

RULES APPLICABLE TO THE INTERNATIONAL FINANCIAL MARKET CONTRACTS VIA PLATFORMS OFFERED BY INVESTMENT FIRM "BENCHMARK FINANCE" JSC

I. Accepting the risk

1.1. The Client admits, accepts and understands that trading in financial instruments, both on margin basis and without the use of margin, is highly speculative, might have high degree of risk and is suitable only for individuals who arrange margin transactions and take the risk of loss exceeding the size of their margin deposits.

1.2. Provided that **BenchMark Finance** submits information, opinion or reference to **the Client**, the financial decision of the **Client** should not be based on the given information, opinion or reference.

1.3. The Client admits, accepts and understands that:

1.3.1 Due to the low margin which is usually required at margin lending transactions, the change of cost in the underlying assets might lead to significant losses which may exceed the margin deposit of **the Client**.

1.3.2 When **the Client** instructs **BenchMark Finance** to do a certain operation, every profit or loss arising as a result of the fluctuation of the assets will be at the expense or risk of **the Client**.

1.3.3 The Client wishes and can take the risk of speculative trading in financial instruments financially or in any other way.

1.3.4 Will not hold **BenchMark Finance** liable for losses, arising from transactions of **the Client** as a result of decisions taken by him on the basis of analyses and news on the platforms offered by **BenchMark Finance** or published on the website.

1.3.5. Profit guaranteeing or exemption from loss is impossible at trading in financial instruments. **The Client** confirms that he has not received such or similar guarantees by **BenchMark Finance** or any of its representatives as well as the fact that **the Client** has not entered into a transaction nor will they do so in the future according to or depending on such or similar guarantees.

1.3.6. All transactions in financial instruments will be completed in accordance with the market principles which usually contain wide authority at emergency or any other unwanted situations.

1.3.7. If a stock exchange or a clearing house takes action concerning a certain transaction or contract, then **BenchMark Finance** has the right to take action at its own discretion which it considers desirable in the interest of **the Client** and **BenchMark Finance**.

1.3.8. BenchMark Finance is not held liable for any losses incurred by **the Client** as a result of the actions of a certain stock exchange or a clearing house or action taken by **BenchMark Finance** as a result of such actions.

1.4. BenchMark Finance can stop partially or fully, permanently or temporarily every service to an account provided by **BenchMark Finance** to **the Client** without prior notice.

1.4.1. When **BenchMark Finance** considers that **the Client** can hold inside information.

1.4.2. When **BenchMark Finance** considers that normal market conditions are lacking (unforeseen or unavoidable event, occurring after the contract conclusion, inclusive of the cases where part of the functions of **BenchMark Finance** are affected by such an event).

1.5. BenchMark Finance can partially or wholly wind up a position without prior notice in the following cases:

1.5.1. At the express request for it by a regulatory authority.

1.5.2. If **BenchMark Finance** reasonably decides that this is necessary subject to the provisions of the applicable legislation.

1.5.3. In all cases stated in these Rules, as well as in the contract with **the Client**, general terms and conditions for trading in financial instruments of **BenchMark Finance**.

1.6. **BenchMark Finance** has the right in addition to all other rights in the agreement, these Rules and the applicable legislation, to limit the amount of the open positions of **the Client** (net or gross) and the to refuse orders for opening new positions. The situations at which **BenchMark Finance** can exercise this right include without any limits, are the following:

1.6.1. **BenchMark Finance** considers that **the Client** is in possession of any inside information.

1.6.2. **BenchMark Finance** considers that normal conditions for trading are lacking (i.e. in cases of force majeure).

1.7. Regardless of any other clauses of the agreement, by providing its services, **BenchMark Finance** has the right to take any actions which it considers appropriate at its own discretion in order to ensure the compliance with the market principles and the applicable laws and regulatory decisions.

1.8. The platforms offered by **BenchMark Finance** provide the opportunity to execute certain transactions. Details concerning accounts, confirmations of transactions and messages from **BenchMark Finance** to **the Client** can be found on the platform themselves. In addition to the Rules, listed in the website, the following rules are also applied for transactions executed online:

1.8.1. **BenchMark Finance** is not held liable to **the Client** for any other losses, expenses, costs and responsibilities incurred by **the Client** due to a system error, delays in the transmission of information and other obstacles of a purely technical nature.

1.8.2. The platforms offered by **BenchMark Finance** are periodically updated and the new versions can remain different in various aspects including but not limited to the level of security applied, available products and services and etc. **BenchMark Finance** is not held liable to **the Client** for any loss, expense or cost incurred by **the Client** as well as the potential liabilities resulting for **the Client** as a result of the use of the old version of the trading platform without the relevant improvements.

