

Terms and Conditions – Sydbank's Tax Services

Introduction

The terms and conditions of Sydbank's Tax Services include the terms and conditions applying to relief at source and reclaim of dividend tax unless otherwise expressly agreed with the Bank.

The terms and conditions in force from time to time are available at <https://www.sydbank.dk/investering/priser-og-vilkaar> under "Priser og vilkår" (charges and terms and conditions).

Moreover Sydbank's Terms and Conditions and Terms and Conditions of Custody Accounts will apply.

General information

Sydbank offers tax services to its customers in relation to withholding tax on foreign securities. Denmark has concluded double taxation agreements with a number of countries and for some countries/markets the Bank offers tax services in the form of relief at source or reclaim.

Relief at source means an automatic reduction of tax withheld on payment of dividends or coupons by the foreign company.

Reclaim means an application by the Bank for a refund of withholding tax abroad.

The Bank's tax services are offered in relation to some foreign markets only, see Appendix 1.

Relief at source

Relief of withholding tax occurs in connection with dividend payments (dividend tax) and coupon payments (tax on coupons). Relief occurs when dividends or coupons are paid to the customer. Sydbank supports relief at source as regards securities with tax residency in the countries listed under "Markets".

It is a condition for relief at source that the customer has completed, signed and returned the tax documents sent by Sydbank to the customer.

The customer's possibility of being granted relief at source depends on the customer's status for tax purposes, including whether the customer is a private individual or a company.

Sydbank can only offer tax services in the form of relief at source to customers who are fully liable to pay tax in Denmark.

Sydbank only offers relief at source as regards securities held in custody at Sydbank or at one of Sydbank's foreign custodian banks and with central securities depositories where Sydbank is a direct member. Consequently services do not extend to securities traded through Sydbank but held in custody outside Sydbank.

Where Sydbank deems that the value of a customer's securities held in custody is sufficient to generate relief at source that can cover any fees and third-party costs, the Bank may contact the customer in writing. However Sydbank does not guarantee that the service provided is profitable as this depends on future returns on the relevant securities and the composition of the securities in the portfolio.

The customer accepts the tax services by signing the enclosed documents, usually relevant tax forms related to the current markets.

It is Sydbank's aim that the customer will be covered as soon as possible by the tax services related to the market in question and subsequently will be granted relief at source. However the time horizon may vary from market to market depending on whether Sydbank is to obtain documents from third parties, eg tax authorities. Sydbank is not responsible for ensuring – nor does the Bank guarantee – that the customer is granted relief at source from a specific time.

Sydbank is not obliged to contact the customer if the value or volume of the securities covered by the Bank's tax services drop to a value at which costs exceed the relief granted. Consequently the customer is responsible for assessing whether the services based on the customer's portfolio of securities, expectations for future securities and other issues are still considered to be an advantage for the customer.

Sydbank will contact the customer if the tax documentation expires or is otherwise no longer valid. In this connection it is the customer's responsibility to complete and sign the documents received within the deadline. If the customer does not sign the documents in question by the agreed deadline, it will no longer be possible for the customer to achieve relief at source.

If the customer does not, when contacted, accept Sydbank's offer for services Sydbank will not subsequently contact the customer with respect to this offer concerning the relevant market. This will also be the case if the customer's portfolios of securities increase or if other market conditions make the services even more profitable for the customer. If at a later date the customer wishes to conclude a service agreement with Sydbank the customer may contact Sydbank.

Reclaim

Reclaim of withholding tax (dividend tax or tax on coupons) occurs when dividends or coupons have been paid and tax has been paid at source. Reclaim will occur in collaboration with Danish as well as foreign tax authorities and Sydbank's custodian banks. Sydbank supports the reclaim of securities with tax residency in the countries listed in Appendix 1.

If the customer wishes Sydbank to reclaim the customer's dividend tax or tax on coupons the customer must sign a separate agreement and a letter of attorney. Only when the agreement and the letter of attorney have been signed and returned to Sydbank, will the reclaim process be commenced by Sydbank.

Sydbank only offers reclaim services to customers who are fully liable to pay tax in Denmark. The customer's tax liability and legal status may have a bearing on the reclaim options. Consequently certain entities may be eligible to reclaim higher tax amounts than others.

The local tax authorities or Sydbank's custodian banks may request additional documentation from the customer. The customer is obliged to provide this information or other relevant documentation as the Bank will otherwise stop the reclaim process.

The reclaim process may be long and varies from market to market. Sydbank does not guarantee that the reclaim will have been completed within a certain time horizon.

Some countries have deadlines as to when a reclaim process must commence. If the Bank has received the necessary documentation from the customer, the Bank will strive to meet such deadlines. However the Bank will not be liable if any deadlines are exceeded as a result of the customer's circumstances.

Sydbank will only commence a reclaim process if the customer's reclaim proceeds are positive after deduction of costs to Sydbank, including estimated costs borne by Sydbank on behalf of the customer to third parties in connection with the reclaim process.

Any interest received from abroad from reclaimed withholding tax is owing to the customer.

Payment of costs and fees

Charges for tax services in the form of relief at source and reclaim of tax withheld at source appear from Sydbank's comprehensive Tariff of Charges, which is available at <https://www.sydbank.dk/investering/priser-og-vilkaar>. The charges are exclusive of payment/fees to third parties which the customer must also pay.

