

**Terms and Conditions Applicable to Contracts with Clients of Investment Firm
FINEX LTD**

Article1 General

1. These Terms and Conditions govern the rights and obligations of Finex Ltd (hereinafter referred to as "**Investment Firm**") and its clients in relation to services rendered and activities conducted by the Investment Firm under Article 6(2) and (3) of the Markets in Financial Instruments Act (**MFIA**).
2. Details of the Investment Firm:
 - 2.1. The Bulgarian name under which the Investment Firm conducts business is "Файнекс" ООД, which is spelled Finex Ltd in English.
 - 2.2. Finex Ltd is a limited liability company having its registered office and principal place of business at Sofia 1750, bul. Tsarigradsko shose 40, Business Centre Europark, Floor 2; phone: 02/439 02 18, website: <https://finex.bg>, email : office@finex.bg.
 - 2.3. Finex Ltd is registered in the Commercial Register kept by the Registry Agency under EIK (entity ID code) 203373259.
3. The Investment Firm has the following scope of business:
 - 3.1. Investment services and activities:**
 - 3.1.1. reception and transmission of orders in relation to one or more financial instruments, including mediation in transactions in financial instruments;
 - 3.1.2. execution of orders on behalf of clients;
 - 3.1.3. portfolio management;
 - 3.1.4. provision of investment advice;
 - 3.1.5. placement of financial instruments without any unconditional or irrevocable obligation to acquire such financial instruments at its own expense;
 - 3.2. Additional services:**
 - 3.2.1. safekeeping and administration of financial instruments on behalf of clients, including custody (holding clients' financial instruments and money in a depository institution) and related services, such as management of funds received/collateral provided;
 - 3.2.2. grant of loans for the execution of transactions in one or more financial instruments, provided that the lender is involved in the transaction as laid down in the relevant regulation;
 - 3.2.3. provision of advice to companies on capital structure, industrial strategy and related issues, as well as advice and services relating to company mergers and acquisitions;
 - 3.2.4. provision of services relating to foreign payment instruments to the extent they are related to the investment services rendered;
 - 3.2.5. investment research and financial analysis or other forms of general recommendations relating to transactions in financial instruments;
4. The activities of Finex Ltd as an investment firm are supervised by the Financial Supervision Commission (**FSC**), having its seat and address at: gr. Sofia, ul. Budapeshta No 16.

Article2 Services

1. Finex Ltd lays down these Terms and Conditions for the performance of the following services and activities for clients in accordance with Article 6(2) and (3) of the MFIA:
2. Investment services and activities
 - 2.1. reception and transmission of orders in relation to one or more financial instruments, including mediation in transactions in financial instruments;
 - 2.2. execution of orders on behalf of clients;
 - 2.3. portfolio management;
 - 2.4. provision of investment advice;
 - 2.5. placement of financial instruments without any unconditional or irrevocable obligation to acquire such financial instruments at its own expense;
3. Additional services:
 - 3.1. safekeeping and administration of financial instruments on behalf of clients, including custody (holding clients' financial instruments and money in a depository institution) and related services, such as management of funds received/collateral provided;
 - 3.2. grant of loans for the execution of transactions in one or more financial instruments, provided that the lender is involved in the transaction as laid down in the relevant regulation;
 - 3.3. provision of advice to companies on capital structure, industrial strategy and related issues, as well as advice and services relating to company mergers and acquisitions;
 - 3.4. provision of services relating to foreign means of payment to the extent they are related to the investment services rendered;
investment research and financial analyses or other forms of general recommendations relating to transactions in financial instruments.

4. The company will perform investment services and activities in EU member states. Finex Ltd shall execute client orders on regulated foreign markets, including markets in third countries, by forwarding the execution orders to its partners, who are either direct members of the relevant regulated market or act through another broker.
5. The financial instruments that are the subject of the services under Article 2 may be securities and instruments different from securities, as defined in Article 4 of the MFIA. These Terms and Conditions shall also apply when Finex Ltd renders services under Article 2 relating to compensatory instruments within the meaning of the Transactions in Compensatory Instruments Act.
6. Finex Ltd shall provide clients with investment advice only if a contract with an investment advisor has been concluded.

Article3 Client

1. A Client is a natural or legal person who uses the services under Article 2 provided by Finex Ltd.
2. The Investment Firm's clients shall be classified as retail clients, professional clients or eligible counterparties on the basis of conditions and criteria laid down in the Client Categorisation Rules adopted by the firm's directors.
3. The Investment Firm shall provide services under Article 2 for the benefit of the client on the basis of a written contract with the client.
4. Representation and identification
 - 4.1. The client may enter into the contract under paragraph 3 either in person or through a legal representative or agent.
 - 4.2. If the contract under paragraph 3 is entered into through a legal representative, that representative shall show documents to the Investment Firm, certifying their representative authority to manage or dispose of financial instruments on behalf of the client. The Investment Firm shall keep certified copies of the documents referred to in the preceding sentence for its records.
 - 4.3. The contract under paragraph 3 may be concluded through an agent in the circumstances provided for in Regulation No 38 on requirements for the activities of investment firms (**Regulation No 38**) only if the following are submitted: a notarised power of attorney granting representative authority to manage or dispose of financial instruments and a statement by the agent to the effect that they do not execute transactions in financial instruments as an occupation and that they have not executed any such transactions within one year before the conclusion of the contract. The Investment Firm shall keep certified copies of the statement and the original power of attorney (or a notarised copy thereof) referred to in the preceding sentence for its records. If the power of attorney can be used multiple times, the Investment Firm shall retain a copy thereof certified by the agent and an Internal Control employee.
 - 4.4. The Investment Firm shall keep a copy of an identity document of the client and of their representative or agent for its records, if applicable, duly certified in accordance with the method of concluding the contract under paragraph 3 chosen by the client.
5. Authorised persons and methods of conclusion:
 - 5.1. The Investment Firm shall conclude contracts under paragraph 3 only through individuals working for it under contract, who are:
 - 5.1.1. brokers or
 - 5.1.2. persons who meet the requirements of Article 3(1)-(7) of Regulation No 7 of 2003 on requirements that have to be met by individuals who directly execute transactions in financial instruments and provide investments advice on financial instruments under contract, as well as on the procedure for acquiring and revoking the right to practice such activities, and who are registered in the Register of Investment Firms kept by the FSC, in particular in the entry for the Investment Firm, or
 - 5.1.3. the Directors of the Investment Firm.
6. The Investment Firm shall conclude contracts under paragraph 3 either in person at the principal place of business, branch or office of Finex Ltd registered in the Register of Investment Firms kept by the FSC, or in absentia as laid down in Regulation No 38.

Article4 Applicability of the Terms and Conditions

1. The Investment Firm shall conclude the contracts under Article 3(3) with its client's subject to these Terms and Conditions.
2. The contract may contain additional clauses or individual clauses deviating from these Terms and Conditions only if they are not in conflict with any mandatory rules of law. If the contract includes clauses as those referred to in the preceding sentence governing the relationship between the Investment Firm and the client, those clauses shall apply, rather than the conflicting clauses of these Terms and Conditions.
3. Prior to entering into a contract with a client in accordance with Article 3(3) or prior to providing investment or ancillary services, whichever comes first, the Investment Firm shall, by delivering the documents listed below, provide the client with information on the main rights and obligations of the

Investment Firm and the client, information on the terms of the contract to be concluded and any other information required by Article 46(1) of Commission Delegated Regulation (EU) 2017/565 of 25 April 2017 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive (**Delegated Regulation 2017/565**):

- 3.1. Terms and Conditions Applicable to Contracts with Clients
 - 3.2. draft of the contract to be concluded, having the contents under Article 5;
 - 3.3. Client Categorisation Rules of the Investment Firm containing the conditions and criteria on the basis of which clients are classified as professional or retail clients, as well as the circumstances in which a client can be classified as an eligible counterparty;
 - 3.4. information on the Client Order Execution Policy – for clients who will receive services under Article 2(2.1) and (2.2);
 - 3.5. information on the policy on handling conflicts of interest followed by the Investment Firm (summarised version), or, at the client's request, the relevant excerpt from the Investment Firm's Internal Rules, which contain the policy on handling conflicts of interest followed by the Investment Firm;
 - 3.6. Tariff of the Investment Firm.
4. At the client's request, the Investment Firm shall provide them additional information and clarifications about the documents referred to in the preceding paragraphs.

