

**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 5(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 1784, ul. Mihail Tenev No 12; Phone: 02/ 439 01 89; Fax: 02/964 1726; Email: office@finex.bg.
 - 2.3. Finex Ltd is registered in the BULSTAT register kept by the Registry Agency under number 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 for acquisition of such financial instruments at their own expense;
 - 3.2. Additional services:**
 - 3.2.1. safekeeping and administration of financial instruments in the clients' account, including custody services (holding clients' financial instruments and money in a depository institution) and services related thereto, such as management of funds received/collateral provided;
 - 3.2.2. granting of loans for the execution of transactions with 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 their capital structure, industrial strategy and related issues, as well as advice and services related to company mergers and acquisitions;
 - 3.2.4. provision of services related to foreign payment instruments to the extent to which they are related to the investment services rendered;
 - 3.2.5. investment research and financial analyses or other forms of general recommendations related to transactions with financial instruments;
4. The activities of Finex Ltd as an investment firm will be supervised by the Financial Supervision Commission, having its seat and address at: Sofia, 16. Budapeshta St.

Article2 Services

1. Finex Ltd establishes these Terms and Conditions for the performance of the following services and activities for clients in accordance with Article 5(2) and (3) of the ZPFI:
2. Investment services and activities
 - 2.1. receipt and transmission of orders related to one or more financial instruments, including mediation in transactions with 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 for acquisition of such financial instruments at their own expense;
3. Additional services:
 - 3.1. safekeeping and administration of financial instruments on the clients' account, including custody services (holding clients' financial instruments and money in a depository institution) and services related thereto, such as management of funds received/collateral provided;
 - 3.2. granting of loans for the execution of transactions with 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 their capital structure, industrial strategy and related issues, as well as advice and services related to company mergers and acquisitions;

- 3.4. provision of services related to foreign payment instruments to the extent to which they are related to the investment services rendered;
- 3.5. investment research and financial analyses or other forms of general recommendations related to transactions with financial instruments;
4. The company will perform investment services and activities in EU member states. FINEX executes client orders on the regulated external market, including the market 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 covered by the services under Article 2 may be securities and instruments different from securities, as defined in Article 3 of the ZPFI. These Terms and Conditions shall also apply to the provision of services under Article 2 by Finex Ltd related to compensatory instruments within the meaning of the Compensatory Instruments Transactions Act.
6. Finex Ltd provides investment advice to clients only if a contract with an investment advisor has been concluded.

Article3 Client

1. A Client is an individual or legal entity who uses the services under Article 2 provided by Finex Ltd.
2. The investment firm's clients shall be defined as non-professional clients, professional clients or eligible counterparties based on 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 on the client's account on the basis of a written contract with the client.
4. Representation and legitimation
 - 4.1. The client may enter into the contract under paragraph 3 either in person or through a legal representative or attorney.
 - 4.2. If the contract under paragraph 3 is entered into through a legal representative, the latter shall present documents to the investment firm certifying their representation power to manage or dispose of financial instruments for 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 attorney in the circumstances provided for in Regulation No 38 on the requirements for the activities exercised by investment firms (Regulation No 38) only if the following are submitted: a notarised power of attorney granting representative power to manage or dispose of financial instruments and statement by the attorney to the effect that they do not execute transactions with financial instruments by occupation and that they have not executed any such transactions during a period of 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 attorney and by an employee from the internal control department.
 - 4.4. The investment firm shall keep a copy of the identity document of the client and the one of their representative or attorney for its records, if applicable, 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 employed by the investment firm, who shall also be:
 - 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 the requirements that have to be met by individuals who directly execute transactions with financial instruments and provide investment advice on financial instruments based on a 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 clients subject to these Terms and Conditions.
2. The contract may contain additional clauses or individual clauses deviating from the 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 thereunder, those clauses shall apply, rather than the conflicting clauses of the Terms and Conditions.

