

GENERAL TERMS AND CONDITIONS OF II "ELANA TRADING" INC. FOR FINANCIAL INSTRUMENTS TRANSACTIONS

On the grounds of Article 13, paragraph 2, item 5, of the Markets in Financial Instruments Act /MiFIA/ and Article 22 and the following Regulation No. 38, dated 29.06.2007, for the Requirements to the activities of the investment intermediaries (Regulation No. 38), in connection with Article 298 and Article 348-360 of the Commerce Act, the Board of Directors of Investment Intermediary "Elana Trading" Inc. has adopted the following General Terms and Conditions as regards to transactions with financial instruments applicable to contracts with clients:

I. GENERAL PROVISIONS

1. These general terms and conditions regulate the relations between the clients and the Investment Intermediary with company: "Elana Trading" Inc.;
entered into the Investment Intermediaries Register, kept by the Financial Supervision Commission (hereinafter referred to as FSC or the Commission), bearing No. RG (ПГ)-03-30;
acting as Investment Intermediary by virtue of Decision made by the Commission on Securities and Stock Exchanges No. 74 – II, dated 03 April 1997, Decision No. 29 – II dated 19 May 1999; Decision No. 43- II/21.01.2004 of the FSC and Permit No. ПГ (РГ) -03-0030/26.01.2004 of FSC, Decision No. 171- II/08.03.2006 and License No. ПГ-03-0030/25.11.2010,
entered into the Commercial register, kept by the Registry Agency,
having ID code as per BULSTAT Register - 831470130;
and business activity:
 - 1.1. providing, on the territory of the Republic of Bulgaria and abroad, the following investment services and activities:
 - A. Acceptance and placement of orders in connection with financial instruments, including intermediation for concluding transactions in connection with financial instruments;
 - B. Execution of orders at clients' expense;
 - C. Financial instruments transactions at company's own expense;
 - D. Individual portfolio management;
 - E. Investment consultancy to clients;
 - F. Underwriting financial instruments issues and/or offering financial instruments for initial sale on the terms and conditions of unconditional and irrevocable obligation to subscribe/acquire the financial instruments at company's own expense;
 - G. Offering for initial sale of financial instruments without unconditional and irrevocable obligation to acquire the financial instruments at company's own expense.
 - 1.2. as well as the following additional services:
 - A. Keeping and administering financial instruments at clients' expense, including custody activity (keeping clients' financial instruments and funds in a depository institution) and services related thereto like management of the incoming funds/securities provided;
 - B. Granting of loans for concluding financial instruments transactions, provided that the person lending the moneys is involved in the transaction under the terms and conditions specified in a Regulation;
 - C. Consultancy provided to companies regarding the capital structure, industrial strategy and issues related thereto, as well as consultancy on mergers and acquisitions of companies;
 - D. Transactions in foreign currency as far as related to the investment services provided;
 - E. Investment surveys and financial analysis or other forms of general recommendations related to financial instruments transactions;
 - F. Additional services associated with the underwriting of issues.

hereinafter referred to as "Investment Intermediary" or "II".

2.1. In the meaning of these General Terms and Conditions (hereinafter referred to as "GTC"):

- a) "client" is each physical person or legal entity that uses the investment and/or additional services provided by the investment intermediary;
- b) "professional client" is a client, who has experience, knowledge and skills to take independent investment decisions and properly assess the risks, associated with investment, and who meets the criteria listed in the attachment;
- c) "non-professional client" is a client, who does not meet the criteria for a professional client;
- d) "financial instruments" are:
 1. securities;
 2. instruments other than securities:
 - instruments on the money market;
 - shares in collective investment funds;
 - options, futures, swaps, forward contracts with fixed interest rate and other derivative contracts on securities, currency, interest rates, incomes or other derivative instruments, indexes or financial indicators, where obligations can be settled through delivery or cash payment;
 - options, futures, swaps, forward contracts with fixed interest rate and other derivative contracts on commodities, where obligations must be settled by cash payment or where obligations can be settled by cash payment upon request of either party (except in case of a default or other reason for contract termination);
 - options, futures, swaps and other derivative contracts on commodities where obligations can be settled through delivery, when they are traded on a regulated market and/or multilateral trading system;
 - options, futures, swaps, forward contracts and other derivative contracts on commodities, in addition to those mentioned in letter "e", where the obligations can be settled through delivery, which are not commercial securities and which in accordance with Article 38, paragraph 1 of Regulation (EC) No. 1287/2006 of the Commission have the characteristics of other derivative financial instruments depending on whether they are cleared and settled, including through accredited clearing houses, or used as a collateral with margin purchases or short sales;
 - derivative financial instruments for credit risk transfer;
 - contracts for differences;
 - options, futures, swaps, forward rate agreements, and any other derivative contracts related to climatic variables, freight rates, emission allowances, inflation rates and other official economic statistics, that must be settled in cash or may be settled in cash upon request of one of the parties (except in case of a default or other reason for contract termination), as well as all other derivative contracts related to assets, rights, liabilities, and indices, other than those indicated under this article, which have the characteristics of the other derivative financial instruments, depending on whether they are traded on a regulated market, cleared and settled including through recognized clearing houses or used as a collateral with margin purchases or short sales, as well as the derivative contracts according to Art. 38, Para. 3 of Regulation (EC) # 1287/2006 of the Commission.
- e) "securities" are transferable rights registered in accounts with the Central Depository and for the government securities – registered in accounts with the Bulgarian National Bank or with a sub-depository of government securities, or in foreign institutions, pursuing such business

(dematerialized securities) or documents materializing transferable rights (materialized securities) which can be traded on the capital market, with the exception of payment instruments, such as:

- shares in companies and other securities equivalent to shares in equity companies, partnerships or other legal entities, as well as depository receipts for shares;
- bonds and other forms of securitized debt, including depository receipts related to such;
- other securities giving the right to acquire or sell such securities or resulting in a cash payment defined through securities, exchange rates, interest rates or yields, commodities or other indices or indicators.

