undertakes to reimburse those funds, at a specific time and under the rules as determined in the Contract.

## 4. REVERSE

- 4.1** The Reverse shall be considered to be a fundamental document confirming that the Contract has been executed.
- 4.2** The Reverse shall include at least the following information:
- a) the date of the Client specified in the application or in the declaration submitted by the Applicant, namely:
- i) a first name (first names) and surname (surnames), including possibly persons authorised to the representation or the name of an entity;
- ii) an address of permanent residence or address of a registered office of an entity;
- iii) a correspondence address along with preferable forms of contact;
- iv) a type, series, and a number of an identification document or data of an entity based on relevant documents;
- v) a number of a Location Contract;
- vi) an ICN number and
- vii) a number/numbers of bank account/s of the Client or any other data allowing for the settlement,

b) the terms and conditions of the Contract and, for that purpose, it shall include the following information:

- i) a type of interest rates (fixed or variable interest rates);
- ii) the value of interest rate or the manner of the settlement thereof, following variable indexes;
- iii) the currency of the Contract;
- iv) the Cut;
- v) a declared duration to which the Contract shall undoubtedly be effective.

**4.3** A signature made by the Client on the Reverse shall constitute the signature specimen for the purpose of all and any written declarations of will and orders.

## **5. EXECUTION OF THE CONTRACT**

**5.1** The Contract is executed based on the application filled in and signed by the Applicant or a declaration made through the ECC.

**5.2** Prior to the execution of the Contract, the Applicant makes available all the data necessary for the execution of the Contract, including, in particular, documents confirming the identity, and for an entity – the data of an entity or photocopies of those documents.

**5.3** The Applicant may execute the Contract independently through the ECC.

**5.4** The Applicant may execute the Contract through the ECC, in cooperation with the Finroyal's representative.

**5.5** The Contract may be an individual contract executed with one Client or a joint contract executed with more than one Client. In the event the Contract is executed with more than one Client, the substance hereof shall provide where the Clients' rights and obligations hereunder are joint and several or divisible, and if divisible, to what extent. Given no appropriate regulations in the substance of the Contract, it is assumed that the Clients' rights and obligations are divisible and may be divided among so many independent and equal parts as many Clients enters the contract.

**5.6** The Contract may be executed in the following currencies:

- i) AUD(Australian Dollar),
- ii) CAD (Canadian Dollar),
- iii) NZD (New Zealand Dollar),
- iv) EUR (Euro),
- v) USD (US Dollar),
- vi) CHF (Swiss Franc),
- vii) GBP (Pounds Sterling),
- viii) JPY (Japanese Yen),
- ix) DKK (Danish Kroner),

- x) NOK (Norwegian Kroner),

- xi) SEK (Swedish Kroner)
- xii) ZAR (South African Rand)
- xiii) CZK (Czech Koruna)
- xiv) PLN (Polish Zloty)
- xv) HUF (Hungarian Florin),

unless the currency law regulations binding in the state of the Client's residence, Finroyal or the country concluding and executing the Contract do not allow therefor, then the Contract shall be executed in a currency permissible by law or as the equivalence of specific currency to be rendered in a permissible currency.

**5.7** Under a joint contract, Clients shall act jointly and shall not be authorised to carry out individual legal activities connected with the Contract executed, unless they grant one another a relevant power of attorney.

**5.8** Given any doubts, it is assumed that each contract has been concluded through the ECC, in the registered office of Finroyal, directly by the Client or in the attendance of the Representative.

## **6. COMMENCEMENT OF THE DURATION OF THE CONTRACT**

**6.1** The execution of the Contract shall take effect under the suspending conditions the fulfilment of which for the purpose of achieving the effects of the Contract shall be cumulative, meaning that:

a) the parties shall sign the Reverse along with all and any appendices or the Applicant makes and Finroyal confirms the order to execute the contract through the ECC;

b) the bank account of Finroyal will be credited with the funds being the subject-matter of the Contract of the funds in connection with the contract executed will be paid to Finroyal in any other manner.

**6.2** Given the execution of the Contract directly through the ECC, the Applicant or the Client shall, without any delay, sign the Reverse along with all and any appendices and annexes thereto, in two unified copies, and send them at the address of Finroyal and make the order to transfer the funds. After obtaining the said documents, Finroyal shall analyze them and send them back to the Client appropriately signed, and given any errors, it shall undertake measures to eliminate such errors so that the contract could be executed in an appropriate manner.

**6.3** In the event Finroyal obtains the funds prior to the complete execution of the Contract, the same rules shall apply to those funds as if the Contract was executed, however provided that Finroyal signs the contract thereafter. If Finroyal refuses to execute the Contract, the funds shall be immediately reimbursed.

## **7. DURATION OF THE CONTRACT**

**7.1** This Contract is executed for indefinite time, unless

the Parties explicitly decide otherwise in the Reverse.

