



TERMS OF BUSINESS – PROFESSIONAL CLIENTS AND ELIGIBLE COUNTERPARTIES

I. Introduction

Stonefarm Capital Limited is authorised by the Malta Financial Services Authority under the Investments Services Act (Cap 370) to provide investment services in and from Malta to clients who are Professional Clients or Eligible Counterparties. It has passported its services into Germany. The registered office of StoneFarm Capital Limited is at Airways House, Floor 6, Gaiety Lane, Sliema SLM 1549, Malta. The MBR registration number is C 97557.

StoneFarm Capital Limited's website can be found at <https://www.stonefarmcapital.com/>

2. Definitions

'Terms' means these Terms of Business.

'Us'/'We'/'Our' means StoneFarm Capital Limited.

'You'/'Your' means the person entering into these Terms with Us.

'MiFID II' means Directive 2014/65/EU.

'MFSA' means Malta Financial Services Authority.

'Services' means placement of instruments without a firm commitment basis and any such other services as may be agreed between You and Us from time to time.

3. Representations and Warranties

You represent and warrant to Us that:

- You have the authority to enter into these Terms; and
- any information which You have provided or may provide to Us is complete, up to date and correct in all respects; and
- in the event that any of the information supplied by You ceases to remain complete, up to date and correct in any respect, You shall provide Us with such revised and updated information without delay.



4. Terms of Business

These Terms govern Your relationship with Us in relation to the Services (as further described in section 8 below) provided. For the use of additional services, you may have to accept additional terms and conditions as notified to You when You are ordering or using such services.

The Terms are provided and kept up to date on Our website. Our Privacy Policy, any policies and procedures published on Our website and any other terms and conditions referred to therein shall form an integral part of the Terms and construed in accordance with them. All these together govern the legal relationship between You and Us in respect of the Services provided by Us to You. The Terms shall prevail over any other document unless agreed otherwise by You and Us.

Unless You otherwise advise Us, We shall assume Your consent to the Terms. You are advised to print or download and keep a copy of the Terms for future reference. You can always view the current Terms on Our website.

We may amend or apply additional terms by providing You with a notice through email or through the revised Terms on Our website. Such amendments will become effective upon the date indicated in the notice or in the revised Terms posted on Our website from time to time. Unless otherwise advised to Us, We shall assume Your consent to amendments or changes to the Terms.

Any conflict between these Terms and applicable rules (as outlined in section 5 below), the latter shall prevail. These Terms have been prepared on the basis of Your client classification as either a Professional Client or an Eligible Counterparty.

5. Regulatory Framework

The Services provided by Us are subject to the Investments Services Act (Cap 370), Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and the Markets in Financial Instruments Regulation 600/2014 (MiFIR), as well as the Regulations, Circulars, Guidelines issued, from time to time, by the MFSA. We have obtained a MiFID passport under the freedom of services regime, into Germany.

6. Client Categorisation

By way of separate communication We will provide You with details of Your client categorisation. In providing the Services, We will treat You as a Professional Client or Eligible Counterparty within the meaning of Annex II of MiFID II. As such, You will not normally benefit from the protections reserved for Retail Clients and You will not be entitled to compensation under the Investor Compensation Fund. In line with Our licensing conditions, We do not enter into relationships with Retail Clients.



You can request to change the category in which You have been classified. Such a request is to be provided in a durable medium to Us specifying as to whether the request applies in general or as to whether it applies to one or more particular services, products or transactions. We reserve the right to refuse such a request for change in classification. Before re-classification, We shall inform You in writing on the consequences of the new classification.

An Eligible Counterparty can request to be classified as a Professional Client.

You agree to notify Us in writing of any material change in the information provided to Us which may affect the Client Categorisation.

7. Limitations on the scope of our Services

- We do not provide investment advice nor personal recommendations
- We do not provide any representation as to the suitability of any of our Services
- We do not offer any legal, accounting, financial, regulatory or tax advice and this lies in Your responsibility
- We do not offer any receipt and transmission of order (RTO) services
- We do not provide services to Retail Clients

8. Our Services

The Investment and Ancillary Services provided by Us (the “Services”) shall consist of:

- Placing of financial instruments without a firm commitment basis

Through such services We market newly issued securities or securities which are already in issue but not listed, to specified persons and such service does not involve an offer to the public or to existing holders of the issuer’s securities. Such placement shall be done without assuming the risk of guaranteeing the sale of a certain number of shares by buying the relative securities from the issuer.

- Any such other services as may be agreed between You and Us from time to time.

9. Communication

We may communicate with You in person, by telephone, by mail and via electronic means. Information sent by electronic mail, irrespective of whether containing confidential information, will not be encrypted unless specifically requested by You in writing.

