

**GENERAL TERMS**

**APPLICABLE TO THE BENCHMARK FINANCE AD AGREEMENTS WITH CLIENTS**

**Art.1** These General Terms and Conditions regulate the rights and obligations of investment intermediary BenchMark Finance AD (hereinafter referred to as BenchMark Finance or "investment intermediary") and its clients in connection with the investment services and activities provided under Art. 6 of the Markets in Financial Instruments Act (MFIA) and according to the license held by it. The General Terms are accepted by the Board of Directors of the investment intermediary on the grounds of art. 82 of MFIA, in connection with Art. 298 of the Commercial Code.

*Information about the investment intermediary*

**Art.2** BenchMark Finance is a joint stock company established under the laws of the Republic of Bulgaria and registered in the Commercial Register at the Registry Agency with UIC 131225156 with registered office and address of management: Republic of Bulgaria, Sofia, Lozenets region, 19 Viskyar Planina Str. fl. 2, website: [www.benchmark.bg](http://www.benchmark.bg), working hours, telephone numbers and e-mail addresses for contact with the investment intermediary are listed on the website. The name of BenchMark Finance AD is written in English as BenchMark Finance JSCo.

**Art.3** Clients can communicate and correspond with BenchMark Finance in Bulgarian and English. In case there is a possibility for communication in other languages, the clients will be notified on the BenchMark Finance website. The documents regulating the relations with clients and the terms of trade, including those related to the provision of legally obligatory information to the clients, are prepared by BenchMark Finance in Bulgarian and/or English, and in case of discrepancies or disputes, the Bulgarian version of the documents shall prevail. By concluding a contract, the client declares that he agrees to use the documents governing client relations and trading conditions in one of the two available languages and will not request a translation into a language other than Bulgarian and English.

**Art.4** BenchMark Finance has a license to operate as an investment intermediary in the territory of the Republic of Bulgaria and abroad under № RG-03-0212/01.06.2005 and №RG-03-0212 from 09.05.2006, issued by the Financial Supervision Commission (hereinafter "FSC"). BenchMark Finance is entered in the register of investment intermediaries kept by the FSC under № 03-0212. BenchMark Finance has the right to operate under the conditions of free provision of services after notification in all Member States of the European Union.

Up-to-date information on the countries in which BenchMark Finance is notified to operate under the conditions of free provision of services is available on the website of the investment intermediary and on the website of the Financial Supervision Commission.

**Art.5** The supervision over the activity of BenchMark Finance is carried out by the Financial Supervision Commission (FSC), Republic of Bulgaria, Sofia, 16 Budapest Street; <https://www.fsc.bg>; e-mail: [delovodstvo@fsc.bg](mailto:delovodstvo@fsc.bg).

**Art.6** BenchMark Finance is a member of the Bulgarian Stock Exchange AD and Central Depository AD. BenchMark Finance is a member of the Bulgarian Association of Licensed Investment Intermediaries, which is a professional organization of licensed investment intermediaries in Bulgaria.

**Art.7** BenchMark Finance is entered in the register of personal data controllers kept by the Commission for Personal Data Protection with identification number 50497.

**Art.8** BenchMark Finance is directly regulated by the Markets in Financial Instruments Act (MFIA), Regulation (EU) № 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) 648/2012, Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65 /EU of the European Parliament and of the Council as regards organizational requirements and operating conditions for investment firms and for giving definitions for the purposes of the said

Directive (Delegated Regulation 2017/565), Ordinance № 38 on the requirements for the activity of investment intermediaries (Ordinance №38) and the other applicable Bulgarian legislation and law of the European Union.

**Art.9** (1) In accordance with the issued license to operate as an investment intermediary, BenchMark Finance provides the following services and activities by occupation on the territory of the Republic of Bulgaria, within the European Union and the European Economic Area and in third countries:

1. receiving and transmitting orders in connection with one or more financial instruments, including intermediation for concluding transactions with financial instruments;
2. execution of orders at the expense of clients;
3. own account transactions with financial instruments;
4. portfolio management;
5. providing investment advice;
6. undertaking issues of financial instruments and/or offering for initial sale of financial instruments under the conditions of an unconditional and irrevocable obligation to subscribe/acquire the financial instruments for own account;
7. offering for initial sale of financial instruments without an unconditional and irrevocable obligation to acquire the financial instruments for own account (placement of financial instruments);

(2) BenchMark Finance also provides the following additional services:

1. safekeeping and administration of financial instruments on behalf of clients, including custody and related services, such as cash and collateral management, with the exception of centralized securities account management in accordance with Section A, point 2 of the Annex to the Regulation (EU) № 909/2014;
2. granting loans to investors to carry out transactions with one or more financial instruments, provided that the intermediary providing the loan participates in the transaction;
3. advice to undertakings on capital structure, industrial strategy and related matters, as well as advice and services relating to the transformation and acquisition of undertakings;
4. provision of services related to foreign means of payment in cash and in a non-cash manner, insofar as they are related to the provided investment services;
5. investment researches and financial analysis or other forms of general recommendations related to transactions in financial instruments;
6. issues related to underwriting financial instruments;

(3) BenchMark Finance also has the right to conclude transactions with foreign means of payment in a non-cash manner.

**Art.10**(1) The subject of the provided basic and additional investment services may be all financial instruments, determined according to art. 4 of MFIA, as follows:

1. transferable securities - "Transferable securities" are the classes of securities registered in accounts with a central securities depository that can be traded on the capital market, with the exception of payment instruments, such as:

- a) shares in companies and other securities equivalent to shares in capital companies and other legal entities, as well as depository receipts for shares;

b) bonds and other forms of securitized debt, including depository receipts for such securities;

c) other securities that give the right to acquire or sell such transferable securities or that result in a monetary settlement determined on the basis of transferable securities, currencies, interest rates or yields, commodities or other indices or indicators.

2. money market instruments;

3. shares of collective investment undertakings;

4. options, futures, swaps, forward interest rate agreements and any other securities-related derivative contracts with currencies (other than those defined in accordance with Article 10 of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 to supplement of Directive 2014/65/EU of the European Parliament and of the Council as regards the organizational requirements and conditions for the conduct of business of investment firms and for the definition of those Directives (Delegated Regulation (EU) 2017/565) (OB, L 87/1 of 31 March 2017), with interest rates or yields, emission allowances or other derivative instruments, financial indices or financial indicators for which settlement by physical delivery or cash settlement may be made;

5. options, futures, swaps, forward contracts and any other derivative contracts relating to commodities for which a cash settlement is to be made or for which a cash settlement may be made at the request of one of the parties other than defaults or other grounds for termination;

6. options, futures, swaps and any other derivative contract relating to commodities that can be settled by physical delivery when they are traded on a regulated market, a multilateral trading facility (MTF) or an organized trading facility (OTF), with the exception of wholesale energy products traded on OCT, for which settlement with physical delivery must be performed, determined in accordance with Art. 5 of Delegated Regulation (EU) 2017/565;

7. options, futures, swaps, forward contracts and any other derivative contracts related to goods that can be settled by physical delivery, other than those specified in item 6, which are not for commercial purposes and have the characteristics of other derivative financial instruments according to art. 7, paragraphs 1, 2 and 4 of Delegated Regulation (EU) 2017/565;

8. derivative financial instruments for credit risk transfer;

9. contracts for differences;

10. options, futures, swaps, forward interest rate agreements, and any other derivative contracts related to climate change, freight rates or inflation rates, or other official economic statistics that need to be settled or that can be settled. make a monetary settlement at the request of one of the parties (except in cases of default or other grounds for termination of the contract), as well as any other derivative contracts related to assets, rights, liabilities, indices and indicators other than those referred to in this Article. the characteristics of other derivative financial instruments depending on whether they are traded on a regulated market, MTF or OTF, determined according to Art. 7, paragraph 3 and Art. 8 of Delegated Regulation (EU) № 2017/565;

11. emission allowances consisting of any units recognized as complying with Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Directive 96/61/EC (Emissions Trading Scheme) (Directive 2003/87/EC).

(2) The client is notified of the following rights under the various types of financial instruments:

1. Rights on the shares traded on a regulated market in the Republic of Bulgaria: right to dividend; right to vote and participate in the general meeting of shareholders of the company and in its management; right to a proportionate share of the new shares upon capital increase; right to liquidation share;

2. Bond rights traded on a regulated market in the Republic of Bulgaria: right to receive the amount (principal) of the bonds; right to receive interest payments on the bonds; right to participate and vote in a general meeting of bondholders; the right of the bonds to be replaced by the respective number of shares of the company, in case the bonds are issued as convertible.
3. Rights under issued rights: the right to subscribe the respective number of shares against the rights held in a predetermined ratio in connection with a decision taken to increase the capital of a public company;
4. Rights under options: the right to buy or sell a certain number of securities or other financial instruments at a pre-fixed price until the expiration of a certain term or a certain date;
5. Futures rights - give the right, but also the obligation to buy or sell a certain number of securities or other financial instruments at a pre-fixed price on a certain date;
6. Rights under contracts for differences (CFDs) - give the right to receive, but also the obligation to pay the difference between the current price of the underlying asset (shares, currency, commodities, indices, etc.) and its price when the contract is closed.
7. Rights under units of collective investment schemes: right of redemption; right to a liquidation share upon termination of the collective investment scheme; right to a part of the profit (dividend), if a decision is made for distribution by the general meeting of the investment company, respectively the managing body of the management company; right to information; voting rights in cases of holding shares of an investment company.
8. Rights under other derivative financial instruments - according to the rights granted by the issuer of the instrument, the type of the underlying asset, described in the concluded specific contract with the client and the applicable legislation.

(3) When performing investment services and activities, as well as providing additional services under the issued license, BenchMark Finance treats its clients equally, acts honestly, fairly, as a professional in accordance with the best interests of the client and takes care of a good trader. BenchMark Finance provides investment services and activities and concludes transactions with financial instruments, both at the expense of clients and at its own expense. When providing the services, BenchMark Finance can negotiate with itself, as well as be a counterparty in transactions with clients.

### *Compensation for investors*

**Art.11**(1) BenchMark Finance informs clients that the assets of non-professional clients in Bulgaria are guaranteed by the Investor Compensation Fund against the inability of the investment intermediary to return the assets for reasons directly related to its financial condition. The Fund shall ensure the payment of compensation to the clients under the conditions and by the order provided in Section IV Compensation of the Investors, Art. 77a -77h of Public Offering of Securities Act (POSA).

(2) Client assets within the meaning of Section IV Compensation of the POSA investors are the funds, financial instruments and other assets of the clients of the investment intermediary, which he holds, administers or manages at their expense in connection with the services provided by him under Art. 6, para. 2 and 3 of the Markets in Financial Instruments Act, including interest, dividends and other similar payments.

**Art.12**(1) The Fund pays compensation to clients in cases where:

1. Bankruptcy proceedings have been opened against the investment intermediary with a decision of the respective district court;

2. The FSC has issued a decision revoking the license, respectively the permit for carrying out activity by the investment intermediary on the grounds of permanently deteriorated financial condition and inability of the investment intermediary to perform its obligations;

3. A decision of the FSC established that the following conditions are present at the same time:

a) the financial instruments and / or the funds held by the investment intermediary on behalf of its clients are not available on the respective accounts for reasons other than the performance of contractual relations with the clients;

b) at the discretion of the commission at that time the investment intermediary is unable for reasons directly related to its financial condition to pay clients the money, respectively to recover the financial instruments and will not be able to do so in the short term.

The decision under para. 1, item 3 shall be taken within 10 working days from the knowledge that the investment intermediary does not fulfill its obligations to clients for payment of funds and / or for transfer of financial instruments. The Financial Supervision Commission may take a decision under para. 1, item 3 and after revocation of a license of an investment intermediary for carrying out activity, outside the cases under Art. 27, para. 1, item 6 of the Markets in Financial Instruments Act.

(2) Within 7 days of receiving the decision under para. 1, the fund shall publish in at least two central daily newspapers and on its website a notice of the decision under para. 1 and for the term in which the clients of the investment intermediary may submit a request for payment of compensation from the fund, as well as the bank through which the payment of the compensation will be made.

(3) In the cases under par. 1, item 1 the receivables of the clients of the investment intermediary shall be considered presented and shall be entered ex officio by the trustee in bankruptcy in the list under Art. 686, para. 1, item 2 of the Commercial Law.

(4) Compensation is paid for receivables arising from the inability of the investment intermediary to return the client's assets in accordance with the legal and contractual conditions. The client is entitled to compensation in the amount of 90 percent of the value of his receivable, determined as of the date of occurrence of the circumstance under para. 1, but not more than BGN 40,000. The amount of the receivable for each client shall be determined as of the date of issuing the decision under para. 1 in accordance with the legal and contractual conditions, as the valuation of the client's assets shall be carried out under conditions and by order, determined in an ordinance.

(5) For certain categories of clients in art. 77g, para. 2 of the POSA, including professional clients and clients categorized as eligible counterparties, no compensation shall be paid. Compensation is also not paid to clients who have contributed to or benefited from the deteriorating financial condition of the investment intermediary, or whose receivables have arisen from and / or are related to actions constituting "money laundering".

