Banco Finantia

Additional Information for Customers

25 september 2020

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1 Financial Intermediation Authorized Services

Banco Finantia (hereinafter “Bank”) is registered under no. 109 in the Securities Market Commission (CMVM), with registered office at Rua Laura Alves, n.º 4, 1050-138 Lisbon (cmvm@cmvm.pt, telephone: 21 3177000), and in the scope of financial intermediation activity, is authorized to provide the following services:

Services	Date
Assistance relating to public offer of securities	29/07/1991
Dealing on own account	29/07/1991
Registration and deposit of financial instruments	29/07/1991
Investment advice	29/07/1991
Placing of financial instruments without a firm commitment basis	29/07/1991
Underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis	29/07/1991
Granting credits or loans to an investor to allow him to carry out a transaction in one or more financial instruments, where the firm granting the credit or loan is involved in the transaction	29/07/1991
Advice to undertakings on capital structure, industrial strategy and related matters and advice and services relating to mergers and the purchase of undertakings	29/07/1991
Foreign exchange services where these are connected to the provision of investment services	29/07/1991
Depositary of collective investment undertaking	29/07/1991
Reception and transmission of orders in relation to one or more financial instruments	25/01/1993
Portfolio management	25/01/1993
Execution of orders on behalf of customers	29/12/2000

The main activity of the Bank is “Dealing on own account of transferable securities”.

With regard to providing services to retail customers, the Bank provides, at minimum, the services of reception, transmission and execution of orders involving shares, debt instruments and investment funds.

The services of non-independent investment advice and third-party portfolio management may also be provided to retail customers. All of these services require a specific contract between the Bank and the customer.

The Bank, in the performance of the services of reception, transmission and execution of orders, shall send to its retail customers the following documents (nature, frequency and regularity):

> Statement of Financial Instruments containing information about positions and movements;

> Implementation Notes - purchases, sales, transfers and events (distribution of dividends, amendment to nominal value, capital increase, launch of offers, etc.);

- Information relating to non-mandatory events (i.e. which depend on the customer's expression of will in order to occur) to customers with eligible positions on the "record date", namely Public Offers for Sale, Exchange, Subscription or Acquisition, etc.);

- Annual Statement on costs and charges.

2 Customer Classification

The Bank classifies each customer according to criteria defined by law. Customers are classified into one of the following investor categories according to their nature:

- Retail customers;

- Professional customers;

- Eligible Counterparties.

Each of these categories has different degrees of protection, with retail customers having the highest protection.

Retail customers

Customers (individuals or companies) not meeting the criteria for the categories below, because their general level of knowledge and experience justifies a higher degree of protection in assessing the risks associated with investment transactions.

Professional customers

Persons who provide investment services or carry out investment activities, and major companies whose size, per their latest individual accounts, meet two of the following criteria:

Balance sheet total: €20.000.000 (twenty million euros);

Net turnover: €40.000.000 (forty million euros);

Own funds: €2.000.000 (two million euros).

Customers classified as professional have an intermediate degree of protection.

Eligible Counterparties

Investment firms, credit institutions, insurance companies, collective investment schemes and management companies of such schemes, pension funds and management companies of such funds, among others.

Customers classified as eligible counterparties have a lesser degree of protection, given the assumption that they have the experience, knowledge and expertise needed to make their own investment decisions and properly weigh up the risks they will incur.

A customer may request reclassification at any time, for all or only some of their financial instruments/services, in order to receive a higher or lower degree of protection in accordance with the classification requested. All reclassification requests will be duly analysed by the Bank, pursuant to criteria established by law.

3 Investor Profile Questionnaire and Best Execution Policy

Financial intermediaries are required to ask their customers to provide information on their investment knowledge and experience with regard to the type of financial instruments or services provided, so that they can assess whether the customers understand the risks involved. In this manner, when a customer wishes to perform transactions on a financial instrument, the Bank conducts an appropriateness test.

The Bank collects this information through a questionnaire at the time of opening the custody account, for the purposes of providing the service of reception, transmission and execution of orders, which includes questions on:

> Types of services, transactions and financial instruments with which the customer is familiar;

> The nature, volume and frequency of transactions of the customer with financial instruments and period during which carried out;

> Customer educational qualifications and occupation.