Article 5 Contents of contract

1. The contract under Article 3(3) shall include at least the following details:
 - 1.1. full name, personal number and address of the client and their representative, if any; if the client is a legal entity, its name, registered office, principal place of business, tax number, EIK/BULSTAT and representative's full name and personal number shall be specified;
 - 1.2. full name and personal number of the person representing the Investment Firm and their capacity;
 - 1.3. time and place of conclusion of the contract;
 - 1.4. investment and additional services rendered under the contract and the financial instruments subject to those services;
 - 1.5. the Investment Firm's Terms and Conditions and Tariff valid at the time of conclusion, as well as information on how amendments to the applicable Terms and Conditions and Tariff are adopted;
 - 1.6. scope of the Investment Firm's representative authority;
 - 1.7. main rights and obligations of the Investment Firm and the client.
 - 1.8. The contract shall contain a clause to the effect that the client has received the Investment Firm's Client Order Execution Policy and Client Categorisation Rules, information on the policy on handling conflicts of interest followed by the Investment Firm, information on the financial instruments that are the subject of the services to be provided by the Investment Firm under the contract and the associated risks, and any other information that must be provided by the Investment Firm to the client pursuant to the MFIA, Delegated Regulation 2017/565 and Regulation No 38, which shall be applicable depending on the type of client and the services provided by the Investment Firm under the contract, as well as the information referred to in Article 13 of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (**General Data Protection Regulation**).
2. At the time of signing of the contract under Article 3(3), the Investment Firm shall provide the client (or their representative) with the Investment Firm's applicable Terms and Conditions and Tariff. The client (or their representative) shall, by signing a copy of the Terms and Conditions and Tariff or in another suitable manner, depending on the medium on which the Terms and Conditions and Tariff are provided, certify that they have received and read and that they accept the Terms and Conditions and Tariff, which form an integral part of the contract concluded between them and the Investment Firm. By signing the contract under Article 3(3), the client (or their representative) shall certify they have received all information listed in sub-paragraph 1.8 hereof. The contract shall also lay down any other terms and conditions, with the option to include additional clauses or clauses deviating from these Terms and Conditions.
3. The Investment Firm shall, by signing the contract under Article 3(3), notify the client, and the client, by signing the contract under Article 3(3), shall agree that the client must immediately notify the Investment Firm of any changes relating to their legal status and the persons authorised to represent them by providing the Investment Firm with all the documents relating to that change. The Investment Firm shall not be liable for any actions taken prior to the notification referred to in the preceding sentence for the purpose of executing any orders duly submitted on the basis of the information available to the Investment Firm at the time.
4. Contract for the provision of remote financial services

- 4.1. When concluding a contract under Article 3(3) for the provision of remote financial services within the meaning of the Provision of Remote Financial Services Act or when initiating negotiations on the conclusion of such a contract, the relevant provisions of the Provision of Remote Financial Services Act shall apply thereto.

Article 6 Client Categorisation

1. When concluding the contract under Article 3(3), the Investment Firm shall ask its clients for the information required by its Client Categorisation Rules, on the basis of which each client will be classified as retail, professional or eligible counterparty by the criteria laid down in the Client Categorisation Rules, in accordance with the MFIA.
2. Any client classified as a retail client on the basis of the information they have provided may request to be re-categorised as a professional client in general or with respect to specific investment services and transactions or specific types of transactions and investment products subject to the relevant terms and procedures set forth in the Client Categorisation Rules, in accordance with Section II of the Annex to §1(10) of the MFIA. In the case under the preceding sentence, the rules ensuring a higher level of retail client protection shall not apply to that client only if, based on the assessment of the client's experience, skills and knowledge carried out by the Investment Firm, the Investment Firm can reasonably deem that, given the nature of the transactions and services under the contract which the client intends to conclude or use, the client is capable of taking investment decisions and assessing the associated risks.
3. Any client classified as a professional client must notify the Investment Firm of any change in the details used as a reason to re-categorise them.
 - 3.1. If the Investment Firm establishes, based on the notification referred to in the preceding sentence or otherwise in the course of carrying out activities on behalf of that client, that the latter no longer meets the criteria to be classified as a professional client, the Investment Firm shall begin to apply the rules ensuring a higher level of retail client protection to that client.
 - 3.2. Any client classified as a professional client may request to be re-categorised as a retail client. In the case set out in the preceding sentence, the Investment Firm shall apply the rules providing a higher level of retail client protection to specific services, activities, transactions, financial instruments or other financial products expressly listed in a written agreement with the client.
4. Any client classified as an eligible counterparty may request not to be treated as such, if the Investment Firm agrees to do so. In the case set out in the preceding sentence, the client shall be treated as a professional client, unless they expressly request to be treated as a retail client. Where a client expressly requests to be treated as a retail client, the second sentence of 3.2 shall apply to them.
5. Information from the client
 - 5.1. When concluding a contract under Article 3(3) for the provision of the service of portfolio management or investment advice, the Investment Firm shall ask the client for the following information:
 - ✓ the client's investment goals, including acceptable risk level;
 - ✓ the client's financial position and loss-absorbing capacity;
 - ✓ investment experience and knowledge of the client relevant to the services provided.
 - 5.2. When concluding a contract under Article 3(3) for the provision of services other than those set out in paragraph 5.1, the Investment Firm shall ask the client for information on their experience and knowledge relevant to the investment services associated with the specific type of product or service that are the subject of the contract under Article 3(3).
6. The information on the client's investment goals shall include, where applicable, the following:
 - 6.1. period of time for which the client wishes to hold the investment;
 - 6.2. the client's risk-taking preferences, risk profile and investment goals;
7. The information on the client's financial position shall include, where applicable, the following:
 - 7.1. sources and amount of the client's regular income;
 - 7.2. the client's assets, including liquid assets, investments and real property;
 - 7.3. regular financial obligations of the client.
8. The information on the client's investment experience and knowledge shall contain, depending on the client's profile, the nature and scope of the services to be provided, and the type of products or transactions planned, including their complexity and related risks, the following:
 - 8.1. types of services, transactions and financial instruments the client is familiar with;
 - 8.2. nature, volume and frequency of the transactions in financial instruments executed by the client, and the period in which they were executed;
 - 8.3. level of education, professional qualifications or relevant previous occupation of the client or prospect.
9. The amount of information required by the Investment Firm, as set out in the preceding paragraphs, shall be as much as the Investment Firm considers necessary to establish the essential facts about the client and enable it to make a reasonable assessment in accordance with Article 9.

10. The client must keep the information provided in accordance with the preceding paragraphs up-to-date.
11. Where transactions are concluded with clients classified as eligible counterparties or where investment services under Article 6(2)(1)-(2) of the MFIA are rendered, the provisions of this article shall not apply to the specific transactions or ancillary services directly related thereto.

Article 7 Amendment, termination and refusal to conclude the contract

1. The Investment Firm shall refuse to enter into contract if the client or their representative has not signed and submitted all necessary documents, has submitted documents with clear irregularities or incomplete details, has submitted documents containing inaccuracies or contradictions, or if there are any other circumstances that give rise to suspicions of improper identification or representation. The Investment Firm may also not enter into contract with a client if the counterparty is represented by an agent who states that they execute transactions in securities as an occupation.
2. The Investment Firm shall refuse to enter into contract or perform services under a contract that has already been concluded if doing so would result in non-compliance with other requirements of the MFIA and its implementing regulations, Delegated Regulation 2017/565, other applicable EU regulations, Public Offering of Securities Act, Measures Against Money Laundering Act and Measures Against Financing of Terrorism Act and its implementing regulations, including if the client or their representative refuses to provide the personal data required by the aforementioned legislation.
3. Amendments to any specific contract concluded between the Investment Firm and its client may only be made by additional written agreement and shall come into effect at the time of its signing by the parties.
4. Finex Ltd shall publish any amendment to the Terms and Conditions and/or the Tariff, including the adoption date and effective date of that amendment, at a prominent place on its website. The Terms and Conditions/Tariff, as amended, shall be published at least one month prior to the entry into force of the amendments. If the client does not accept the amendments to the Terms and Conditions and/or the Tariff, they shall be entitled to terminate their contract with the Investment Firm without notice, prior to the amendments' effective date, without being liable for penalties and costs, save for any costs associated with the assets held by the client. If the contract is terminated in accordance with the preceding sentence, Finex Ltd shall settle its relationship with the client as set out in Article 7(7)(7.2) within seven days of receiving the client's notice of termination of the contract. This period shall only apply if the client has no outstanding liabilities to Finex Ltd.
5. A party to the contract may only assign their rights and obligations thereunder to a third party with the express written agreement of the other party.
6. The contractual relationship shall be terminated:
 - 6.1. upon the expiration of the specific contract;
 - 6.2. early, by mutual written agreement of the parties;
 - 6.3. unilaterally by either party, with 30 days' written notice to the other party, unless a different notice period is specified in the contract;
 - 6.4. unilaterally by the client if they do not accept the amendments to the Terms and Conditions and/or the Tariff;
 - 6.5. if an individual client dies or is placed under guardianship;
 - 6.6. if a corporate client or the Investment Firm is dissolved;
 - 6.7. if insolvency proceedings are initiated against a corporate client;
 - 6.8. if the Investment Firm's licence is revoked;
 - 6.9. on any other grounds stipulated in the contract or by law.
7. If the contract is terminated:
 - 7.1. by the Investment Firm pursuant to Article 7(6.1)-(6.3), the client must, within 7 days after grounds for termination arise, indicate another investment firm and/or depository institution where the Investment Firm should, within 7 days of receiving the instructions, transfer the client's financial instruments and funds it holds. The client must provide Finex Ltd with directions and any other documents necessary for the transfer. After the expiration of the period for submission of the instructions referred to in the first sentence, the Investment Firm may, if the client has failed to indicate otherwise, transfer the client's financial instruments it holds to a personal account of the client with a depository institution, including by opening a new such account, provided that the relevant depository institution offer such an option.
 - 7.2. by the client pursuant to Article 7(6.3) and (6.4), the client must, before the expiration of the notice period or before the entry into force of the amendments to the Terms and Conditions and/or the Tariff, indicate another investment firm and/or depository institution where the Investment Firm should, within 7 days of receiving the instructions, transfer the client's financial instruments and funds it holds. The client must provide Finex Ltd with directions and any other documents necessary for the transfer. After the expiration of the period for submission of the instructions referred to in the first sentence, the Investment Firm may, if the client has failed to indicate otherwise, transfer the client's financial instruments it holds to a personal account of the client with a depository institution, including by opening a new such account, provided that the relevant depository institution offer such an option.