(6) BenchMark Finance is obliged to make annual contributions to the Investor Compensation Fund in an amount determined by the Management Board of the Fund. The non-payment of due installments by the investment intermediary to the Investor Compensation Fund shall not deprive the eligible clients of the investment intermediary of compensation up to the amounts provided in Art. 77d of POSA.

(7) At the request of the client, the investment intermediary will provide a copy of the current regulations concerning the investor compensation system.

### *Protection and storage of client assets*

**Art.13**(1) BenchMark Finance maintains accountability and accounts for the client's financial instruments and cash in a manner that allows him at any time to immediately distinguish the assets held for the client from the assets of other BenchMark Finance clients and from his own assets, namely through accounts with different name in the financial statements of BenchMark Finance or by equivalent measures that achieve the same level of protection.

(2) BenchMark Finance cannot use clients' funds at its own expense. BenchMark Finance may not use financial instruments of its clients for its own account, for the account of other clients or for the account of any other person, except with the explicit consent of the client and under conditions specified in an agreement with the client.

(3) BenchMark Finance is not liable to its creditors with the financial instruments and cash of its clients. Enforcement on the funds and financial instruments of clients for obligations of the investment intermediary is not allowed.

(4) Invalid in relation to the client is set-off, establishment of collateral, as well as other actions regarding his financial instruments and/or cash, as a result of which a third party acquires the right to dispose of the financial instruments and/or cash of the client, with in order to satisfy a receivable that is not related to the client's obligation or to the services provided by the client's investment intermediary.

**Art.14**(1) BenchMark Finance stores the financial instruments of its clients in a depository institution on client accounts to the account of the investment intermediary or on accounts opened to the account of a third party, as follows:

1. Non-Demand government securities issued pursuant to Ordinance No. 5 of the BNB and the Ministry of Finance, as well as dematerialized government securities intended only for individuals, shall be kept in custody accounts or sub-accounts to the account of the investment intermediary in a credit institution (custodian bank). or another sub-depository of government securities.

2. Non-Demand shares and bonds of local issuers and units of local collective investment schemes, as well as other dematerialized securities registered in Central Depository AD are stored on individual client accounts to the account of the investment intermediary in Central Depository AD.

(2) The financial instruments offered for trading on the MetaTrader 4/5 platforms - contracts for differences (CFDs) and other derivative financial instruments issued by BenchMark Finance **are not transferable** securities. Transactions with these instruments are not subject to centralized clearing. In view of this, BenchMark Finance does not deposit these client financial instruments in a depository institution under Art. 94, para. 1 of MFIA, and keeps them with him on analytical accounts of his clients.

(3) The investment intermediary shall take due care of:

1. the choice of a depository institution under Art. 94, para. 1 of MFIA, in which to store the financial instruments of its clients and in determining the terms of the contract with the depository institution;

2. performing a periodic review and assessment of the depository institution under Art. 94, para. 1 of MFIA and the terms of the contract with it in connection with the safekeeping of the financial instruments of its clients, if necessary, but at least once a year.

(4) For the purposes of para. 3, the investment intermediary shall take into account the experience and the market reputation of the depository institution under Art. 94, para. 1 of MFIA, as well as all legislative requirements or market practices related to the holding of the respective financial instruments, which may adversely affect the rights of the clients.

**Art.15**(1) BenchMark Finance does not keep clients' money with it. BenchMark Finance deposits the funds of its clients in:

1. central bank;
2. a credit institution licensed to operate in accordance with the Credit Institutions Act, respectively in accordance with the requirements of Directive 2013/36/EU (commercial bank);
3. credit institution licensed to operate in accordance with the Credit Institutions Act, respectively in accordance with the requirements of Directive 2013/36/EU (commercial bank);
4. Qualified money market fund - only if the clients are informed in advance in writing that their funds will not be held in accordance with the requirements for protection of clients' funds under MFIA and Ordinance № 58, and have given their written consent for depositing their funds in a qualified money market fund. When depositing clients' funds in a qualified money market fund, the units or shares in that money market fund should be held in accordance with the requirements for holding clients' financial instruments.

By concluding a contract, the client agrees that BenchMark Finance may deposit the funds of its clients in the above-mentioned persons and in the cases when it is a related party with any of them.

(2) The investment intermediary shall take due care of:

1. the choice of a credit institution, respectively a qualified money market fund, in which to deposit the funds of its clients and in determining the terms of the contracts with them;
2. the performance of periodic review and assessment of the credit institution, respectively of the qualified fund on the money market and of the conditions under the concluded contracts for storage of funds of its clients.

(3) For the purposes of para. 2, the investment intermediary shall take into account the experience and market reputation of the credit institution, respectively the qualified money market fund, in order to ensure the protection of clients' rights, as well as all legal and regulatory requirements or market practices related to holding funds of clients. may adversely affect clients' rights.

(4) When the investment firm deposits clients' funds in a credit institution or a qualified money market fund, the investment firm shall consider the need to diversify clients' funds and, where appropriate, deposit them with more than one person in order to protect clients' rights.

**Art.16** (1) Pursuant to Art.49, paragraph 6 of Delegated regulation (EU) 2017/565 the investment intermediary will inform the client about the existence and conditions of any security interest or any retention right that the investment intermediary has or may have in respect of the client's financial instruments or funds, or for any set-off right he holds in relation to those instruments or assets. Where applicable, the investment intermediary shall also inform the client of the fact that the depositary institution may have a security interest or a lien or a right of set-off in respect of those client instruments or funds.

(2) The investment intermediary informs the client about the existence of a right of set-off on the client's money and/or financial instruments for the investment intermediary, in case BenchMark Finance incurs a counter-obligation to the client, regardless of which of the concluded contracts with the investment intermediary. several contracts for investment services have been concluded with the client). The set-off is made up to amount of the lesser of the two counter-obligations, after notification by the intermediary to the client.

(3) Before concluding securities financing transactions relating to financial instruments held on behalf of a client or before otherwise using such financial instruments for its own account or for the account of another client, the investment firm shall provide the client in a timely manner before using these instruments clear, complete and accurate information on a durable medium on the obligations and responsibilities of the investment firm regarding the use of these financial instruments, including the conditions for their return and the associated risks.



### *Client categorization*

**Art.17**(1) BenchMark Finance is obliged to categorize its clients as a non-professional, professional or acceptable counterparty. When categorizing clients, BenchMark Finance observes the requirements, criteria for categorization and procedures established in MFIA and the Rules of BenchMark Finance for categorization of clients, published on the website of BenchMark Finance - [www.benchmark.bg](http://www.benchmark.bg), with which clients must get acquainted and agree. when concluding a contract.

(2) With these General Terms and Conditions, BenchMark Finance notifies clients that it will treat them as unprofessional in respect of all investment services, investment activities and financial instruments, unless it has explicitly categorized them as professional or an acceptable counterparty.

(3) BenchMark Finance on its own initiative will categorize as professional clients in respect of all investment services, investment activities and financial instruments, clients that fall into the categories under items 1 - 4 of Section I of the Annex to MFIA.

(4) BenchMark Finance will consider and treat as an acceptable counterparty any investment intermediary, credit institution, insurance company, collective investment scheme, management company, pension insurance company, pension fund, pension insurance company, other financial institutions licensed or regulated by law. The European Union and the Member States, national governments, public authorities managing government debt, central banks and international institutions, as well as third-country nationals subject to requirements equivalent to those of European Union law.

Eligible counterparties may be considered other persons who meet the requirements of Art. 71 of Delegated Regulation (EU) 2017/565 requirements, including persons from third countries, as follows: enterprises falling into the category of clients, which should be considered as professional clients in accordance with the persons under items 1 - 4 of Section I of The Annex to MFIA.

With respect to clients categorized as an eligible counterparty, BenchMark Finance may provide services and execute orders for transactions and operations in compliance with these general terms and conditions and other documents applicable to client relations, without concluding a separate individual contract in writing, unless the client did not explicitly state his wish to do so.

(5) Every professional client has the right to request treatment as a non-professional client in order to obtain higher protection. The higher level of protection shall be granted on the basis of a written request and agreement between the investment firm and the client, if one is reached, which explicitly states whether for all investment services and activities and financial instruments, or for certain ones, the client will be provided with a higher degree of protection and will be treated as unprofessional.

A person who meets the criteria for a professional client is obliged to request a higher level of protection when he considers that it is impossible for him to properly assess or manage the risks associated with the investment.

(6) A client designated as an eligible counterparty may request not to be treated as such in full or for a specific transaction if the investment firm agrees. In this case, the client is treated as a professional, unless he explicitly requests to be treated as a non-professional. When the client explicitly requests to be treated as a non-professional, BenchMark Finance applies to him the rules providing a higher degree of protection for non-professional clients, in relation to specific services, activities, transactions, financial instruments or other explicitly specified in the agreement with the client. financial products.

(7) A client designated as a non-professional may request to be re-categorized as a professional client for all investment services and activities and financial instruments or for certain ones in compliance with the relevant conditions and procedure in the BenchMark Finance Client Categorization Rules and in accordance with Section II. from the Annex to MFIA. In the case under the previous sentence, the rules providing a higher degree of protection for non-professional clients shall not apply to this client only if, based on the client's experience, knowledge and skills, the investment intermediary can reasonably consider that according to the nature of the transactions. the services that the client intends to conclude or use, the client can make independent investment decisions and assess the risks associated with them.

(8) The client who is re-categorized as a professional, is obliged to notify the investment intermediary of any change in the data that served as a basis for its re-categorization. In the event that the investment firm finds, on the basis of the notification under the previous sentence or otherwise, that the client has ceased to meet the conditions for being classified as a professional, the investment firm shall apply to it the rules providing a higher level of protection for non-professional clients.

(9) In addition to the client's request, a change in the client's categorization may be made at the initiative of the investment intermediary in compliance with the BenchMark Finance Client Categorization Rules.

### *Risk warning*

**Art.18**(1) The services under the contract with the client are provided at the initiative of the client, the transactions are concluded entirely at the discretion and order of the client. The client bears all the risks of trading in financial instruments and all transaction orders are executed entirely at his expense and at his risk. BenchMark Finance does not provide independent investment advice or investment recommendations in connection with the client's orders for transactions in financial instruments and the transactions concluded on the basis of these orders.

(2) The client is responsible for knowing the specifics of the financial instruments, the risk associated with them, as well as for their awareness and observation of significant events in relation to the financial instruments and their issuers. BenchMark Finance is not obliged to notify the client in the event of such events, nor to take any other individual measures in relation to the client.

(3) The Client consciously and in full assumes the risk of loss associated with each transaction with financial instruments, which BenchMark Finance has carried out in execution of a client's order or in the management of the client's portfolio. BenchMark Finance is not responsible for the final financial result achieved by the client.

(4) It is impossible to guarantee the profit or the release from loss when trading in financial instruments. By concluding a contract, the client confirms that he has not received such guarantees or similar assurances from BenchMark Finance or any of its employees, and that the client has not concluded the contract, nor will he act in the future considering and relying on such guarantees. or similar assurances.

(5) The Client acknowledges, accepts and understands that trading in financial instruments, both on a margin basis (with a guarantee amount) and without the use of margin, is highly speculative, may involve a high degree of risk and is suitable only for individuals, who may bear the risk of loss, including loss exceeding the amount of their margin deposits. The client agrees and declares that he has the financial ability to bear the risk of speculative trading in financial instruments.

(6) The Client is notified, understands and accepts the following risks when investing and transactions with shares, bonds or other transferable dematerialized financial instruments on the Client's account, issued by public companies, namely:

1. Financial instruments may lower their price in the future, leading to partial losses or loss of the entire investment;
2. The decrease in the price of financial instruments may be due to a number of factors related to the activity of the issuing company or the world economy, foreign financial markets, force majeure circumstances and others, the change of which the investment intermediary has no possibility to influence;
3. Purchased financial instruments may not be able to be converted into cash in whole or in part if there is no sufficiently liquid market in which to trade;
4. The client may not receive a dividend if the company has not realized and reported profit or the general meeting of the public company-issuer decides not to distribute a dividend;
5. The client will not be able to influence the management of the issuing company if it does not own a sufficient number of shares;
6. The client may not receive a liquidation share upon termination of the issuing company due to exceeding the company's liabilities to creditors over the assets owned by the company.
7. The client may lose part or all of the investment due to separation of the issuer from the trading venue, bankruptcy, liquidation, temporary or permanent suspension of trading in the issue, default or delayed execution by counterparties or by other participants in the capital market;
8. The client may have to incur financial and other additional liabilities as a result of transactions with financial instruments, including contingent liabilities, additional fees to the cost of acquiring the instruments.

(7) A detailed description of the risks associated with trading in financial instruments is contained in the documents:

1. The policy for execution of client orders for transactions with financial instruments, which contains a description of the risks in view of the places for execution of transactions;
2. Description of the products offered by Benchmark Finance and the risks associated with them, which contains a description of the risks in relation to the various financial instruments;
3. The Key Information Documents (KID) for the offered products and financial instruments (in the cases when the KID is required to be prepared).

The above documents are constantly available and accessible on the website of the intermediary and the client should read them in advance, as well as monitor their current versions. The enumeration of risks in these documents is informative and non-exhaustive.