2.2. Words and expressions used in the GTC that have legal and technical meaning and that are not defined in item 2.1. or in the specific client's contract shall have the meaning, attributed to them by the MiFIA /Markets in Financial Instruments Act/, POSA /Public Offering of Securities Act/ and the regulations related to them. At the request of the client, II shall provide a list of words and expressions, defined in MiFIA, POSA and the regulations related to them.

2.3. **(amend. on 07.10.2021)** In instances where the present GTC provide for the II to notify or inform its client, it should be done electronically (email) or by any other means for which the following requirements are met:

1. providing information in this way is appropriate in view of the existing or forthcoming relationship with the client;
 2. **(amend. on 07.10.2021)** the client has explicitly chosen this method of providing information over providing it electronically.
- 2.4. The II can notify or inform its clients through its official website under the following conditions:

1. providing information in this manner is appropriate in view of the existing or future relations with the client;
2. the client has explicitly agreed with this manner of providing information;
3. the client has been notified by electronic means about the internet address of the II's official website, as well as about the location on the site, where this information can be found;
4. the information is currently accurate;
5. the information is continually available on the II's website for a period of time, usually needed by clients to get familiar with it.

2.5. Whenever the II uses internet to notify or inform its clients, this is done through the company's website at the following address:

<http://www.elana.net/trading/>

2.6. The II can notify or inform its clients by electronic means of communication, if this is considered as appropriate in view of the existing or future relations with the client and provided the client has a regular access to internet. The client is considered to have a regular access to internet if he provides an e-mail address for the purposes of the established relations with the II.

3.1. These GTC are applicable to contracts with clients in connection with the indicated services that II provides within the scope of its business activity and the current legislation:

- a) execution of sales and purchases and other onerous transactions in financial instruments with third parties following the order of the client and at the expense of the latter (II shall act as a commissioner on its own behalf or as an attorney on behalf of the client, against remuneration);
- b) execution of sales and purchases and other onerous transactions with financial instruments from II's own portfolio (II is the final contractual party in regards to its client and concludes the transaction with the client at its own expense);
- c) trust management by the II of financial instruments portfolios of a client, including accepting client's funds for the purpose of forming financial instruments portfolio at his expense and keeping in custody the funds and financial instruments provided or acquired in connection with the management of the portfolio (the II concludes a series of transactions indicated under letter "a" and/or "b", at its discretion, without any special orders on behalf of the client or under the conditions of agreement with the client);
- d) custody services in regards to financial instruments (II keeps in custody financial instruments and/or funds, received or acquired on behalf of the client in relation to financial instruments, in the Central Depository and/or bank and/or safety vault, submitting client's orders for financial instruments transactions to another Investment Intermediary and performing management activities in regards to financial instruments as agreed with the client);
- e) underwriting of financial instruments issues and/or initial offering for sale of financial instruments under the terms of unconditional and irrevocable obligation to subscribe/acquire the financial instruments at II's own expense;
- f) initial offering for sale of financial instruments without the unconditional and irrevocable obligation to subscribe/acquire the securities at II's own expense;
- g) consultancy and/or expert services to Bulgarian and foreign physical persons and legal entities related to the business activity of the II;
- h) registration agent operations.

3.2. By signing a contract where the present GTC apply, the client declares that:

- a) he's been advised and agrees to the policy adopted by the II on the execution of orders on client's behalf;
- b) he's been advised and agrees his orders to be executed outside a regulated market or multilateral trading system, in case the policy on the execution of orders provides for that possibility;
- c) he's been advised of the existing system for compensation of investors in financial instruments, including its scope and the guaranteed amount of clients' assets;
- d) he's been advised of the risks associated with financial instruments transactions;
- e) he's been advised of the locations where transactions are concluded;
- f) he's been advised of the types of costs and their size;
- g) he's been advised of the possibility that other costs may arise, including taxes related to the financial instruments transactions or investment services provided, which are not paid through the II and are not imposed by it;
- h) he is familiar with the policy for treating conflicts of interests;
- i) he's been advised of the possibility for the II to deposit clients' funds with persons defined in Regulation No. 38;
- j) he's been advised that Bulgarian language will be used for communication purposes with the II, unless otherwise explicitly agreed to by the parties.
- k) **(new 07.10.2021)** has been notified of the II's general data protection policy;

3.3. By signing a contract where the present GTC apply, the client acknowledges that he's been advised by the II of:

- a) the existence of a right for the II to secure or retain clients' funds or financial instruments in case the client is in delay to meet his financial obligations under a contract signed between him and the II, up to the amount of the client's obligation, unless otherwise provided for in the contract;
- b) the existence of a right for the II to deduct clients' funds or financial instruments in case a counter-obligation arises for the II in respect to the client. The deduction should be made up to the amount of the lesser of the two counter-obligations, following a notice by the intermediary to the client;
- c) the possibility for the depository institution to have the right to secure, retain or deduct clients' financial instruments or funds, when applicable.