- 7.3. by the client pursuant to Article 7(6.6) the client or their successor must, within 7 days after grounds for termination of the contract arise, indicate another investment firm and/or depositary institution where the investment firm should, within 7 days of receiving the instructions, transfer the client's financial instruments and funds it holds. The client or their successor must provide Finex Ltd with directions and any other documents necessary for the transfer. After the expiration of the period for submission of the instructions referred to in the first sentence, the Investment Firm may, if the client or its successor has failed to indicate otherwise, transfer the client's or its successor's financial instruments it holds to a personal account of the client with a depositary institution, including by opening a new such account, provided that the relevant depositary institution offer such an option.
8. The non-defaulting party may cancel the contract due to the other party's default on its obligations, for which the latter is responsible, after the expiration of a period given by the non-defaulting party in a written notice of cancellation to the defaulting party, so the latter can remedy the default. The client must, within 3 days of the contract's cancellation, indicate another investment firm and/or depositary institution where the Investment Firm should, within 3 days of submission of the instructions, transfer the client's financial instruments and funds it holds, with the client providing the Investment Firm with the directions and any other documents necessary for the transfer, along with the notification that grounds for termination of the contract have arisen. After the expiration of the period for submission of the instructions referred to in the preceding sentence, the investment firm may, if the client has failed to indicate otherwise, transfer the client's financial instruments it holds to a personal account of the client with a depositary institution, including by opening a new account, provided that the relevant depositary institution offer such an option.
9. Within the periods and subject to the terms set forth in the preceding paragraphs, the client must pay the Investment Firm all fees, commissions and any other costs charged or covered by the Investment Firm until the date of termination of the contract or as a result of such termination, as well as compensation for any damages suffered by the Investment Firm as a result of the client's conduct. The client shall not be liable to pay any penalties or costs if the client terminates the contract due to non-acceptance of amendments to the Terms and Conditions and/or the Tariff, save for any costs relating to the assets owned by the client.
10. Within the periods and subject to the terms set forth in the preceding paragraphs, the Investment Firm must pay the client all fees, commissions and any other costs relating to the transfer of the Client's assets into accounts with the investment firm indicated by the client, as well as compensation for any damages suffered as a result of the Investment Firm's conduct.

Article 8 Performance of contractual obligations. Rights and obligations of the client and Investment Firm.

1. Due diligence.
- 1.1. In rendering the services and conducting the activities referred to in Article 6(2) and (3) of the MFIA in accordance with the license issued in its name, the Investment Firm must act honestly, fairly, professionally and in its clients' best interests.
- 1.2. The Investment Firm shall treat its clients equally.
- 1.3. The Investment Firm must perform its contractual obligations in accordance with the provisions of the contract and the client's additional instructions if they meet the conditions set forth in Article 17.
2. Authorisation, sub-delegation of powers and replacement
- 2.1. The Investment Firm must personally perform its contractual obligations under Article 3(3).
- 2.2. The Investment Firm may engage another person to render a certain service, authorise or sub-delegate powers to another person, or appoint another person as its replacement only if the following conditions are met:
- 2.2.1. the other person is a licensed investment firm contracted by the Investment Firm in compliance with the requirements of Chapter Two, Section 2 of Delegated Regulation 2017/565 and Chapter Five of Regulation No 38;
- 2.2.2. the client has empowered the Investment Firm to authorise or sub-delegate powers to another person or appoint another person as its replacement.
- 2.2.3. Exemptions from the requirement set forth in paragraph 2.2 shall only be allowed where making such exemptions is necessary to protect the client's interests. The Investment Firm shall immediately notify the client in writing of the authorisation, sub-delegation of powers or replacement, the reasons for doing so and the person whom the Investment Firm has authorised, sub-delegated powers to or appointed as its replacement.
- 2.3. If the Investment Firm authorises a third party without meeting the conditions set out in sub-paragraph 2.2.3, the Investment Firm shall be liable for that person's actions as if they were its own. In all other cases, the Investment Firm shall be liable for any damages suffered by the client due to its poor choice of an agent or replacement and that third party's consequent actions.
3. Right to proper performance
- 3.1. The client may require that the Investment Firm properly perform its contractual obligations.

3.2. The client may give additional instructions on the performance of the contract which must comply with the law, these Terms and Conditions, the contract and the instructions given by client to the Investment Firm on the performance of the contract concluded between them.

Article9 Service suitability assessment

1. When providing the service of portfolio management or investment advice, the Investment Firm shall base its recommendations on the information obtained under Article 6. The Investment Firm shall, on the basis of the aforementioned information, perform a suitability assessment and recommend trades if it can be reasonably assumed, taking into account the nature and scope of the service provided, that the following requirements are met:
 - 1.1. the trade is consistent with the client's investment goals, including the risk level acceptable to the client;
 - 1.2. the client has the financial means to bear the investment risks associated with their investment goals;
 - 1.3. the client has the necessary experience and knowledge to understand the risks associated with the execution of the trade or the management of their portfolio.
2. When providing an investment service under paragraph 1 to a professional client, the Investment Firm may assume the professional client has, for the purposes of sub-paragraph 1.3, the necessary experience and knowledge of the products, trades and services in respect of which they have been classified as a professional client.
3. When giving investment advice to a professional client in accordance with Section I of the Annex to §1(10) of the MFIA, the Investment Firm may, for the purposes of sub-paragraph 1.2, assume the professional client has the financial means to bear all investments risks associated with their investment goals.
4. When providing investment services other than investment advice, the Investment Firm shall use the information obtained under Article 6(5.2) to assess whether the investment service or product offered is suitable for the client by determining whether the client has the necessary knowledge and experience to understand the risks associated with that service or product.
5. If, on the basis of the information obtained pursuant to Article 6(5), the Investment Firm decides that the investment service or product in question is not suitable, it shall warn the client in writing.
6. If the client does not provide the information under Article 6(5) or the information provided is insufficient to conduct the assessment referred to in Article 9, the Investment Firm must notify the client in writing that it is unable to determine whether the investment service or product in question is suitable for them.
7. When providing investment services, other than investment advice, to a professional client, the Investment Firm may assume the professional client has the necessary knowledge and experience to understand the risks associated with the investment services or trades or types of trades or products in respect of which they have been classified as a professional client.
8. Where, in connection with providing the service of portfolio management or investment advice, the client has not provided the information referred to in Article 6(5), the Investment Firm shall not render those services for the client.
9. The Investment Firm shall base its decisions on the information provided by its clients, unless it knows or should have known that the information is clearly inaccurate, incomplete or outdated.
10. The provisions of this article shall not apply to transactions with eligible counterparties.

Article10 Restrictions for the Investment Firm

1. The Investment Firm may not:
 - 1.1. perform transactions on behalf of clients in a volume, at a frequency, at prices or with a certain counterparty that can, given the circumstances, be assumed to have been performed solely in the interest of the Investment Firm;
 - 1.2. perform actions with money or financial instruments of the client that the latter has not authorised it to perform;
 - 1.3. sell, for the account of a third party, financial instruments not owned by the Investment Firm or its client, other than as set forth in the relevant regulation;
 - 1.4. participate in concealed purchases or sales of financial instruments;
 - 1.5. keep part of or the entire gain if the Investment Firm has concluded and executed the transaction on terms better than those identified by the client;
 - 1.6. conduct business in any another way that jeopardises the interests of its clients or the stability of the market in financial instruments.
2. The prohibition under paragraph 1.1 shall not apply to transactions, for the execution of which the client has given specific instructions at their own initiative.
3. The prohibition under paragraph 1.2 shall also apply to persons who direct the business of the Investment Firm, all persons working for the Investment Firm under contract and any persons related to the aforementioned persons.
4. Remuneration-related restrictions for the Investment Firm