In certain situations, the Bank is not obliged to gauge the transaction's suitability to the circumstances of a retail customer. As such, note that the Bank will not conduct the appropriateness test exclusively for the provision of services of reception, transmission or execution of orders – thereby eliminating the benefit of this assessment's associated protection – whenever a customer gives an order to trade non-complex financial instruments, without the use of any credit for this purpose. This applies to transactions involving the following financial instruments:

> Shares admitted to trading on a regulated market or multilateral trading facility, except shares in non-harmonized investment funds and shares that embed a derivative;

> Bonds or other forms of securitized debt admitted to trading on regulated market or multilateral trading facility, excluding those that embed a derivative or incorporate a structure which makes it difficult to understand the risk involved;

> Undertakings for collective investments in transferable securities (UCITS), excluding those who are structured;

> Money market instruments, excluding those that embed a derivative or incorporate a structure which makes it difficult to understand the risk involved;

> Other non-complex financial instruments.

Consequently, when providing investment services that only consist on the reception, transmission or execution of orders concerning complex financial instruments to Retail customers, the Bank will verify if the customer is aware of the risks inherent to the concrete financial instrument, by carrying out an appropriateness test. If the financial instrument is not suitable for the customer, or the Bank has not obtained sufficient information, the customer will be warned in writing, although he/she may maintain the intention of executing the transaction.

The suitability of all financial instruments is presumed for Professional customers and Eligible Counterparties, except for specific situations.

If services are provided to several holders of the same account, the appropriateness test will be in reference to the habitual order, who the Bank will assume is the respondent to the Investor Profile Questionnaire, whose resulting profile will apply to all of the account holders.

Orders will be executed under the conditions and at the time specified by the customer. In this regard, and in the absence of specific instructions from the customer, the Bank is obliged to fulfil the principle of best execution, using all reasonable efforts to obtain the best possible result for its customers in terms of price, cost, speed, likelihood of execution and settlement, volume and nature. With this in mind, the Bank has an Order Execution Policy applicable to professional and retail customers, available at www.finantia.pt.

The questionnaire responses to determine the risk profile, financial standing and goals of the customer will result in personalized recommendations from the Bank within the scope of its investment consulting and portfolio management services.

4 Channels of communication

The Bank classifies each customer according to criteria defined by law. Customers are classified into one of the following investor categories according to their nature:

> In-person channel: head office or branches;

> Remote channel: telephone, fax, email or Finantianet (https://www.finantianet.pt/).

The Bank shall communicate and send document to the customer in Portuguese without prejudice to the Bank's right to agree with the customer that some documents may be written in English or in Spanish, if the latter has knowledge of these languages.

5 Products and associated risks

The Bank may provide financial services regarding the following instruments:

> **Transferable Securities**, such as shares, bonds, participation units in investment funds (UP), equity instruments, detachable rights associated with the above securities, covered warrants and certificates

> **Derivative instruments**, such as options, futures, swaps,

> **Money-market instruments**, such as, commercial papers and treasury bills

> **Structured deposits**

Shares

Security representing a shareholding in a publicly traded company which, as a rule, gives its owner the right to vote in the General Meeting of Shareholders, receive dividends and a share of equity in the event of company liquidation, among other rights. Shares can be listed in markets and purchased by any investor, who then becomes a shareholder of the company.

There are two types of profits that can be obtained by investing in shares: gains, when the market price obtained at the time of sale is higher than the purchase price; and dividends, regular remuneration from the distribution of a percentage of the company's profits (dividend distribution depends on the company's ability to generate profits, and its policy for distributing these profits). Similarly, investing in shares can result in losses when the market price is lower than the purchase price.

Information concerning the prices practiced in share transactions depends on their admission to trading in a regulated market. Should the shares be admitted to trading, the consultation of information concerning their price and amounts [quotes], whether traded in national markets or international markets, should be sought on the websites of the markets in which the shares are admitted to trading. If the shares are not admitted to trading, the information is, in principle, only available on a bi-lateral basis.

Bonds

Bonds are debt instruments issued by public companies, private companies or the State. For their issuers, bonds are a financing alternative to credit requested from credit institutions.

By purchasing bonds, the investor is entitled to remuneration, generally dependent on the issuer's credit risk and market rates at the time of issuance (fixed-rate) or at the time of setting the rate (variable-rate), paid at a given frequency, with repayment of principal on a specific date (maturity).

In some cases, the issuer may exercise the right of early repayment of principal (when the bond has a call option), while the investor may also exercise the same right (when the bond has a put option).