II. GENERAL REQUIREMENTS AND RESTRICTIONS IN REGARDS TO II's ACTIVITY

4.1. **(amend. 07.10.2021)** A contract for the provision of services under item 3.1. shall be concluded in one of the following ways:

- (a) by signing the contract at the registered investment center of the II;
- b) by exchange of electronic statements signed with a qualified electronic signature;

c) **(amend. 07.10.2021)** digitally, by exchanging the necessary documents and statements through an on-line on-boarding system of the II.
d) **(amend. 07.10.2021)** The Parties agree that in their relations with each other they will recognise the electronic signature as a handwritten signature pursuant to Article 13(4) of the Electronic Document and Electronic Trust Services Act.

4.2. Prior to the contract signing, the II shall provide sufficient opportunity to all persons interested to get familiar with the present GTC and shall provide answers regarding the contents of the GTC. The II shall inform all persons interested that the contract may include clauses not corresponding to the GTC, if they do not contradict the law. This shall not apply to contracts with retail clients who are not professional investors, where no deviation is allowed, unless it is clearly in the interest of the client. The present GTC shall become an integral part of the contract with the client only if he confirms in writing to accept them (this is provided in a separate clause in the contract), in that part which is related to the respective services under item 3.1. and do not contradict specific clauses of the contract.

4.3. The II has no right to offer clauses in the contract with the client that deviate from the GTC if it considers that such clauses are not in client's interest. Should clauses in the contract deviate from the GTC and such deviation is not clearly in the interest of the client - professional investor, the contract shall indicate the clauses that deviate from the GTC and shall contain a statement of the client that the latter is familiar with the GTC and understands the meaning of the deviation.

4.4. **(amend. 07.10.2021)** Upon conclusion of the relevant contract, a copy of the client's identity document, certified in accordance with the requirements of Regulation No 38, by the client and by a person referred to in Article 65 of Regulation No 38, shall remain in the archives of the investment intermediary.

4.5. The contract with the client shall contain the full names and Personal ID No. of all the persons signing it, the capacity in which the person representing the II acts, date and place of signing and the applicable GTC at the time of signing, if any, the main rights and obligations of the parties and the information that the II is obliged to provide to the client.

5. **(amend. 07.10.2021)** The II categorizes clients as professional, non-professional and acceptable counterparty in accordance with the provisions of MiFIA and Regulation 38. The categorization of clients as professional and acceptable counterparties shall be made through an assessment of the II after an explicit exchange of documents. All clients that are not explicitly designated as professional or acceptable counterparty are treated by the II as non-professional, unless a procedure to change the categorization at the client's request is initiated and approved by the II. The II shall notify the protection to which different types of clients are subject. The client shall have the option to request that the II be designated differently. It is the II's right to assess whether the customer meets the criteria for the requested categorization.

6.1. The II shall treat equally and fairly each and every client.

6.2. The II shall execute clients' orders following all the rules and procedures of the adopted by the Board of Directors Policy for execution of clients' orders. Prior to providing services, the II shall advise the client (including through the company's official website, when appropriate) of the policy applied under the preceding sentence and upon client's request shall provide him with a hard copy of the latter.

6.3. In cases when the client has given specific instructions in regards to the order, the II shall not deviate from them regardless of the requirements of the Policy for execution of clients' orders. The II shall advise the client that any specific instructions can prevent the II from taking the necessary measures for achieving the best result in regards to that part of the order they refer to.

6.4. In cases when the client has no specific instructions, in view of achieving the best result in client's favour, the II makes efforts to reach the best price, according to the conditions of the order, the size of the costs, the probability of execution, as well as all other circumstances related to the order.

6.5. Following its duty to achieve the best result for the client, the II shall execute its clients' orders at the first opportunity, unless it is clearly unfavourable for the clients.

6.6. **(amend. 07.10.2021)** If an order of a client of the II is identical to the order of another client of the II, the II shall execute the orders in the sequence in which they are entered in the orders register pursuant to Delegated Regulation (EU) 2017/565. Orders shall be deemed to be identical if they are the same in terms of type, manner and time of execution and price parameters.

6.7. Client's orders shall be executed with priority, when competing with transactions at II's own expense. There is no such competition when the client's order is at a limited price and its maximum purchase price is lower than the one offered by the II, respectively its minimum selling price higher than the one offered by the II.

7.1. The II cannot offer investment advice to clients non-professional investors if they haven't asked for it, or investment opinions on issues if they haven't been raised by the client. This doesn't apply to cases of informing the clients on risks, associated with investment and transactions in financial instruments and advertising materials and public statements, addressed to unlimited group of persons and providing general information on the activity of the II.

7.2. When providing portfolio management or investment consultancy services, the II requires the client, respectively the potential client, to provide information on his financial resources, investment objectives, knowledge, experience related to these services and willingness to risk. The client is obliged to update that information. The II shall not provide services under the preceding sentence to a client who hasn't provided the abovementioned information.

7.3. When providing investment services other than portfolio management and investment consultancy services, the II requires the client, respectively the potential client, to provide information on his knowledge and experience related to the services provided, the client being obliged to update that information.