The customer will pay for tax services related to relief at source in December in arrears for the preceding year. When the customer enters into the agreement a proportionate share will be paid for the remainder of the year. The customer must also pay even if the agreement on tax services has been terminated in the year in question. If the customer terminates his agreement at a later date, the full annual fee is payable.

Payment for the reclaim services as regards dividend tax and tax on coupons withheld must be made when Sydbank settles the individual tax element reclaimed with the customer.

The customer must pay any costs charged by third parties, including fees which Sydbank incurs on the customer's behalf in connection with the reclaim of dividend taxes and relief at source. The costs will be charged to the customer's account or set off in connection with settlement of the amount reclaimed.

Markets and market terms

Sydbank currently offers tax services in the markets listed in Appendix 1.

The adjustment of relief at source or reclaim of withholding tax may be changed without notice by the local authorities, financial infrastructures, custodian banks or others. Consequently Sydbank's tax services in the relevant market may be limited in full or in part without notice. Changes may affect selected customer segments and legal entities but may also affect all customers having concluded a tax services agreement with Sydbank. In this case the Bank is entitled – and without prior notice – to stop the tax services in full or in part as regards the affected market(s). Charges already paid to the Bank will not be refunded to the customer. Sydbank will contact and inform the customer in this respect.

Sydbank will offer relief at source options in new markets according to the process described under "Relief at source".

If new reclaim markets are added Sydbank will commence reclaim procedures in these markets without further notice to the customers who have already concluded a separate reclaim agreement with Sydbank. Reclaim in these markets will occur subject to the terms and conditions described under "Reclaim".

Termination

The customer may terminate his tax services agreement with Sydbank subject to one month's notice.

Similarly Sydbank may terminate in writing the tax services agreement subject to one month's notice for expiry at year-end.

If the tax services agreement is terminated charges and fees already paid to the Bank will not be refunded.

Commenced reclaims as regards dividend tax and tax on coupons withheld will be carried out unless the customer specifically instructs the Bank to cancel the reclaim. As a result the customer will be charged any derived costs and fees and any reclaimed dividend tax or tax on coupons will be credited to the customer.

Customer obligations

The customer is responsible at all times for keeping Sydbank informed if the customer changes his tax status and is no longer fully liable to pay tax in Denmark or if the customer becomes partly or wholly liable to pay tax in another country.

Sydbank, the local tax authorities or Sydbank's custodian banks may request additional information and documentation from the customer. In this case the customer is obliged to provide such information within the deadline stipulated by Sydbank. If the customer fails to provide sufficient information the Bank's tax services will stop.

Sydbank will only assist the customer in the reclaim of withholding tax if the customer has not directly or indirectly initiated refund processes as regard the same tax withheld at source.

Currency conversion

In connection with the reclaim of withholding tax on behalf of the customer the Bank may receive the refund in foreign currency.

Unless otherwise agreed the Bank will book the tax refunded on the customer's yield account where the original dividend or coupon was booked and in the currency of the yield account.

Any currency conversion required in connection with the withholding tax refund will be subject to Sydbank's terms and conditions of the settlement of currency transactions in force. Any conversion to Danish kroner will be at the same exchange rate as received by the Bank from abroad.

The Bank's liability to pay damages

Providing tax services is a best efforts obligation on the part of the Bank and the Bank strives – whenever

possible – to provide this service to the customer. The Bank does not guarantee the handling by the foreign tax authorities of relief at source or reclaim and consequently the Bank does not guarantee that relief at source or reclaim of withholding tax will be achieved.

The Bank will be liable to pay damages if, due to errors or negligence, the Bank's performance of its agreed obligations is delayed or defective. Even in areas where strict liability applies, the Bank will not be liable for any loss incurred as a result of

- breakdown of/non-access to IT systems or the corruption of data in these systems attributable to any of the events listed below, regardless of whether the Bank or an external supplier is responsible for operating the systems;
- power failure or breakdown of the Bank's telecommunications, legislative or administrative intervention, natural disasters, war, rebellion, civil unrest, sabotage, terrorism or vandalism (including computer viruses and hacking);
- strikes, lockouts, boycotts or picket actions regardless of whether the conflict is aimed at or initiated by the Bank itself or its organisation and regardless of the cause of the conflict. This also applies if the conflict affects only parts of the Bank;
- other circumstances beyond the control of the Bank.

The Bank will not be exempt from liability where

- at the time of signing the agreement, the Bank ought to have foreseen the event that caused the loss or ought to have prevented or remedied the cause of loss;
- under Danish law the Bank is liable for the cause of loss under any circumstances.

Appendix 1

Sydbank currently offers tax services in the markets and according to the methods (relief at source or reclaim) as listed below:

- Norway (relief at source)
- Finland (relief at source) (applies only to securities issued in central securities depositories in Finland and Denmark)
- USA (relief at source)
- Italy (only bonds) (relief at source)
- Sweden (relief at source) (applies only to securities issued in central securities depositories in Sweden)
- Germany (reclaim)
- Switzerland (reclaim)
- Belgium (reclaim)
- Austria (reclaim)
- Canada (reclaim)
- Greenland (reclaim)
- Faeroe Islands (reclaim)