- 4.1. The Investment Firm may not, in relation to providing investment or ancillary services to a client, pay, provide or receive fees, commissions or non-monetary benefits, with the exception of:
 - 4.1.1. fees, commissions or non-monetary benefits paid or provided by or to the client or its representative;
 - 4.1.2. fees, commissions or non-monetary benefits paid or provided by or to a third party or its representative if the following conditions are met:
 - (a) the existence, nature and amount of the fee, commission or non-monetary benefit have been explained to the client clearly, accessibly, accurately and comprehensibly prior to the provision of the relevant investment or ancillary service, and, where the amount cannot be determined, the method of its calculation has been described;
 - (b) the payment or provision of the fee, commission or non-monetary benefit is intended to improve the quality of the service and does not breach the duty of the Investment Firm to act honestly, fairly, professionally and in the client's best interest;
 - 4.1.3. inherent charges that secure or are necessary for the provision of the investment services, such as custody fees, settlement and currency exchange charges, legal fees and public charges, and that, by their nature, do not give rise to a conflict with the Investment Firm's duty to act honestly, fairly, professionally and in the client's best interest.
5. The Investment Firm has fulfilled its obligation under Article 10 where:
 - 5.1. prior to rendering an investment or ancillary service, it provides the client with information in accordance with 4.1.2.(a) of each payment or benefit received from or provided to third parties. The information referred to in the preceding sentence shall describe any insignificant non-monetary benefits in general terms, whereas the worth of any other non-monetary benefits provided by or received from the Investment Firm in relation to an investment service provided to the client shall be disclosed separately;
 - 5.2. if the Investment Firm does not manage to determine in advance the amount of each payment or the worth of each benefit received or provided, and instead discloses the method of calculating the amount/worth to the clients, it shall also provide the clients with follow-up information on the exact amount of the payment or worth of the benefit provided or received; and
 - 5.3. while receiving incentives in relation to the investment services provided to the relevant clients, it shall, at least once a year, provide each client with information on the actual amount of the payments or worth of the benefits provided or received. Insignificant non-monetary benefits may be presented in summarised form in the information.

Article 11 Requirements for information provided by the Investment Firm

1. The information the Investment Firm gives to its clients must be comprehensible, correct and clear, and must not be misleading. The Investment Firm may not provide the information referred to in the preceding sentence without its prior approval by an Internal Control employee. The information shall be provided to the clients on a durable medium or on the Investment Firm's website (where the website does not constitute a durable medium) if the requirements under Article 20(5) are satisfied.
2. The Investment Firm shall promptly notify the client in the event of any change in the information provided to the client. The notification shall be made on a durable medium, if the information to which it relates was provided on a durable medium.
3. Where the information under Article 11 is provided to retail clients, professional clients or prospective clients of either type, or is disseminated in a manner that makes it possible to reach such clients, the information must meet the following requirements:
 - 3.1. contain the name of the Investment Firm;
 - 3.2. be accurate and not emphasise the potential benefits of a certain investment service or financial instrument without simultaneously stating the relevant risks in a clear and prominent manner;
 - 3.3. be sufficient for and presented in a comprehensible manner to the usual audience it is addressed to or it is likely to reach;
 - 3.4. not conceal, omit or downplay important messages, statements or warnings;
 - 3.5. the information uses a font size in the indication of relevant risks that is at least equal to the predominant font size used throughout the information provided, as well as a layout ensuring such indication is prominent;
 - 3.6. the information is consistently presented in the same language throughout all forms of information and marketing materials that are provided to each client, unless the client has accepted to receive information in more than one language;
 - 3.7. the information is up-to-date and relevant to the means of communication used.
4. Where the information under Article 11 contains a comparison between investment or ancillary services, financial instruments or entities providing investment or ancillary services, it must meet the following conditions:
 - 4.1. the comparison must be meaningful and presented in an objective and balanced manner;

- 4.2. it must reference the sources of the information used for the comparison;
- 4.3. it must include the main facts and assumptions used to prepare the comparison.
5. Where the information under Article 11 mentions a past yield from a financial instrument, financial index or investment service, it must meet the following conditions:
 - 5.1. the mention of the past yield must not be the most significant part of the message;
 - 5.2. the information must include appropriate data on the yield for the previous 5 years; where the period in which the financial instrument or investment service was offered, or the financial index was formed, is shorter or longer than 5 years, the yield for that period must be shown; in all other circumstances, the yield data must be based on a full 12-month period;
 - 5.3. it must state the period to which the information refers and the information's source;
 - 5.4. it must contain an express warning that the data refer to a past period and are not a certain indicator of future results;
 - 5.5. if the mention contains data and values in a currency other than the currency of the member state in which the client is headquartered or resides, the currency must be clearly marked and there must be an express warning that the yield may increase or decrease as a result of changes in exchange rates.
 - 5.6. where the yield is mentioned on a gross basis, the amount of commissions, charges and other costs for the client shall also be mentioned.
6. Where the information under Article 11 contains or concerns a simulated past yield, it must meet the following requirements:
 - 6.1. it must refer to a financial instrument or financial index;
 - 6.2. the simulated past yield must be based on the actual past yield of one or more financial instruments or indices which are exactly or substantially the same as or are a base asset for the financial instruments whose yield has been simulated;
 - 6.3. the requirements set out in sub-paragraphs 5.1-5.3, 5.5 and 5.6 must be fulfilled for the actual past yield under sub-paragraph 6.2;
 - 6.4. it must contain an express warning that the data are based on a simulated past yield and that the past yield is not a certain indicator of future yields.
7. Where the information under Article 11 contains information on a future yield, it must meet the following requirements:
 - 7.1. it must be based on or reference a simulated past yield;
 - 7.2. it must be based on reasonable assumptions supported by objective data and facts;
 - 7.3. where the information is based on a gross yield, the amount of commissions, charges and other costs for the clients shall also be mentioned.
 - 7.4. it must contain an express warning that those estimates are not a certain indicator of future yields;
 - 7.5. it must be based on scenarios of outcomes in different market conditions (both positive and negative scenarios) and reflect the nature and risks of the specific types of instruments included in the analysis.
8. Where the information under Article 11 concerns charging a certain type of tax, it shall contain the clarification that taxation depends on client-specific circumstances and the tax rate may change in the future.
9. The information under Article 11 may not mention the FSC or any another competent authority so as to expressly state or otherwise indicate that the relevant authority has validated or approved the products or services offered by the Investment Firm.

Article 12 Information on financial instruments and associated risks

1. The Investment Firm must, in sufficient time prior to rendering investment or ancillary services, provide the client with a general description of the financial instruments in relation to which the Investment Firm renders investment or ancillary services on behalf of the client, and the risks associated therewith. The description must be appropriate for the client type (professional, retail or eligible counterparty) and meet the following requirements:
 - 1.1. it must contain a detailed explanation of the type and characteristics of the specific type of financial instrument, the financial instrument's functioning and yield in various market conditions (both positive and negative), and the specific risks associated with that financial instrument;
 - 1.2. the information under sub-paragraph 1 must enable the client to take an informed investment decision.
2. The description of the risks must include the following elements, to the extent they are applicable to the specific type of financial instrument and the client's status and knowledge level:
 - 2.1. mention of the risks associated with the specific type of financial instrument, including an explanation of the leverage and its consequences and the risk of losing the entire investment, including the risks associated with insolvency of the issuer or related events, such as bail in;
 - 2.2. the volatility of prices of financial instruments and all market restrictions applicable to those instruments;

- 2.3. the fact that the investor may undertake financial and other additional obligations as a result of trades in financial instruments, including unforeseen obligations additional to the cost of acquiring the instruments;
- 2.4. all margin requirements or similar obligations applicable to instruments of this type;
- 2.5. information on impediments or restrictions for disinvestment, for example as may be the case for illiquid financial instruments or financial instruments with a fixed investment term, including an illustration of the possible exit methods and consequences of any exit, possible constraints and the estimated time frame for the sale of the financial instrument before recovering the initial costs of the transaction in that type of financial instruments.
3. Where the financial instruments are to be publicly offered, the Investment Firm shall inform retail clients where the prospect is available for the public.
4. Where a financial instrument is composed of two or more different financial instruments or services, the Investment Firm shall provide an adequate description of the legal nature of the financial instrument, the components of that instrument and the way in which the interaction between the components affects the risks of the investment.
5. In the case of financial instruments that incorporate a guarantee or capital protection, the Investment Firm shall provide the client with information about the scope and nature of such guarantee or capital protection. When the guarantee is provided by a third party, information about the guarantee shall include sufficient detail about the guarantor and the guarantee to enable the client to make a fair assessment of the guarantee.
6. The preceding paragraphs shall not apply to shares and units in collective investment schemes in cases where the Investment Firm provides the information contained in the relevant document with key details of the collective investment scheme.