(8) Additional risk warnings for clients trading in CFDs or other margin-based derivative financial instruments:

1. Clients who trade in CFDs or other derivative financial instruments should be aware that these are complex financial instruments and carry a high risk of rapid loss of funds as a result of leverage. Before trading such instruments, clients need to assess whether they understand how CFDs or other derivative financial instruments work and whether they can afford to take the high risk of losing their money.
2. Trading is directly or indirectly related to investments in financial instruments whose underlying assets are in different currencies. The potential gain or loss on transactions in

investments in foreign currency denominated financial instruments also depends on exchange rate fluctuations.

3. Place stop or stop limit orders, which are intended to limit the amount of potential loss to the client, cannot always be executed due to current market conditions or existing technological constraints on the execution of such orders.

4. The prices quoted by BenchMark Finance may change in the period between the submission of the client's order (the quotation visible to the client) and its execution according to the market dynamics.

5. The client is informed, understands and accepts that trading against a guarantee amount (on margin) with contracts for differences (CFDs) is accompanied by risks that may lead to financial losses for the client, including a loss of or exceeding the amount initially invested.

6. Various events or situations may occur on weekends when the capital markets are closed for trading, as a result of which the prices (quotations) of financial instruments may differ significantly from the closing prices on Fridays or last working day. BenchMark Finance clients will not be able to open new positions and/or trade their positions on weekends or during non-working days/public holidays, to place or change orders. As a result, there is a significant risk that stop loss orders placed by the client in advance may be executed at levels significantly less favorable to the client than those specified in his order.

7. Trading is done with the help of electronic trading platforms MetaTrader 4/5 and the available communication networks for data transfer. Clients are exposed to all risks associated with the operation of electronic trading systems, including hardware or software problems, technical problems, temporary inability to access the system, connectivity problems, etc .;

8. In case of insufficient collateral (guarantee amount/margin), part or all of the client's positions may be forcibly closed without the prior consent or approval of the client.

9. Trading orders are executed outside the trading venue, namely the OTC market. The consequences for the client of this are related to the following risks and conflicts of interest, namely:

a) BenchMark Finance is the place of execution and counterparty to each transaction and therefore the client's trading opportunities are limited to the availability of BenchMark Finance's own liquidity;

b) The prices at which it is traded are determined (quoted) by BenchMark Finance and not by a counter-interest of another client;

c) The execution time of the client's orders may vary, there is no specific or fixed time in which BenchMark Finance commits or should execute orders received from clients;

d) The prices (quotations) offered by BenchMark Finance may differ from the prices (quotations) elsewhere for the performance of the respective contracts for differences (CFD);

e) There is a potential conflict of interest, BenchMark Finance to profit from the trading volumes that the client has realized, as the investment intermediary realizes a profit in situations where the client loses funds;

f) The instruments offered for trading are not transferable and the client cannot transfer them to another investment intermediary or to another place for trading or execution;

g) The trading rules that apply to the OTC market are different from the trading rules that apply to trading venues (regulated market, MTF, OTFs) and places where the underlying derivative is traded.

10. In the case of trading on "extended working hours", in addition to the risks associated with the traded financial instrument, there are the following risks: risk of lower liquidity, risk of higher volatility, risk of price changes compared to prices in normal working hours time, risk of wider than usual spreads and risk of different quotes compared to those in normal trading time. These risks will be presented in detail on the investment firm's website in case BenchMark Finance starts offering derivative financial instruments on "extended working hours".

(9) BenchMark Finance informs the client that margin trading in financial instruments is a high-risk trade and the client should make personal efforts for his own awareness and education about this type of trading, its nature and features, as well as the nature and peculiarities of traded financial instruments and the risks arising from this type of trade.

### *Signing a contract*

**Art.19** (1) The investment intermediary performs the services and activities on behalf of the client under standard conditions on the basis of a written contract, these general terms and all other documents applicable to the provided investment services and products, which regulate trade and relations between the client and BenchMark Finance. and obligations of the investment intermediary and the client, and have been prepared in accordance with MFIA, Delegated Regulation (EU) 2017/565 and Ordinance N<sup>o</sup>38 on the requirements for investment intermediaries. The documents under sentence one also contain the information that the investment intermediary must provide to its clients in accordance with the requirements of the law.

(2) Before concluding a contract, BenchMark Finance provides the client with an opportunity to get acquainted with the documents under the first paragraph as they are available and freely available on the website of the intermediary. Clients can at any time get acquainted with the current content of the documents applicable in their relations with BenchMark Finance on the website of the investment intermediary.

(3) Exceptionally, in case of mutual agreement between BenchMark Finance and a client, it is possible to conclude a contract under individually and specifically agreed with him conditions. In this case, the contract may contain clauses in deviation from the present general conditions, only if these clauses do not contradict imperative normative provisions of the Bulgarian law or the European law.

**Art.20** The client, respectively his representative, concludes a contract with BenchMark Finance only in those entered in the register under Art. 30, para. 1, item 2 of the Law on the Financial Supervision Commission address of management, branch or office, unless the contract is concluded by electronic statement, electronic document or electronic signature, or by another form without the presence of the client. BenchMark Finance has the right, at its discretion, to limit the ways in which it may enter into a contract with a client.

**Art.21** (1) Conclusion of a contract through a proxy is admissible only if the proxy presents a notarized power of attorney, which contains a representative authority to perform management and/or disposition actions with financial instruments.

(2) The investment intermediary shall keep in the client's file the original power of attorney under para. 1, respectively a notarized copy of it. If the power of attorney has multiple effects, the investment intermediary shall keep a copy of it, certified by the proxy and by the person under Art. 65, para. 1 of Ordinance N<sup>o</sup>38, which concludes the contract for the investment intermediary. The certification is performed by affixing the inscription "True to the original", date and signature of the persons.

(3) It is not allowed to conclude a contract through a proxy electronically or through another form without the presence of the client.

**Art.22**(1) Before concluding a contract, the client, respectively his representative, shall be identified in compliance with the procedure under the Anti-Money Laundering Measures Act and the regulations for its implementation. The investment intermediary may not conclude a contract if the client is not identified and if the client or his representative has not provided and signed the necessary documents, has submitted documents with obvious irregularities or the data in them are incomplete, have inaccuracies or contradictions or if there is another circumstance that raises the suspicion of unreliable identification or representation of the client.

(2) In connection with the identification and assessment of the risk profile of the client under LMMB BenchMark Finance has the right to request various documents and information to verify its identification, establish its beneficial owners, their identification and verification, clarify the capital structure, ownership and control (when the client is a legal entity or other legal entity), collecting information about the purpose and nature of the business relationship with the client, documents or declarations to clarify the origin of the funds with which the client will operate and his property status, data on his professional activity, establishing his affiliation to a jurisdiction, all nationalities and other statutory information. The information and documents requested by the client must be provided to BenchMark Finance, initially when establishing a business relationship with the client, as well as periodically thereafter and may be requested by BenchMark Finance at any time after establishing a business relationship with the client.

(3) In connection with the provided investment services and activities, BenchMark Finance is obliged to collect from its clients or potential clients, in addition to complete personal data, information about their financial capabilities, experience and knowledge and investment goals of the client. In connection with the fulfillment of its contractual and regulatory obligations, BenchMark Finance has the right to request additional information from the client when it deems that there are reasonable grounds for doing so.

In cases where the client trades through an electronic platform for trading in financial instruments, the investment intermediary stores information about the Internet protocol addresses (IP addresses) of the client from which the trade is performed.

(4) BenchMark Finance refuses to enter into a contract, respectively to provide services under a concluded contract, if this would lead to non-compliance or violation of the Law on Markets in Financial Instruments, Law against Market Abuse of Financial Instruments, Law on Measures against Money Laundering and Regulations for its implementation, the Law on Public Offering of Securities, the Law on Special Investment Purpose Companies, the Law on Measures against Terrorist Financing, other current normative acts of the applicable Bulgarian or European law, as well as violation or non-fulfillment of these general conditions or the contract, including the refusal of the client or his representative to provide the required documents, personal data or information.

(5) In case the client does not provide information, data and documents requested under the previous paragraphs, BenchMark Finance may refuse to enter into a contract, open an account, provide all or some services, temporarily or permanently terminate the business relationship with this client, unilaterally terminating the contract.

(6) BenchMark Finance may, in its sole discretion, without giving reasons, refuse to enter into a contract with a person and outside the cases specified in these general terms and conditions and/or the contract.

(7) BenchMark Finance, without giving reasons, refuses to enter into a contract with a legal entity if it does not provide LEI before concluding the contract.

(8) BenchMark Finance, without stating reasons, may refuse to enter into a contract with a natural or legal person, if before concluding the contract the person does not submit a completed declaration under Art. 142t of the Tax-Insurance Procedure Code and / or does not provide the necessary information and / or documents, and thus prevents the implementation of

a comprehensive inspection under the Tax-Insurance Procedure Code in connection with the requirements for automatic exchange of tax information. BenchMark Finance, without stating reasons, may refuse to enter into a contract with a natural or legal person, if before concluding the contract the person does not submit a completed declaration under Art. 142t of the Tax-Insurance Procedure Code and / or does not provide the necessary information and / or documents, and thus prevents the implementation of a comprehensive inspection under the Tax-Insurance Procedure Code in connection with the requirements for automatic exchange of tax information.

(9) BenchMark Finance may impose restrictions on the methods of concluding a contract depending on whether the client is a natural person or a legal entity and whether the contract is concluded by a proxy.

(10) In order to clarify the origin of the client's funds and in compliance with the rules of the Anti-Money Laundering Measures Act, BenchMark Finance collects information about the main activity of the client, including the actual and expected volume of business relationships and operations or transactions expected to be performed within these relationships, by filling in a questionnaire to clarify the origin of the funds under the Anti-Money Laundering Measures Act. The client is obliged to fill in and submit to BenchMark Finance the questionnaire for clarification of the origin of the funds under the Anti-Money Laundering Measures Act. If the client refuses to fill in and submit the questionnaire to clarify the origin of the funds under the Anti-Money Laundering Measures Act, BenchMark Finance has the right to refuse to enter into a contract with the client or if the contract is concluded, at its discretion - has the right to suspend all or part of services under the contract or to terminate the unilaterally concluded contract with the client.

(11) In case of inability of BenchMark Finance to clarify the origin of the client's funds after exhaustion of the methods under the Anti-Money Laundering Measures Act, as well as in cases where the collected information is contradictory, the clarification of the origin of the funds is done by a written declaration completed by the client or his legal representative or proxy.

If the client refuses to fill in and submit the declaration for clarification of the origin of the funds under the Anti-Money Laundering Measures Act, BenchMark Finance has the right to refuse to conclude a contract with the client or if the contract is concluded, at its discretion - has the right to suspend all or part of the services. under the contract or to terminate the unilaterally concluded contract with the client.

(12) The collection and processing of all personal data of the client under the previous paragraphs is required by the investment intermediary in order to fulfill obligations to perform identification, categorization of the client, assessment of appropriateness and / or appropriateness, risk assessment under Anti-Money Laundering Measures Act, etc. statutory obligations under MFIA, Regulation (EU) 2017/565, Regulation 648/2012 on OTC derivatives, central counterparties and trade repositories (EMIR), Anti-Money Laundering Measures Act, Law on Measures against the Financing of Terrorism, Tax-Insurance Procedure Code, Ordinance №38, etc. The collected data are stored at the investment intermediary in accordance with the requirements of the cited regulations and Personal Data Protection Act. BenchMark Finance is a personal data administrator within the meaning of the Personal Data Protection Act. In case the client refuses to provide his personal data and information, the investment intermediary may not perform activities and provide services at the expense of the client.

(13) By concluding a contract and accepting these General Terms and Conditions, individual clients and natural persons representing or beneficial owners of legal entities are notified and explicitly declare that personal data provided voluntarily by them may be provided to the competent state authorities implementing supervision over the activity of the investment intermediary, as well as of other persons, when the obligation for this is provided in a normative

act. By concluding a contract, the client declares that BenchMark Finance may disclose his personal data for the purposes and for the purposes of reporting under MiFIR and EMIR, as well as for the purposes and for the purposes of automatic exchange of financial information in the field of taxation. the persons provided for in the Tax-Insurance Procedure Code and for the needs of the tax legislation in Bulgaria, the USA, etc. jurisdiction.

The information under Art. 142b, para. 1 of the Tax-Insurance Procedure Code, containing personal data of the client, availability or value on his account (s), as well as the income realized on the account (s), to be subject to automatic exchange of financial information according to Chapter XVI, Section IIIa of Tax-Insurance Procedure Code and to be provided to the jurisdictions of which the client is a local person for tax purposes, in fulfillment of the international commitments of the Republic of Bulgaria.

(14) BenchMark Finance treats all information provided by the client as confidential and will not allow its use except for the purposes provided by law. Provision of the processed personal data may be made in the cases of art. 91 of MFIA:

1. with the consent of the client;
2. within the framework of an inspection order carried out by duly authorized employees of the Financial Supervision Commission or of the Bulgarian Stock Exchange AD;
3. by a court decision issued under the terms of MFIA;
4. by the order of Title II, Chapter XVI, Section IIIa of the Tax-Insurance Procedure Code;
5. in case of established legal grounds for their submission to other regulatory bodies, places of implementation, depository institutions, approved reporting mechanisms, National Revenue Agency.