3. Before the conclusion of a contract under Article 3(3) with a non-professional client, the investment firm shall provide them with information on the client's and the investment firm's essential rights and obligations, information on the terms of the contract to be concluded and any other information required under Article 8(1) of Regulation No 38 on the requirements for the activities exercised by investment firms (Regulation No 38), by submitting the following documents:
 - 3.1. terms and conditions applicable to contracts with clients;
 - 3.2. draft of the contract to be concluded, with the contents under Article 5;
 - 3.3. the Client Categorisation Rules of the investment firm containing the conditions and criteria based on which clients are defined as professional or non-professional clients, as well as the circumstances under which a client can be defined as an eligible counterparty;
 - 3.4. information on the Order Execution Policy – for clients who will receive services under Article 2(1) and (2);
 - 3.5. information on the policy on handling conflicts of interest applied by the investment firm (consolidated form), 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 applied by the investment firm;
 - 3.6. the tariff of the investment firm.
4. Upon concluding a contract with a professional client, the investment firm shall provide them with the information referred to in paragraph 3, which applies to non-professional clients, except for the information under subparagraph 3.5 on the policy on handling conflicts of interest.
5. At the client's request, the investment firm shall provide them additional information and clarifications about the documents referred to in the preceding paragraphs.

Article5 Content of contract

1. The contract under Article 3(3) shall include the following details as a minimum:
 - 1.1. full name, personal number and address of the client and of their representative, if any; if the client is a legal entity, its name, registered office, principal place of business, tax number, BULSTAT identification code and the legal entity representative's full name and personal number shall be also included;
 - 1.2. full name and personal number of the person representing the investment firm and their capacity;
 - 1.3. time and place of signing 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 tariffs valid at the time of signing the contract;
 - 1.6. scope of the investment firm's representation power;
 - 1.7. the essential 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, understood and accepted the investment firm's terms and conditions and tariff, that they have received the order execution policy, the Client Categorisation Rules of the investment firm, information on the policy on handling conflicts of interest applied 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 relevant risks, as well as any other information that must be provided by the investment firm to the client pursuant to the ZPFI and Regulation No 38, which is applicable depending on the type of client and the services provided by the investment firm under the contract.
2. By signing the contract under Article 3(3), the client (or their representative) accepts the applicability of the terms and conditions, the tariff and order execution policy to the contractual relationship between the investment firm and the client. The contract also lays down any other terms and conditions with the option to include additional clauses or clauses deviating from the terms and conditions.
3. By signing the contract under Article 3(3), the investment firm notifies the client of and the latter accepts the following:
 - 3.1. that the investment firm will store the client's personal data in written and electronic form and will process such data for the purposes of the contract and its execution in the course of providing the services thereunder and that the investment firm will prepare and keep records, reports and other documents necessary for the contract execution and for fulfilment of the investment firm's obligations hereunder or under the applicable legislation.
 - 3.2. that the investment firm will provide the client's personal data solely to the authorities or individuals authorised by law, including the FSC, the deputy chair of the FSC and the authorised officials of the FSC;
 - 3.3. the client has the right to access and correct their personal data collected by the investment firm as established by them.

- 3.4. The client must immediately notify the investment firm of any changes related to its legal status and the persons authorised to represent them by providing the investment firm with all the documents related 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 based on the information available to the investment firm at the time.
4. Contract for the provision of remote financial services
- 4.1. Upon 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 upon initiating negotiations on the conclusion of such 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 recategorised 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 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 client's experience, skills and knowledge, the Investment Firm can reasonably deem that, given the nature of the transactions and services under the contract which the clients intends to conclude or use, the client is capable of taking independent 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 recategorise 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 recategorised 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 the client expressly requests to be treated as a retail client, the second sentence of the preceding paragraph shall apply to them.
5. Information from the client
- 5.1. When concluding a contract under Article 3(3) for the provision of investment advice, the Investment Firm shall ask the client for the following information:
- ✓ investment goals of the client;
 - ✓ financial position of the client;
 - ✓ investment experience and knowledge of the client.
 - ✓
- 5.2. When concluding a contract under Article 3(3) for the provision of services other than those set out in 5.1, the Investment Firm shall ask the client for information on their investment experience and knowledge.
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 preferences on risk taken and the client's risk profile;
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 on behalf of the client, and the period for which they will be concluded;
- 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 6.
10. The client must keep the information provided in accordance with the preceding paragraphs up-to-date.
11. Where transactions are concluded with clients defined as eligible counterparties or where investment services under Article 5(2)(1)-(3) 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, 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 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 a 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 the 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 the 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 transfer the client's financial instruments it holds to a personal account of the client with a depository institution if the client has failed to indicate otherwise, 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 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 must provide Finex Ltd with the 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 transfer the client's financial instruments it holds to a personal account of the client with a depositary institution, if the client has failed to indicate otherwise, including by opening a new such account, provided that the relevant depositary institution offers such an option.