Article 13 Information on costs and fees

1. The Investment Firm shall provide its retail clients with the following information of transaction-related costs and fees, insofar as applicable:
 - 1.1. total price to be paid by the client in relation to the financial instrument or the investment or ancillary services provided, including all fees, commissions, charges and costs, as well as all taxes payable through the Investment Firm; if the exact price cannot be determined, the basis for its calculation shall be specified in a manner that enables the client to check and confirm it; the Investment Firm's commissions shall be indicated separately in each case;
 - 1.2. where any component of the total price under paragraph 1.1 must be paid in a foreign currency or the equivalent thereof, the payment currency, exchange rate and conversion costs shall be indicated;
 - 1.3. notice of the possibility that the client will incur other costs, including taxes relating to the transactions in financial instruments or the provision of investment services, which are not paid through or charged by the firm;
 - 1.4. rules and methods of payment or other types of execution.
2. The obligation under paragraph 1 shall not apply to shares and units in collective investment schemes if the Investment Firm provides the client with the information contained in the relevant document with key details of the collective investment scheme. Any costs and fees not included in the document with key details of the collective investment scheme shall be calculated and provided to the client by the Investment Firm.
3. The Investment Firm shall also provide the information under paragraph 1 to professional clients when the services of investment advice or portfolio management are provided or when, irrespective of the investment service provided, the financial instruments concerned embed a derivative. The Investment Firm shall also provide the information under paragraph 1 to eligible counterparties when, irrespective of the investment service provided, the financial instruments concerned embed a derivative and the eligible counterparty intends to offer them to its clients.
4. The Investment Firm must promptly provide comprehensive advance information about the total price under paragraph 1 associated with the financial instrument and with the investment or ancillary service rendered, in the following circumstances:
 - 4.1. where the Investment Firm recommends or markets financial instruments to clients; or
 - 4.2. where the Investment Firm has an obligation to provide clients with a document with key details of the collective investment scheme.
5. Where the Investment Firm does not recommend or market financial instruments to clients and does not have an obligation to provide clients with a document with key details of the collective investment scheme, it shall provide clients with information about the total price under paragraph 1 associated with the investment or ancillary service rendered.
6. The Investment Firm shall, on an annual basis, provide follow-up information about the total price under paragraph 1 associated with the financial instruments and with the investment or ancillary services where it has recommended or marketed financial instruments to clients or where it has provided clients with a document with key details of the collective investment scheme relating to the financial instruments and has an ongoing relationship with the client or has had a relationship with

the client during the year. This information shall be based on costs incurred and shall be provided on an individual basis.

7. When providing investment services, the Investment Firm shall, on a prior and follow-up basis, provide its clients with illustrative examples showing the cumulative effect of costs on returns and meeting the following requirements:
 - (a) the example shows the effect of total costs and fees on the return on investment;
 - (b) the example shows all expected sharp changes and fluctuations in the costs;
 - (c) the example is accompanied by a description thereof.

Article 14 Conflict of interest

1. In rendering services and conducting activities under Article 6(2) and (3) of the MFIA, the Investment Firm shall take all necessary steps to identify potential conflicts of interest between:
 - 1.1. the Investment Firm, its directors, all other persons working for it under contract and any related control persons, on the one hand, and its clients, on the other hand;
 - 1.2. its clients.
2. If the Investment Firm identifies a conflict of interest as set out in paragraph 1, it shall take all necessary actions to avoid such a conflict in accordance with the policy on handling conflicts of interest established in the Investment Firm's Internal Rules.
3. If, even after the implementation of the measures set out in paragraph 2, the client's interests are still at risk, the Investment Firm shall, prior to conducting any activity on behalf of the client in connection with which there is an unavoidable conflict of interest, provide the client with information on the conflict of interest. The information must be appropriate for the client's profile and, given their profile, sufficient for the client to understand the source and nature of the conflict of interest and the potential consequences thereof, and take, on the basis of that information, a decision on the investment or ancillary service in relation to which the conflict of interest has arisen. The Investment Firm may not conduct any activity on behalf of a client if it has not provided them with the information under this paragraph and the client has not decided to use the relevant service on the basis of that information.

Article 15 Confidentiality

1. In conducting its business, the Investment Firm must protect the trade secrets and business reputation of its clients.
2. The Investment Firm's directors and the persons working for it under contract may not disclose, unless authorised to do so, or use, for their personal benefit or that of other persons, any facts and details concerning the balances of and transactions on the financial instrument and cash accounts of the Investment Firm's clients, as well as any other facts and details constituting a trade secret which have become known to them in the course of performing their professional duties.
3. In addition to providing information to the FSC, the FSC's deputy chair and authorised officials from the FSC administration, or the regulated market of which the Investment Firm is a member, for the purposes of their oversight activities or within the scope of an audit order, the Investment Firm may only give information under paragraph 2:
 - 3.1. with permission from its client;
 - 3.2. to comply with a court decision issued in accordance with Article 91(2) and (3) of the MFIA;
 - 3.3. in the circumstances and subject to the terms set out in Article 91(5) and (6) of the MFIA.
 - 3.4. pursuant to Part Two, Chapter Sixteen, Section 3a of the Tax and Social Insurance Procedure Code.

Article 16 Orders for transactions in financial instruments

1. For the execution of transactions in financial instruments on behalf of a client which are not covered by a management contract, the Investment Firm's clients shall submit orders on the basis of the contract concluded in accordance with Article 3(3).
2. The orders referred to in paragraph 1 shall have at least the following contents:
 - 2.1. name(s) and unique client or representative number, and if such numbers have not been assigned, the relevant identification details under Article 66 of Regulation No 38;
 - 2.2. type, issuer, unique issue code or name of the instrument, or characteristics of the derivative financial instrument, and quantity of the financial instruments to which the order relates;
 - 2.3. order type;
 - 2.4. nature of the order (buy, sell, swap, etc.);
 - 2.5. unit price and total value of the order;
 - 2.6. validity period of the order;
 - 2.7. venue where the order is to be executed, if specified by the client;
 - 2.8. quantitative execution of the order (partial or full);
 - 2.9. method of payment;
 - 2.10. date, time and place of submission of the order;
 - 2.11. method of submission of the order;
 - 2.12. whether the order was submitted as a result of investment advice;

- 2.13. other specific instructions of the client.
3. Paragraph 2 shall not apply when the order is submitted through an electronic trading platform where the required details of the orders are not set by Finex Ltd. The Investment Firm shall assign a unique serial number to each order received.
4. The orders under paragraph 1 shall be submitted in writing, save for the cases set out in paragraph 5 and 6. When a written order is submitted, the person accepting it shall write the number assigned pursuant to paragraph 3 on that order. The written order shall then be signed by the client or their representative.
5. The Investment Firm may accept orders for transactions in financial instruments submitted by clients by phone or another remote communication method, if doing so is agreed in the contract concluded pursuant to Article 3(3).
6. The Investment Firm may accept client orders as set out in paragraph 1 through an electronic trading system that ensures compliance with statutory requirements and gives the client access to a specific execution venue. The client shall use an electronic certificate to access the system referred to in the preceding sentence and enter orders.
7. If there are further statutory requirements concerning the procedure for submitting client orders and the format thereof, other than those mentioned in the preceding paragraphs, they shall apply when clients place orders.
8. Submitting orders through an agent
 - 8.1. Orders, as set out in Article 16(1), shall only be submitted through an agent if the same provides a notarised power of attorney granting representative authority for disposal of financial instruments and a declaration pursuant to Article 3(4)(3) concerning the period of one year prior to the submission of the order.
9. Authorised persons and place of submission of the order
 - 9.1. The Investment Firm shall accept orders under Article 2(2)(2.1) only through persons under Article 3(5)(5.1)-(5.3).
 - 9.2. When the person in charge of accepting orders receives an order, they shall verify the identity of the client or their representative.
10. The Investment Firm shall only accept orders and documents under Article 16 at the principal place of business, branch or office registered in the Register of Investment Firms kept by the FSC.
11. Refusal to accept an order
 - 11.1. The Investment Firm shall refuse to accept any order that does not meet the requirements of Article 16(2) or has been submitted by a representative who does not meet the requirements of paragraph 8.
12. When an order is submitted, the Investment Firm shall ask the client or their representative to declare whether:
 - 12.1. they possess insider information on the financial instruments to which the order relates, and on their issuer if the financial instruments to which the order relates or on the basis of which the financial instruments covered by the order are issued, are traded on a regulated market;
 - 12.2. the financial instruments covered by a sell or swap order have been blocked in the depository institution where they are being held, or whether they have been pledged or attached;
 - 12.3. the transaction covered by the order constitutes a concealed purchase or sale of financial instruments.
13. When submitting a sell order, the client must provide proper documents of ownership of the financial instruments covered by the sell order.
14. The client must also provide the Investment Firm with any other documents and details that the Investment Firm considers necessary to execute the order.
15. The Investment Firm shall refuse to execute a client order if the client or their representative refuses to submit the declaration under Article 3(4.3), or if the client has declared that they have insider information or that the trade covered by the order constitutes a concealed purchase or sale of financial instruments. The refusal referred to in the preceding sentence shall be certified by a separate document signed by the client.
16. The Investment Firm shall refuse to execute an order if the client has declared or it is established that the financial instruments covered by the sell order are not available in the client's account or have been blocked in a depository institution, or if they have been pledged or attached.
17. The prohibition under paragraph 16 on sale orders for financial instruments not available in the client's account shall not apply in cases where the Investment Firm otherwise ensures that the financial instruments that are the subject of the sale will be delivered on the transaction settlement date, as well as in other cases laid down in applicable regulations. The prohibition under paragraph 16 on sale orders for pledged financial instruments shall not apply in the following circumstances:
 - 17.1. the acquirer has been notified of the pledge and has expressly agreed to acquire the pledged financial instruments, and the pledgee has expressly agreed to the acquisition in the cases provided for in the Special Pledges Act;

