

CUSTOMER ORDER EXECUTION POLICY
ON THE PART OF THE INVESTMENT INTERMEDIARY "FINEX" LTD

Art. 1. General Provisions

- 1.1. The Customer Order Execution Policy (the Policy) has been developed in conformity with the requirements of the Markets in Financial Instruments Act and Ordinance No. 38 on the requirements for the activity of the investment INVESTMENT INTERMEDIARY s (Ordinance No. 38).
- 1.2. Upon application of the present Policy, FINEX shall guarantee that with respect to the investment services and activities executed on behalf of customers' from the investment intermediary shall act honestly, fairly and as a professional, in compliance with the best interests of its customers.

Art. 2. A FINEX customer shall be a natural person or a legal entity using the investment and/or additional services rendered by the INVESTMENT INTERMEDIARY .

- 2.1. FINEX classifies its customers as professional, retail and „acceptable counterparty“ in compliance with Customer Categorization Rules.
- 2.2. A professional shall be deemed a customer that has the experience, knowledge and skills to take an independent investment decision and to properly assess the risks connected with investment, and that corresponds to the criteria according to the Customer Categorization Rules.
- 2.3. Customers that do not correspond to the requirements under the preceding Article shall be deemed retail customers.
- 2.4. FINEX shall deem an acceptable counterparty: an investment intermediary, a credit institutions, an insurance company, a collective investment scheme, a management company, a pension fund, a pension assurance company, other financial institutions, the persons under Art. 4, paragraph 1, items 11 and 12 of the Markets in Financial Instruments Act, governments of countries, government bodies responsible for the management of the government debt, central banks and international institutions, as well as such subjects from third countries if expressly requested by them to be treated as such.
- 2.5. All FINEX customers shall be treated in equal manner, regardless of their categorization.
- 2.6. The present Policy shall be applicable as regards all customers of FINEX.

Art. 3. The Policy shall be applicable with respect to the following investment services:

- 3.1. Acceptance and delivery of orders in connection with financial instruments
- 3.2. Execution of orders on behalf of customer's. The execution of an order on behalf of customer's shall mean the execution of an activity directed towards the conclusion of a transaction for sale and purchase of one or more types of financial instruments on behalf of and at the risk of the customer.
- 3.3. Services connected with foreign currencies transactions.
- 3.4. Management of portfolio, meaning the management of:

- 3.4.1. investment portfolios, after the assignment of customers, carried out at the discretion of FINEX for each separate customer;
 - 3.4.2. In case of any special instructions on the part of the customer, FINEX shall implement orders or specific aspects of them, by predominantly following these instructions. Upon taking into consideration the instructions, FINEX has fulfilled its obligation to act towards the achievement of the best result for its customers.
 - 3.4.3. All special instructions by the customer may prevent the INVESTMENT INTERMEDIARY from undertaking the necessary actions for the achievement of the best result upon execution of orders by customers in compliance with the Order Execution Policy, for that part of the order, to which the special instructions refer.
 - 3.4.4. If at the discretion of FINEX, the special order significantly diverts from the market situation, FINEX may – in the customer's interest, implement by not taking into consideration the instruction and duly apply the present Policy.
- Art. 4. The Policy shall not be applicable in the cases of submission of customer orders for execution by a third person.
- Art. 5. FINEX shall accept, deliver and implement orders for the following types of financial instruments: • securities; • instruments on the money market; • shares of collective investment enterprises; • derivatives.
- 5.1. The securities are a type of financial instruments, which may be cashless and available.
 - 5.1.1. Cashless securities are transferrable rights, which are traded on the capital market and registered under accounts at the Central Depository or in foreign institutions carrying out depositary activities.
 - 5.1.2. Available securities are documents that materialize transferrable rights, which are traded on the capital market.
 - 5.2. The rights are securities entitling to recording a specific number of shares in connection with a decision has been taken for an increase of the capital of a public company.
 - 5.3. Securities may be:
 - 5.3.1. shares of companies;
 - 5.3.2. securities of legal entities equivalent to shares in capital companies, personal companies and other legal entities;
 - 5.3.3. depositary receipts for shares;
 - 5.3.4. bonds;
 - 5.3.5. other stock debenture;
 - 5.3.6. depositary receipts for stock debenture;
 - 5.3.7. other securities, which entitle to acquisition or sale of some of the listed securities or which result in a monetary payment determined via securities, currency exchange rates, interest rates or profitability, goods or other indices or indicators.
 - 5.4. Government bonds are transferrable rights registered under accounts at the Bulgarian National Bank (BNB) or at a subdepository of the government bonds or in foreign institutions carrying out depositary activities.