- 7.3. pursuant to Article 7(6.6) with respect to the client, the same or their successor must, within 7 days of the appearance of grounds for termination of the contract, 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 the orders 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 transfer the client's or its successor's financial instruments it holds to a personal account of the client with a depositary institution, if the client or its successor has failed to indicate otherwise, including by opening a new such account, provided that the relevant depositary institution offers 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 liable, after the expiration of a period to remedy the default by the defaulting party set by the non-defaulting party by written notice of cancellation. pursuant to Article 7(6.6) with respect to the client, the same or their successor must, within 7 days of the appearance of grounds for termination of the contract, 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. After the expiration of the period for submission of the instructions referred to in the preceding sentence, the investment firm may transfer the client's financial instruments it holds to a personal account of the client with a depositary institution, if the client has failed to indicate otherwise, including by opening a new account, provided that the relevant depositary institution offers 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 where they terminate 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 5(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 16.
2. Authorisation, Sub-delegation and Replacement
 - 2.1. The Investment Firm must personally perform its contractual obligations under Article 5.
 - 2.2. The Investment Firm may engage another person to render a certain service, or authorise, sub-delegate powers to 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 Five of Regulation No 38;
 - 2.2.2. the Client has empowered the Investment Firm to authorise, sub-delegate powers to or appoint as its replacement another person.
 - 2.2.3. An exemption from the requirement in 2.2 shall only be allowed where making such an exemption is necessary to protect the Client's interests. The Investment Firm shall immediately notify the Client in writing of the authorisation, sub-delegation or replacement, the reasons for doing so and the person who 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 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 as a result of the third party's actions, due to its poor choice.
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 relating to the performance of the contract, in accordance with the law, these Terms and Conditions and as laid down in the contract and the instructions the Client gives on the performance of the contract concluded between them.

Article9 Service suitability assessment

1. When giving investment advice, the Investment Firm shall use the information obtained under Article 6. The Investment Firm shall recommend trades on the basis of the aforementioned information if it can be reasonably assumed, taking into account the nature and volume of the service provided, that the following requirements are met:
 - 1.1. the trade is in line with the investment goals of 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.
2. When providing a service set out in paragraph 1 to a professional client, the Investment Firm may assume that, with regard to the products, trades and services in respect of which they have been classified as a professional client, they have the necessary experience and knowledge for the purposes of paragraph 1.
3. When giving investment advice to a professional client in accordance with Section I of the Annex to the MFIA, the Investment Firm may assume, for the purposes of paragraph 1, that this 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) to assess whether the investment service 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.
5. If the Investment Firm decides that the investment service offered 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 offered is suitable for them.
7. When providing investment services under Article 2, the Investment Firm may assume that the professional client has the necessary knowledge and experience to understand the risks associated with the specific service, trade or product in respect of which the client has been classified as professional.
8. 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 inaccurate, incomplete or outdated.
9. 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 be performed solely in the interest of the Investment Firm;
 - 1.2. perform actions with money or financial instruments of the client it has not been authorised to perform by the client;
 - 1.3. sell, on behalf of a third party, financial instruments not owned by the Investment Firm or its client, other than as set forth in a regulation;
 - 1.4. participate in concealed purchases or sales of financial instruments;
 - 1.5. gain part of or the entire benefit if the Investment Firm has concluded and executed the transaction on terms better than those identified by the client;
 - 1.6. conduct business in 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 employed under contract by the Investment Firm and any persons related to them.

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 a fee, commission or non-monetary benefit, with the exception of:
 - 4.1.1. a fee, commission or non-monetary benefit paid or provided by or to the client or its representative;
 - 4.1.2. fee, commission or non-monetary benefit paid or provided by or to the a third party or its representative if the following conditions are met:
 - 4.2. the existence, nature and amount of the fee, commission or non-monetary benefit have clearly been explained clearly to the client in an accessible, accurate and comprehensible manner prior to the provisions of the relevant investment or ancillary service, and where the amount cannot be determined, the method of its calculation has been described.
 - 4.3. 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 in the client's best interest.
 - 4.4. inherent charges that secure or are necessary for the provision of the investment services, such as custody service 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. it provides a summarised version of the contracts' material terms concerning fees, commissions or non-monetary benefits.
 - 5.2. it provides, at the client's request, detailed information on the fee, commission or non-monetary benefit; and
 - 5.3. information under this paragraph is provided honestly, fairly and in the client's interest.