Our preferred communication channel will be through electronic means. Any communication between You and Us using electronic signatures shall be binding as if in



writing. Instructions given via email or other electronic means will constitute evidence of instructions.

We reserve the right to record, monitor or access any or all e-mails, calls or any other forms of communications sent to Us. Communication with Us may be recorded as necessary and kept for a period of at least five years. You may request a copy of such records at any time. For further information with regards to data handling please refer to Our Privacy Notice as published on Our website.

Communication shall be made in English language unless otherwise agreed mutually by both parties to these Terms.

10. Remuneration

We do not charge investors any sum in relation to the Services offered. However, We may receive commission and fees for the Services provided from the product manufacturers for placing of financial instruments without a firm commitment basis. Given that We provide the service of placement of financial instruments without a firm commitment basis on a standalone basis, We are not required to disclose such remuneration.

II. Liability and Indemnity

Subject to the applicable laws and save where otherwise indicated in these Terms, We shall not be liable to You for any loss or damage incurred in connection with the subject matter of these Terms howsoever caused unless Our conduct constituted fraud, willful misconduct or gross negligence on Our part or on the part of Our agents, including the unjustifiable failure to perform in whole or in part its obligations ('Our Wrongful Acts').

You undertake to hold harmless and indemnify Us against all actions, proceedings, claims, costs, demands and expenses (including all reasonable legal, professional and other expenses) incurred by Us in relation to such actions, proceedings, claims, costs and demands which may be brought against or suffered or incurred by Us by reason of Our performance of Our functions or services under these Terms unless due to or caused by Our Wrongful Acts.

In terms of operational disruption, We shall not be liable for any damages resulting from force majeure events related damages, over which We do not have control.

No right of set-off shall apply in favour of You, except in the event of a *res judicata* or in event of settlement of claims being reached between parties in terms of law.



12. Obligations of You to cooperate

You are obliged to:

- inform Us of changes involving names, address or powers of representations that had been provided by You to Us;
- provide clear communications to Us;
- review the communication You have received from Us;
- comply with any other obligations that may be required from time to time.

13. Client's Assets and Money

In line with Our licensing conditions We do not hold clients' assets or monies at any point in time.

14. Conflict of Interest

The purpose of the Conflict of Interest Policy and procedure is to ensure the proper identification of actual and potential conflicts of interest, and to manage such conflicts. The aim is to ensure that these conflicts do not improperly affect Our activities or professional conduct, and most importantly to ensure that Your interests are not adversely affected.

We shall ensure that the necessary steps are taken to identify, prevent or manage conflicts of interest between Us, Our employees and any person directly or indirectly linked to Us and Our clients. Where We are of the opinion that a conflict of interest cannot be adequately managed, a disclosure shall be made to any client concerned prior to the provision of any investment service activity and as a last resort. We also have in place a Conflict of Interest Register to ensure proper documentation of the identification and management of actual and potential conflict of interest.

It is important that You are aware and take into consideration that We may get paid fees or commissions by the product manufacturer for the Services We provide (see section 10).

15. Prevention of Money Laundering

We are a subject person in terms of the Prevention of Money Laundering Laws and regulations applicable in Malta. Accordingly, We will be carrying out due diligence on You as part of meeting such legal obligations.



16. Complaints

In the circumstance where a complaint arises, You shall inform Us by sending an electronic mail to the attention of Our Complaints Handling Officer at complaints@stonefarmcapital.com. Our Complaints Handling Officer shall deal with Your complaints reasonably and promptly and in accordance with Our internal complaint handling procedures.

Within a period of no longer than fifteen business days from the receipt of Your complaint, We shall provide you with a final decision, explaining rationale behind our decision. Should We be unable to provide you with a decision within this timeframe, We will write to You explaining the reasons for such a delay and provide You with the expected time for a final decision.

If in the event You are still unsatisfied with the decision, You have a right to take your complaint further to the

Office of the Arbiter for Financial Services, 1st Floor St Calcedonius Square, Floriana FRN 1530, Malta.

Phone: +356 2124 9245 | Freephone: 8007 2366 | Email: complaint.info@financiararbiter.org.mt

17. Data Protection and Confidentiality

The processing and controlling of Your data is governed by our Privacy Policy, a summary of which can be found in the Privacy Notice on Our website. By accepting these Terms, you also agree to the terms of Our Privacy Policy. You should keep a copy of the Privacy Notice together with these Terms.

We have strict data security policies and procedures in place to prevent unauthorised access to Your information. However, We may share Your information with third parties in the course of providing You with Services or as specified in the Privacy Notice.

18. Termination of Services

These Terms may be terminated by either party to the agreement with immediate effect upon giving written notice.

19. Governing Law

These Terms shall be governed by and construed in accordance with Maltese law and the parties hereto agree to submit to the non-exclusive jurisdiction of the Maltese courts.

Version as of 07 July 2022