1.8.3. **The Client** is held liable for all orders and for the accuracy of the information given online through using the name, password and other personal identification of **the Client** or other means of identification which can define the identity of **the Client**.

1.8.4. **The Client** is obliged to keep the passwords provided by **BenchMark Finance** confidential and to guarantee that third parties will not be given access to the means of trade of **the Client**.

1.9. All instructions sent by **the Client** via platforms or e-mail, will be considered received and will be viewed as a valid instruction and/or a binding transaction between **BenchMark Finance** and **the Client** only when these instructions are saved as completed by **BenchMark Finance** and when **BenchMark Finance** confirms this with **the Client** via the confirmation of the transaction and/or a statement of account. Furthermore, the transmission of instruction itself given by **the Client** does not create a binding transaction between **BenchMark Finance** and **the Client**.

1.10. **The Client** timely sends the instructions required by **BenchMark Finance** to **BenchMark Finance**. If **the Client** does not provide the instructions on time, **BenchMark Finance** can take action at its own

discretion, that it finds appropriate and desirable to defend itself and **the Client**, at the expense of **the Client**.

1.11. The Client is obliged to pay compensation to **BenchMark Finance** for all losses that **BenchMark Finance** can incur as a result of any mistake in the instructions/orders made by authorised person and for all losses resulting from the actions of **BenchMark Finance** done in accordance with the instructions/orders which formally look as if given by an authorised person.

1.12. The Client understands and agrees that errors may occur at the cost of financial instruments quoted by **BenchMark Finance**. In such cases **BenchMark Finance** has the right to rescind a transaction or to change the mistaken cost at which the transaction has been made to the amount which **BenchMark Finance** considers correct at its own discretion.

1.13. Trading methods intended to take advantage of errors and/or delay in quotes, or taking advantage of any other weaknesses in the trading platforms including the cases when this is done via automated expert system, are unacceptable and will be considered deceptive by **BenchMark Finance**.

1.14. In case that **BenchMark Finance** defines the trading strategy of **the Client** as taking advantage of mistakes and/or delay in quotes at its own discretion, then **BenchMark Finance** has the right to adopt one or more of the following measures:

1.14.1. To correct the cost spread which **the Client** has access to.

1.14.2. To limit the access of **the Client** to current market quotes permitting an immediate transaction including the provision of quotes for transaction after an enquiry.

1.14.3. To annul (by imputing/withholding) all previous profits from the account of **the Client**, which have been earned as a result of a similar trading method.

1.14.4. To stop the access of **the Client** to the trading platforms immediately.

1.14.5 To immediately terminate the contract between **BenchMark Finance** and **the Client** unilaterally and without notice.

1.15. The Client accepts the fact that **BenchMark Finance** has the right to record all phone conversations and online chats between **the Client** and **BenchMark Finance** and to use those records or their copies as a proof in front of every individual and hence authority, to whom **BenchMark Finance** considers desirable or necessary to reveal this information in the event of a dispute between **BenchMark Finance** and **the Client**.

1.16. When **the Client** enters into a position opposite to one or more of his open positions, **BenchMark Finance** will apply the principle FIFO ("First in, First out") and will close the position that was first open. In cases of a special arrangement, **BenchMark Finance** can every time accept to close another position.

1.17. The financial instruments bought by **the Client** on regulated foreign markets via platforms offered by **BenchMark Finance** are kept in joint accounts in depository institutions of regulated markets in the sub-account of a third party – partner of **BenchMark Finance**. The depository institutions of regulated markets cannot issue any documents related to the ownership of the financial instruments on the behalf of **the Client** as they are not on his account. In such cases, **BenchMark Finance** can issue a certificate of ownership in regard to the financial instruments.

1.18. The Clients who have bought financial instruments on regulated foreign markets via platforms offered by **BenchMark Finance**, acquire only property rights in regard to the traded financial instruments. With the acquisition of financial instruments, **the Clients** do not acquire any non-property rights such as participation

in the management via general meeting, right to vote, right of defence, minority rights and other similar rights.

II. Margin and payments

2.1. When required, **the Client** is obliged to make such payments to **BenchMark Finance** that **BenchMark Finance** can require with an aim to cover the margin requirement for a guarantee fee stated in the *Terms and Conditions for Trading in Financial Instruments*.

2.2. The account of **the Client** is credited by **BenchMark Finance** on condition that **BenchMark Finance** receives the amount in question.

2.3. If **the Client** does not ensure a margin, deposit or another amount due with regard to a certain transaction, **BenchMark Finance** can close every open position without notifying **the Client** in advance.