- 5.5. Instruments on the money market shall be the usually traded ones on the money market, such as: • short-term government bonds (treasury bills); • deposit certificates; • trading securities.
- 5.6. Shares of collective investment enterprises are financial instruments issued by Collective Investment Schemes, such as mutual funds and investment companies, which express the rights of their holders on the assets of Collective Investment Schemes.
- 5.7. The derivatives shall be derivative agreements on securities, currency, interest rates, income, other derivative instruments, goods, climate changes, freight rates, prices of quotas for trade with emissions, official economic statistical indicators, the obligations under which may be via monetary payment or via delivery.
- 5.7.1. The derivatives, via which FINEX makes transactions with: options, futures, swaps, forward agreements, agreements for difference, derivative financial instruments for credit risk transfer.
- 5.7.2. The option is a derivative, which expresses the right to purchase/sale of a given number of financial instruments according to a preliminarily fixed price until the expiry of a given term or a given date.
- 5.7.3. The future is a derivative, which expresses the right to and the obligation for a purchase/sale of a specific number of financial instruments according to a preliminary set price on a set date.
- 5.7.4. Swap is an agreement between contractors on the financial markets, which is expressed in the exchange of cash flows based on specific absolute value for a contractual period of time.
- 5.7.5. Forward agreements are agreements for future delivery of specific financial instruments or a commodity on a specific date, at a specific price or profitability.
- 5.7.6. The variation agreement is a derivative, which expresses the right to reception / the obligation for payment of the difference between the market value of a specific number of financial instruments and their price preliminarily fixed in the contract.
- 5.8. Payment instruments shall not be deemed securities and instruments on the money market.

Art. 6. Places for execution of orders

- 6.1. The places, at which FINEX routing the orders of its customers, are as follows: a regulated market and multipartite trading system.
- 6.2. Regulated market is a multipartite system organized and/or managed by a market operator, which meets or cooperates for the meeting of the interests for sale and purchase of financial instruments of many third countries.
- 6.3. Multipartite trading system is a multipartite system organized by an investment intermediary or a market operator, which combines counter-orders of third persons for sale and purchase of financial instruments within the system.
- 6.4. FINEX shall route the orders of its customers at the following places for execution:
- 6.4.1. Instruments on the territory of Bulgaria – the Bulgarian Stock Exchange /BFB/ Sofia AD. The main advantages for the company's customers from taking part on this

market are connected with the fact that this is a market, on which local companies trade, which are known for the wide public in Bulgaria, and the information for them is accessible in Bulgarian language. Prompt access as regards their financial indicators, development strategies, etc. The expenses under these transactions are relatively low, and the assets are kept under accounts at the Central Depository AD. The transactions are in a national currency. The main disadvantage is the lack of liquidity, hedging possibilities and a choice of companies within one industry, as well as along the wide borderlines between the Buy/Sell offers;

6.4.2. Instruments on the territory of Great Britain – London Stock Exchange (LSE). Trading is one of the oldest markets in Europe, as it is connected with a large quantity of instruments of high liquidity and efficiency of execution. A disadvantage is the conversion of the British pound (GBP) of the transactions and the possible differences in the currency exchange rates from reassessment to the Bulgarian lev (BGN);

6.4.3. Instruments on the territory of Germany – Frankfurt Stock Exchange (XETRA). The access to the stock exchange in Germany is extremely well-known as regards to the technology of the transactions, due to the fact that the Bulgarian Stock Exchange /BFB/ uses the same trading platform. The variety of instruments and the high liquidity are also a part of the benefits, and the fact that the transactions are in Euro (EUR), being fixed for the Bulgarian lev (BGN), decrease the currency risk. It is a disadvantage that the information about the smaller companies, subject to trading there, is mainly in German language;

6.5. Customer orders may be executed outside the regulated market in the cases when the financial instruments, subject to the orders, are negotiated directly between the market participants. In such case FINEX shall notify the customer about the market-maker, through which it implements the orders.

Art. 7. ORDERS

7.1. FINEX shall conclude transactions with financial instruments on behalf of customer's, under the best conditions and upon exerting efforts for the achievement of the best execution.

7.2. FINEX shall conclude transactions with financial instruments on behalf of customer's according to the orders submitted by them.

7.3. Order submission

7.4. The orders shall be submitted by filling in a sample form provided by FINEX. The form shall have contents established by virtue of the respective norms.