- 17.2. the pledge has been made on an inseparable set within the meaning of the Special Pledges Act.
18. The Investment Firm shall refuse to execute a client order for trades in financial instruments if doing so would violate the MFIA, the Measures Against Market Abuse with Financial Instruments Act, the Special Purpose Vehicles Act or any other current legislation.
19. In circumstances outside the scope of the preceding paragraphs, the Investment Firm shall refuse to execute a client order if submitted in breach of the contractual terms.
20. In any case where the Investment Firm refuses to execute an order pursuant to the preceding paragraphs, the Investment Firm shall notify the client as soon as it identifies the reason for refusal.
21. The Investment Firm shall notify the FSC if it has suspicions that any transaction performed by the client constitutes trading in insider information or manipulation of the market in financial instruments.
22. The client may submit a further order or cancel an order no later than the conclusion of a transaction in execution of the previous order.
23. The requirements of these Terms and Conditions shall apply to the procedure for submitting and the form of further orders and the cancellation of orders.
24. The Investment Firm must accept the further orders or order cancellation requests submitted if they meet the requirements set out in Article 16(2).
25. If the Investment Firm has already started executing an order at the time of receipt of a further order or cancellation request for the order being executed, the client shall compensate the Investment Firm for any costs incurred in relation to the execution and any damages suffered in relation to the order execution, change or cancellation, and shall also pay the firm a fee for any execution actions taken.
26. The actions the Investment Firm has taken on behalf of the client to execute the order to be changed or cancelled until the time of receipt of the further order or cancellation request shall obligate the client.
27. Any client submitting a order for the purchase of financial instruments must, on submission of the order, provide the funds necessary to pay for the trade to the Investment Firm or otherwise certify that they will fulfil their obligation to pay.
28. If the rules of the execution venue in which the trade will be made allow for a trade where payment for the financial instruments is not made at the same time as their transfer, the requirement for provision of funds under the preceding paragraph shall not apply if the seller has given their express written agreement. This shall accordingly apply to other transactions where financial instruments are transferred.
29. Responsibility and risk
 - 29.1. The client shall be responsible for the fidelity, correctness, authenticity and accuracy of the orders placed, the declarations and documents submitted therewith, and the existence and validity of the rights to the financial instruments provided by the client. If the Investment Firm suffers any damages in relation to client-submitted orders, declarations or any other documents for which the client is responsible pursuant to the preceding sentence, the client must compensate the Investment Firm for the damages suffered.
 - 29.2. The Investment Firm shall be responsible for the accurate, lawful and diligent execution of orders submitted by the client. The Investment Firm shall not be responsible for the results achieved by the client after the execution of their orders in compliance with the requirements set out in the preceding sentence, with the risk borne entirely by the client in such a case.
30. The Investment Firm shall execute client orders subject to the following conditions:
 - 30.1. immediate and accurate registration and allocation of the orders to be executed;
 - 30.2. immediate execution in the sequence of receipt of identical client orders, except where the specifications of the order or the prevailing market conditions preclude that or the client's interests require otherwise.
31. The Investment Firm shall inform retail clients of any objective difficulties preventing the accurate execution of the orders, immediately after becoming aware of such difficulties.
32. In cases where the Investment Firm has undertaken to arrange and monitor the settlement of an order executed by it on behalf of a client, it shall perform the necessary actions to ensure that all of the client's financial instruments or money received at settlement are immediately and precisely transferred into accounts of the relevant client.
33. The Investment Firm may not misuse information on unexecuted client orders and shall take all necessary measures to prevent such misuse by any person working for the Investment Firm.
34. The Investment Firm shall trade financial instrument on behalf of clients on the best terms, making efforts to achieve the best execution of the order submitted by the client, in accordance with the Client Order Execution Policy of the Investment Firm.
35. The Investment Firm shall have fulfilled the obligation to execute the order in the client's best interest if it has taken all sufficient steps to obtain the best possible result for the client, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order, with the relative importance of those factors determined by the following criteria:

- 35.1. characteristics of the client, including whether they are classified as a retail or professional client;
 - 35.2. characteristics of the client order, including where the order relates to a securities financing transaction;
 - 35.3. characteristics of the financial instruments that are the subject of the order;
 - 35.4. characteristics of the execution venues to which the order may be forwarded for execution.
36. In executing an order submitted by a retail client, the best execution shall be determined by the total value of the trade, including the price of the financial instrument and the execution-related costs.
 37. In order to achieve the best execution in cases where there is more than one competitive execution venues for the execution of an order relating to financial instruments, and when estimating and comparing the results that can be achieved for the retail client in executing the order in all execution venues, as specified in the firm's Client Order Execution Policy, that are suitable for its execution, the firm's commission and the cost of executing the order in each of the possible execution venues shall be taken into account.
 38. The Investment Firm may not execute orders on behalf of clients if they have not given their prior consent to the policy followed by the firm.
 39. Where the Client Order Execution Policy also provides for the possibility of executing client orders outside a trading venue (regulated market, multilateral trading system or organised trading system), the orders may only be executed in this manner if the firm's clients have been notified in advance and have given their express agreement, which may be general or concern specific trades.
 40. The Investment Firm must execute client orders in accordance with the execution policy it has adopted and promptly notify the client of any changes to that policy.
 41. If the client has given specific instructions, the Investment Firm must execute the order, following those instructions. The Investment Firm shall have fulfilled its obligation to act in pursuance of achieving the best results for its clients if it has executed the order or a specific aspect thereof, following the client's special instructions. The client agrees that any special instructions may prevent the firm, when executing client orders in accordance with the Client Order Execution Policy, from taking the necessary actions to achieve the best results in respect of the part of the order to which the special instructions refer.
 42. The provisions of paragraphs 37-41 shall not apply to transactions with eligible counterparties.
 43. The Investment Firm may execute a client order by merging it with other client orders in compliance with the order merging policy, which is part of the Investment Firm's Client Order Execution Policy, specifically subject to the following terms:
 - 43.1. the merger of the orders or trades will not harm any of the clients whose orders are being merged;
 - 43.2. the Investment Firm has explained to every client whose order is being merged that the merger may be unprofitable for their specific order; this condition does not apply to orders relating to individual portfolio management.
 - 43.3. In cases where the Investment Firm merges a client order with one or more other client orders and then the merged order is executed partially, it shall allocate the linked trades resulting from the execution of the order in accordance with the return distribution policy it has adopted.
 44. If the Investment Firm makes the trade on terms better than those identified by the client, the entire gain shall belong to the client.
 45. The Investment Firm may enter into and execute a transaction on behalf of a client as a representative of the counterparty.
 46. Where the transaction is concluded on a regulated market in financial instruments or on a multilateral trading facility, the rules of the relevant market or multilateral trading facility shall apply to the conclusion and execution.

Article 17 Confirmation of orders accepted

1. Where the Investment Firm concludes a trade on behalf of a client, which is not covered by an individual portfolio management contract:
 - 1.1. it shall send the client, on a durable medium, as soon as possible but no later than the first business day following the conclusion of the trade, confirmation of the trade containing the information listed in Article 59(4) of Delegated Regulation 2017/565. If the confirmation is received by the Investment Firm through a third party, the client shall be notified no later than the first business day following the day on which the Investment Firm receives the confirmation from the third party;
 - 1.2. it shall immediately provide the client with the material information on the trade concluded on a durable medium pursuant to Article 20.
2. Sub-paragraph 1.1 shall not apply where the confirmation would contain the same information as the confirmation immediately sent to the client by another party. If the settlement is not performed on the date stated or another change in the information contained in the confirmation occurs, the

Investment Firm shall duly notify the client by the end of the business day on which the firm becomes aware of the change.

3. The Investment Firm shall, on request, provide the client with information on the status of the order and its execution.
4. When rendering services under Article 2, the Investment Firm shall, where it transmits its clients' orders for execution by third parties, act in the client's best interest, in compliance with the rules applicable to that activity, which are part of the Investment Firm's Client Order Execution Policy.