III. Netting

3.1. If there are due counterpart payments between the parties in the agreement at the same time, those will be automatically imputed. If the amounts are not in the same currency, they can be converted by **BenchMark Finance** in accordance with the principles in this section.

3.2. If the total amount due by one of the parties exceeds the total amount due by the other party, then the first party is obliged to pay the difference so that the obligations of both parties are considered satisfied.

3.3. If the agreement is terminated, the claims of the parties to one another are regulated by netting. The value of the open positions is set in accordance with the principles explained below as the final amount which should be paid is the difference between the payment obligations of both parties.

3.4. The levels at which the positions should be closed are the market levels applied on the day when **BenchMark Finance** decides to close the positions due to non-performance.

3.5. **BenchMark Finance** can determine the levels of closing at its own discretion also bearing in mind the market price of other market-makers for the relevant period and financial instrument. By getting familiar with the current Rules, **the Client** agrees with the determined levels of closing.

3.6. By determining the value of the positions subject to netting, **BenchMark Finance** applies its usual spread (difference) and includes all expenses and other fees.

IV. Non-performance. Means of remedying non-performance.

4.1. Each of the non-exhaustively listed events below may constitute an event of non-performance by **the Client**:

4.1.1. If **the Client** does not perform (wholly or partially) a certain payment or does not perform any other obligation in accordance with the agreement, a transaction or any other reasonable requirement by **BenchMark Finance**.

4.1.2. If **the Client** does not provide the funds needed for delivery of a certain transaction to **BenchMark Finance** on the date when the funds are due.

4.1.3. If **the Client** does not provide or accept the delivery of assets on the first day determined.

4.1.4. If one of the given declarations and/or guarantees by **the Client** are false.

4.2. In case of a non-performance by **the Client**, **BenchMark Finance** has the right and is authorized to:

4.2.1. To demand **the Client** to terminate or regulate a certain transaction in a way that **BenchMark Finance** determines at its own discretion.

4.2.2. To enter into transaction with a foreign currency, on an exchange rate and in a time determined by **BenchMark Finance** in order to meet obligations arising from a certain transaction.

4.3. **The Client** empowers **BenchMark Finance** to take the relevant actions described in this section without the need to notify **the Client** for this and accepts that **BenchMark Finance** shall not be held liable for any of the consequences from taking these steps.

4.4. Without prejudice to other rights of **BenchMark Finance** under the agreement or the applicable legislation, **BenchMark Finance** can at any time and without prior notice to consolidate all or some of the accounts of **the Client** in **BenchMark Finance** as well as compensating for all amounts due by **the Client** to **BenchMark Finance**.

V. Declarations and guarantees by The Client

5.1. The Client declares and guarantees that:

5.1.1. He is over the age of 18 and is qualified and competent and no legal or any other provisions which will prevent him from entering into and performing the agreement or transaction are applied to him.

5.1.2. He has received all necessary agreements and has the right to conclude a contract with **BenchMark Finance** (and if **the Client** is a legal entity, then he is duly authorised and has received the necessary corporate and other powers in accordance with the instruments of incorporation and organisation).

5.1.3. Does not breach the applicable law including but not only tax laws and regulations, market control requirements and requirements for registration.

5.1.4. The information provided by **the Client** to **BenchMark Finance** is full, accurate and is not misleading.

5.1.5. Has accepted, read and understood the informative materials for the relevant products.

5.1.6. Has received detailed information in regard to the offered products as well as information for the existing risks.

5.1.7. The amount invested is chosen considering its financial position.

5.1.8. Does not trade by profession in financial instruments in regard to Article 25, Paragraph 1 from Regulation No: 38 for the requirements for the activity of the investment intermediaries of FSC (when the contract is signed by an authorised person).

5.1.9. Does not possess inside information for the: financial instruments related to the orders and hence for their issuers; that the financial instruments are not blocked and are not under pledge or distraint is imposed on them and that the transaction and the subject of the contract does not constitute insidious purchase or sale.

5.1.10. He is informed and accepts that the established relations between him and **BenchMark Finance** the requirements shall be ruled from the current Rules, the contract, the Terms & Conditions for trading in

financial instruments of **BenchMark Finance**, the information on the website as well as the regulations of the applicable legislation.

5.1.11. He is informed and accepts that verified amounts in cash transactions initiated via virtual TPV and is not subject to recovery.

5.2. It is considered that the declarations and guarantees listed above will be valid anytime during the relations between **BenchMark Finance** and **the Client**. If a given declaration or guarantee is subject to change, **the Client** is obliged to notify immediately **BenchMark Finance** who except for the rights in these Rules, has the right to suspend its relations with **the Client** if the change leads to non-application of the regulations in the current Rules or the contract with **the Client**.