7.4. On the basis of the information under item 7.3. the II decides whether the provided investment service is appropriate for the client. If, on the basis of the provided information under item 7.3., the II decides that the provided investment service is inappropriate for the client, respectively the potential client, the latter shall be advised of that in written form. In this case the II can provide the service only if the client has signed a declaration stating that he's been advised about the II's decision and that he agrees with the consequences of that.

7.5. In case the client refuses to provide the information under item 7.3. or the provided information is insufficient for the II to form a decision as to the appropriateness of the service provided, the II is obliged to advise the client, respectively the potential client, in written form, that the II is incapable of deciding whether the provided investment service is appropriate for the client. In this case the II can provide the service only if the client has signed a declaration stating that he's been advised about the II's incapability of taking a reasoned decision and that he agrees with the consequences of that.

7.6. The II advises its clients that it is entirely in their interest to provide the information under item 7.3. and has no right to tolerate refusal of providing that information.

7.7. The II has the right to deviate from the obligation under item 7.3. in cases of accepting and submitting orders related to one or more financial instruments, including intermediation for concluding financial instruments transactions, only if the following conditions are cumulatively present:

1. the provided services relate to shares admitted to trading on a regulated market or in an equivalent third country market as per the list of the European Commission, bonds or other securitised debt, excluding those bonds or securitised debt that embed a derivative instrument, money market instruments, units in collective investment schemes and other non-complex financial instruments;
2. the service is provided at the initiative of the client or a potential client;
3. the client or the potential client has been notified in writing that the II shall not meet the obligations under item 7.4.;
4. the II complies with the requirements for treatment of conflicts of interest.

7.8. In cases of portfolio management and providing investment consultancy services to a professional client the II can assume that in regards to the products, transactions and services in relation to which the client has been categorized as a professional client, the latter possesses the necessary knowledge and experience. When the II provides investment consultancy services to a professional client according to section I of

the attachment to MiFIA, the II can assume that the client can afford to bear all related investment risks compatible with his investment purposes.

7.9. When providing investment services other than portfolio management and investment consultancy services, the II can assume that the professional client possesses the necessary knowledge and experience.

8. In cases when the II offers a non-professional client or potential non-professional client the portfolio management service, the II shall provide the client with the following information, when applicable:

1. information regarding the method and regularity of assessment of the financial instruments in the client's portfolio;
2. information regarding every delegation of the management of all or part of the financial instruments and/or funds in the client's portfolio;
3. characteristics and information for each standard used to compare the results of the portfolio management;
4. the types of financial instruments that may be included in the client's portfolio and the types of transactions that may be concluded with them, including all restrictions;
5. the targets of the management, the level of risk contained in the judgement of the portfolio's manager, as well as all specific restrictions of such judgement.

9.1. With the present GTC the II notifies the client that it is involved in financial instruments transactions at its own or someone else's expense.

9.2. The II is obliged to notify its clients within 3 working days of any important change in its organization and activity that might unfavourably impact the implementation of a signed contract.

10.1. Upon carrying out its activity, the II is obliged to keep all the secrets trusted by the client, including any information under item 7.3., as well as the prestige of the client.

10.2. Members of the II's managing and supervisory bodies, its employees and any other persons, working for the II, including those that no longer work for the II, cannot disclose to third parties, unless authorized to do so by the client or required by law, and use to favour themselves or other persons any facts and circumstances that relate to the balance and operations in the financial instruments accounts and funds of the client, as well as any other facts and circumstances, representing trade secret, that have become known to them in the course of their official duties and professional obligations.

11.1. **(amend. 07.10.2021)** The investment intermediary shall store the financial instruments and cash entrusted to it by clients or acquired on their account in connection with the services referred to in clause 3.1. of the General conditions in a manner ensuring the preservation of their property rights related to the financial instruments and cash held by them, as well as to separate them from its portfolio of financial instruments and cash. In the performance of the contract and in accordance with accounting legislation, the II shall open analytical accounts for the client's financial instruments and cash. The II shall inform its clients quarterly, on a durable medium or upon their request, of the cash and financial instruments it holds for their account and the conditions for their safekeeping.

11.2. The II shall deposit the funds of its clients with:

1. a central bank;
2. a credit institution;
3. a bank licensed in third country;
4. **(amend. 07.10.2021)** qualified money market fund.

11.3. The II can deposit the funds of its clients with the institutions under item 12.2, if related to them, only upon clients' written consent to that effect.

11.4. Any specific conditions of safekeeping and separating the financial instruments and funds, of notifying and receiving clients' consent, shall be set out in the particular contract and in the II's internal regulations.

12. Apart from the abovementioned obligations, the II is obliged to keep internal organization explicitly defined in its respective internal regulations and providing for:

1. conditions for providing investment services and activities constantly and regularly and in accordance with the MiFIA and the related regulations;
2. conditions for avoiding and determining conflicts of interests and when such conflicts arise – for fair treatment of the clients, disclosure of information and prevention of cases affecting the interests of the clients;
3. conditions for observing the existing regulations in the II in respect to employees personal transactions;
4. conditions for preservation of all the information in regards to the services and activities provided by the II;
5. conditions for observing all legal requirements in cases when safekeeping clients' financial instruments and funds;
6. conditions for immediate and precise execution of clients' orders, as well as for the execution of identical orders in the sequence of their placement;
7. conditions for protecting client's interest in cases of combining orders;
8. effective rules for risk assessment and management and book-keeping;
9. effective rules for limiting the risk when assigning the execution of major operative functions and services to third parties;
10. effective procedures for the control and protection of the information systems.