(15) The client is fully responsible for the accuracy of the information provided by him, and in case of change in the facts and circumstances he is obliged to inform BenchMark Finance. In connection with the fulfillment of its contractual obligations, BenchMark Finance has the right to request additional information from the client when it deems that there are reasonable grounds for doing so.

(16) The Client is obliged to immediately notify BenchMark Finance of any change in the circumstances, facts and personal data with which he was initially identified as a client.

Client natural person or actual owner of a client - legal entity or other legal entity, has an obligation within seven days to notify BenchMark Finance and to submit a declaration under Art. 36 of the Anti-Money Laundering Measures Act in case after establishing the business relations, acquires the status of a person who is a prominent political figure or is a person related to a prominent political figure.

Clients, legal entities, must notify of any changes in their legal status and of the persons who may represent them, providing the investment intermediary with all documents related to the change. The investment intermediary shall not be liable for actions and orders for transactions and/or operations undertaken prior to the notification of changes in their legal status and/or for the persons who may represent them, in execution of regularly submitted as currently available to the investment intermediary. information.

(17) BenchMark Finance shall not be liable for damages and/or lost profits suffered by the client due to non-fulfillment of his obligations under the preceding paragraphs.

**Art.23**(1) The investment intermediary provides the client with information (information is also provided through the website, the electronic trading platform or by e-mail or telephone number provided by the client for communication), concludes contracts under Art. 82, para. 1 of MFIA and accepts orders from clients through:



1. persons offering financial instruments;
2. brokers of financial instruments;
3. investment consultants;
4. the executive members of the management body of the investment intermediary.

When concluding a contract with an electronic application submitted by a client through the use of electronic means and means of communication, the provision of all necessary information by the client in accordance with applicable legal requirements in connection with its identification, performing a comprehensive inspection, assessment of expediency etc., shall be carried out through electronic statements between the parties, an electronic document or an electronic signature, including through a simple electronic signature within the meaning of Art. 13, para. 1 of the Electronic Document and Electronic Certification Services Act.

(2) The investment intermediary shall submit orders under Art. 6, para. 2, item 1 of MFIA and provides the services and performs the activities under Art. 6, para. 2, items 2 and 3 of MFIA through brokers of financial instruments, which are entered in the register under Art. 30, para. 1, item 8 of the Law on the Financial Supervision Commission, except for the cases when the services are provided through an electronic trading platform, operating in automatic mode upon transmission or execution of the order.

(3) The investment intermediary provides the services under Art. 6, para. 2, items 4 and 5 of MFIA through investment consultants, which are entered in the register under Art. 30, para. 1, item 8 of the Law on the Financial Supervision Commission.

**Art.24** Pursuant to these general terms and conditions, the contract and other applicable and regulating documents between BenchMark Finance and the client, the client may open one or more accounts for trading in financial instruments in a currency in which BenchMark Finance allows account opening.

**Art.25** The services under the contract are provided at the initiative of the client. The client bears all the risks of trading in financial instruments and all transaction orders are executed entirely at his expense and at his risk. Transactions are concluded entirely only at the discretion and order of the client. BenchMark Finance does not provide investment advice or recommendations in connection with the client's transactions under the contract (except for portfolio management contracts or the provision of investment advice).

#### *Information provided to the client*

**Art.26** (1) Prior to concluding a contract, the investment intermediary shall provide the client and potential clients with data on the investment intermediary, the services provided by it, including whether it operates or concludes transactions with financial instruments on its own account; for financial instruments that are subject to the investment services provided by the intermediary and the risks associated with them; information on protection of financial instruments and clients' funds; the places for execution of the transactions; the types of costs and fees for the client and their amount, as well as all information required under the Markets in Financial Instruments Act, MIFID II and MIFIR, Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards the organizational requirements and conditions for the conduct of business by investment firms and for the definition for the purposes of that Directive (Delegated Regulation (EU) 2017/565), Regulation (EU) (600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) N<sup>o</sup> 648/2012 and other applicable Bulgarian legislation and European Union law.

(2) The information is provided by BenchMark Finance to the clients before the conclusion of the contract, and at any time thereafter, through the website of the investment intermediary, where the clients and potential clients have the opportunity to get acquainted with the current documents applicable and regulating the client relations and conditions. of trade as follows:

1. General terms and conditions applicable to contracts with clients;
2. Rules for categorization of clients, which describe the conditions and criteria by which clients are defined as professional or non-professional or as an acceptable counterparty, as well as the circumstances under which a client may be re-categorized;
3. The policy for execution of client orders for transactions with financial instruments, which contains a description of the places for execution of transactions;
4. Description of the products offered by BenchMark Finance and the risks associated with them;
5. Conflict of interest prevention and management policy;
6. Client Complaint Management Policy;
7. Tariff of the investment intermediary with a description of the types of costs and fees for the client and their amount;
8. Information on the costs and related fees for the clients of BenchMark Finance AD on the basis of and in accordance with the provisions of Art. 50, in connection with art. 46 and with Annex II of Delegated Regulation (EU) 2017/565;

The main information documents (MID) for the offered products and financial instruments (in the cases when required);

9. BenchMark Finance policy for registration of telephone calls and messages and of calls and messages via electronic means of communication
10. Privacy policy.

(3) The documents under the previous paragraph are not exhaustively listed. In order to meet regulatory and other requirements, it is possible that other documents may be applicable in client relations, whereby it is necessary for clients to regularly monitor and familiarize themselves with the latest versions of applicable documents, available and freely available at any time on the Internet. the page of the investment intermediary. Upon request, the investment intermediary provides the client with additional information, explanations and answers questions about the content of these documents.

**Art.27** (1) BenchMark Finance makes available to the client through its website or in its office or trading platforms certain information about the state of the market, which should not be perceived as a recommendation or refrain from concluding a particular transaction when making an investment decision by the client. . BenchMark Finance collects and provides information on the state of the market from sources that it has reason to believe to be sufficiently reliable, however BenchMark Finance is not responsible for the accuracy and completeness of the information from these sources.

BenchMark Finance is not responsible for the consequences of the client's investment decisions based on news, analysis or other information published on the website of the investment intermediary or in the trading platforms. The client should not base his investment decision solely on news, analysis or other information published on the investment intermediary's website or on trading platforms.

(2) BenchMark Finance clearly identifies relevant materials or publications as marketing ones when they are not prepared in accordance with regulatory requirements aimed at promoting the

objectivity and independence of investment research and investment recommendations, and are not prohibited from concluding transactions in respect of certain financial instruments. instruments and/or issuers, before the distribution of the material by the person who prepared it or the relevant persons to the investment intermediary.

Relevant materials or publications should not be construed as a recommendation, transaction advice, investment research or investment advice, recommendation to follow a particular investment strategy or be taken as a guarantee of future performance. Clients should keep in mind that these materials do not take into account the risk profile, financial capabilities, experience and knowledge of a particular client.

In preparing them, BenchMark Finance uses public sources of information and is not responsible for the accuracy and completeness of the information, as well as for the period of its relevance after the publication of the material.

**Art.28**(1) By accepting these General Terms and Conditions, the clients, respectively the potential clients, **give their explicit consent** to BenchMark Finance to provide them with information on the terms of the contract, terms of trade, tariff, fees, commissions and costs for the client and all statutory information under Art. 44, 45, 46, 47, 48, 49, 50 and Art. 66 of Delegated Regulation (EU) 2017/565 through its website [www.benchmark.bg](http://www.benchmark.bg), including in its part available only to BenchMark Clients. The provision of the information through the website of the investment intermediary is appropriate for the context in which the business activity between the clients and BenchMark Finance is carried out or will be carried out. The provision by the client of an email for communication or the use by the client of an electronic trading platform is considered proof that the client has regular access to the Internet.

The access to BenchMark Clients is realized through the official website of BenchMark Finance AD - [www.benchmark.bg](http://www.benchmark.bg).

(2) The provision of information by electronic means by e-mail or on electronic trading platforms or by telephone (on a recording line) **is also considered** appropriate for the context in which the business activity between the investment firm and its client is or will be carried out. , as well as the fact that the client provides his e-mail and telephone number for the purposes of communication with the intermediary, which is considered proof that the client has regular access to the Internet and telephone.

The provision by the client of an email and/or telephone number for the purposes of communication with BenchMark Finance or the use by the client of an electronic trading platform is considered proof that the client has access to the Internet and/or telephone and **accordingly the client explicitly consents** to BenchMark Finance to provide him with the necessary statutory and other important information through the website of the investment intermediary, including in its part, available only to BenchMark Clients, through the electronic trading platform, for the use of which the client has entered into a contract or provided by the client for contact e-mail address and/or telephone number.

(3) BenchMark Finance notifies the client in a timely manner of any material change in information related to the services provided by the investment intermediary. The notification shall be given on a durable medium if the information to which it relates was initially provided on a durable medium. The provision of information to the client through the intermediary's website, including in its part accessible only to BenchMark Clients, through the electronic trading platform, for the use of which the client has entered into a contract, to the client's e-mail or by phone (subscriber telephone line) are considered to be a durable medium, as the information in them is stored chronologically and permanently, is accessible and can be recovered without change at any time.

(4) BenchMark Finance and the client expressly agree when they want to personally address the messages to each other, to use messages and/or documents sent to or from the e-mail address

provided by the client or to use the personally accessible part of BenchMark Clients on the website of the mediator. In cases where it is necessary and the legal form requires it, BenchMark Finance may require the client to sign the documents or communications with a qualified electronic signature for their legal validity.

(5) In view of the existing or forthcoming relationship with the client, which is performed or will be performed mainly via the Internet, the client declares by concluding a contract and unless otherwise stated in the latter on all statutory information that is not addressed personally to the client and must be provided to him on a durable medium under Art. 44, 45, 46, 47, 48, 49, 50 and Art. 66 of Delegated Regulation (EU) 2017/565:

1. in view of the context in which the business activity between the investment firm and the client takes place or will take place, **considers it appropriate** to make it available on the intermediary's website, including in its part accessible only to BenchMark Clients and, where applicable and possible, and in the respective electronic trading platform for which the client has concluded a contract;

2. **expressly prefers** the provision of information by BenchMark Finance to take place through the intermediary's website, including in its part accessible only to BenchMark Clients and, where applicable and possible, in the relevant electronic trading platform for which the client has concluded a contract;

3. **is notified electronically of the address of the intermediary's website** and of the location of the page where the information is located or access to the information may be obtained;

4. **is aware that the investment firm maintains up-to-date information that is continuously available** and can be checked by all clients on the intermediary's website, including in its part personally accessible only to BenchMark Clients and, where applicable and possible, in the electronic a trading platform for the use of which the client has entered into a contract.

(6) The information that BenchMark Finance provides to its clients as well as to potential clients, including in its advertising materials, is true, clear and not misleading. The advertising materials of BenchMark Finance are clearly marked as advertising materials.

#### *Information on financial instruments and related risks*

**Art.29**(1) BenchMark Finance provides clients or potential clients in good time before the provision of investment services or additional services to clients or potential clients with a general description of the nature and risk of financial instruments, taking into account in particular the client's categorization as retail client, professional client or eligible counterparty. The description shall include detailed information on the nature of the particular type of instrument, the operation and performance of the financial instrument under different conditions, including favorable and unfavorable conditions, and the risks specific to that particular type of instrument, with sufficient detail to enable the client to make investment decisions on an informed basis. The information is provided on the website of the investment intermediary, in these general terms and conditions, and through the following documents:

- Description of the products offered by BenchMark Finance and the risks associated with them
- The policy for execution of client orders
- The Key information documents (KID) for the offered products and financial instruments.

(2) BenchMark Finance informs the client or the potential client about financial instruments, which are subject to current public offering, in connection with which a prospectus has been published under the terms and conditions of Regulation (EU) 2017/1129 and Law on the public offering of securities, that they can get acquainted with the full the text of the prospectus on the issuer's website, on the regulated market where the instrument is admitted to trading or on the website of the supervisory authority that confirmed the prospectus (FSC or another supervisory authority of a Member State). Issuers publish and maintain on their websites in a special section intended for investors all prospectuses regarding the financial instruments issued by them. The prospectuses of financial instruments traded on the Bulgarian Stock Exchange are also available at [www.bse-sofia.bg](http://www.bse-sofia.bg).

(3) BenchMark Finance promptly provides its clients with the information under Art. 110g, para. 3 of the Law on the public offering of securities on the basis of the information received from the depository institution regarding corporate events initiated by public companies (GMS, exercising the right to vote, dividend, etc.). The information about corporate events is provided to the clients-shareholders in these companies, through a special section on the website of the intermediary, for which the clients give their unconditional and irrevocable consent with the conclusion of a contract, unless otherwise agreed with a specific client-shareholder. The section of the intermediary's website where BenchMark Finance provides the information under Art. 110g, para. 3 of Law on the public offering of securities is permanently available to all clients, shareholders or potential clients of the intermediary.

(4) When a financial instrument is composed of two or more different financial instruments or services, the risks associated with such a financial instrument are likely to be higher than the risks associated with any of its components. In that case, the investment firm shall provide a description of the legal nature of the financial instrument, the components of that instrument and how the interaction between the components affects the investment risk.