7.5. The orders shall be submitted personally by the customer or by its/his proxy or representative.

Art. 8. Upon submitting an order, the customer shall be notified of:

8.1. the present Policy;

8.2. the financial instruments and their related risks;

8.3. the expenses and fees under the transaction;

(Approved by the sole owner of the capital dated 28/01/2015)

8.4. the place where the customer assets (financial instruments and money) may be stored, by whom the same may be stored and the responsibility of such a person;

8.5. the measures to guarantee the customers' financial instruments and money.

8.6. When the customer submits an order via the Online Trading Platform for a net-based currency transaction, for an agreement for difference, for an option, or for another financial instrument, which has not been admitted to a regulated market, the same shall be deemed notified of all material parameters under the transaction.

Art. 9. Orders may be submitted:

9.1. at FINEX offices;

9.2. by telephone;

9.3. by fax;

9.4. via email;

9.5. via an Electronic Trading System.

Art. 10. FINEX shall accept orders only at the offices entered into the Register kept by the Financial Supervision Commission. An updated List of Offices is kept on the website of the INVESTMENT INTERMEDIARY .

Art. 11. Customer orders shall be accepted only from the company's manager, brokers and employees from the "Sales and Customer Relations" Department. **Brokers will receive orders for transactions with financial instruments submitted via the Electronic Trading System, via email or another remote method.**

Art. 12. Orders for trade with financial instruments may be submitted through the following remote communication methods: telephone, fax, email, Electronic Trading System.

Art. 13. Orders may be submitted via the specified remote methods only at the numbers, respectively addresses, specified on the INVESTMENT INTERMEDIARY's website.

Art. 14. Orders for a remote communication method may be submitted only by customers that have been given username and password for transactions from FINEX. Username and password shall be given only at the INVESTMENT INTERMEDIARY 's offices, following the customer's identification.

Art. 15. Orders submitted according to a remote method must contain the requisites specified by the respective norms.

Art. 16. FINEX shall make records of the telephone calls for order submission. The records of telephone calls and the electronic communication between FINEX and its customers shall be kept in the INVESTMENT INTERMEDIARY 's archive for a period of 5 years.

Art. 17. It shall be possible to receive orders by fax and via email only for transactions with financial instruments registered for trading on the Bulgarian Stock Exchange /BFB/.

Art. 18. Orders submitted through a remote method shall be immediately registered, but not later than 15 minutes as of their submission.

Art. 19. It shall not be possible to accept any orders by telephone or via another remote communication method, which:

19.1. are submitted by a representative who has not certified his/her representative power before FINEX;

- 19.2. are submitted by a proxy that has not presented in advance before FINEX a notarially certified Power of Attorney, which contains the representative power for the respective transaction and a statement that the same is not making and has not made over the last one year any transactions with securities;
- 19.3. are for transfer of cashless financial instruments from a personal account under a customer subaccount to FINEX at the Central Depository.
- Art. 20. FINEX shall accept customer orders via Electronic Trading Systems, which guarantee the observation of the requirements of Ordinance No. 38 and ensure access for the customer to a specific place for execution.
- Art. 21. The access to the systems and the entry of orders by the customer shall be carried out via a digital certificate.
- Art. 22. Orders, which are submitted on a regulated market, may be market and limited ones.
- 22.1. Market orders are order for the sale and purchase of a specific quantity of financial instruments at the best price on the stock exchange market at the moment of their entry into the trading system of the Stock Exchange.
- 22.2. Limited orders are orders for the sale or purchase of a specific quantity of financial instruments at a determined utmost price.
- 22.3. Limited orders may be valid until cancellation, as they may be single or transitory.
- 22.4. Those limited orders shall be valid until cancellation, which are transferred from one stock exchange session to the next one until being cancelled;
- 22.5. Single orders are those limited orders, which are valid for just one stock exchange session.
- 22.6. Transitory are those limited orders, which are valid only for the moment of entry and are being deleted if not possible to be immediately executed.
- 22.7. Limited and market orders may be executed in parts or may be of the "all or nothing" type.
- Art. 23. Transactions of the "Primary Public Offering Segment" take place only by limited orders, which may be executed in parts.
- Art. 24. The orders, which are submitted at other places for execution, other than the regulated market, depend on the contractors' will.
- Art. 25. Customer orders shall be executed according to the applicable legislation, the General Conditions, and the Investment Services Grant Agreement.
- Art. 26. Orders shall be executed only following the preliminary explicit consent given by the customer together with the Policy.
- Art. 27. Customer orders shall be executed at the earliest convenience, unless clearly disadvantageous for the customer.
- Art. 28. FINEX shall notify the customer in advance for all material parameters of the transaction, which may be concluded as a result of the customer order.
- Art. 29. FINEX shall execute customer orders under the following conditions:
- 22.8. immediate and accurate registration and allocation of the orders for execution;