There is a risk that the issuer's financial standing will not allow the payment of interest or repayment of principal; as such, when investing in bonds, it is important to be aware of the issuing company's payment capacity, and whether a third party exists which can guarantee these payments.

Other important characteristics of the bond should be considered, such as its maturity, means of remuneration (fixed-rate, variable-rate, indexed to the performance of other assets), additional applicable conditions (maximum rates; minimum rates; early repayment options of the issuer or bondholder; or options to convert bonds into other assets at maturity).

All of this information is included in the bond's prospectus, available from the issuing company, financial intermediaries and the market, when the bonds are listed.

As with shares, one should analyse a bond's liquidity when purchased on a secondary market, or its liquidity prospects when purchased on a primary market.

Information concerning the prices practiced in bond transactions is, in principle, only known on a bilateral basis. At times, investment firms make known to their counterparties the indicative prices at which they are willing to trade certain volumes of bonds. Certain inter-broker dealers publish firm prices for possible transactions, but information about the executed transactions is only disclosed to the participating counterparties. When the transactions are executed in a regulated market, the method of information disclosure is similar to the described above for shares.

Participation Units (UP) - Investment Funds

Participation units are financial instruments representing part of an investment fund's assets.

Investment funds are managed by a managing company, and allow investors ("participants") to access a portfolio of assets managed by professionals.

The decision to invest in investment funds must be supported by an analysis of the prospectus/ key investor information (KIID) and the management rules of that fund published by the company and provided by financial intermediaries that sell it. Note that investment costs (subscription fee) and disinvestment costs (redemption fee) may exist, together with potential management fees.

Each participation unit has a fixed value according to the fund's total assets and the number of participation units in circulation. Participation units have standard pricing, published by the management company at its respective websites. The prices of funds are also published by the Portuguese Association of Investment Funds, Pensions and Assets (APFIPP).

Some investment funds are listed on markets (Exchange Traded Funds, or ETFs), aimed at obtaining performance based on given reference indicators (e.g. an index, an asset or an investment strategy).

Equity instruments

Equity instruments are securities which tend to be perpetual, granting entitlement to remuneration with two components: one fixed and another variable. Both fixed and variable remuneration are determined against a percentage of the equity instruments' nominal value.

Equity instruments may be issued by public and publicly traded companies primarily belonging to the State. Equity instruments are not repayable until so decided by their issuers, but never earlier than 10 years from their issue date, or if their issuers enter into bankruptcy.

Detachable rights

Some securities grant rights which can be detached and traded separately, for example on the market. These detachable rights are securities, with the main characteristic of having a very short duration.

Some examples of detachable rights include:

- Subscription rights: when companies decide to increase share capital by issuing new shares, investors already having shares in this company will, as a rule, have a pre-emption right for the purchase of shares to be issued. New securities are detached from the existing shares, called subscription rights. These securities are traded separately from the shares, normally over one month, and grant investors the right to subscribe to new shares in the company at the price decided during the issuance. Subscription rights expire, and no longer exist, following the period in which they can be traded or exercised. Investors with shares in a company which has decided to increase its capital should be aware of their potential ability to exercise subscription rights or opt for their sale on the market. If they fail to do so, they will lose any amounts corresponding to these rights.

- Incorporation rights: each year, all companies may allocate part of their profits to the establishment of reserves, which must equal at least 1/5 of their share capital. This reserve may be incorporated into share capital, resulting in the issuance of new shares and the granting of "incorporation rights" to shareholders. As opposed to subscription rights, the holder does not need to pay to receive shares in the case of incorporation rights. In some cases, incorporation rights may be traded separately.

Covered warrants

Financial products normally traded on the stock market which grant the holder the right, but not the obligation, to buy (call warrant) or sell (put warrant) the underlying asset to which they are indexed at the initially agreed price (strike price) on a predetermined future date (maturity date). This product provides a gain corresponding to the difference between the strike price and the price of the underlying asset at the time of exercising the right, in the case of put warrants, or the difference between the price of the underlying asset at the time of exercising right and the strike price, in the case of call warrants. Since the buyer is not obliged to exercise the right, in the worst-case scenario, the warrant will have a value of zero, but never below zero. However, when a warrant has zero value, the buyer loses the entire amount paid at the time of acquisition; as such, the acquisition of the warrant only results in nil profit for the buyer when, at the time of maturity, the warrant is sufficiently high in value to offset the initial purchase price.