13.1. The II has no right, in connection with providing investment or additional services to a client, to pay, respectively give and receive, remuneration, commission or non-financial benefit, except:

1. remuneration, commission or non-financial benefit, paid or provided by or to the client or his representative;
2. remuneration, commission or non-financial benefit, paid or provided by or to a third party or its representative, if the following conditions are present:
 - a) the existence, nature and the amount of the remuneration, commission or non-financial benefit are explicitly indicated to the client, in a straightforward manner, accurately and clearly, before providing the respective investment or additional service, and in cases when the amount can not be determined, the method of its calculation is mentioned;
 - b) the payment, respectively the provision of the remuneration, commission or non-financial benefit, aims at improving the quality of the service and does not violate the obligation of the II to act in client's best interest;
3. inherent fees, which cover or are necessary in view of providing the investment services, like custody services fees, settlement and foreign exchange fees, legal services and public fees, and which by their nature are not in conflict with the obligation of the II to act honestly, fairly and professionally in client's best interest.

13.2. The II is considered to have met its obligation under item 13.1., 2 a), when:

- a) presenting in summarized form the important terms and conditions of the contracts related to the remuneration, commission or non-financial benefit;
- b) providing detailed information in regards to the remuneration, commission or non-financial benefit upon client's request, and
- c) the above information is provided honestly, fairly and in client's interest.

III. RIGHTS AND OBLIGATIONS OF THE CONTRACTING PARTIES

14.1. The client has the right to require, and the II is obliged to provide, precise execution of the contractual obligations.

14.2. The responsibility for non-execution of any contractual obligation is put into effect in accordance with the provisions in item 14.3., if not excluded by a clause in the particular contract with the client. The correct party is entitled to compensation for damages left uncovered by the penalty agreed upon, in accordance with the law. The II has no right to offer clauses in the contract with the client that lead to inequality in regards to the stipulated compensations and penalties in cases of non-execution of obligations under the contract.

14.3. In case of delay or partial execution of any financial obligation, the guilty party shall pay penalty to the amount provided for in the particular contract.

14.4. In compliance with the II's Information Disclosure Regulations, the risk associated with investment and financial instruments transactions shall be borne by the client.

14.5. The contract signed with the client must provide for a clause stating that the client had received the information that the II is obliged to provide in accordance with the MiFIA and related regulations, that the client is familiar with the announced tariff for standard commission remunerations of the II and is aware of the risks associated with investment and financial instruments transactions.

15. The II shall execute client's orders for concluding transactions with financial instruments in its own name and at the expense of the client. The II can conclude financial instruments transaction outside regulated market in the name of the client and at his expense when allowed by the legislation in force and in case this is provided for in the particular contract with the client.

16. The II can negotiate "with itself" the execution of orders only in case such clause is explicitly provided for in the contract with the client, such agreement does not contradict the POSA, MiFIA and related regulations, the regulations and trading system of the regulated market of financial instruments where the client's order is being executed and provided such agreement is not less favourable for the client compared to another way of executing the order.

17.1. **(amend. 07.10.2021)** Client's orders for concluding transactions with financial instruments, as well as additional orders for changing already given orders, shall be in writing and in a form prepared by the IP in accordance with the legislation in force. Together with the orders, the client must submit the declarations and other documents required by MiFIA and Regulation No. 38. Submission of orders through a proxy is admissible only if a notarised power of attorney is also submitted.

17.2 **(amend. 07.10.2021)** When orders are placed by telephone, the II shall make a recording of the conversation with the client. Where orders are submitted by other remote means, the II must store on electronic media the data provided by the client in relation to the orders.

17.3. **(amend. 07.10.2021)** The investment intermediary shall provide the client with a signed copy of the accepted paper order referred to in point 17.1., respectively provide the client with a written document for refusal to accept the order against signature.

17.4 **(repealed 07.10.2021)**

17.5. The confirmation for concluded transaction through an electronic system under the previous item is received through the electronic system. In this specific case, item 26.1. below shall not apply.

18.1. The II is obliged to meet personally all the obligations assumed.

18.2. **(amend. 07.10.2021)** The II may outsource important operational functions or investment services and activities to a third party. The assignment shall be made on the basis of a written contract between the investment intermediary and the third party, which shall specify in detail the rights and obligations of the parties. The outsourcing shall be carried out under the terms of the Internal Rules of the II and shall not result in the investment firm being relieved of its obligations under MiFIA and its implementing acts.

19. The terms and conditions and deadlines for execution of orders, II's remuneration and client's costs, when not included into the remuneration, as well as other obligations, shall be set out in the Tariff and the particular contract with the client, while complying with the specifics of the separate types of financial instruments, subject matter of the contract, the regulations of the place where such financial instruments are being traded, the Central Depository's regulations, other regulations applied by the capital market institutions, as well as the trading practices.

20.1. The II has no right to refuse the execution of accepted order, except in case of contract termination due to non-execution on behalf of the client. In this specific case, the II shall immediately notify the client of its refusal and shall have the right to a commission remuneration and compensation for costs incurred.

20.2. The II shall refuse the execution of client's order for transaction with financial instruments, in case otherwise it would violate provisions of legislation, including the Measures Against Money Laundering Act and related regulations.