Article 18 Safekeeping of client assets

1. The Investment Firm shall keep the client's financial instruments, funds and any other assets provided or acquired in performance of the contract under Article 3(3).
2. The Investment Firm shall segregate its financial instruments and funds from those of its clients.
3. The Investment Firm shall not meet its obligations to its creditors with financial instruments and funds of its clients.
4. The Investment Firm shall keep the financial instruments of its clients in a depository institution, specifically in client sub-accounts under the umbrella of the Investment Firm's master account or in sub-accounts opened under the umbrella of a third party master account.
5. The Investment Firm shall open a sub-account for the client with a depository institution on the basis of the contract under Article 3(3) and in accordance with the terms stipulated therein.
6. The Investment Firm must, when opening a financial instrument account for its client with a depository institution, exercise due diligence to protect the client's interests in selecting the depository institution and determining the terms of the contract whereby that depository institution is engaged to keep the client's financial instruments, as well as regularly, but no less than once a year, review, exercising the same due diligence, the choice of that depository institution and the conditions in which it keeps the client's instruments.
7. The Investment Firm shall only deposit a client's financial instruments in a depository institution in a country whose law provides for the supervision of depository institutions and has special rules on the safekeeping of financial instruments on behalf of another person. The Investment Firm may not deposit a client's financial instruments in a depository institution in a non-EU country whose law does not regulate the holding and safekeeping of financial instruments on behalf of another person. The restriction set forth in the preceding sentence shall not apply if any of the following conditions are satisfied:
 - 7.1. the nature of the financial instruments or the associated investment service requires that they be deposited with such a third party in a non-EU country;
 - 7.2. the financial instruments are being held on behalf of a professional client who has asked the Investment Firm in writing to have their financial instruments deposited with such a third party in a non-EU country.
8. The Investment Firm shall take the necessary steps to ensure that its clients' financial instruments are kept in a depository institution in a manner guaranteeing that the clients' financial instruments are at all times clearly identifiable as distinct from the financial instruments of the Investment Firm and the depository institution through the maintenance of separate accounts recorded under different names in the depository institution's books or by implementing other equivalent measures ensuring the same level of protection. If the law applicable to the activities of the depository institution does not allow compliance with the requirements set out in the preceding sentence, the Investment Firm shall take appropriate measures to ensure the client's rights to the financial instruments kept in the depository institution, including by opening financial instrument accounts for its clients that are separate from its own account, which the depository institution maintains in the name of the Investment Firm but on behalf of a third party.
9. If, in performance of the contract under Article 3(3), the client provides book-entry government securities issued by the Ministry of Finance to the Investment Firm, they shall be kept in the registers of Bulgarian National Bank or the primary dealer of government securities, in the name of the client or the Investment Firm as provided for in the contract and in compliance with the requirements of the statutory acts governing government debt.
10. The Investment Firm shall deposit cash provided by clients or obtained as a result of rendering investment services on their behalf in a central bank, credit institution licensed to conduct business pursuant to the Credit Institutions Act or Directive 2013/36/EU, credit institution licensed in a third country or qualifying money market fund no later than the following business day, taking the necessary actions to diversify the funds among the aforementioned parties.
11. Where the Investment Firm depositing its client's cash with a party referred to in paragraph 10 other than a central bank must exercise due diligence to protect the client's interests in selecting that party and determining the terms of the contract made with that party on depositing its client's cash, as well as regularly, but no less than once a year, review, exercising the same due diligence, the choice of that credit institution or qualifying money market fund and the terms of the contracts governing the safekeeping of the client's cash.

12. The Investment Firm may only deposit its client's cash in a qualifying money market fund once it has informed the client in writing that the cash will not be held in accordance with the requirements for client cash protection of the MFIA and FSC Regulation No 58 of 28 February 2018 and has received the client's written agreement to depositing their cash in a qualifying money market fund.
13. The Investment Firm shall take the necessary steps to ensure that the clients' funds deposited in accordance with paragraph 1 are kept in separate accounts or an account of the clients apart from the cash of the Investment Firm. If the law applicable to the activities of the party with which the cash is deposited does not allow compliance with the requirements set out in the preceding sentence, the Investment Firm shall take appropriate measures to ensure the client's rights to the cash deposited, including by opening a joint cash account for its clients which that party maintains in the name of the Investment Firm, but on behalf of a third party.
14. Except with the client's express agreement and as stipulated by the relevant regulation, the Investment Firm may not use:
 - 14.1. its clients' cash and financial instruments for its own purposes;
 - 14.2. other clients' cash and financial instruments for the purposes of its client;
 - 14.3. its own cash and financial instruments for the purposes of its client;
15. The Investment Firm may not enter into securities financing transactions with the clients' financial instruments it holds or otherwise use such financial instruments for its account or for the account of another person or client, unless the client has given their prior express written consent to the use of the financial instruments on specified terms and the financial instruments are used in compliance with those terms.
16. Any investment firm holding clients' financial instruments and cash shall keep records and accounts of the client assets so as to enable it, at any time and without delay, to distinguish the assets held for one client from the assets of the investment firm's other clients and from its own assets.
17. The records and accounts referred to in paragraph 16 shall be maintained in a manner ensuring their accuracy and correspondence to the financial instruments and cash held for clients and enabling their use for documentary traceability (audit trail).
18. The Investment Firm shall reconcile the records and accounts under paragraph 16 kept by it with those of the parties holding the firm's and its clients' assets, with cash reconciliation performed on a daily basis and financial instrument reconciliation carried out regularly, but no less than once a week.
19. The Investment Firm shall notify its clients of the third party by which and where the cash and/or financial instruments provided to the firm may be kept. The notification referred to in the first sentence shall also include a mention of the Investment Firm's liability for any action or omission of the party holding the client's cash and/or financial instruments and the consequences for the client if that party becomes insolvent.
20. The Investment Firm shall notify its clients of the possibility that their financial instruments will be kept in a joint (omnibus) account with a third party, where national law allows for such a possibility. The Investment Firm shall notify its clients of the circumstances where national law does not allow for client financial instruments held by a third party to be segregated from the financial instruments of that third party or the Investment Firm. The notifications must also contain an express mention of the risks to the client arising from the circumstances set out in the preceding sentences.
21. The Investment Firm shall expressly notify the client when the accounts containing their cash and financial instruments are governed by the law of a non-EU country. The notification must state that the client's rights to those financial instruments or cash may be different due to the applicability of the law of a non-EU country.
22. The Investment Firm shall expressly notify the client of:
 - 22.1. the existence of a right for the Investment Firm to use as collateral or retain the client's funds or financial instruments and the conditions in which such a right arises or may arise;
 - 22.2. the existence of a right for the Investment Firm to set off the client's funds or financial instruments and the conditions in which such a right arises or may arise;
 - 22.3. the existence of and the conditions in which the Investment Firm has or may have the right to set off with respect to the client's financial instruments or funds;
 - 22.4. the possibility that the depository institution will have the right to use as collateral, retain or set off the client's financial instruments or funds, where applicable.
23. Before entering into a securities financing transaction, the subject of which are financial instruments held on behalf of a client, or before using those financial instruments in any other way for its account or for the account of another client, the Investment Firm shall provide – on a durable medium and within a reasonable period prior to the use of the financial instruments – the client with clear, complete and accurate information on the firm's duties and responsibilities in relation to the use of the financial instruments, including the terms for their return and the risks associated therewith.
24. Where the Investment Firm holds a client's cash or financial instruments, it shall, at least once a quarter, provide the client with an asset report on a durable medium, having the contents set out in Article 63(2) of Delegated Regulation 2017/565, unless the contents of that report have not been reflected in another regular report to the client.

25. The periodic client asset report referred to in paragraph 24 shall not provided where the Investment Firm gives its clients access to an online system which meets the durable medium criteria, if up-to-date reports on the client's financial instruments and cash are easily available to them and the Investment Firm has evidence that the client access those reports at least in the relevant quarter.
26. The Investment Firm shall notify its client on a durable medium when an obligation arises in respect of them under Article 145 of the Public Offering of Securities Act, no later than the first business day following the day on which a circumstance under Article 145(1) of the same act arises in respect of financial instruments of that client held by the Investment Firm as a result of transactions in financial instruments performed by the Investment Firm on behalf of the client.
27. The clients' assets held, administered or managed by the Investment Firm on their behalf shall be guaranteed by the Investor Compensation Fund against the Investment Firm's potential inability to return the assets for reasons directly related to its financial position, in the following circumstances:
 - 27.1. insolvency proceedings have been initiated against the Investment Firm;
 - 27.2. the FSC has revoked the Investment Firm's licence because its financial situation has permanently deteriorated, and it is unable to meet its obligations;
 - 27.3. a decision of the FSC has found that all of the following conditions are simultaneously satisfied:
 - 27.3.1. the financial instruments and/or cash held by the Investment Firm on behalf of its clients are not available in the relevant accounts for reasons other than the performance of contracts with the clients;
 - 27.3.2. the FSC has deemed that the Investment Firm is currently unable to pay out the clients' cash or return their financial instruments for reasons directly related to its financial position and will not be able to do so in the near future.
28. The client shall be entitled to compensation of 90% of the value of the receivable, as determined on the date of occurrence of the circumstance under paragraph 27, but no more than BGN 40,000. Compensation shall not be paid to the client categories, including professional clients, stipulated in Article 77d(2) of the Public Offering of Securities Act. Also, no compensation shall be paid for receivables arising from and/or relating to transactions and actions constituting money laundering, for which the perpetrator has been the subject of a conviction by final judgement.
29. When concluding the contract under Article 3(3), the Investment Firm shall notify the client of the existing system for compensation of investors in financial instruments, including its scope and the guaranteed amount of client assets, and shall also provide the client with details of the conditions and procedures for awarding compensation for client assets from the Investor Compensation Fund.
30. During the term of the contract under Article 3(3), the client may submit a written direction to FINEX Ltd to transfer the financial instruments and/or cash owned by the client to another investment firm and/or depository institution provided the client has no obligations to Finex Ltd relating to or resulting from transactions in financial instruments. FINEX Ltd must, within three business days, carry out the client's instructions, including transferring the financial instruments indicated by the client to a personal account of the client with a depository institution, including by opening a new such account, provided that the relevant depository institution offer such an option.