Certificates

Certificates are securities with a limited duration which give investors the right to receive, in cash, the value of an underlying asset on a given date.

However, the issuing company may have conditions associated with the certificate, such as:

- A ceiling on investor gains;

- Guaranteed receipt of a minimum amount, i.e. a guarantee that each investor will always receive a given fixed amount, which may be lower than, equivalent to or higher than the initial amount invested;

- Determination of the underlying asset's value at different moments in time, as opposed to only once.

Since the amount receivable by the investor depends on the underlying asset's value, certificates can have capital risk, meaning that the investor may receive less than the initial amount invested at the time of maturity.

Certificates may be issued by banks, Caixa Económica Montepio Geral, Caixa Central de Crédito Agrícola Mútuo and investment firms.

Futures and Options

Futures and options contracts are called derivative financial instruments because they are not securities, and are created based on another amount, i.e. they are "derivatives of other values" (the underlying asset). Futures are standardized forward purchase and sale contracts where two parties (the buyer and the seller) agree on a price for a future transaction involving a given product or asset. Options are also contracts between two parties in which the buyer acquires the right to purchase (call option) or sell (put option) an asset (underlying asset), over a certain period of time, at a price determined at the time of entering into the contract (strike price), paying a premium for this purpose.

The main difference between futures contracts and options contracts is the existence or non-existence of obligations for the parties:

> In futures, both the contractual buyer and seller take on the obligation of buying or selling the underlying asset (such as shares, interest rates or exchange rates) on a future date at a price determined in the present; and

> In options, the contractual buyer (who pays the premium) assumes no obligation, only acquiring the right to buy or sell the underlying asset. The obligation is exclusive to the contractual seller (who receives the premium), who remains subject to the choice of the other party (to buy or sell).

Swap

Contractual instrument for the exchange of legal and/or financial positions or financial instruments, entered into bilaterally between two parties. They are primarily done in terms of rates, but can occur with regard to any financial component.

Commercial Papers

Commercial papers are short-term debt securities (less than 397 days) normally issued by medium and large-sized enterprises. They are debt securities with direct access to investors (usually placed and distributed by banks), issued in two typical formats: single issuance or multiple issuances through a program (lines of credit opened under specific conditions, with pre-approval of the issuances per these conditions).

Treasury Bills

Treasury bills are sovereign debt securities issued for short time periods, typically less than one year, for the purpose of providing liquidity to State treasuries. Normally they are issued in auction format announced in advance to the market, where the State sets a maximum rate payable to obtain these funds among potential investors, together with the term and desired amount.

Potential buyers of treasury bills can then decide whether the investment is viable at this rate or at a lower rate, without ensuring their success in the auction.

Structured Deposits

Deposits whose remuneration depends on changes in other economic or financial variables, such as the price of a share or a basket of shares, or the value of one or several shareholder indices.

Customers should consult the key information document, specifically analysing the means of calculating the deposit's remuneration and whether there exists a guaranteed minimum return; the term of the deposit; the ability to transact deposited funds prior to the deposit's maturity and whether there are penalties for the deposit's early withdrawal, if this is allowed.

Means of Trading Financial Instruments - Markets

- Regulated Market - a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorized and functions regularly;

- Multilateral Trading Facility or MTF - a multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments – in the system and in accordance with non-discretionary rules – in a way that results in a contract.

- Organized Trading Facility or OTF - a multilateral system which is not a regulated market or an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract.

- Systematic Internalizer - an investment firm which, on an organized, frequent systematic and substantial basis, deals on own account when executing customer orders outside a regulated market, an MTF or an OTF without operating a multilateral system.

- Over-the-Counter Market or OTC - Market (i.e. physical or logical space) for the performance of transactions outside of the stock market. OTC transactions are performed bilaterally (i.e. agreed between a buyer and a seller who are aware of each other), and not anonymously and unilaterally, as in the stock market (i.e. where the orders of all buyers and all potential sellers compete with each other anonymously).

Primary market/secondary market

The primary market is the market where financial instruments in the issuance process are offered for subscription. The secondary market is the market where previously issued securities are transacted.