(5) In the case of financial instruments that include a guarantee or protection of capital, the investment firm shall provide the client or potential client with information on the scope and nature of that guarantee or protection of capital. Where the guarantee is provided by a third party, the information on the guarantee shall include sufficient details of the guarantor and the guarantee to enable the client or potential client to make a correct assessment of the guarantee.

**Art.30**(1) When providing a portfolio management service, BenchMark Finance establishes an appropriate valuation and comparison method, such as an appropriate target based on the client's investment objectives and the types of financial instruments included in the client's portfolio to enable the client to be relied upon. provides the service, to evaluate the results realized by the investment intermediary.

(2) When BenchMark Finance offers the provision of portfolio management services to a client or potential client, BenchMark Finance provides the client in addition to the information required under para. 1, such part of the following information as may be required:

- a) information on the method and frequency of valuation of financial instruments in the client's portfolio;
- b) details of any delegation of unrestricted management of all or part of the financial instruments or funds in the client's portfolio;
- c) specification of each target indicator with which the results of the client's portfolio will be compared;
- d) the types of financial instruments that may be included in the client's portfolio and the types of transactions that may be entered into with such instruments, including any restrictions;
- e) the objectives of management, the level of risk that will be reflected in the exercise of the manager's discretion, and any restrictions on that discretion.

The information referred to in points (a) to (e) shall be provided in a timely manner prior to the provision of investment services or ancillary services to clients or potential clients.

*Information about fees, charges, commissions and expenses*

**Art.31** (1) Cost and fee information includes:

1. all costs and fees for investment and ancillary services, including advice;
2. the costs related to the financial instrument recommended, offered or sold to the client;
3. the method of payment of expenses and fees;
4. all payments to third parties.

(2) The investment intermediary shall not be entitled in connection with the provision of investment or additional services to a client to pay, respectively to provide and receive, remuneration, commission or non-monetary benefit except:

1. remuneration, commission or non-monetary benefit paid or provided by or to the client or his representative;
2. remuneration, commission or non-monetary benefit paid or provided by or to a third party or his representative, if the following conditions are met:

a) the payment, respectively the provision, of the remuneration, the commission or the non-monetary benefit is with a view to improving the quality of the service and does not violate the obligation of the investment intermediary to act honestly, correctly, professionally and in the best interest of the client;

b) the existence, nature and amount of the remuneration, commission or non-monetary benefit are indicated to the client clearly, in an accessible way, accurately and understandably before the provision of the respective investment or additional service, and when the amount cannot be determined, the method for its calculation is indicated;

3. inherent fees which provide or are necessary for the provision of investment services such as custodial costs, settlement and currency exchange fees, legal fees and public fees and which by their nature do not conflict with the investment firm's obligation intermediary to act honestly, fairly, professionally and in the best interest of the client.

4. when a part of the aggregate costs and fees is to be paid or represents an amount in a foreign currency, the investment firm shall indicate the relevant currency and the applicable exchange rates and costs and provide information on the terms of payment or other performance. The investment intermediary shall inform the client about the order and the manner in which the client will receive a fee, commission, monetary or non-monetary benefit, when the investment intermediary has received such in connection with an investment or additional service for the client.

(3) The investment intermediary shall provide the client once a year in summary form with the information under para. 1, including the costs and fees related to the investment service and the financial instrument, which do not arise from the occurrence of market risk for the base market, so that the client understands the total costs and their total effect on the return on investment. The investment intermediary shall notify the client of the possibility, at his request, to provide him with a detailed breakdown of the costs by item.

(4) The information under this Article shall be provided to clients in a standardized format.

**Art.32** (1) BenchMark Finance is entitled to remuneration for the services provided, as well as to receive the costs incurred in connection with the implementation. The full information about the costs and fees for the services provided to the client is available **on the website** of the

investment intermediary, as well as in the following documents, which the client gets acquainted with before concluding the contract and **declares** that he accepts them:

1. Tariff of the investment intermediary with a description of the types of costs and fees for the client and their amount;
2. Information on the costs and related fees for the clients of BenchMark Finance AD on the grounds and in accordance with the provisions of Art. 50, in connection with art. 46 and with Annex II of Delegated Regulation (EU) 2017/565;
3. The Key information documents (KID) for the offered products and financial instruments (in the cases when required).

The documents are available at any time on the website of the investment intermediary.

(2) If the remuneration or expenses under the contract with the client deviate from the announced Tariff of the investment intermediary, the provisions of the contract with the client shall apply.

**Art.33** (1) BenchMark Finance publishes in a prominent place on its website any amendment to the Investment Intermediary Tariff, together with information on the date of adoption and the date of its entry into force. The publication of the tariff, as well as of its amendments and supplements shall be made not later than one month before the entry into force of the amendments and supplements.

(2) In case of disagreement with the amendments and additions to the tariff, the client has the right to terminate the contract without notice before the date of entry into force of the new tariff, without liability for penalties and costs, except for costs related to its assets. Upon termination of the contract on this basis, the investment intermediary settles its relationship with the client within 7 days of receipt of the statement of termination.

If the client does not object explicitly and in writing (including by letter sent to BenchMark Finance by e-mail or with a scanned document) to the new Tariff by the date of its entry into force, it binds him without the need for additional statement of will by the client .

**Art.34** (1) The client's due commissions, fees and expenses are collected by BenchMark Finance as the intermediary directly debits the client's trading account. Commissions, fees and expenses due by the client, as well as fees for clearing and settlement to regulated markets, depositories, banks and other persons in connection with the services provided by the intermediary, are paid by the client as BenchMark Finance deducts them directly from the client's trading account.

(2) The Client is obliged to always maintain sufficient cash on his trading accounts in BenchMark Finance so that he can regularly pay all his obligations to BenchMark Finance, including funds necessary for concluding transactions for the purchase of securities or subscription. of issues, cash required to cover the guarantee amount, in cases where trading in the respective financial instrument requires it (margin deposit), payment of custody fees, indemnities, fees due, commissions, deductions, deductions and all other amounts due to the client account.

Clients should keep in mind that if they have outstanding obligations to the intermediary before submitting a new transaction order, making an installment or withdrawal, or requesting the investment firm to execute another transaction or order in connection with the contract at their request, they should first cover their current obligations, otherwise, the operation requested by the client or his order will not be accepted and executed by the intermediary.

(3) The Client is notified and agrees that he is responsible for the payment of any taxes and the fulfillment of other tax obligations that may become due in connection with the investment services provided to him, the trading of financial instruments and the transactions concluded by the client.

In case BenchMark Finance pays tax or fulfills another tax liability at the expense of a client, the latter owes coverage of the cost and compensation to BenchMark Finance.

(4) When a client pays a liability to BenchMark Finance in a currency other than the one required for the respective liability, any differences in exchange rates, currency exchange fees, including damages or other expenses incurred or incurred by BenchMark Finance in this connection, are at the expense of clients.

(5) BenchMark Finance does not accrue or pay interest on the credit balances of the client's accounts opened with BenchMark Finance.

(6) In case the client has outstanding monetary obligations or has a negative cash balance, BenchMark Finance takes the necessary actions to notify the client in an appropriate manner - by phone, e-mail or by message in the electronic platform of the amount due and the period within which to be paid. Provided that the client does not pay within the given period, the intermediary has the right to temporarily suspend the client's access to trading platforms, to refuse to accept and execute any orders and instructions from the client, at the mediator's discretion to terminate the contract unilaterally and/or seeks his rights in court, and after the expiration of the given term, the client owes to the intermediary the amount of the legal interest for delay for each day delay in payment.

**Art.35** BenchMark Finance notifies its clients that:

1. Does not apply different tariffs, fees or commissions depending on the place of execution of the client's orders.
2. Does not receive from third parties or third parties (which are themselves places of execution) payments and incentives in connection with the execution of client orders;
3. Does not receive remuneration, discount or non-monetary benefit for the transfer of a client order to a specific place of trading, respectively place for execution of orders, BenchMark Finance does not receive non-monetary benefits when acting as an intermediary in clients transactions;
4. In connection with the services provided, it may negotiate with itself, as well as charge commissions as an intermediary to both parties to the transaction or to two or more participants in a transaction in accordance with Art. 24 (9) of MiFID II as the value of all monetary benefits received as an intermediary are specified in the Tariff.
5. The value of all fees and monetary benefits received by BenchMark Finance, as well as the fees due by the client for clearing and settlement to regulated markets, depositories, banks and other persons in connection with the services provided by the intermediary, are specified in the Tariff.

#### *Documents which the client agrees*

**Art.36**(1) Upon concluding a contract, the client declares that he has read, understood the content, accepts and agrees with these General Terms and Conditions and the following documents that apply to the relationship between the client and BenchMark Finance in connection with the services and products provided, together with these general conditions:

1. Rules for categorization of clients, which describe the conditions and criteria according to which clients are defined as professional or non-professional or as an acceptable counterparty, as well as the circumstances under which a client may be re-categorized
2. The policy for execution of client orders for transactions with financial instruments, which contains a description of the places for execution of transactions



3. Description of the products offered by BenchMark Finance and the risks associated with them
4. Conflict of interest prevention and management policy
5. Client Complaint Management Policy
6. Tariff of the investment intermediary with a description of the types of costs and fees for the client and their amount
7. Information on the costs and related fees for the clients of BenchMark Finance AD on the grounds and in accordance with the provisions of Art. 50, in connection with art. 46 and with Annex II of Delegated Regulation (EU) 2017/565
8. The Key information documents (KID) for the offered products and financial instruments in the cases when this is required
9. BenchMark Finance policy for registration of telephone calls and messages and of calls and messages via electronic means of communication
10. Privacy policy

(2) By accepting these general terms and conditions, the client confirms that the investment intermediary has notified him and provided him with information on:

1. The existing system for compensation of investors in financial instruments, including its scope and the guaranteed amount of client assets.
2. The rules for categorization of the clients applied by BenchMark Finance.
3. That it is possible for his orders to be executed outside a regulated market or a multilateral trading facility, where the order execution policy provides for such a possibility and agrees.
4. The description of the products and financial instruments offered by BenchMark Finance and **is aware of the risks** associated with them.
5. The places of execution of clients' orders and transactions with financial instruments.
6. The types of costs and fees for the client and their amount.
7. The protection of the client's financial instruments and his funds is ensured.
8. The types of potential conflicts of interest, their sources, nature and possible consequences, incl. and for conflicts of interest with another client or the relevant persons for the intermediary, according to the Policy for prevention and management of conflicts of interest.
9. The possibility for the investment intermediary to deposit the funds of its clients with the persons specified in Art. 93 of the Markets in Financial Instruments Act.
10. The opportunity to submit complaints and signals in accordance with the Complaints Management Policy adopted by the investment intermediary, published on the website.
11. The existence of a right of set-off on the client's money or financial instruments for the investment intermediary, in case the intermediary has a counter-due obligation to the client, regardless of which of the concluded contracts with the investment intermediary (in case several contracts have been concluded with the client of investment services). The set-off is made up to the amount of the lesser of the two counter-obligations, after notification by the intermediary to the client.
12. BenchMark Finance prepares and stores records of all telephone calls and messages and of electronic calls and messages related to the conclusion of transactions or the provision of services related to the reception, transmission and execution of client orders, even these calls or messages. not to lead to the conclusion of transactions and / or execution of client orders. The terms and conditions for registration and recording of telephone and electronic calls and

messages are regulated in the Policy for registration of telephone and electronic calls and electronic calls and messages, published on the website.

### *Client declarations*

**Art.37** By accepting these General Terms and Conditions, the client confirms and declares the following:

1. He/She has reached the age of 18, is legally competent and capable of acting and is not subject to legal or other provisions that would impede the conclusion and execution of this contract or a specific transaction. In cases where the client is under 18 years of age or is incompetent or incapacitated, he may be represented in his relationship with BenchMark Finance only by his legal representative.
2. He/She has received all necessary consents and has the right to enter into a contract with BenchMark Finance, and if the client is a legal entity, his representative is duly authorized and has received the necessary corporate and other powers, according to its constituent and organizational documents.
3. Does not infringe applicable laws, including, but not limited to, tax laws and regulations, prohibitions on trading on a regulated or unregulated market, prohibitions on trading in certain instruments, special registration requirements or other restrictions issued or imposed by the jurisdiction of which you are a national or where is the place of registration or residence of the client.
4. The information provided by the client of BenchMark Finance is true, current, complete, accurate and not misleading. The documents provided in connection with the concluded contract are authentic, genuine, do not contain false circumstances or statements, are not forged or altered.
5. He/She has got acquainted, understood and agreed with the information materials about the respective financial instruments and their trading, has received additional detailed information about the offered products and the risks related to their trading.
6. The amount invested by him/her was chosen taking into account his financial condition. He/she agrees and has the opportunity, financially and otherwise, to bear the risk of speculative trading in financial instruments.
7. The origin of the funds invested by him/her is from legal sources that are not related to illegal activity, criminal acts, corruption, evasion or avoidance of taxation, money laundering or terrorist financing.
8. He/She will not submit orders for transactions with financial instruments that are not available on his account or are blocked in the depository institution or a pledge or attachment has been established on them, and that the transactions subject to orders will not constitute a covert purchase or sale.
9. Accounts for trading in financial instruments are used only personally by the client. All orders for transactions, installments and withdrawals or other instructions addressed to BenchMark Finance are made personally by the client. The Client will not provide access to unauthorized third parties to his trading accounts.
10. It will not hold BenchMark Finance liable for losses resulting from decisions taken by the client based on analyzes and news on the platforms offered by BenchMark Finance or published on the intermediary's website.
11. It is impossible to guarantee a profit or release from a loss when trading in financial instruments. The Client confirms that he has not received such guarantees or similar

assurances from BenchMark Finance or any of its employees, and that the Client has not entered into the contract, nor will he act in the future considering and relying on such guarantees or similar assurances.