VI. Limitation of liability and compensations

6.1. The Client is obliged to compensate **BenchMark Finance** for all losses, fees, expenses, costs and obligations (current and future ones, including unforeseen ones), suffered by **BenchMark Finance** as a result of or in regard to breaching the current Rules or the contract by **the Client**.

6.2. The Client is obliged to pay all losses, fees, interest, expenses, costs and obligations (current and future ones, including unforeseen ones), suffered by **BenchMark Finance** as a result of unfavourable exchange or cost fluctuations or a market gap, which results in negative balance in the account of the client along with the accrued until the payment interest.

VII. Confidentiality and disclosure of information from BenchMark Finance

7.1. Parties are obliged not to disclose any information (except for cases provided for by law or subject to execute obligations under the current Rules and/or the agreement) related to the business, investments, finances or other data which is confidential for the other party, if the information and/or data are/can be obtained due to the established relations between **BenchMark Finance** and **the Client** or in any other way. Each party should make reasonable efforts to prevent such disclosure.

7.2. By signing the agreement, **the Client** authorises **BenchMark Finance** to disclose such information related to **the Client** without giving prior notice to **the Client** when this is required by the applicable legislation, the relevant regulatory authority including the applicable market principles.

VIII. Amendments

8.1. BenchMark Finance has the right to amend the Rules at any time by notifying **the Client**. This can be also done by a publication on the website.

8.2. The Client can change the address to which all messages and notifications due in accordance with the conditions of the agreement must be sent with a written notification to **BenchMark Finance**.

IX. Appeals and disputes

9.1. In case of a dispute, parties firstly agree to make an attempt to solve it by good will. In this case **the Client** should present its claim to **BenchMark Finance**, and **BenchMark Finance** should examine the requests of **the Client** timely and wholly.

9.2. Without prejudice to rights, every time when **the Client** and **BenchMark Finance** have a dispute about a margin transaction or alleged margin transaction or order related to a margin transaction, **Benchmark Finance** has the right at its own discretion and without prior notice to conclude this margin transaction if it is rightly considered that such action is required with an aim to limit the maximum amount of the dispute. **BenchMark Finance** is not held liable for any obligation towards **the Client** in regard to subsequent fluctuations in the level of the margin transaction concerned. If **BenchMark Finance** closes a margin transaction in accordance with this clause, this happens without prejudice to right of **the Client** to open new margin transactions in accordance with the agreement.

9.3. In cases of closure of positions, **the Client** agrees unconditionally with the price levels at which **BenchMark Finance** has closed his positions. Regardless of the actions taken by **BenchMark Finance** for closing positions, if at the end the balance in the account of the client is negative (loss has occurred), **the Client** should pay to **BenchMark Finance** an amount equal to the realized negative balance by applying Article 6.2 from the current Rules.

X. Miscellaneous

10.1. **BenchMark Finance** is not held liable to **the Client** for partial or whole non-performance of his obligations under the agreement, directly or indirectly related to circumstances out of his control. These cases of force majeure include foreseen and unforeseen events under Article 306 from the Commercial Code as well as all technical difficulties, problems, interruptions of telecommunications or non-availability of the website (i.e. when at the relevant moment the website is unavailable or non-updated).

10.2. Moreover, **BenchMark Finance** has the right at its own discretion to determine whether there is an emergency or exceptional market situation. Such situations include but are not limited to suspension or closure of a market or terminating or non-operation of an event with which **BenchMark Finance** relates its offer or occurrence of an excessive movement in the level of a given margin transaction and/or the basic market, or reasonable expectation by **BenchMark Finance** for such movement. In such cases **BenchMark Finance** can increase its margin requirements, to close some or all margin transaction opened by **the Client** and/or close or amend some or all conditions of these Rules and the agreement with **the Client** including but not limited to the cases when for **BenchMark Finance**, it is impossible or impractical to comply with the condition concerned.

10.3. **BenchMark Finance** has the right to suspend offering quotes for a certain financial instrument by warning **the Client** about this and giving him a time at its own discretion during which **the Client** should take the relevant actions for closing his positions. If **the Client** does not do this, **BenchMark Finance** has the right at its own discretion and without prior notice, to close the positions of **the Client** opened in this financial instrument and **the Client** agrees that **BenchMark Finance** can at its own discretion determine the levels of closure bearing in mind the applicable market rates. **BenchMark Finance** is not held liable for any losses, suffered by **the Client** as a result of these actions.