Article 19 Remuneration. Non-remuneration costs for the client

1. The Investment Firm shall publish a tariff, setting out its standard commission under the different types of contracts with clients and the type and amount of costs incurred by clients, if such costs are not included in the remuneration.
2. The Investment Firm may not set or charge commissions in ways that clearly constitute unfair discrimination between different execution venues.
3. Any amendment to the tariff shall be binding upon the client if it is has been duly published in the manner provided for in Article 7(4) and the client has not, within the period given to them, stated in writing that they refuse to accept the amendment. If the client does not accept any amendment to the tariff, they may terminate the contract without notice as set out in Article 7(4) and (7)(7.2).
4. The client must pay the Investment Firm a fee for each service rendered by the latter in accordance with the tariff referred to in paragraph 1 and as set out in the specific contract between the parties, or when an order is submitted on the basis of that contract.
5. Where the Investment Firm undertakes to be personally responsible for fulfilling the obligations of a third party to a transaction concluded on behalf of the client, it shall also be entitled to additional remuneration, which shall be agreed in writing between the parties.
6. The Investment Firm shall be entitled to additional remuneration, which shall be agreed in writing, for any amounts it collects on behalf of the client.
7. If acting as an intermediary, the Investment Firm shall be entitled to remuneration from both parties to the transaction.
8. Any client's costs which are not included in the fee of the Investment Firm, as set out in the tariff under paragraph 1, shall be set forth in the specific contract, or when an order is submitted on the basis of that contract.
9. The fee due and any additional costs paid by the Investment Firm in relation to performing the contract shall be paid by the client within three (3) days of conclusion of the transaction or

performance of another service under the contract referenced in Article 3(3), unless otherwise agreed by the parties.

10. Non-cash payments shall be deemed to have been made at the time when the Investment Firm's bank account is credited.
11. If it is objectively impossible to execute an individual order or another service under the contract referenced in Article 3(3), the client shall pay the Investment Firm any expenses incurred and the fee due for the work performed.
12. The Investment Firm shall be entitled to set off amounts owed by the client against funds kept in the client's account.

Article20 Exchange of information between the parties

1. For the purpose of maintaining relationships with its clients, the Investment Firm shall use Bulgarian in correspondence, provision of documents, notifications and any other type of exchange of information. The specific contracts under Article 3(3) may stipulate one or more other languages in which the parties may exchange information with each other.
2. If there are no specific requirements in a statutory act, these Terms and Conditions or the contract concluded between the parties, the parties may exchange information in written or oral form. Communication shall take place in person (at the offices of the Investment Firm), by phone, fax or letter sent to the mailing addresses provided by the parties, by electronic documents signed with electronic signatures, or by any other communication method agreed between the parties in the contract under Article 3(3). The Investment Firm shall retain the information received and sent in writing, any recordings of its telephone conversations with the client and the electronic correspondence between the parties in relation to the performance of the contract under Article 3(3).
3. Where there are provisions to make certain statements in writing, unless otherwise stipulated in the MFIA, its implementing regulations and Delegated Regulation 2017/565, those provisions shall be considered to have been followed with respect to statements sent and received by fax if their accurate reproduction is guaranteed, as well as with respect to statements in the form of an electronic document signed with an electronic signature, subject to the requirements of the Electronic Document and Electronic Certification Services Act, if compliance with the other requirements stipulated in the MFIA and its implementing regulations has been ensured.
4. In fulfilment of any obligation of the Investment Firm set forth herein to provide information on a durable medium, such information shall be provided on paper or in another form that meets the following requirements:
 - 4.1. the provision of information in that form is appropriate given the existing or prospective relationship with the client;
 - 4.2. the client has expressed a specific preference for this form of providing information over its provision on paper.
5. Where the information is provided to clients via the firm's website and is not addressed to any specific client, it must meet the following conditions:
 - 5.1. the provision of information in that form is appropriate given the existing or prospective relationship with the client;
 - 5.2. the client has expressly agreed to this form of providing information;
 - 5.3. the client has been notified by electronic means of the address of the firm's website and the place on the website where that information is located;
 - 5.4. the information is up-to-date;
 - 5.5. the information is continuously available on the firm's website for the time clients generally need to read it.
6. The provision of information by electronic communication methods shall be considered appropriate given the existing or prospective relationship with the client if there is evidence that the client has regular internet access. The client shall be deemed to have regular internet access if they provide an email address for the purposes of the relationship established with the Investment Firm.

Article21 Liability

1. The liability of the parties for defaulting on their contractual obligations shall be set forth in the specific contract.
2. Unless otherwise agreed in the contract under Article 3(3), in the event of delay in fulfilment or partial fulfilment of a monetary obligation, the party at fault shall pay a penalty of 0.1% a day on the outstanding amount until the fulfilment of the obligation or until the termination (cancellation) of the contract.
3. Unless otherwise agreed in the contract under Article 3(3), in cases of improper performance of an obligation to provide financial instruments, the penalty shall be equal to the adverse change for the non-defaulting contracting party in the value of the securities on the last day of the period of improper performance, but no less than 0.1% a day on the outstanding amount of the obligation until its performance or until the termination (cancellation) of the contract.

4. The non-defaulting party shall be entitled to statutory compensation for damages not covered by the penalty. The Investment Firm may not offer clauses in the contract with the client that result in inequality with respect to the compensations and penalties provided in the event of default on the contractual obligations.
5. The following parties shall be responsible for the operation, maintenance, data stream encryption, backup provision and compliance with the regulatory requirements for the markets to which the trading platform provides access:
 - 5.1. BG WEB SOFT EOOD for trading in instruments on BSE Sofia;
 - 5.2. Interactive Brokers for trading in instruments on foreign markets in the EU;
 - 5.3. Saxo Bank for trading in contracts for difference.

Article 22 Dispute resolution

1. Any complaint filed by a client shall be handled in compliance with the following procedure, as provided for in the internal control rules:
 - 1.1. If a client makes a complaint, the person from Sales and Customer Relations who received the complaint shall immediately register the relevant details in the log referred to in Article 72 of Regulation No 38.
 - 1.2. The person from Sales and Customer Relations who received the complaint shall immediately notify Internal Control thereof, so that the necessary actions can be taken to examine that complaint.
2. An Internal Control employee shall examine the complaint, prepare a report on its validity and draw up a statement of the check carried out in response to the complaint by:
 - 1) examining the entire documentation relating to the complaint available in the Investment Firm's records;
 - 2) talking to the employees and any other persons working for the Investment Firm under contract, against whom the complaint was filed and who can provide information concerning the complaint;
 - 3) talking to the complainant to clarify the case;
 - 4) taking any other actions necessary to clarify the case.
 - 2.1. The person referred to in Article 22(2) shall, within 10 days of receipt of the complaint, submit a report (statement) on the check carried out to the head of Internal Control, which shall include a detailed description of the findings made as a result of the check, the conformance of those findings to the claims made in the complaint, an assessment of the validity of the complaint, and any breaches identified during the check of employees or other persons working for the Investment Firm under contract. If the complaint is deemed valid, the report shall also propose specific measures to satisfy the client's interests.
 - 2.2. Within 3 days of preparation of the report (statement) referred to in the preceding subparagraph, the head of Internal Control shall provide it to the director along with a case report, their opinion on the case and a draft response to the complainant.
 - 2.3. The director shall, within 15 days of receipt of the complaint, notify the complainant of the results of the review of their complaint and take the necessary measures to satisfy the complainant's claims, if they are reasonable.
3. Making and handling complaints shall be free of charge for clients.

Article 23 Miscellaneous

1. Any other terms and conditions not set forth in these Terms and Conditions, as well as the remuneration of the Investment Firm and any client costs not included in the remuneration where they are not set in the tariff under Article 19(1), shall be laid down in the contract under Article 3(3).
2. Any matters not regulated herein and in the specific contract with the client under Article 3(3) shall be governed by current Bulgarian law.
3. Any dispute arising between Finex Ltd and the client in relation to the performance of contractual obligations shall be resolved amicably. If the Parties are unable to reach an agreement, the contentious issues shall be referred for resolution by the competent court in the location where Finex Ltd is headquartered.

Additional provision

§ 1 The words, expressions and terms used in these Terms and Conditions shall have the meaning assigned to them by the MFIA, Regulation No 38 and Delegated Regulation 2017/565.

Final provisions

§ 2 These Terms and Conditions have been drawn up in accordance with the requirements of the Markets in Financial Instruments Act, Delegated Regulation 2017/565 and Regulation No 38 on requirements for the activities of investment firms.

§ 3. These Terms and Conditions were amended by decision of the Company Directors of 28 June 2018 and shall enter into force upon their approval by the FSC, but no earlier than 5 August 2018.

§ 4. These Terms and Conditions shall apply to contracts with clients concluded after the Investment Firm was licensed by the FSC.