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 information as set out in the preceding sentence without its prior approval by an Internal Control Department employee.
2. The Investment Firm shall promptly notify the client in the event of any change in the information provided to the client.
3. Where the information under Article 11 is provided to retail clients or potential retail clients or is disseminated in a manner enabling it to reach such clients, the information shall:
 - 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 clearly and prominently the relevant risks;
 - 3.3. be sufficient for and presented in a comprehensible manner to the usual audience to which it is addressed or that it is likely to reach;
 - 3.4. not conceal, skip or downplay important messages, statements or warnings.
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 the 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 refers to a past period and are not a certain indicator of future results;
 - 5.5. if the mentioned 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 the exchange rates.
 - 5.6. where the yield is mentioned at all, 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 the same or are a base asset for the financial instruments whose yield has been simulated;
- 6.3. for the actual past yield under sub-paragraph 6.2, the requirements under paragraph 5 must be fulfilled;
- 6.4. it must contain an express warning that the data are based on a simulated yield which 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 total 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.
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 include the name of FSC or another competent authority so as to expressly state or otherwise indicate that the authority has validated or approved the products or services offered by the Investment Firm.

Article 12 Information on financial instruments and related risks

1. The Investment Firm must 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 with them. The description must be appropriate for the client type (professional or retail) and meet the following requirements:
 - 1.1. it must contain a detailed explanation of the type and features of the specific financial instruments and the specific related risks;
 - 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 made;
 - 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 assume financial and other additional obligations as a result of trades in financial instruments, including unforeseen obligations in addition to the cost of acquiring the instruments;
 - 2.4. all margin requirements or similar obligations applicable to instruments of this type.
3. Where the financial instruments are subject to public offering, the Investment Firm shall inform the retail client where the prospect is available for the public.
4. In cases where the risks associated with a financial instrument composed of two or more different financial instruments or services are likely to be higher than the risks associated with any of its components, the Investment Firm shall provide an adequate description of the financial instrument's components and how their interaction increases the risks.
5. In cases where the financial instruments include a third party guarantee, the Investment Firm shall provide the retail client with sufficient information on the guarantor and the guarantee to allow them to make an objective assessment of it.
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 document with key information on 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 transactions-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 of the parts of the total price under paragraph 1 must be paid in a foreign currency or the equivalent of that currency, the payment currency, the exchange rate and the conversion costs shall be indicated;

- 1.3. notice of the possibility of incurring 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 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 document with key information on the collective investment scheme.

Article14 Conflict of interest

1. In rendering services and conducting activities under Article 5(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 employed under contract by it and any related control persons, on the one hand, and its clients, on the other hand;
 - 1.2. its separate 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 conflict of interest handling policy established in the Investment Firm's Internal Rule.
3. If, despite 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 in line with the client's profile and, taking into account their profile, must be sufficient for the client to understand the source and nature of the conflict of interest and the potential consequences thereof, and on the basis of that, make 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 the information under this paragraph and the client has not decided to use the relevant service on the basis of that information.

Article15 Confidentiality

1. In conducting its business, the Investment Firm must protect the trade secrets and business reputation of its clients.
2. The directors of the Investment Firm and the person employed under contract by it 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 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 the audit order, the Investment Firm may only give information under paragraph 2:
 - 3.1. with permission from its client;
 - 3.2. by court decision issued in accordance with Article 35(6) and (7) of the MFIA;
 - 3.3. in the circumstances and subject to the terms set out in Article 35(8) and (9) of the MFIA.