12. The client is informed and accepts that confirmed amounts for money transactions ordered through a virtual POS terminal are not refundable.
13. All actions, ordered operations, submitted declarations and/or other documents performed on behalf of the client in BenchMark Clients after successful identification by entering a username and password (and in cases where applicable after entering a one-time code sent by the intermediary via SMS on a mobile phone for contact with the client), are considered made by the client and are valid signed written statements binding the client with the action of an electronic signature within the meaning of the Electronic Document and Electronic Signature Act.
14. It is considered that the above statements and guarantees will be valid at any time in the relationship between BenchMark Finance and the client. In the event that a declaration or guarantee is subject to change, the client is obliged to immediately notify BenchMark Finance, which has the right to terminate its relationship with the client if the change leads to inapplicability of the provisions of these Terms and Conditions or would lead to violation of regulatory requirements by the client or BenchMark Finance.

#### *Assessment of relevance and appropriateness*

**Art.38** (1) When performing services under Art. 6, para. 2, items 4 and 5 of MFIA (portfolio management or investment councils) the investment intermediary shall request from the client, respectively from the potential client, information about his knowledge and experience regarding the services under Art. 6, para. 2, items 4 and 5 of MFIA, its financial condition, its ability to bear losses and its investment objectives, including the acceptable level of risk for it. (Assessment of relevance)

(2) Based on the information under para. 1, the investment intermediary shall assess the adequacy of the extent to which the portfolio management service, respectively the financial instruments - subject of the investment council, correspond to the admissible level of risk for the client and to his ability to incur losses in order to recommend appropriate services or financial instruments.

(3) BenchMark Finance informs the clients or potential clients who wish or would like to use services under Art. 6, para. 2, items 4 and 5 of MFIA that the provision by the client of comprehensive and accurate information under para. 1 aims at the investment intermediary to recommend them appropriate products and services and to act in their best interest, as well as that the investment intermediary is obliged to perform an assessment of suitability.

BenchMark Finance collects information for the assessment of suitability through pre-prepared questionnaires or by discussion with the client, and the investment firm needs to ensure that the questions are properly understood by the client and that regardless of the method used to collect information, the necessary reliable data for the assessment of suitability. The investment intermediary shall not have the right to perform the services under Art. 6, para. 2, items 4 and 5 of MFIA for a client who has not provided this information.

(4) When providing investment advice to a client, the investment intermediary shall, prior to the execution of the order - as a result of the investment advice, provide the client with a permanent notification whether the advice corresponds to the preferences, needs and other characteristics of the non-professional client. When providing investment advice for the purchase or sale of a financial instrument in cases where the transaction is concluded by means of distance communication, which prevents the prior submission of the notification, the investment

intermediary may provide it immediately after the transaction, provided that they are executed. the following two conditions:

1. the investment firm has given the client the opportunity to defer the transaction in order to receive the notification of compliance in advance, and
2. the client has given his consent to receive the notification in due time after the conclusion of the transaction.

(5) When an investment firm provides a portfolio management service or has informed the client that it will perform a periodic evaluation, the periodic report shall contain an updated statement and justification of how the investment meets the preferences, needs and other characteristics of the retail client.

**Art.39** (1) When providing investment services other than those under Art. 6, para. 2, items 4 and 5 of MFIA, the investment intermediary requires from the client, respectively from the potential client, information about his knowledge and experience in connection with the investment services related to the specific type of product or service that are offered or sought, so that the investment an intermediary to be able to assess whether the investment service or product is suitable for the client. (Assessment of expediency)

(2) When the investment intermediary provides sale of a package of services or products according to art. 74 MFIA, it is assessed whether the package is generally suitable for the client.

(3) BenchMark Finance collects information for the assessment of suitability through pre-prepared questionnaires or by discussion with the client. When, on the basis of the received information, the investment intermediary considers that the product or service is not suitable, it shall warn the client or the potential client in writing. The warning is performed in a standardized format.

**If, despite the warning received, the client wishes to use the investment service or product, BenchMark Finance hereby warns the client that the decision is entirely his and the client bears the risk of using a service that is deemed inappropriate for him, it is possible to bear real financial losses and informs him that it is good to gain knowledge and experience by participating in training courses or by initially opening a demo account.**

(4) In case the client, respectively the potential client, does not provide the information under par. 1 or provides insufficient information about its knowledge and experience, the investment intermediary warns the client, respectively the potential client, that it cannot assess whether the specific investment service or product is suitable for it. The warning is performed in a standardized format.

**The client has been notified by BenchMark Finance and declares that he is aware that in case of failure to provide information about his knowledge and experience in the field of investment services or in case of insufficient information, BenchMark Finance will not be able to assess whether the offered investment service is appropriate. ) for him and agrees with the consequences.**

(5) When the investment intermediary provides investment services under Art. 6, para. 2, item 1 and/or 2 of MFIA with or without additional services, may provide such services without receiving from the client the information under para. 1 or without performing an assessment of expediency, when the following conditions are simultaneously met:

1. the subject of the services are the following financial instruments:

a) Shares admitted to trading on a regulated market or on an equivalent market in a third country, or in a Multilateral Trading System, where they are shares of companies, excluding units

of undertakings which are not collective investment schemes, and shares which include a derivative financial instrument;

b) bonds or other forms of securitized debt admitted to trading on a regulated market or an equivalent market in a third country or in an Multilateral Trading System, with the exception of those bonds or other forms of securitized debt with an embedded derivative or which have a structure that allows the client to it is more difficult to understand the associated risk;

c) money market instruments other than those with an embedded derivative or that have a structure that makes it more difficult for the client to understand the associated risk;

d) shares or units of collective investment schemes with the exception of structured collective investment undertakings referred to in the second subparagraph of Article 36 (1) of Regulation (EU) N° 583/2010;

e) structured deposits with the exception of those with a structure that makes it more difficult for the client to understand the risk of return or the cost of early exit from the investment;

f) other simple financial instruments, similar to those under letters "a"- "e";

2. the service is provided at the initiative of the client or a potential client;

3. the client or potential client is notified in writing that the investment firm will not perform an assessment of appropriateness, and the notification may be in a standardized format;

4. the investment intermediary complies with the requirements under Art. 76 MFIA for prevention, establishment and management of conflict of interests.

(6) Paragraph 5 shall not apply in the cases of granting credits or loans under Art. 6, para. 3, item 2 of MFIA, other than existing credit limits on loans, current accounts and overdraft of clients.

(7) For the purposes of para. 5, item 1, the market of a third country shall be considered equivalent on a regulated market, when the European Commission has taken a decision for equivalence in compliance with the requirements and the procedure under Art. 25, paragraph 4, para. 3 and 4 of Directive 2014/65/EU.

(8) When providing investment services other than investment advice and portfolio management, BenchMark Finance may assume that the professional client has the necessary experience and knowledge to understand the risks associated with the specific investment service, transaction or product for which it is defined as professional.

(9) The investment firm does not assess the appropriateness/appropriateness when the services will be provided to a client designated as an eligible counterparty or a professional client in respect of the products, transactions and services for which it is designated as a professional and the client has the necessary experience and knowledge. Where the investment firm provides investment advice to a professional client or an eligible counterparty, the investment firm may assume that that client has the financial ability to bear all associated investment risks compatible with its investment objectives.

### *Acceptance and execution of client orders*

**Art.40** (1) BenchMark Finance executes client orders in the best interest of the client according to the conditions, the order and the way and the places of execution, specified in the Policy for execution of client orders for transactions with financial instruments, with which the client had acquainted, understood, accepted as applicable and agreed with upon concluding a contract.

The policy for execution of client orders for transactions with financial instruments of BenchMark Finance is published and freely available on the website of BenchMark Finance - [www.benchmark.bg](http://www.benchmark.bg) and clients can get acquainted with its current content at any time.

BenchMark Finance cannot execute orders at the expense of clients if they have not given their prior consent to the Order Execution Policy followed by the intermediary.

(2) When executing a client's order, the investment intermediary shall take all sufficient steps to obtain the best possible result for the client, taking into account the price, costs, speed of execution of the order, probability of execution and settlement, size, nature, and all other circumstances related to the execution of the order. In case of specific instructions from the client, the investment intermediary executes the order following these instructions.

**(3) Clients should keep in mind that the special instructions submitted by them may prevent BenchMark Finance from taking the necessary actions to achieve the best result in the execution of client orders in accordance with these general terms and conditions and order execution policy, for that part of the order which the instructions refer to.**

**Art.41** (1) BenchMark Finance accepts and executes orders for the following financial instruments: shares, units of collective investment undertakings, exchange traded funds and exchange traded bonds (ETF, ETN), indices, debt securities (bonds and money market instruments), contracts for differences (CFDs) - CFDs on shares, CFDs on commodities, CFDs on currencies, CFDs on indices, CFDs on metals, CFDs on cryptocurrencies and other OTC derivative instruments. A description of the financial instruments and products offered by BenchMark Finance and the risks associated with them can be found on the website of the intermediary [www.benchmark.bg](http://www.benchmark.bg).

(2) Orders for trading in financial instruments may be submitted to an office of BenchMark Finance through an electronic trading platform, by telephone or by e-mail. Orders by phone and e-mail are submitted only to the telephone numbers and/or to respectively email addresses indicated on the website of BenchMark Finance. When orders are submitted by telephone, BenchMark Finance must record the conversation with the client. When the order is submitted by another remote method, BenchMark Finance stores on electronic media the data provided by the client in connection with the order.

(3) BenchMark Finance accepts orders for transactions with financial instruments, which are submitted personally by the client or by his/her proxy, and in the cases of clients - legal entities - by their authorized representative. When submitting orders on the spot in an office of BenchMark Finance, they are accepted only in the offices enlisted in the register kept/maintained by the FSC.

(4) Submission of an order through a proxy shall be carried out only in the office of the intermediary and if the proxy presents a notarized power of attorney, which contains representative authority to perform disposition actions with financial instruments and a declaration that the financial instruments- subject to an order for sale or exchange, are not blocked in the depository institution, no pledge or seizure/attachment has been imposed/established on them, and the transaction does not constitute/represent a covert purchase or sale.

(5) The orders for transactions have a normatively established minimum content and regardless of the chosen method, the client is obliged to submit his orders exactly with the content and in a manner indicated by BenchMark Finance, without omitting any of the requisites required by BenchMark Finance by virtue of the applicable regulations. BenchMark Finance includes the minimum content of the orders in the electronic trading platform, in the sample orders, as well as it requires it from the client when submitting an order by phone. In case of non-compliance with the requirements for content or manner of submitting the respective type of order or

improper identification of the client or his representative (without complying with the requirements for authorization or without representative authority/power), the latter is considered as not submitted and BenchMark Finance has neither obligation to execute it, nor liability for non-performance or incorrect performance respectively.

**Art.42**(1) According to the regulations BenchMark Finance has no right to execute and does not execute the client's order, if it establishes/finds out that the financial instruments - subject to the sale order are not available on the client's account, except when this is legally admissible for certain cases (e.g. short sales) or are blocked in a depository institution, and if a pledge has been established or a lien has been imposed on them, or the transaction subject to the order is a covert purchase or sale of financial instruments/compensatory instruments.

(2) According to the regulations BenchMark Finance has no right to execute and does not execute a client's order or will suspend the execution of an order of its client (if the execution has already started), even it is possible to temporarily suspend the client's access to real trading and/including or unilaterally terminate a contract with a client in the event that a fact is established or there is a reasonable suspicion that there is "money laundering", insider dealing and/or manipulation of the market in financial instruments, of which it shall immediately inform the competent authorities in accordance with current regulations/legislation (applicable law). In this case, BenchMark Finance does not owe compensation or penalty to the respective clients.

(3) BenchMark Finance may execute an order upon submission, for which it subsequently establishes/finds out that the financial instruments - subject of the sale order are not available on the client's account, when BenchMark Finance otherwise ensures that the financial instruments subject to sale, will be delivered on/by the settlement date of the transaction.

BenchMark Finance will execute an order in respect of financial instruments that are pledged when the acquirer is notified of the pledge and has expressly agreed to acquire the pledged financial instruments and there is the explicit consent of the pledgee in the Special Pledges Act. cases, or if the pledge is established on a set within the meaning of the Special Pledges Act.

(4) BenchMark Finance may refuse to execute an order of the client if the client declares or the intermediary subsequently establishes that the client has inside information about the financial instruments which the order refers to or about their issuer, if the financial instruments are traded on a regulated market.