XI. Definitions

11.1. Unless the context requires anything else, the terminology below has the following meanings and can be used in singular or plural depending on the case:

11.1.1. “**Platforms for trading offered by BenchMark Finance**” under the current Rules, are the platforms **Trader** and **MetaTrader**.

11.1.2. “**Trader**” is a trading platform on the Internet, provided by **BenchMark Finance** to **the Client**. It gives the possibility of entering into transactions with currencies, shares, CFD, options, futures, metals and

etc. **Trader** also includes the platform **TraderGo** which offers similar services but differs in the light of accessing the account of **the Client**. **TraderGo** provides access by using a web browser and mobile devices such as mobile phones, PDA and etc.

11.1.3. "MetaTrader" is a trading system on the Internet, provided by **BenchMark Finance** to **the Client**. It gives the possibility of entering into transactions with currencies, metals and CFD. **MetaTrader** also includes the platforms **WebMetaTrader** and **MobileMetaTrader** which offer similar services but differs in the light of accessing the account of **the Client**. **WebMetaTrader** provides access to the use of web browser and **MobileMetaTrader** provides access via mobile devices such as mobile phones, PDA and etc.

11.1.4. "BenchMark Finance" means "**BenchMark Finance**" JSC, investment intermediary, holding a licence for conducting an activity as investment intermediary No: WP-03-0212/09.05.2006 and license of Bulgarian National Bank No:103/17.06.2005 for transactions in foreign currency as private equity house with headquarters located in Sofia, Lozenets region, Viskiar Planina Street, No:19, 2nd floor.

11.1.5. "Rules" refer to the regulations in the current Rules applicable to the trade contracts in the international financial markets via platforms offered by Investment Intermediary "BenchMark Finance" JSC.

11.1.6. "Website" is the website indicated on the agreement with the client as a website of **BenchMark Finance**.

11.1.7. "Services" are the services provided by **BenchMark Finance** under the transactions concluded with **the Clients**.

11.1.8. "Confirmation of transaction" means a message by **BenchMark Finance** to **the Client**, containing the basic parameters of the transaction concluded by **the Client**.

11.1.9. "Agreement" is the agreement for trading in financial instruments on the international financial markets and its applications.

11.1.10. "Client" is the physical person and legal entity which is a party in the agreement.

11.1.11. "Account" means an account for transactions of **the Client** in **BenchMark Finance** under an agreement for trading on the international financial markets via the platforms **Trader** or **MetaTrader**.

11.1.12. "Statement of account" means a periodical report for movement of amounts in a certain account.

11.1.13. "Margin Transaction" means a transaction for purchase of financial instruments at the expense of **the Client**, where in order to pay the financial instruments **the Client** uses loan from the market concerned.

11.1.14. "Market Principles" means the principles, regulations and the usual practice of a certain exchange, clearing house or another entity or market related to the conclusion, completion or suspension of a certain transaction or agreement and every exercise of such exchange, clearing house or another entity or market to an authorization or right granted to them.

11.1.15. "Inside Information" is specific information which is not publicly announced, related directly or indirectly to one or more issuers of financial instruments or one or more financial instruments if their public announcement may have a significant effect on the cost of those financial instruments or on the cost of derivative financial instruments related to them. The information from the first sentence includes all information that:

1. States facts and circumstances which have occurred or substantially their occurrence could be anticipated in the future. It is specific enough for one to arrive at the conclusion in regard to the possible effect on the cost of the financial instruments or the derivative financial instruments related to them.

2. It is usually used by the investors at taking decision for investing in certain financial instrument.

In regard to the individuals who execute orders for financial instruments, inside information is also a specific information reported by **a Client** and related to placed but not yet executed orders of **the Client** which refers directly or indirectly to one or more issuers of financial instruments and one or more financial instruments. If it is publicly announced might have a significant effect on the cost of those financial instruments or the derivative instruments related to them.

11.1.16. "Working Day" refers to the days in which **BenchMark Finance** serves **Clients**. This includes all workdays days of the year except for certain Bulgarian or international public holidays for which **the Client** will be notified in advance by a message in the website and/or the platform.

1.1.17. "An authorized person" is the individual authorized with notary certified power of attorney by **the Client** to give instructions to **BenchMark Finance**.

1.1.18. "Tariff" means the tariff from **BenchMark Finance** published on the website.

1.1.19. "Derivative" is a financial instrument traded MTF or OTF whose cost directly depends on the value of one or more underlying assets (securities, share indices, debt instruments, goods, other derivatives). Derivatives include trading in rights and obligations on the basis of underlying assets but do not lead to direct transfer of ownership of them.