Article16 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 shall have at least the following contents:
 - 2.1. name(s) and unique client number of the client and their representative, 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 order (buy, sell, swap, etc.);
 - 2.5. unit price and total value of the order;
 - 2.6. validity period of the order;
 - 2.7. execution 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, and saved 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 submitted shall 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 certain execution venue. The client shall gain access to the system referred to in the preceding sentence and enter orders through an electronic certificate.
7. If there are further statutory requirements concerning the procedure for submitting and the form of client orders, other than those mentioned in the preceding paragraphs, they shall apply when clients give orders.
8. Submission of an order through an agent
 - 8.1. Orders, as set out in Article 16(1), shall be submitted through an agent only if the same provides a notarised power of attorney, containing representative authority for disposing of financial instruments, and a declaration pursuant to Article 3(4)(3) for 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)(1) only through persons under Article 3(5) (1)-(3).
 - 9.2. When accepting an order, the person accepting that order 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 has not fulfilled 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 inside 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 that are the subject of the order are issued, are traded on a regulated market;
 - 12.2. the financial instruments that are the subject of 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 that is the subject of 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 that are the subject of 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 inside information or that the trade that is the subject of 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 that are the subject of 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 set forth in paragraph 18 on sell orders for financial instruments that are not available in the client's account shall not apply in the circumstances stipulated by regulation.
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 and 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 it is 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 inside information or manipulation of the market in financial instruments.
22. The client may submit a further order or withdraw an order submitted no later than the conclusion of transaction in execution of the previous order submitted.
23. The requirements of these Terms and Conditions shall apply to the procedure for submitting and the form of further orders and the withdrawal of orders submitted.
24. The Investment Firm must accept the further orders or the requests for withdrawal of orders submitted that 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 withdrawal 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 execution, change or withdrawal of the order, 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 in executing the order changed or withdrawn until the time of receipt of the further order or withdrawal request shall obligate the client.
27. Any client submitting an order for the purchase of financial instruments must provide the funds necessary to pay for the trade to the Investment Firm or otherwise certify that they will fulfil their obligation to pay on submission of the order.
28. If the rules of the execution venue in which the trade will be made allow 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 along with them, and the existence and validity of the rights to the financial instruments provided by the client. If the Investment Firm suffers 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 following the execution of their orders in compliance with the requirements set out in the preceding sentence, and the risk shall be 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 orders to be executed;
 - 30.2. immediate execution in the order 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 employed under contract by the investment firm.
34. The Investment Firm shall trade financial instruments on behalf of clients on the best terms, making efforts to achieve the best possible 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 made reasonable efforts to identify the best price for the client according to the conditions, costs and probability of execution of the order, as well as any other circumstances relating 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. specifications of the client's order;
 - 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 possible 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 possible execution in cases where there is more than one competitive execution venue 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 provides for the possibility of executing client orders outside a regulated market or multilateral trading system too, the orders may only be executed in this manner if the firm's client have been notified in advance and have given their express agreement for that.
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 from taking the necessary actions to achieve the best results when executing client orders in accordance with the Client Order Execution Policy, in respect to part of the order that the special instructions refer to.
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 division policy, which is part of the Investment Firm's 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 each client whose order is being merged that the merger may be unprofitable for the client in relation to the specific order.
 - 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 order division policy it has adopted.
44. If the Investment Firm makes the trade on terms better than those identified by the client, the entire benefit 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 in 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.

Article17 Confirmation of orders accepted

47. The Investment Firm shall, as soon as possible but no later than the first business day after the conclusion of a transaction, send the retail client, in execution of whose order it has entered into the transaction, confirmation of the transaction concluded on a durable storage medium, having the contents pursuant to Article 45 of Regulation No 38. 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 has received the confirmation from the third party.
48. Where the transaction is concluded on behalf of a professional client, the Investment Firm shall immediately provide them with the material information on the transaction on a durable storage medium in accordance with Article 20.
49. 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 notify the client by an appropriate manner by the end of the business day on which the firm has become aware of the change.
50. The Investment Firm shall, on request, provide the client with information on the status of the order and its execution.
51. When rendering services under Article 2, the Investment Firm shall, where it transmits orders of its clients for execution by other 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 Order Execution Policy.