When submitting an order, when the financial instrument is traded on a trading venue, the client or his/her representative must declare whether:

a) The financial instruments/compensatory instruments - subject of the order for sale/exchange, are blocked or not in the depository institution where they are kept, a pledge has been established on them or has not, or have been seized or have not (a lien has been imposed on them, or has not).

b) Has/does not have inside information about the financial instruments to which the order relates and about their issuer, if the financial instruments are traded on a regulated market.

c) Transaction - subject of the order does not represent/ represents a covert purchase or sale of financial instruments/compensatory instruments.

The refusal to submit a declaration is certified by a signature of the client when the order is submitted on paper. The client is obliged to provide BenchMark Finance with any other related documents and data that, in the opinion of the investment intermediary, are necessary for the execution of the order.

(5) BenchMark Finance requires from a client, who submits an order for purchase of financial instruments, to provide the intermediary with the funds necessary for payment under the

transaction - subject of the order, upon submission of the order, unless the client certifies that he/she will fulfil his/her payment obligation.

BenchMark Finance assesses on a case-by-case basis whether it can assume that the client has verified that he will fulfil his payment obligation. When a client is categorized as an eligible counterparty or professional client, BenchMark Finance may assume that this is a sufficient condition and the client has certified that it will meet its payment obligation. In case of non-payment by such a client, BenchMark Finance will apply Art. 63 and Art. 64 of these General Terms and Conditions, for which the client gives his unconditional and irrevocable consent, by acceptance of those General Terms and Conditions.

If the rules of the place of execution, where the transaction will be concluded allow the conclusion of a transaction in which the payment of financial instruments is not made simultaneously with their transfer, the investment intermediary may not require payment from the buyer with the express written consent of the seller. This shall also apply to other transfer transactions with financial instruments.

(6) BenchMark Finance refuses to execute a client's order , including refuses to provide services under a concluded contract, if this would lead to non-fulfilment or violation of requirements of the Markets in Financial Instruments Act, the Anti-Market Abuse Act, the Measures Act against money laundering and the regulations for its implementation, the Law on Public Offering of Securities, the Law on Special Investment Purpose Companies, the Law on Measures against the Financing of Terrorism, other current normative acts of the applicable Bulgarian or European law, the present general terms and conditions or the contract , including the refusal of the client or his representative to provide the required documents, personal data or information. BenchMark Finance is not liable for any damages or lost profits/benefits, incurred by the client.

In all cases of refusal of BenchMark Finance to execute an order under the previous paragraphs, the investment intermediary shall immediately notify the client upon ascertainment of the grounds for refusal to execute the order.

**Art.43**(1) The orders of clients shall be executed by the order of registration in the system of BenchMark Finance, except when the characteristics of the order or the prevailing market conditions make this impossible, or the interests of the client require otherwise.

(2) In case BenchMark Finance executes an order for a transaction under more favourable conditions than those established by the client, the entire benefit/gain belongs to the client.

(3) Upon execution of a client's order of, BenchMark Finance has the right to conclude a transaction on its own behalf, but at the expense of the client, when the practice at the respective /specific place of execution allows this.

(4) Upon execution of a client's order of, BenchMark Finance has the right to negotiate with itself and may be counterparty to the transaction by acting for its own or for another's account, including when acting on behalf of another client of BenchMark Finance.

(5) The Client agrees that the positive and negative price and / or exchange rate differences realized as a result of concluded transactions shall be reflected in his account, recalculated in the currency in which the respective client's account with BenchMark Finance is opened, as well as all applicable fees, commissions and other costs for the client.

**Art.44**(1) The client may submit an additional order or withdraw a submitted order no later than the conclusion of a transaction in execution of the previously submitted order.

(2) In the event that under the order subject to withdrawal or change, BenchMark Finance has started execution at the time of receipt of the additional order or withdrawal, and provided that the order can be withdrawn or changed, the client shall indemnify the investment intermediary



for the costs of execution and the damages incurred in connection with the execution of the order, change or withdrawal, and paying the intermediary also a remuneration, respectively of the actions taken for execution.

(3) Actions which BenchMark Finance has taken on behalf of the client, in the execution of the order subject of withdrawal or change to the time of receipt of the additional order or withdrawal, shall be binding for the client.

(4) The client has been notified and agrees that the cancellation of the order requires technological time and it is possible that the execution of the transaction may/to precede the cancellation order, in which case the client bears the risk of adverse consequences. The Client may also cancel other instructions given to BenchMark Finance, provided that the intermediary has not started to execute them.

### *Conflict of interests*

**Art.45** (1) When providing investment services and activities and ancillary services, BenchMark Finance shall take the necessary measures to identify and prevent or manage conflicts of interest between:

1. BenchMark Finance, including persons who manage the investment intermediary, persons who work under contract for it, tied agents or any person who is directly or indirectly related to the investment intermediary through a relationship of control, on the one hand, and its clients on the other hand;

2. Individual clients of the investment intermediary.

(2) The establishment, prevention or management of conflicts of interest shall be carried out in accordance with the Policy for Prevention and Management of Conflicts of Interest of BenchMark Finance, which the client declares that he has read, understands and accepts as applicable in his relations with BenchMark Finance upon signing a contract. The policy for prevention and management of conflicts of interest is provided to the client through publication on the website of the investment intermediary.

(3) The policy for prevention and management of conflicts of interest of BenchMark Finance shall be applied in connection with the provision of services to all clients of BenchMark Finance, regardless of their categorization as professional, non-professional or acceptable counterparties and shall regulate:

1. The treatment of conflicts of interest in accordance with the size and organizational structure of the investment intermediary and the nature, scale and complexity of the investment services and activities;

2. Circumstances constituting a conflict of interest or which may lead to a conflict of interest, creating a risk of harm to the interests of the client or clients of the investment intermediary in relation to any specific service or activity performed by the investment intermediary;

3. Procedures and measures for dealing with conflicts of interest.

(4) The policy for prevention and management of conflicts of interest of BenchMark Finance is published and freely available on the website of BenchMark Finance - [www.benchmark.bg](http://www.benchmark.bg) and clients can at any time get acquainted with its current content.

### *Confidentiality*

**Art.46** (1) In carrying out its activity BenchMark Finance shall be obliged to keep the trade secret of its clients, as well as their trade prestige.

(2) The members of the board of directors of BenchMark Finance and the persons working for it under contract may not disclose, unless they are authorized to do so, and use for the benefit of themselves or other persons facts and circumstances concerning the balances(stocks) and the operations on the accounts for financial instruments and for clients' money, as well as all other facts and circumstances, representing a trade secret, which they have learned while conducting their official and professional duties.

(3) In addition to the Financial Supervision Commission, the Deputy Chairperson and authorized officials of the Financial Supervision Commission administration or of the regulated market, which the intermediary is a member of, for the purposes of their control activity and within the inspection order, BenchMark Finance may provide information under para. 2 only:

1. with the consent of his client;
2. by the order of Title Two, Chapter Sixteen, Section IIIa of the Tax and Social Insurance Procedure Code;
3. by a court decision, issued under the conditions and by the order of art. 91, para. 2 and 3 Markets in Financial Instruments Act.
- 4.in the cases and under the conditions of art. 91, para. 4 and 5 Markets in Financial Instruments Act.

(4) BenchMark Finance and the client undertake not to disclose to another person, except in the cases stipulated by the legislation (provided by law), any information related to the contract and the business relations established between them, assets, business, investments, finances or other data that are confidential to each of the parties. BenchMark Finance and the client should make reasonable efforts to prevent such disclosure.

### *Deposits and withdrawals*

**Art.47**(1) The conditions, the order and the procedures for withdrawal and deposit of money (monetary amounts) on the client's accounts are described/listed on the website of the investment intermediary and in the Tariff of BenchMark Finance. In cases where a prior notice/application is required, the request for cash withdrawal can be made at the intermediary's office, through the sections (part) of the intermediary's website accessible only to BenchMark clients or by e-mail sent to the email address, specified on the internet site (page) of BenchMark Finance.

(2) Upon filing (submission) an application for withdrawal by the client, the amount is blocked and cannot be used for transactions, for opening positions or guarantee deposit on already opened positions/transactions of the client.

(3) When withdrawing an amount, **the client** shall be responsible for the observance and shall not violate the requirements for a guarantee deposit, in the cases when according to the type of the provided services the maintenance of such a deposit is required.

(4) BenchMark Finance may require additional confirmation of electronic order or request for withdrawal submitted via/in BenchMark Clients or email by contacting the client. For this purpose, the telephone number and/or email provided by the client for contact upon his/her registration is used.

BenchMark Finance reserves the right to delay or refuse the execution of the money transfer in case:

1. fails to make contact with the client;
2. there is a doubt about the authenticity of the client;

3 requests presentation of additional documents and the client does not provide them (fails to comply/deliver)

(5) BenchMark Finance shall not be liable in case of an executed cash withdrawal transaction when the client had been sent an email requesting confirmation of the towing operation and accordingly a response had been received from the client that the client confirms the cash withdrawal transaction.

(6) Cash deposits (instalments) shall be credited to the trading accounts and respectively the received withdrawal orders shall be processed and executed, within the usual terms for the intermediary, described on the website of the investment intermediary.

(7) Clients should be aware that confirmed amounts for money transactions ordered through a virtual POS terminal are not refundable.

(8) All credit and debit entries on the client's accounts shall be considered final after the end of the accounting day.

(9) In connection with the execution of a specific operation of deposit (instalment) or withdrawal, and with the applicable requirements and provisions of the Anti-Money Laundering Measures Act, BenchMark Finance has the right to request from the client additional information, data and documents, and/or a declaration of origin of the funds under Art. 66 of the Law on Measures against Money Laundering. In case of failure/refusal by the client to provide information, data or documents, or failure/refusal to complete a declaration of origin of funds, the intermediary does not perform the operation for deposit or withdrawal of funds, requested by the client and notifies the relevant competent authorities in writing, Financial Intelligence Directorate of the State Agency for National Security in accordance with the provisions of Art. 72 of the Law on Measures against Money Laundering.

(10) BenchMark Finance shall notify the client via a message sent to the email provided by the client about the execution of each operation for depositing or withdrawal of funds on his trading accounts, executed electronically.

*Concluding transactions with Contracts for Differences and other OTC derivative instruments on a margin basis*

**Art.48**(1) BenchMark Finance provides an opportunity to execute client orders regarding OTC derivative contracts - Contracts for Differences (CFDs) - CFDs on shares, CFDs on commodities, CFDs on currencies, CFDs on indices, CFDs on metals, CFDs on cryptocurrencies and other OTC derivative instruments. The specific financial instruments that can be traded by the clients, as well as the types of orders that the client can submit/place, are determined by BenchMark Finance depending on (subject to) the rules of the respective market of financial instruments. They are announced on the website of BenchMark Finance - [www.benchmark.bg](http://www.benchmark.bg).

With regard to these instruments, BenchMark Finance is counterparty and the only place to execute the orders of its clients, as all orders are executed outside the trading venue, only OTC market. The transaction is concluded directly between the client and BenchMark Finance on an individual basis at pre-agreed conditions. Financial instruments purchased by the client shall be issued by BenchMark Finance.

Transactions with these financial instruments are of high risk, BenchMark Finance informs clients that under certain market conditions, in case of emergency or other undesirable situation, the market principles of trading in derivative financial instruments on the OTC market provide broad and extraordinary authority (powers) to the financial instruments issuer.

(2) For each individual transaction the client receives from BenchMark Finance a quotation through the electronic trading platform or by telephone, in compliance with the requirements for

communication between BenchMark Finance and the client. Transactions are carried out through orders submitted through the relevant e-commerce platform, as well as on the basis of orders submitted by telephone. BenchMark Finance provides its clients with buy and sell quotes for the respective financial instruments. Quotes are valid till they are changed or cancelled. The quotations may change in the period between the submission of the client's order and its execution according to the market dynamics, which BenchMark Finance is not responsible/liable for.

Upon a request from the client for a price, BenchMark Finance always quotes bilaterally - price "buy" and price "sell" ("bid" and "ask" price). When the client intends to buy a financial instrument, he/she confirms the "sell" price and vice versa, if he/she wants to sell an asset, he/she confirms the "buy" price, provided to him by BenchMark Finance.

(3) As the only place for execution of the orders of its clients, BenchMark Finance generates independently and provides prices (quotations) at which the trade in contracts for differences (CFD) is carried out on the OTC market. The prices (quotations) offered by BenchMark Finance are not tied to and may differ from the prices (quotations) elsewhere for the performance of analogous or similar contracts for differences (CFDs). BenchMark Finance fulfills the conditions for fair pricing of its products in accordance with regulatory requirements and good practices.

(4) BenchMark Finance has the right at its own discretion to suspend the offering of quotations for a financial instrument by notifying the client and giving him at least seven days in which the client to take appropriate action to close his positions. If the client does not do so, BenchMark Finance has the right at its discretion and without notice to close the client's positions opened in this financial instrument and the client agrees that BenchMark Finance may at its discretion determine the closing price, taking into account applicable market prices. BenchMark Finance will not be liable for the negative result for the client, as well as for any lost profits or losses incurred by the client, if the investment intermediary has taken all necessary actions to protect the client's interests and achieve the best result according to the applicable current market prices.