- 22.9. immediate execution by the order of entry of identical customer orders, except when the characteristics of the order or the predominant market conditions make it unrealizable or the customer's interests require otherwise.
- Art. 30. FINEX shall notify the retail customer of the objective difficulties occurred, which impede the precise execution of the orders, immediately after getting aware of them.
- Art. 31. In the cases when FINEX has undertaken an obligation to organize or follow for the settlement of the order executed by it at the customer's expense, the same shall execute all actions necessary in order to ensure that all the customer financial instruments or money obtained during the settlement have been immediately and precisely transferred to the accounts of the respective customer.
- Art. 32. FINEX shall not have the right to misuse any information about not executed customer orders and to undertake all measures necessary for the prevention of such misuse by any person that works under an Investment Intermediary Agreement.
- Art. 33. The best execution of an order is achieved when FINEX has exerted the reasonable and possible efforts the respective reasonable and possible efforts for establishing the best price for the customer, according to the conditions of the order, amount of expenses, probability for execution, as well as all other circumstances connected with the execution of the order.
- Art. 34. The best execution of an order submitted by a retail customer shall be determined based on the total value of the transaction that includes the price of the financial instrument and the expenses connected with the execution.
- Art. 35. FINEX shall not have the right to implement an order by a customer, of such customer, respectively its/his representative refuses to submit the declaration under Art. 35, paragraph 1 of Ordinance No. 38, it has been declared that it/he possesses internal information or declares that the transaction – subject to the order, is a concealed purchase or sale of financial instruments.
- Art. 36. FINEX shall not have the right to implement an order if it has been declared or if it has been established that the financial instruments - subject to the order for sale, are not available at the customer's account or have been blocked in a depository institution, as well as if a special pledge has been founded on them or if a distraint has been levied.
- Art. 37. The prohibition under the preceding Article with respect to pledged financial instruments shall not be applicable in the following cases: 1. the getter has been notified of the founded pledge and has expressed an explicit consent to acquire the pledged financial instruments, as the pledgee has given its/his explicit consent in the cases stipulated by the Special Pledges Act; 2. the pledge has been founded on an aggregate by virtue of the Special Pledges Act. The prohibition with respect to an order for sale of financial instruments, which are not available to the customer's account, shall not be applicable in the cases stipulated by an Ordinance.
- Art. 38. The investment intermediary shall not have the right to implement a customer's order for transactions with financial instruments, if this would result in the violation of the Markets in Financial Instruments Act, the Measures Against Market Abuse With Financial

Instruments Act, the Act on Special Investment Purpose Companies or other operating enactments.

Art. 39. Orders, which refer to financial instruments, with a Bulgarian issuer and which are traded on the Bulgarian Stock Exchange /BFB/ or on the Multipartite Trading System, shall be executed in Bulgaria.

Art. 40. Orders, which refer to financial instruments, with a foreign issuer and which are traded on the Bulgarian Stock Exchange /BFB/ or on the Multipartite Trading System, shall be executed in Bulgaria.

Art. 41. Orders for financial instruments, which are not traded in Bulgaria, shall be executed abroad, on the respective market or the Multipartite Trading System, on which they are traded.

Art. 42. If financial instruments are traded on more than one regulated market or the Multipartite Trading System, the order shall be executed at that place, where the achievement of a good result is possible.

Art. 43. FINEX accepts as main criteria for determining the best result the price of the instrument and the expenses for execution of the order.

Art. 44. If more than one place of execution would bring the best result, FINEX shall choose one of them according to its experience and practice.

Art. 45. The factors having an impact on the achievement of the best result are as follows:

45.1. Price;

45.2. Expenses;

45.3. Possibility of execution;

45.4. Other circumstances connected with the execution of the order: speed of execution, possibility of execution, order volume, etc.

Art. 46. The price of the financial instruments shall be determined based on the "Buy" and "Sell" offers, and impacted by the process of price formation for the specific place of execution.

Art. 47. Expenses connected with the execution shall include all expenses, which are directly connected with the execution of the order, including fees for place of execution, clearance and settlement fees, as well as other fees and remunerations payable to third persons related to order execution.

Art. 48. FINEX shall not have the right to determine and collect any commissions in a way that unfairly distinguishes the places of execution.

Art. 49. Finex shall combine customer orders with other customer orders under the following conditions:

49.1. the combination of orders is not to the detriment of any of the customers, whose orders are subject to such combination; and

49.2. Finex has explained to each customer, whose order subject to combination, that the combination could be disadvantageous for it/him in connection with the specific order; this provision shall not be applicable as regards orders in connection with individual portfolio management; and

49.3. orders, subject to combination, shall be for one and the same type of transaction (e.g. purchase, sale, replacement, etc.); and

49.4. combination shall be permissible only when orders are limited and the price declared in each of them is the same.