Article18 Safekeeping of client assets

1. The Investment Firm shall safekeep the client's financial instruments, cash and other assets provided or acquired in performance of the contract under Article 3(3).
2. The Investment Firm shall segregate its financial instruments and cash apart from those of its clients.
3. The Investment Firm shall not meet its obligations to its creditors with financial instruments and cash of its clients.
4. The Investment Firm shall keep the financial instruments of its clients in a depositary 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 depositary institution on the basis of the contract under Article 5 and in accordance with the terms stipulated therein.
6. The Investment Firm must, when opening a financial instrument account for its client with a third party, exercise due diligence to protect the client's interests in identifying and engaging that party to keep the client's financial instruments, as well as regularly, but no less than once a year, review the choice of that party and the conditions in which it keeps the client's instruments, exercising the same due diligence.
7. If the Investment Firm plans to keep the client's financial instruments at a third party in an EU member state whose law provides for special regulation and supervision of the safekeeping of financial instruments on behalf of another person, the Investment Firm may not provide the client's financial instruments for safekeeping at a party of that state which is not subject to the regulation and supervision provided for by local law. The Investment Firm may not keep a client's financial instruments at a third party in a third country that is not an EU member state.
8. The Investment Firm shall take the necessary steps to ensure that its clients' financial instruments are kept at a third party in a manner guaranteeing that the clients' financial instruments can be identified separately from the financial instruments of the Investment Firm and the third party through the maintenance of separate accounts by that third party or by implementing other measures ensuring the same level of protection. If the law applicable to the activities of the third party 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 in relation to the financial instruments kept at the third party, including by opening financial instrument account for its clients that are separate from its own account, which the third party shall maintain in the name of the Investment Firm, but on behalf of a third party.
9. If, in performance of the contract under Article 5, 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, bank licensed in an EU member state or collective investment scheme under Article 34(3)(4) of the MFIA no later than the following business day, taking the necessary actions to diversify the funds among the aforementioned parties. The Investment Firm may only deposit the cash of its clients in such a related party if the clients have given their written agreement for that.
11. Any investment firm depositing its client's cash in a party referred to in paragraph 10 other than a central bank must exercise due diligence to protect the client's interests in identifying that party and depositing its client's cash in it, as well as regularly, but no less than once a year, review, exercising the same due diligence, the choice of that institution or collective investment scheme and the conditions in which it holds the client's cash.
12. The Investment Firm may not invest the client's cash in a collective investment scheme if the client objects to such a manner of safekeeping the cash provided by them.
13. The Investment Firm shall take the necessary steps to ensure that the clients' cash deposited in accordance with paragraph 1 are kept in separate accounts or an account of the client's apart from the cash of the Investment Firm. If the law applicable to the activities of the party in 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 in relation to the cash deposited, including by opening a joint cash account for its clients which that party shall maintain in the name of the Investment Firm, but on behalf of a third party.
14. Except as stipulated by regulation, the Investment may not use:
 - 14.1. its clients' cash and financial instruments for its own account;
 - 14.2. other clients' cash and financial instruments for the account of its client;
 - 14.3. its own cash and financial instruments for the account of its client;
15. The Investment Firm may not enter into transactions for the financing of securities with the clients' financial instruments it holds or otherwise use such financial instruments for its account or for the account of another client, unless the client has given their prior express consent to the use of the financial instruments on specified terms and the financial instruments are used in compliance with

- those terms. The consent referred to in the preceding sentence must be given in writing if the client whose financial instruments are used is a retail client.
16. Any investment firm holding clients' financial instruments and cash shall maintain records and keep accounts of the client's assets held in a manner enabling 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 1 shall be maintained in a manner ensuring their accuracy and correspondence with the financial instruments and cash held for clients.
 18. The Investment Firm shall regularly reconcile the records and accounts under paragraph 1 kept by it with those kept by third parties with whom client assets are held.
 19. The Investment Firm shall notify its retail 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 under national law 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 retail clients of the possibility that their financial instruments will be kept in a joint account with a third party, where national law allows for such a possibility. The Investment Firm shall notify its retail clients of the circumstances where national law does not allow for the client's 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 or will be subject to the law of an EU member state. The notification must state that the client's rights in relation to the financial instruments or cash may be different due to the applicability of the law of an EU member state.
 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 against the client's financial instruments or funds;
 - 22.4. the possibility of the depositary institution having 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 retail 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, as set out in Article 32(5) of Regulation No 38 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 year, provide the client with a report on a durable medium, having the contents set out in Article 49(1) and (2) of Regulation No 38, unless the contents of that report have not been reflected in another regular report to the client.
 25. 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.
 26. 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:
 - 26.1. insolvency proceedings have been initiated against the Investment Firm;
 - 26.2. The FSC has revoked the Investment Firm because its financial situation has permanently deteriorated and it is unable to meet its obligations.
 27. 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 1, 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
 28. When concluding the contract under Article 5, 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 compensation for client assets by the Investor Compensation Fund.