20.3. In case the client has caused property damages to the II, the latter shall have the right to stop the implementation of orders already placed and refuse the acceptance of new orders until the settlement of all property relations with the client.

21. The client has the right to withdraw his order at his discretion by the end of the working day preceding the day of concluding the transaction, and the client shall pay the II the remuneration and costs incurred. In all other instances, the client shall be liable in regards to all transactions that the II has concluded at his expense. With regard to the form, procedure and other terms and conditions of withdrawing the order, item 17.1 and 17.2 shall apply.

22.1. The client is obliged to submit clear, exact and comprehensive orders in pursuance of the contractual relations following the procedure and in the form according to item 17.1. and 17.2. The client is obliged to place orders for conclusion of financial instruments transactions and other orders according to the standard forms prepared by the II, if such are available.

22.2. The client is obliged to submit and sign the declarations and other documents associated with financial instruments transactions that the II provides in accordance with the requirements of the legislation in force.

23.1. When placing an order for sale or exchange of financial instruments, the client is obliged to supply to the II in the respective way the full volume of financial instruments agreed upon in perfect state, including from legal point of view, allowing for the legal and timely execution of the order.

23.2. If the financial instruments fail to meet the condition under item 23.1., the client should either replace them with regular ones within a period specified by the II or withdraw the order. In the second case the relations between the parties shall be settled as guilty nonperformance of obligations related to the transaction. In case of execution of the order for sale or exchange of financial instruments that fail to meet the condition under item 23.1., the client shall assume responsibility for the property damages suffered by the II in the process of order's execution.

23.3. The client has no right to place orders related to financial instruments for which he possesses inside information or when the financial instruments are blocked in the Central Depository.

23.4 **(repealed 07.10.2021)**

23.5. The II shall execute additional orders of the client regarding the implementation of his order provided that such additional orders are made in writing or any other appropriate form and the order had not been executed following the initial orders of the client.

24.1. At the time of placing an order for purchase of financial instruments, the client shall provide the II with all the funds required for paying the financial instruments simultaneously with placing the order, unless he had not certified that he will meet his obligation to pay, as well as in the instances provided for in a Regulation.

24.2. In case the regulations operating at the place of execution of the transaction allow for transaction conclusion where payment of financial instruments is not effected at the same time of their transfer, the investment intermediary may not require payment by the buyer only in case of an explicit written consent of the seller. This shall respectively apply to other transferable financial instruments transactions.

24.3 **(repealed 25.01.2023)**

25.1. The II shall safekeep the property rights of its clients, granted to or acquired by the II on behalf of its clients when performing the services under item 3.1. of the GTC, as follows:

a) dematerialized financial instruments, issued by local legal entities, are kept in a client's subaccount to the principal account of the II with the Central Depository, and the materialized financial instruments or other property are kept in a bank according to the existing legislation; dematerialized financial instruments, issued by foreign legal entities, are kept in a subaccount of Elana Trading Inc. with the foreign counterparties – brokers or banks.

b) funds are kept according to the provision of item 11.2. of the present GTC.

25.2. When the II safekeeps property rights of a client with a third party, it shall take due care for protecting client's interests in choosing these parties, as well as, periodically, but at least once a year, reconsider with the same due care the choice of these parties.

25.3. Any specific requirements for safekeeping the property rights under item 25.1. are defined in the specific contract with the client and in II's internal regulations.

26.1. The II shall provide to the client, in a way defined in the specific contract, a written confirmation on concluded financial instruments transaction which is not related to a contract for trust management of financial instruments portfolio under item 3.1., letter "c", of these GTC, by the end of the working day following the day of concluding the transaction. The written confirmation under the previous sentence shall be sent by mail with advice of delivery or in another way with certified delivery.

26.2. The II is required to present to its clients under item 3.1., letter "c" and "d", periodic report on the activities performed at the expense of the client related to portfolio management, unless such report is presented to the client by a third party.

In regards to clients defined as non-professional, the report shall include the following information, where applicable:

1. investment intermediary's name;

2. name or other designation of the client's account;

3. data on the contents and assessment of the portfolio, including detailed information on every financial instrument, included therein, market price of each financial instrument or fair price, in case no market price can be determined, the money balance at the beginning and at the end of the reporting period, as well as portfolio management activities throughout the reporting period;

4. total amount of fees and charges paid throughout the reporting period, showing at least the total value of the management fee and the total costs related to the management; in instances, where applicable, it shall read that a more detailed report on costs will be presented upon request;

5. comparison of portfolio management activities throughout the reporting period to a standard, if such is available, indicated by mutual agreement between the client and the II;

6. total amount of dividends, interests and other payments, received by the II throughout the reporting period in relation to client's portfolio management;

7. information on other corporate activities granting certain rights related to the financial instruments in the portfolio;

8. information under Article 45, paragraph 2, item 3 – 11 of Regulation No. 38 shall be provided, where applicable, in relation to each transaction during the reporting period; this requirement shall not apply in case the client has chosen to receive notices upon conclusion of each transaction.

26.3. **(amend. 07.10.2021)** The investment intermediary shall provide a quarterly report under item 26.2. to a retail (non-professional) client. Where the contract between the investment firm and the client allows for leverage in portfolio management, the report shall be submitted at least monthly. The II may provide the reports referred to in the preceding sentence electronically, including through the client-specific electronic environment Elana Online, where the client has expressly agreed to this.