Spot or cash market/Forward market

Spot or cash market: The term “spot” was originally used in commodity exchanges to designate business deals done with payment in cash and immediate delivery of the merchandise, as opposed to futures and forward markets. Today, the expressions “spot” and “cash” designate markets where transactions are done based on the assumption of their immediate or almost immediate settlement, i.e. not having the nature of an instalment transaction.

Forward market: Market where transactions are done based on the assumption of their settlement (i.e. delivery of the asset by the seller and payment of the price by the buyer) on a future date. Futures, forwards and options are some examples of forward contracts.

The customer should be aware of the nature, risks and implications of the services/financial instruments provided by the Bank prior to making any investment or disinvestment decision, making choices according to the degree of risk he/she is willing to assume. The customer should understand how the investment markets in question operate, their available products and the investments’ associated risks.

When deciding to invest, the customer should also consider the tax scheme applicable to the investments and associated costs.

The customer should also make use of additional information on the market from supervisory authorities, organized forms of trading financial instruments or professional associations. For example, the customer may consult the Portuguese Securities Market Commission (CMVM) to obtain information on the functioning of markets and characteristics of available products.

Along these lines, we recommend reading the brochures “CMVM Investor Tips” and “Making Tailor-made Investments” prepared by the CMVM and available at https://www.cmvm.pt/pt/EstatisticasEstudosEPublicacoes/Brochuras/Pages/brochuras2019.aspx, together with information at the “Todos Contam” portal, in particular specific information on securities (https://www.todoscontam.pt/sites/default/files/taxonomy_file/brochuracmvmvaloresmobiliarios.pdf).

General risks

Customers may lose invested capital, partially or in whole, due to general and specific risks.

Some examples of general potential risks that may affect financial instruments, whether individually or in combination, are as follows:

> Market risk: involves the possibility, when selling a financial instrument, that the sale price will be lower than the purchase price. The prices of financial instruments are generally sensitive to common expectations on economic development and stability, the specific performance of given sectors or companies, etc.

> Exchange risk: results from fluctuations in the exchange rate of currencies when an investment is made in a currency other than that of the original account.

> Interest-rate risk: entails fluctuations in the types of market interest which affect returns on investments.

> Credit or insolvency risk: the risk that the issuer of an instrument may not fulfil its associated payment obligations, whether involving interest or repayment of the capital invested.

> Liquidity risk: refers to a potential price penalty from eliminating the investment in the event of a necessary fast sale. Under extreme circumstances, it may be impossible to recover the monetary amount at the desired time.

Special risks

Certain markets, such as emerging markets, have special risks. Investing in these markets requires that investors take into account the risks inherent to an increased frailty of the economy and the fact that the financial market is still under development. This results in the level of transparency, information, liquidity, efficiency and regulation in these markets being lower. These markets are also characterized by high volatility.

Transactions on financial instruments not admitted to trading on a regulated market, Multilateral Trading Facility (MTF) or Organized Trading Facility (OTF) depend on bilateral negotiations and are executed outside the market (usually designated “over-the-counter” – OTC). Bonds, even when listed on a regulated market, may not be transacted in this market due to the lack of market liquidity of the bond in question. OTC transactions depend on finding another investor wanting to do business.

It is common for financial institutions to issue subordinated bonds. In this case the reimbursement and interests payment have no priority in relation to other non-subordinated debt of the same issuer, although have priority in relation to shareholders equity. Frequently these bonds have a call option that gives the issuer the right to redemption, partially or totally, at predetermined dates, before maturity, at a pre-established value.

Specific risks of derivative investments and structured products

The risks inherent to investment in derivative financial instruments are sometimes very high. The investment in such instruments should only be entered into by investors that are informed and that accept the possibility of suffering very high financial losses that, in some cases, may exceed the amount invested. The risk of losses associated to trading in derivative financial instruments may be substantial. Transactions in over-the-counter derivatives (outside of the market or OTC) have an additional risk. Some over-the-counter derivative instruments are leveraged, which results in a slight change in the market price of the underlying instrument having a more than proportional impact in the position/portfolio of the investors. Such effect may either benefit the investor, who may benefit from great profits, or harm the investor, who may also suffer great losses.

Another risk inherent to this type of instrument is the difficulty or even impossibility of liquidating/closing a position because the respective secondary market ceases to function or because of restrictions or suspensions of trading of the referenced instruments.

Therefore, investors should refrain from investing in this type of instrument if they do not comprehend the nature of these transactions, the extent of the risk exposure inherent to the latter and the potential losses that they may suffer.