- 7.2 In the Contract executed for indefinite time, the Client shall specify the duration till which the Contract is effective.
- 7.3 The Contract executed for indefinite time may be terminated, irrespective of the duration declared, at any time and under the terms and conditions and subject to the consequences specified in paragraph 9.
- 7.4 In the event a declaration on the termination of the Contract executed for indefinite time is not delivered to Finroyal prior to the expiry of the duration declared, the Client shall be assumed to declare that the contract is to be effective for a consecutive duration time being equal to a previously declared duration time as provided for in sub-paragraph 7.2.
- 7.5 A consecutive calendar day after the expiry of a given declared duration time shall be considered to be the commencement of a consecutive declared duration time.

## 8. INTEREST

- 8.1 For using the funds, Finroyal shall pay the Client the interests calculated per annum according a variable or fixed interest rate, at an option, to be determined in the Contract. The interests shall be calculated based on the assumption that a year consists of 365 days, and a month consists of a real number of days thereof.
- 8.2 In the event it is determined that, for using the funds, interests shall be payable according to a variable interest rate, a variable interest rate depends on the specific indexes binding respectively for the Currency of the Contract and based on the referential interest rates published by appropriate monetary authorities issuing money being the Currency of the Contract and the competencies of which include the determination of those rates. All and any changes of interest rates shall not constitute the amendment to the Contract. A changed interest rate shall be applicable from the first day the Contract is in force, the date when a specific interest rates, which is index parameter, becomes effective.
- 8.3 The time of calculating interests for using the subject-matter of the Contract shall commence on a consecutive working day after crediting the bank account of Finroyal or any other actual and certified payment of the value of the Contract and shall be calculated on the value of funds paid under the Contract, and shall terminate on the first working day after the day of the duration declared by the Client.
- 8.4 After the expiry of any declared duration:
- a) the interests are capitalized and the value of the Contract is increased by the interests accrued or the

interests are paid proportionally to the remaining amount, the terms and conditions in force then shall be applicable, if the Contract is extended for a consecutive duration;

b) the interests and the value of the Contract shall be reimbursed to the Client, if the Contract is terminated.

## 9. CUT - CONTRACTUAL PENALTY

- 9.1 Given the Client's termination of the Contract executed for an indefinite time, prior to the expiry of 6 months, Finroyal is not obliged to pay interest as provided for in paragraph 8, whereas the Client shall pay Finroyal a contractual penalty (CUT) of 4% of subject-matter of the Contract in respect of which the Contract has been terminated.
- 9.2 If the Client terminates the Contract executed for an indefinite time prior to the expiry of 12 months, Finroyal shall pay interest, as provided for in paragraph 8, whereas the Client shall pay Finroyal a contractual penalty (CUT) of 4% of subject-matter of the Contract in respect of which the Contract has been terminated.
- 9.3 Given the termination by the Client, in entirety or partly, for important reasons, of the Contract executed for a definite time, yet no sooner than after the expiry of 6 months from the date of executing the Contract, the Client shall pay Finroyal a contractual penalty (CUT) of 4% of subject-matter of the Contract in respect of which the Contract has been terminated.
- 9.4 In the circumstances as provided for in sub-paragraphs 1 and 2, Finroyal may deduct receivables for contractual penalties through paying the Client the subject-matter of the Contract and interest due.
- 9.5 In the event the Contract is terminated, in entirety or partly, Finroyal shall immediately settle any liabilities, in the entirety or part thereof respectively, within 7 days from the termination of the Contract at the latest.
- 9.6 In the event the Client terminates the Contract only in part, the terms and conditions in force prior to making that order shall govern the remaining value of the liability.

## 10. SECURITY RULES

- 10.1 In order to ensure the security of Contracts executed and the security of the information, the only documents which confirm the Value of the Contract are:
- a) the confirmation/s of order/s of transfer of funds to the bank account of Finroyal,
- b) the balance of crediting the Finroyal's bank account with the amount resulting from the Contract executed,