26.4. The client has the right to choose to receive a report upon conclusion of each transaction resulting from the portfolio management. In this specific case, the II shall present to the client the essential data related to the transactions on durable media, immediately upon their conclusion. In instances where the client is non-professional, the II shall present him a transaction confirmation, containing the information under Article 45, paragraph 2 of Regulation No. 38, by the end of the first working day following the day of transaction conclusion, and in case the II has received confirmation through a third party – by the end of the first working day following the receipt of the confirmation. The latter sentence shall not apply, if the confirmation contains the same information as the confirmation sent immediately to the client by a third party. In cases under this item, the general report under item 26.2. shall be presented once in every twelve months.

26.5. **(repealed 07.10.2021)**

26.6. The confirmations under item 26.1. and the reports under item 26.2. – item 26.4. shall follow standard forms, prepared by the II and consistent with the legislation in force.

26.7. When an order for purchase or sale of financial instruments is executed in a series of transactions, the II shall present to its clients confirmations for each and every transaction.

26.8. The II shall provide to its clients upon request information on the status and execution of the order.

26.9. The client can raise objections regarding the confirmations under item 26.1. and 26.7. within a 3-day period as of their receipt and regarding the reports under item 26.2. – within a 7-day period. Confirmations and reports are considered accepted by the client in case he does not object within the time periods under the previous sentence.

27. **(amend. 07.10.2021)** The II holding money or financial instruments for a client shall provide the client with a report on a durable medium at least quarterly with the content as per Paragraph 63 of EU Delegated Regulation 2017/565, unless the content of that report is reflected in another periodic report to the client. The II may provide the reports referred to in the preceding sentence electronically, including through the client-specific electronic environment "Elana Online", where the client has expressly agreed to this.

28.1. The II shall be liable, on the working day following the day when the opportunity arises to administer with the acquired in the name of the II and at the expense of the client property rights, other than dematerialized financial instruments, through reportable transactions with the client and at the specific terms and conditions stipulated in the contract, to transfer to him the results of the executed transactions. In instances of contracts for providing services under item 3.1., letter "c", "d" and "e", the II shall be liable according to the previous sentence at the terms and conditions, the procedure and deadlines, stipulated in the respective contracts.

28.2. The proper form of transferring client's funds in the case under item 28.1. is a bank transfer and in instances where the client has not provided a bank account – in cash. Following the Limitation of Cash Payments Act all payments amounting to or exceeding 15 000 BGN should be made through a bank transfer or deposited to a personal payment account. Materialized financial instruments and other property rights shall be transferred according to the respective provisions of the law.

28.3. The client is obliged to accept the results of the executing transaction.

29. If the II executes the order of the client at terms and conditions that are more favourable than those stipulated therein, the entire benefit belongs to the client.

30.1. The II has the right to require from the client remuneration for the provided service as well as the incurred expenses needed for rendering the service, in type, amount, deadline and manner stipulated in the contract.

30.2. If the remuneration or the expenses under the contract differ from the tariff announced by the II, the stipulations in the contract shall apply.

31.1. When paying the amounts resulting from realized sales of financial instruments to the client, the II has the right to deduct in its favour the expenses and remuneration due by the client.

31.2. The II has the right to receive remuneration and payment for expenses incurred, respectively for the activities performed, also in all cases when the execution of the order on its behalf becomes totally or partially impossible, however not through II's fault, as well as in case of infringement of the commission contract on the part of the client.

IV. ADDITIONAL TERMS AND CONDITIONS REGARDING THE TRUST MANAGEMENT OF PORTFOLIO

32. In the process of portfolio management, the II is liable only for the conscientious and competent performance of the contractual obligations, however not for the final financial result reached by the client.

33. The contract for individual portfolio management shall be made in writing and shall obligatorily include the following clauses:

a) the II shall not guarantee any interest and other fixed positive income from portfolio management;

- b) financial instruments portfolio management shall be done entirely at the expense and risk of the client;
- c) identification of investment objectives and restrictions in investment activity, if any;
- d) the type of operations with regard to which the II is authorized by the client;
- e) the type of financial instruments that can be acquired by the II at client's expense, and other restrictions in the investment activity, if any;
- f) the financial instruments provided for management and their market value at the time of signing the contract, if such are provided;
- g) the II's remuneration, the expenses for the client and the way they are determined.

34.1. By the act of signing the contract for trust management under item 3.1., letter "c" of these GTC, it is considered that the client gives in advance his confirmation on each specific operation or transaction concluded by the II in accordance with the clauses of the contract.

34.2. In case the specific contract contains no restrictions or conditions under item 36, letter "d" or "e", the II shall be considered as authorized, at its discretion, and guided by the investment objectives and strategy of the client, to invest the funds provided in financial instruments, in accordance with its business activity and license granted, to sell, as well as exchange the financial instruments from the portfolio and reinvest the funds obtained in new financial instruments, to collect interests and dividends at client's expense, to invest the same in financial instruments, as well as to perform all and any operations deemed necessary and in client's interest.

35. The provisions under item 26.2. – 26.5. of these GTC shall apply in regards to reporting following portfolio management.

