

Rules of AS "Citadele banka" Bonds Subscription Process (Auction Rules)

1. The Organizer of the Auction – AS "Citadele banka", Registration No. 40103303559, legal address: Rīga, Republikas laukums 2A, LV-1010, hereinafter "the Organizer".
2. The Provider of Bonds Subscription Process (Auction) and settlement instruction delivery - Joint stock company "Nasdaq Riga", Registration No. 40003167049, legal address: Valņu 1, Riga, Latvia, LV-1050, hereinafter "the Exchange".

Bonds Subscription Process (Auction) encompasses collection of Securities buy orders submitted via the Exchange Trading system ensured by the Provider of Bonds Subscription Process with the following submission of allocated orders for the settlement to Nasdaq CSD SE.

3. The subject of the Subscription process – Public offering in Latvia, Lithuania and Estonia of up to 4 000 bonds of AS "Citadele banka" with a nominal value of EUR 10 000 and interest rate 5 per cent per annum, ISIN code: LV0000880102, hereinafter "the Securities". Securities Base Prospectus ("Base Prospectus") and - Final Terms for the specific issue ("Final Terms") will be available at www.cblgroup.com.
4. The Participants of the Auction – only licensed banks or investment firms to whom the status of Exchange Member has been assigned are eligible to participate in the Auction. All Nasdaq Riga Members, having access to Genium INET trading system may participate in the Auction by submitting orders on own account or on behalf of its clients. For intended addressees of the Base Prospectus and offer of the Securities please refer to the provisions of the Base Prospectus and Final Terms. The public offering of Securities is directed to all natural and legal persons - institutional and retail investors in Latvia, Lithuania and Estonia.

Any person participating in the Auction and/or subsequently offering, selling or recommending the Securities (a "distributor") should take into consideration the manufacturers' target market assessment provided for in the Base Prospectus; however, a distributor subject to *Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("MiFID II")* is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

5. The Place of Subscription – the Securities subscription orders are submitted as buy orders entered in the Exchange Trading system, hereinafter – "Trading system".

By submitting the Securities buy order each person participating in the Auction confirms that it has acquainted itself with the text of the Base Prospectus, the Final Terms and other documents related to this Securities issue and has carefully studied and fully understood their content and terms and conditions of Securities and accepts them as binding.

6. The Subscription period – the period of Subscription process takes place from 12:00 pm on 6 December 2021 until 15:30 pm on 9 December 2021. All times denoted are in EET.
7. Settlement procedure – the settlement date for the Securities subscription is 13 December 2021. The settlement for Securities subscription is provided by Nasdaq CSD SE. The Settlement for the Securities subscription shall be made according to delivery versus payment (DVP) principle individually for each transaction (gross settlement). Securities purchased in the subscription process are obtained upon a Securities transfer to a buyer's respective financial instrument account, which is done simultaneously with making the cash payment for the purchased Securities. Each person participating in the Auction shall ensure that it is able to perform settlement for the purchased Securities via Nasdaq CSD SE.
8. All Subscription orders should be submitted in the Trading System as buy orders in the Auction orderbook. The Exchange Members can enter buy orders in the Trading system during the Subscription period every Exchange trading day from 9:00 (from 12:00 on the first day of the Auction) until 16:00 (until 15:30 on the last day of the Subscription period). The orders can only be modified or cancelled until 16:00 (or until 15:30 on the last day of the Auction period) on the day when the order is inserted. After 15:30 on the last day of the Subscription period orders cannot be entered, modified or cancelled and the Participant of the Auction is bound by its buy order until allotment.
9. The Auction is hidden – the Exchange Members can see only own orders in the order book.
10. The orders shall be entered in submarket "RSE Equities IPO" order book CBLB050031PO with ISIN code: LV0000880102.
11. The buy order must include:
 - a. Price of one security;
 - b. Number of securities;
 - c. Client reference;
 - d. Order capacity;
 - e. Client ID short code (in case order capacity is Agent);
 - f. Client ID qualifier (Firm/Personal);
 - g. Investment Dec short code (in case order capacity is Principal);
 - h. Execution Decision short code;
 - i. Time validity – "GTC" (Good-Till-Cancel);
 - j. Order reference (optional).

12. The price of one Security is EUR 10 000 (100%).
13. In addition to the buy order data specified in Paragraph 11, Exchange Member should provide the following information to the Exchange: Name and surname of a natural person or name of a legal person, Natural person's personal identification code or registration code of a legal person, Client's country of residence, investor category (retail or institutional). This information shall be sent in an encrypted Excel file to e-mail TSBaltic@nasdaq.com by 17:00 on the day the order is entered in the Trading system; on the end date of the Subscription period by 16:00. The additional information shall be linked with the Client reference of the entered order by the Client's account operator.
14. Order allocation will be performed by the Issuer according to the Base Prospectus and will be done outside the Exchange's Trading system. Trade information will not be available in the Exchange's Trading system. Base Prospectus together with the Final Terms will be made publicly available one business day prior to the Auction at website www.nasdaqbaltic.com.
15. The Exchange shall immediately but not later than the next business day after receiving information on order allocation from Organizer, send settlement instructions to Nasdaq CSD SE for settlement of the trades made as a result of the Securities subscription process. The Exchange Member is responsible for and shall ensure that its settlement agent, that provides settlement(s) for the trade(s) made as a result of the Securities subscription process according to the information specified in the settlement instructions, makes approvals for Nasdaq CSD SE settlements. The Exchange member must agree with its account operator that cash for auction trades settlement must be transferred to the dedicated cash account (DCA) for night time settlement. Cash should be transferred to DCA after 20:00 PM or standing order functionality of T2 GUI should be used.
16. The Exchange Member, in accordance to the Exchange regulations, shall pay commission fees for transactions concluded in the Securities subscription process on own account or on behalf of its clients according to the fees for auction transactions set forth by the Exchange.