- c) a duplicate of the Reverse drafted by Finroyal, , and therefore the Value of the Contract is not determined in the documents drafted with Representatives or possibly any other third parties, including in the Contracts drafted through the ECC.
- 10.2** The Parties shall maintain the secrecy of all and any information connected with the duration or the execution of the Contract, as that information is to be considered confidential.
- 10.3** Neither of the Parties shall notify, without any explicit consent of the other party, any third parties on the detailed provisions hereof, yet this stipulation does not refer to legal counsels or economic parties that are bound by the obligation to maintain statutory professional secrecy, as well as administrative authorities and other offices, provided such notification on the substance of the contract proves necessary.
- 10.4** The Client's orders and declaration shall be made through delivering to Finroyal a shipment containing a specific document including a signature complying with the signature specimen made on the Reverse, and for attorneys – the signature specimen of that attorney or through the ECC.
- 10.5** Any financial benefits of the Client, connected herewith, entirely or partly, may be executed only to the bank account thereof or through any other institutions rendering financial agency services provided that a transfer beneficiary's data may be verified or the bank account indicated by the Client and indicated in the Reverse or given the change of the bank account, by a declaration made in an appropriate manner which constitutes the change of the Reverse.
- 11. PARTIES TO THE CONTRACTS AND ATTORNEYS THEREOF**
- 11.1** The Client may transfer the rights resulting from the Contract, entirely or partly, to any other third party provided Finroyal is notified, at a 3-day notice at the latest, on the intent to carry out this legal action.
- 11.2** The transfer of the Client's rights and obligations hereunder to any third party is subject to the Finroyal's written consent. Finroyal stipulates the right to refuse to consent, in reasonable circumstances, to the action as determined in sub-paragraph 1, and therefore the transfer of rights becomes effective upon obtaining the Finroyal's consent thereto.
- 11.3** The Client may grant a power of attorney to carry out legal actions and make declarations connected with the Contract executed.
- 11.4** A power of attorney shall be made in writing, and the signature of the Client granting that power of attorney shall comply with the signature specimen in the Reverse or shall be certified by the Finroyal's representative or a Notary Public, or shall be certified by Apostille.
- 11.5** A power of attorney shall not include any order concerning the bequeath given the Client's death, and a right to grant further powers of attorney.
- 11.6** All and any orders made by the Client and connected with executing and revoking a power of attorney shall become effective on a consecutive working day at the latest from the date Finroyal accepts the order.
- 11.7** A power of attorney shall expire on the date of the Client's death; after the expiry of the duration thereof, or revoking it by the Client.
- 11.8** Finroyal stipulates the right to refuse to accept a power of attorney given any reasonable doubts in respect of the accuracy thereof.
- 12. ECC – ELECTRONIC COMMUNICATION CHANNELS**
- 12.1** The ECC shall be used in order to ensure effective and safe communication with Finroyal via telephone or the Internet. Finroyal ensures the possibility of using the information services at the electronic address [www.finroyal.com](http://www.finroyal.com) or [www.finroyal.eu](http://www.finroyal.eu), as well as the following interfaces placed in that service:
- a) a contact form allowing for sending text information (a contact form).
- b) a contract form (a form of register/account opening), allowing for generating a Contract, the Location Contract, in accordance with direct instructions of the Client.
- c) individual account of the Client allowing for reviewing Contracts executed and making basic orders connected with the execution of the Contract, among others withdrawals, changes of data of attorneys/beneficiaries and collecting forms of documents and reading the information addressed by Finroyal to the Client.
- 12.2** The activities carried out through the ECC shall also include the Applicant's downloading from the Internet of files including the documents the correct fulfilment of which, certifying with a signature and sending to Finroyal shall allow for the execution of the Contract.
- 12.3** The access to the Individual Client Account, as provided for in sub-paragraph 12.1c, shall be activated within 7 working days from the time of effective execution of the Contract at the latest.
- 12.4** If the Contract has been executed by a few Clients jointly, each of the Clients, who has been a party to a joint contract, shall grant a written consent to the individual usage of the ECC by other Clients and provide them with complete information on the Contract executed.
- 12.5** Except for the ICN identification number that is

granted to the Client when executing the Contract, the Client shall establish a password as a sequence of letters or digits. For proper logging-in to its form, the Client shall use a login in the form of the ICN number and a password.

settled by common courts of pertinent jurisdiction.

- 12.6 The password shall be strictly protected by the Client and, if the need arises, changed despite approved security conditions.
- 12.7 The Client may change the password through the form thereof and in a standard manner through delivering an appropriate form available on the Finroyal website.

### **13. FINAL PROVISIONS**

- 13.1 All and any notices, declarations and claims of the Client addressed to Finroyal, regarding the relations binding them, shall be delivered through the ECC or electronic mail, or in writing with the receipt, or by registered mail with the return acknowledgment of receipt.
- 13.2 All and any amendments to this Contract shall be made in writing, otherwise null and void.
- 13.3 Finroyal shall undertake all possible efforts to maintain proper operations of the ECC infrastructure, yet all and any defects or lack of a possibility to use the ECC shall not impede a standard procedure of communication as provided for in paragraph 13.1 and shall not result in any claims to be raised by the Client.
- 13.4 In the event the documents may not be delivered due to the change of the Client's address, all and any letters addressed at the last residence address thereof known to Finroyal, the correspondence address or electronic address, shall be legally effective after 30 days.
- 13.5 Given any loss or destruction of the Reverse or any other documents confirming the execution of the Contract, Finroyal shall, at the request of the Client, issue duplicate documents to be provided with a note of a duplicate copy.
- 13.6 All and any taxes and fees connected with the execution of the Location Contract are not covered and shall not be covered by Finroyal, including in particular income taxes payable by the Client based on the regulations of relevant countries. Finroyal is not authorised to render tax advisory services, therefore all and any doubts shall be explained with persons holding relevant qualifications.
- 13.7 All and any important information which may be connected with the Contract executed is published on the website of Finroyal or delivered by electronic mail.
- 13.8 All and any disputes arising out of this Contract shall be settled by the Parties in an amicable manner, and given no compromise reached, those disputes shall be