Art. 50. In case of partial execution of customer orders, priority shall be given to the time of receiving the order on the part of Finex. The results from the partial execution shall be distributed according to the rule that orders made at an earlier point shall have full or the maximum possible execution, and orders given at a later point shall be partially satisfied or shall not be satisfied.

Art. 51. Distribution, other than the one specified in Art. 50 above, shall be permissible only with the explicit consent of each customer, whose orders have been combined.

Art. 52. When Finex combines orders upon granting the service of individual customer portfolios management, the distribution upon partial execution shall take place proportionately among customers.

Art. 53. "Probability of execution" shall mean the probability that an order given by the customer is actually executed at a given place of execution.

Art. 54. "Speed of execution" shall mean the time interval from making a customer order fit for execution until confirming its execution from the place of execution.

Art. 55. The relative significance of the execution factors shall be determined based on the following criteria:

55.1. the customer's characteristics, including whether or not the same has been determined as a retail customer or as a professional customer;

55.2. the characteristics of the customer's order;

55.3. the characteristics of the financial instruments, subject to the order;

55.4. the characteristics of the places of execution, to which the order may be forwarded for execution.

Art. 56. Upon execution of orders of retail customers, FINEX shall determine the following ratio of the execution factors:

Price of the Financial Instruments	80%
purchase/sales costs	20%

Art. 57. Upon execution of orders of professional customers and customer "acceptable counterparty", the ratio of the execution factors shall be as follows:

Price of the Financial Instruments	60 %
purchase/sales costs	30 %
speed and probability of execution	5%

probability of settlement	5%
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Art. 58. FINEX shall execute the orders of its customer on:

- 58.1. a regulated market;
- 58.2. Multipartite Trading System;
- 58.3. outside a regulated market.

Art. 59. As regards financial instruments, for which it is possible to be executed at just one place of execution, it shall be deemed that by implementing at that place FINEX has achieved the best result for the customer.

Art. 60. Orders for financial instruments admitted to a regulated market in the country shall be executed by FINEX on a regulated market in the country.

Art. 61. The regulated market in the country, on which FINEX implements customer orders, shall be the "Bulgarian Stock Exchange - Sofia" AD (BFB).

Art. 62. BFB shall organize a regulated and unregulated market for trade of financial instruments.

Art. 63. The regulated market shall include the following segments:

- 63.1. Premium Shares Segment
- 63.2. Standard Shares Segment
- 63.3. Special Investment Purpose Companies Segment
- 63.4. Bonds Segment
- 63.5. Compensatory Instruments Segment
- 63.6. Exchange Traded Products Segment
- 63.7. Rights Segment
- 63.8. Privatization Segment
- 63.9. Initial Public Offering Segment

Art. 64. The unregulated market shall include the following segments:

- 63.10. Premium Shares Segment
- 63.11. Standard Shares Segment
- 63.12. Special Investment Purpose Companies Segment

Art. 65. The expenses for execution on the Bulgarian Stock Exchange /BFB/ are specified in the FINEX Tariff.

Art. 66. Orders for financial instruments admitted to a regulated market abroad are executed:

- 66.1. on the respective regulated market abroad, as FINEX shall deliver the order for execution to its partners, which are members of this market directly or via another broker;
- 66.2. via a Multipartite Trading System, when FINEX delivers the order for execution to its partners, which are members of such system directly or via another broker.
- 66.3. Regarding orders executed by the foreign brokers specified in the preceding Article, the policies adopted by them for execution of customer orders shall be applicable.

Art. 67. Orders for financial instruments, which are not admitted to a regulated market, shall be executed by FINEX via conclusion of a transaction, the counterparty to which is:

- another investment intermediary;
- a customer of FINEX;

Art. 68. Customers shall have the opportunity to trade with specific financial instruments specified in a List of financial instruments and their specific trading conditions (the List) and the

FINEX Interest Rates, Fees and Commissions Tariff, which are available at the company's offices and on its website.

Art. 69. The Policy shall be subject to annual update by FINEX.

Art. 70. The Policy update shall also take place for each significant change, which may impact FINEX ability to permanently ensure the best results for the execution of customer orders upon using the places of execution included into the Order Execution Policy.

Art. 71. FINEX shall notify its customers of each change in the Policy via notification published on its website.

The present Policy was approved, pursuant to Art. 30, paragraph 2 of the Markets in Financial Instruments Act, by the sole owner of the capital of "FINEX" LTD by a Decision dated 28/01/2015