36. The II shall assess the financial instruments in the portfolio as per market value, and in instances where such is not available – by means of commonly accepted financial methods, agreed upon with the client. Market value of financial instruments traded within the country is the average weighted price of financial instruments transactions executed on a regulated market – subject matter of the order, as of the day closest to the last 30-day period, and of financial instruments traded in countries with developed capital markets according to a list, prepared by the commission – financial instruments' last price for the respective period on the market with the largest traded volume.

37. The II's remuneration under the contract for trust management shall be defined as a fixed amount or percentage of portfolio's value and/or as percentage of the positive result obtained following the management of client's funds.

38. At the time of contract's termination – before the term set or with the expiry of the latter, the II is obliged to present report to the client within a 7-day period, and the client is obliged to accept portfolio management results and receive the funds and materialized financial instruments. Client's funds and financial instruments can remain with the II by virtue of another reason – a new contract for providing services under item 3.1., letter "a", "b" or "d".

39. Other sections of these GTC shall also apply to financial instruments portfolio trust management contracts, as much as they do not contradict the present section.

V. AMENDMENTS AND TERMINATION OF CONTRACTS

40. Any change in the contract signed between the II and its client shall be made with the explicit written consent of both parties in the form of an additional agreement and shall come into force as of the moment of its signing by both parties.

41.1. Any amendments and supplements to these GTC and the II's standard commission remuneration tariff shall be adopted by the II's Board of Directors.

41.2. **(amend. 07.10.2021)** Amendments and additions to the tariff shall be binding on customers under existing contracts 30 days after the date of their notification via the IP's website and the posting of the amended document in a prominent place in the IP's offices. In this case, the Customer shall have the right to terminate its relationship with IP unilaterally, subject to the terms of the relevant contract.

41.3. The II is obliged always to present to the client, upon request, the current Tariff on a hard copy.

41.4. The II shall notify the Client by phone, e-mail or at an address for correspondence, provided by the Client, about any changes in the GTC within 7 days of the moment they take effect.

41.5. (new as of 25.08.2015)

The amendments and supplements to these GTC shall bind the Client, unless the latter has explicitly advised the II in written form and within a month of receiving the notification about the changes under 41.4 that he/she disagrees with these changes.

41.6. (new as of 25.08.2015, amended as of 20.10.2015, amended as of 12.03.2018) In the event that the Client gives an explicit written notice to the II within a month of receiving the notification about the changes under 41.4, that he does not agree with the amendments to the General Term and Conditions, the contractual relations between the parties concluded under these General Terms and Conditions will be deemed terminated as of the date of receipt by the II the notification of disagreement. Concerning the before mentioned case, the Client is not liable for damages and penalties due by termination, except for the expenses related to the held assets, owned by the Client.

42.1. The contract between the client and the II signed on the basis of these GTC can be terminated in case of:

- a) mutual consent;
- b) one-month advance written notice;
- c) the expiry of the term of validity of the contract;
- d) in case of death, imposition of injunction or termination of the client;
- e) suspension by the Commission of II's license;
- f) other reasons provided for in the contract and by law.

42.2. Within a 5 (five)-day period after the termination of the contractual relations between the client and the II, the client can instruct the II to transfer his financial instruments to another person's subaccount with a depository institution. In case the client does not specify such person, within a 3-day period after the expiry of the term under the previous sentence the II transfers the financial instruments to the clients' personal account (including by opening such account) with a depository institution, according to the regulations of the latter.

VI. SETTLEMENT OF DISPUTES

43. In case of discrepancies between the II and the client in relation to the interpretation and implementation of the contract, the client has the right to submit a complaint. Within one month of the receipt of a written complaint, the II is obliged to provide a written response to the Client.

44. If the Client is not satisfied after receiving the written statement of the II and the voluntary settlement is not possible, the disputed issues could be referred to Conciliation Commission, an Exchange Arbitration Court, the national Competent Authority or other arbitration, chosen by the parties.

The present General Terms and Conditions have been adopted by the Board of Directors of Elana Trading Inc. by virtue of decision dated 5th of January 2004, amended and supplemented by non-attendance decision of the II's Board of Directors and adopted by the Board of Directors of Elana Holding Inc. with Protocol dated 29.10.2006, amended by decision of the BoD dated 28.10.2007, amended by decision of the BoD dated 20.02.2008 and operative as of 21.02.2008, amended by decision of the BoD dated 10.03.2008 and operative as of 12.03.2008, amended by decision of the BoD dated 27.01.2009 and operative as of 09.02.2009, amended by decision of the BoD dated 28.05.2009 and operative as of 15.07.2009, amended by decision of the BoD dated 31.07.2009 and operative as of 15.09.2009, amended by decision of the BoD dated 10.02.2012 and operative as of 10.03.2012, amended by decision of the BoD dated 25.08.2015, amended by decision of the BoD dated 20.10.2015; amended by decision of the BoD dated 12.03.2018, amended by decision of the BoD dated 07.10.2021 and enter into force one month after publication on the company's website, amended by decision of the BoD dated 27.01.2023 and operative as of 02.03.2023.

(new) Declaration by the Client:

The undersigned,

Passport #: _____, issued by: _____, being a counterparty in a contract with the Investment Intermediary „Elana Trading“ Inc. („The intermediary“), signed in accordance with General Terms and Conditions,

do hereby declare, that:

I am familiar with and I accept the present General Terms and Conditions of II „Elana Trading“ Inc. for financial instruments transactions, and that I have been given a copy of this document by the II on a durable medium.

Date:

Signature:

(

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