Investors should always carefully read all available documents involving the offer/sale of financial instruments, in particular information on risks, terms/maturities, fees and other charges, and seek clarifications on all unanswered questions. In view of the unique complexity of these instruments, investors should seek specialized advice when deemed necessary. Regarding structured products, because they result from the combination of various financial instruments (as the name indicates), to the risk inherent to each instrument in itself, one should add the risk of the structured product as a whole.

Depending on the risk or combination of risks that may coexist in a financial instrument, instruments can be considered as having a lower or higher degree of risk.

6 Safeguarding of Customer Assets

The Bank makes a clear distinction between its own assets and the assets of its customers, using suitable internal measures and mechanisms, in accordance with applicable norms on the recording and deposit of customers' financial instruments, with a view to duly protecting these assets.

To this end, the Bank:

> Conserva os registos e as contas de modo que, em qualquer momento e de forma imediata, a distinguir os bens pertencentes ao património de cada cliente, bem como os bens pertencentes ao seu próprio património;.

> Retains records and accounts so that, immediately and at any time, it can distinguish between the assets of each customer and those belonging to the Bank;

> Reconciles, at least monthly, the records of its internal customer accounts and accounts opened with third parties for depositing or recording the assets of these customers;

> Uses organizational processes and procedures to minimize the risk of losing or decreasing the value of customers' assets or their associated rights due to asset misuse, fraud, poor management, improper record-keeping or negligence.

The Bank has procedures in place for selecting, appointing and periodically evaluating the third parties chosen to record and deposit its customers' financial instruments, pursuant to article 306-A of the Portuguese Securities Code.

In providing the service of safekeeping (custody) for its customers' financial instruments, the Bank sometimes uses sub-custodians, whereby the financial instruments or cash may be held by a third party on the Bank's behalf. In such cases, the Bank takes the same precautions and fulfils its obligations as if it were a direct custodian, employing high degrees of professional diligence in selecting, appointing and periodically evaluating its sub-custodians, based on their technical capacity and market reputation.

In the case of loss related to the financial instruments and / or to their income as a result of insolvency situations or inefficient operation of sub-custodians, the Bank shall be liable for such losses if does not act on their selection and supervision with caution. The Bank will adopt internal measures provided for the applicable legislation in order to ensure, as far as possible, the proper protection of the Customers´ assets.

Under current legislation, where the Bank refers to the use of sub-custodians, the financial instruments included in the Customer's name securities account, are likely to be held in global accounts (omnibus) opened in the name of the Bank. It has internal records that enable and guarantee the identification of the ownership of the customer financial instruments deposited on these global accounts, always separated from their own account positions. The operative of the global accounts may entail the following risks:

> Operating risks or temporal restriction risks on availability, instrument deterioration or even unexpected losses as a result of human errors, failures on internal controls or failures on the implemented systems;

> Legal risk by occasional:

- Inapplicability of the contracts;
- General application of a different legislation from the Portuguese, according to the local where the instruments or the sub-custodians are placed;

- Application of a different law from the Portuguese on property matters and insolvency proceedings, and consequently the segregation measures or the identification of the Customer´s financial instruments to its separation from the third-party instruments are not sufficient;
- Failure to identify the individual positions of each investor;

> Risk of holdback rights, collateral or provision on behalf of a third party on financial instruments with a view to ensuring the obligations under the sub-custody contract;

> Risk of theft or fraud by the sub-custodian or his representatives, employees or directors.

In any case, in relation to those third parties, both present and future, the Bank does not guarantee nor it is obliged to account for the recovery of the financial instruments delivered in sub-custody in case of bankruptcy, insolvency or loss by a third party.

7 Conflict of Interest Policy

The Bank has an “Order Execution Policy” and specific procedures for identifying, recording and proactively managing potential conflicts of interest, informing customers of those which were unavoidable and which could potentially entail losses to them. This policy identifies the activities, types of instruments and transactions which constitute or could give rise to a conflict of interest entailing a significant risk to the interests of one or more customers.

The Bank may refuse to provide a service whenever it cannot guarantee the efficient management of a conflict of interest situation.

The “Order Execution Policy” is available for consultation through general customer communication channels, including via Internet at https://www.finantia.com/en/other-compulsory-information/.

8 Complaints

The Bank provides customers with a complaints service that comprises the receipt, forwarding and handling of the complaint by a person other than the one who performed the act which is the subject of the complaint, with firm procedures established for assessment, decision and response.