29. 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 transfer 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 offers such an option.

Article 19 Remuneration Non-remuneration costs for the client

1. The Investment Firm shall publish, in a tariff, its standard commission under contracts with clients and the type and amount of costs for 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. Amendments to the tariff shall be binding upon the client if they have been duly communicated to them in the manner provided for in Regulation No 38 and the client has not, within the sufficient period given to them, stated in writing that they refuse to accept those amendments. If the client does not accept the amendments to the tariff, they may terminate the contract as set out in Article 7(4) and (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 the fulfilment of 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 the amounts of the client collected by it.
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 remuneration of the Investment Firm set out in the tariff under paragraph 1 shall be set in the specific contract, or when an order is submitted on the basis of that contract.
9. The remuneration due and any additional costs paid by the Investment Firm in relation to performing the contract concluded shall be paid by the Investment Firm's 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. The non-cash payment 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 accordingly pay the Investment Firm the expenses incurred and the remuneration due for the work performed.
12. The Investment Firm shall be entitled to set off the amounts owed by the client against the funds kept in the client's account.

Article 20 Exchange of information between the parties

1. For its relationships with clients, the Investment Firm shall use Bulgarian as the language for correspondence, provisions 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 in written or oral form. Communication shall take place in person (at the offices of the Investment Firm), by phone, fax or letters 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 keep the information received and sent in writing, 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 and its implementing regulations, 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 Signature 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 by another method that meets the following requirements:
 - 4.1. the provision of information by that method is appropriate given the existing or prospective relationship with the client;
 - 4.2. the client has expressed a specific preference for this method 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 by that method is appropriate given the existing or prospective relationship with the client;
 - 5.2. the client has expressly agreed to this method 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 at all times when the 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 a 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 for in the event of default on the contractual obligations.
5. The following shall be responsible for the operation, maintenance, encryption of data streams, provision of backups 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

Article22 Dispute resolution

1. A complaint filed by a client shall be handled in compliance with the following procedure, as provided for in the internal control rules:
 - 1.1. When a client complaint is received, the relevant person from Sales and Customer Relations shall immediately enter the relevant details in the log under Article 72 of Regulation No 38 and shall notify Internal Control of those details, so that the necessary actions can be taken with respect to the complaint received.
 - 1.2. For the complaint received, the relevant person from Sales and Customer Relations shall immediately notify Internal Control, so that the necessary actions to examine that complaint can be taken.
2. An Internal Control employee shall examine the complaint, prepare a report on its validity and draw up a statement of check carried out in response to the complaint submitted by:
 - 1) examining the entire documentation relating to the complaint filed available in the Investment Firm's records;
 - 2) talking to the employees and any other persons engaged under contract by the Investment Firm, against whom the complaint was filed and who can provide information concerning the complaint filed;
 - 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, which includes 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 engaged under contract by the Investment Firm. If it has been assessed that the complaint is 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 claim if they are reasonable.
3. Any other terms and conditions not set forth in these Terms and Conditions, as well as the remuneration of the Investment Firm and any costs of the client not included in the remuneration where they are not set in the tariff under Article 62, shall be set in the contract under Article 5.
4. Any matters not regulated herein and in the specific contract with the client under Article 5(1) shall be governed by current Bulgarian law.
5. 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.

Article 23 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 Commission Regulation (EC) 1287/2006.

Final provisions

§ 2 These Terms and Conditions are drawn up in accordance with the requirements of the Markets in Financial Instruments Act and Regulation No 38 on requirements for the activities of investment firms.

§ 3 These Terms and Conditions were adopted by Decision of the Sole Shareholder in Finex EOOD (single-member limited liability company) of 28/01/2015, updated by Decision of 20/04/2015, updated by Decision of 14/04/2016, and shall come into effect after their approval by the FSC, as well as by Decision of the General Meeting of 11/12/2017, and shall come into effect on 15/02/2018.

§ 4 (1) These Terms and Conditions shall apply to contracts with clients concluded since obtaining a licence from the FSC