Complaints can be submitted through the following communication channels:

> Via post to the following address:

Banco Finantia, S.A.
Rua General Firmino Miguel, 5 – 1.º andar,
1600-100 Lisboa

> Electronically at https://www.finantia.pt, using the online form provided for this purpose, or via email to: cliente_site_finantia@finantia.com

> Complaints Book, at the premises of Banco Finantia;

- Electronic Complaints Book: available at www.finantia.com – via the link https://www.livroreclamacoes.pt/inicio

The submission of a complaint to the Bank does not preclude the possibility of complaint to the supervisory entities, in particular the CMVM (Securities Market Commission), through the Investor Relations Department (DRI), at www.cmvm.pt and at Bank of Portugal (in case of a complaint regarding structured deposits).

Complaints files are kept for a period of 5 years.

9 Customer Asset Protection

The **Deposit Guarantee Fund** guarantees the repayment of the total amount of the balances in cash of each depositor up to the limit of €100,000, whenever the deposits become unavailable, i.e., whenever the depositary institution, for reasons directly related to its financial situation, has not proceeded with repayment under the applicable legal and contractual conditions, or whenever the Bank of Portugal makes public the decision to revoke the depositary institution's authorization. The **Deposit Guarantee Fund** will reimburse deposits up to the €100,000 limit (i) within 15 working days (counted from the date deposits become unavailable) until 31 December 2020; (ii) within 10 working days (counted from the date deposits become unavailable), from 1 January 2021 to 31 December 2023; and, (iii) 7 working days (counted from the date deposits become unavailable) from 1 January 2024 onwards.

If the Deposit Guarantee Fund is required to make any reimbursement before 31 December 2023, depositors covered by the guarantee will receive up to €10,000 of their guaranteed deposits within seven working days.

Depositors who are not reimbursed within this time period should contact the Deposit Guarantee Fund, since the period for claiming reimbursement may be limited.

Some protection limitations exist for certain types of customers. Additional information is available at www.fgd.pt.

The **Investor Compensation System** (SII) covers amounts due to investors from financial intermediaries (banks, brokerage firms, financial brokerage firms, asset management firms, investment firms and foreign exchange or money market mediating companies) whenever they are unable to provide repayment or reimbursement.

The financial instruments guaranteed by the SII include: shares, bonds, equity instruments, participation units in investment funds, commercial paper, treasury bills, futures and options on financial instruments, FRAs and some swaps. In addition, cash amounts provided by customers to financial intermediaries for the express purpose of investing in financial instruments are also covered.

The SII does not provide compensation for financial instrument devaluation, i.e. compensation is always calculated based on the financial instrument's value on the SII activation date, and not its value on the purchase date. The compensation limit is €25,000 per investor (and not per account).

Some protection limitations exist for certain types of customers. Additional information is available at www.cmvm.pt.

10 Costs and Charges

When contracting any investment service, the customer must carefully analyze the pricing rules to calculate the total foreseeable costs of the investment and compare them with any expected revenues.

The Bank provides information concerning the effective costs of the services contracted by customers, in particular the costs and associated charges for their services.

Information on costs and charges is available at:

> https://www.finantia.com/pt/outra-informacao-obrigatoria/; and

> https://www.finantia.com/pt/precario/.

Each year, the Bank sends a document to the customer showing all costs and charges associated with the financial instrument(s) and investment service(s) provided. Any change to the costs and charges due for a service will be notified to the customer prior to going into effect.

11 Contacts and other relevant data

Banco Finantia, S.A.

Registered Office: Rua General Firmino Miguel, 5 – 1st floor 1600-100 Lisbon
Tel.: (351) 21 720 20 00
Fax: (351) 21 720 10 68

Website: www.finantia.com
Email: finantia@finantia.com

Share Capital: €150.000.000

Registered at the Commercial Registry of Lisbon under n. 501 897 020 and with the same n. of Tax identification.

Registered with the Portuguese Securities Commission under n. 109 (www.cmvm.pt - Rua Laura Alves, n.º 4, 1050-138 Lisbon) and with the Bank of Portugal under n. 48 (www.bportugal.pt – Edifício Portugal, Rua Francisco Ribeiro, n. 2, 1150 165 Lisbon).

12 Date of entry

The present additional information shall enter into force on 1 November 2013.