(5) Depending on factors such as unusual market conditions, the size of the order or the type of the order, the respective financial instrument may receive a price in part or in full and / or the execution of the order may be delayed during its processing, which may affect the price. , on which the order is executed, and this can be both in favor and to the detriment of the client. BenchMark Finance strives to use procedures that minimize the risk of delays, however, in case of force majeure, during important news and other events and factors that may have or affect the relevant markets, BenchMark Finance could not maintain normal liquidity in the same volumes. The possible effects of the influence of these factors are unpredictable and therefore cannot be listed/stated in these General Terms and Conditions. In such situations, it is possible to significantly expand the spreads compared to the usual and when submitting market, limited, stop or other types of orders to enter into transactions at prices significantly different from those that would have been concluded under normal market conditions, and at prices different from the one last seen by the client for the financial instrument in the platform or at a price different from the one visible to the client at the time of submitting the order.

(6) The Client has been notified and agrees that BenchMark Finance may not provide quotations if there are unforeseen / extraordinary market circumstances or force majeure events under item 17 and item 18 under §1 of the Final Provisions of these General Terms and Conditions or other circumstances under which transactions may not be executed on the respective markets. Providing CFD quotes with underlying asset such as stocks, indices, futures, exchange traded funds, futures on energy raw materials (oil, natural gas), cryptocurrencies or other exchange traded assets may sometimes not be possible in the first 15 (fifteen) minutes from opening or before closing of the trading session, or in case of sharp fluctuations and lack of sufficient

liquidity, the spread between the "buy" and "sell" prices may be relatively wider than usual quotes. In this case, BenchMark Finance is not liable for damages, lost profits or losses incurred by the client.

(7) The Client is notified and agrees that when executing an order submitted by a client, when there are sharp fluctuations in market quotations, as well as at opening or at closing the relevant markets (including the so-called "gap"), BenchMark Finance may execute the client order, including limit orders, one-cancels-the-other, conditional, limit or stop orders at a price significantly different from the one specified in the order, respectively visible to the client at the time of order submission (including the so-called "slippage") or possibly given order, one-cancels-the-other, condition, limit or stop price cannot be fulfilled.

(8) When due to technical reasons, the client is temporarily unable to use the electronic trading system, the relevant orders may be submitted by telephone on a recording telephone line in compliance with the Rules for submission of telephone orders published on the intermediary's website. BenchMark Finance may not execute an order given by telephone to the client if he doubts his/her identity.

(9) BenchMark Finance accepts as valid any order submitted through the electronic trading platform to open or close positions under contracts for differences or other derivative financial instruments, with a valid username and password, without the need for additional confirmation of the order by the client. BenchMark Finance is not liable for damages resulting from the improper use of the client's access to the electronic trading platform by a third party.

(10) In the cases where, due to the fault of the client or as a result of objective circumstances, which do not depend on (beyond the influence of) BenchMark Finance and which BenchMark Finance is not liable for and that could not had been prevented by due care, the client cannot and/or does not manage to contact BenchMark Finance, or BenchMark Finance has not received a message sent by the client, or the client has not received a message sent by BenchMark Finance, BenchMark Finance is not liable for:

1. losses incurred by the client, missed benefits(gains), damages or expenses in connection with an action, delay or omission, when these losses, missed benefits(gains), damages or expenses have arisen as a result of the inability of the client to make a deal;
2. when losses, missed benefits(gains), damages and expenses for the client have arisen as a result of the inability of the client to close an open position or the client has missed benefits (gain) due to inability to open a position.

**Art.49** (1) The client is informed and agrees as possible that while trading in real time, with a view to technological transmission time of the order, the quotes of certain financial instruments are changed in the period between submission of the order by the client and receipt of the order by/with BenchMark Finance. In this case, BenchMark Finance can execute the order on/at the quotation available at the time of its execution.

(2) BenchMark Finance strives to execute client orders as quickly as possible after their entry into the servers of the MetaTrader 4/5 platform, but nevertheless during low liquidity and / or high volatility, and/or depending on the type of financial instrument , and/or the current load on the servers and the flow of orders arriving at the same time, the execution time of client orders in the servers may vary and the investment intermediary may not be able to maintain the same speed and/or liquidity/probability of execution, as usual. Such market conditions cannot be foreseen/predicted and can occur at any time of the day, which will lead to an extension of the execution time of orders for an indefinite period of time. It should be borne in mind that delays in the execution of client orders may have a negative effect on the balance of client trading accounts, which may lead to a shortage of funds and the closure of positions.

(3) Clients should keep in mind that in cases when they submit orders and/or their orders enter the system of BenchMark Finance / the servers of the MetaTrader 4/5 platform and / or their orders are executed in the last minutes of the working hours on Friday trading sessions. or before a public holiday, in the first minutes after the markets' opening on Monday or after a public holiday and in the minutes around midnight when swap figures/values are charged on positions, these periods are characterized by low liquidity, therefore the execution time increases in compared to the time for which client orders are usually executed during the rest of the time (a few hours earlier, for example).

(4) BenchMark Finance shall not be liable for any losses or missed benefits (gains) from client based on quotes that as a result of problems with the internet connection in terms of delay or lack of connectivity does not reflect in true and fair manner the prices quoted by BenchMark Finance. Transactions, at the conclusion of which the client relied on a delay in the renewal of the quotations, can be cancelled/revoked by BenchMark Finance. BenchMark Finance is also entitled to make adjustments and changes in such kinds of transactions concluded by the client. Client accounts through which such transactions are executed may, at BenchMark Finance's own discretion, be deactivated or the client's access to the trading platform be suspended.

**Art.50** (1) BenchMark Finance seeks to quote the spread levels indicated on the intermediary's website, but nevertheless during low liquidity and/or high volatility the investment intermediary is likely to be unable to maintain the same spread levels as it normally quotes. Such market conditions cannot be foreseen and can occur at any time of the day, which will lead to widening spreads over a period of time. It should be borne in mind that wider spreads may have a negative effect on the balance of clients' trading accounts, which may lead to a shortage of funds and the closure of positions.

(2) BenchMark Finance has the right, at its own discretion, to suspend trading or add new financial instruments to the trading platforms by notifying customers in advance. When a financial instrument is suspended from trading, the investment intermediary shall notify clients at least seven days before the suspension of trading in order to ensure a sufficient period of time for the client to take specific action at their own discretion regarding their open positions in the financial instrument which will be suspended before their positions are closed by BenchMark Finance.

The established term of at least seven days notice before the suspension of trading in a financial instrument will not be observed by the investment intermediary in case of unforeseen/extraordinary market circumstances and/or force majeure or circumstances under item 17 or item 18 of §1 of the Final Provisions of these general terms. In the event of suspension of trading of a financial instrument, BenchMark Finance has the right to close all existing positions of the client at prices relevant to the time of closing. Notice of suspension of trading in certain instruments or the addition of new trading instruments may be made by means of a message on the trading platform, an email, a telephone call to the email address and/or telephone number provided by the client or via news uploaded on the BenchMark Finance website.

**Art.51** (1) When an order to conclude a deal for Contracts for differences (CFD) and other OTC derivatives on a margin basis, clients must provide a security/guarantee deposit. The guarantee deposit serves to cover the risk of losses from an adverse movement in the price of traded financial instruments. The minimum guarantee deposit for each position is calculated individually depending on the type of financial instrument and/or the client (non-professional, professional or eligible counterparty).

The guarantee deposit shall be blocked immediately as a prerequisite for opening a position in Contracts for difference (CFD) or other derivatives of the client. BenchMark Finance may refuse to execute submitted by the client order to open a position in Contracts for difference (CFD) or

other derivative instruments in the event that funds in the trading account of the client are insufficient to cover the minimum margin required for the respective position.

(2) The amount of the guarantee deposit/margin, expressed as a percentage, for the different types of instruments is indicated on the website of BenchMark Finance. In determining the amount of the guarantee deposit both for the client and for the financial instrument, BenchMark Finance complies with the requirements set by the Financial Supervision Commission (FSC), the European Securities and Markets Authority (ESMA) and/or by the supervisory authorities of other Member States of the European Union, if such requirements exist (if the case). In case of change of the regulatory requirements and/or setting of new requirements by FSC, ESMA and/or supervisory bodies of other Member States of the European Union, BenchMark Finance changes the amount of the minimum required guarantee deposit/margin, both for certain financial instruments and for individual clients.

(3) BenchMark Finance may in its sole discretion, without the need for prior notice, consent or approval from the client to change the amount of the minimum required margin, including already open client positions for certain financial instruments and for individual orders and/or items or client accounts:

a) in the event of large or sharp fluctuations in the market for certain financial instruments or the underlying instruments for the relevant CFD (high market volatility);

b) in the event of important economic and/or political news or events;

c) in the case of force majeure events or circumstances;

d) other circumstances affecting trade in certain financial instruments, which in the opinion of BenchMark Finance can lead to increased risk of trading in these instruments;

e) when the total amount of balances on the client's account/accounts and the positions opened by him/her exceeds the risk limits acceptable to BenchMark Finance;

f) if necessary to protect the client's interests and/or of BenchMark Finance's rights under the contract.

(4) In case the amount of the guarantee deposit/margin BenchMark Finance shall immediately notify the client by sending a message to the client's email address and/or contact him/her by phone provided by the client's phone number and/or sends a message within the trading platform and reflects the change into the electronic trading platform.

(5) If the balance on the client's account becomes negative (whether this is due to accrued negative exchange rate or price differences, market gap realized loss, interest, fees, costs, expenses or other obligations under the client's account) Benchmark Finance ceases to execute client orders for opening positions in contracts for differences or in other derivative financial instruments. The client is obliged to cover the deficit on his/her account, and he/she also owes a penalty of 0.1% on the negative balance for each day overdue. The above sentence does not apply to non-professional clients trading in contracts for differences, against which, by Decision of FSC № 918-IP of 30.07.2019 the investment intermediary is obliged to provide protection in case of negative balance.

(6) Where, at its discretion, BenchMark Finance considers that there are unforeseen/extraordinary market circumstances or force majeure events under items 17 and 18 of §1 of the Final Provisions of these General Terms and Conditions or that the current market situation endangers the interests of the client, or trading conditions are significantly different from those being normal/usual for the specific financial instrument, BenchMark Finance may, without prior notice to the client, for which the client, with the acceptance of these General Terms and Conditions, has given its unconditional and irrevocable consent to close early any or all of its open positions in contracts for differences and/or other derivative financial instruments,

regardless of their current situation, even under conditions that are less favorable than initially set by the client. BenchMark Finance notifies the client of the closed positions and the conditions under which they are closed.

**Art.52** (1) All open positions of the client under contracts for differences and other derivative financial instruments, that are open and not closed as of 23:59:59 (server time), shall be subject to transfer for the next date. The position/s of the client is transferred to the next date taking into account the interest on overnight funding (swap) updated information for which can be found on the website of BenchMark Finance - [www.benchmark.bg](http://www.benchmark.bg).

(2) If the price of an underlying asset is influenced by corporate event/action BenchMark Finance determines the appropriate adjustment, if any, to be made as to the amount and/or value and/or the number of affected positions of the client, whether the affected positions have meanwhile been opened or have been closed. The adjustment does not take into account limit or stop orders placed in advance by the client in connection with an instrument whose underlying asset is subject to adjustment in connection with a corporate event/action.

Any adjustment in connection with a corporate event/action affecting the underlying asset of an instrument shall take effect from the moment it is reflected in the client's trading account. Corporate events/actions, as a result of which positions in contracts for difference may be subject to adjustment, include:

1. division, merger, acquisition, consolidation or change in the classes of shares, or free allocation of shares among the existing shareholders in the form of a bonus, capitalization, distribution of dividend, etc .;
2. distribution among existing shareholders additional shares, other types of equity or securities conferring entitlement to dividend or income from liquidation of the issuer or securities, rights or warrants entitling participation in the distribution of shares and/or purchase subscription or receipt of shares (in cash or otherwise) at a price lower than the current market price per share;
3. any other corporate event/action giving analogous to the rights described above, which have a decreasing or concentrating effect on the market value of the underlying asset.

(3) In cases where some or all of the markets on which the underlying asset whose price is a reference to a financial instrument, is traded, take action to suspend or restrict trading or prohibit trading in the underlying asset, Benchmark Finance shall temporarily or permanently suspend the possibilities of placing orders and concluding transactions with the financial instrument directly affected. Benchmark Finance shall have the right at any time during the limitation period or prohibition to change the value of open client positions in CFDs on those underlying assets at its sole discretion, doing so in good faith and in accordance with prevailing market practices. Upon the introduction of a definitive prohibition on trading with the underlying asset, and if the suspension or restriction of trading in the underlying assets continues for more than one business day, Benchmark Finance may terminate ex officio without the necessary consent of the client, all those affected by the prohibition, suspension or restriction of trading in the underlying client positions. BenchMark Finance determines and notifies the client about the date and price of official closing by email, telephone or by message on the trading platform.

(4) In case the underlying asset under a contract for difference is removed from stock exchange trading due to a decision for delisting from the stock exchange or the trading with it is permanently terminated or suspended or a bankruptcy, liquidation or transformation procedure is initiated against its issuer, BenchMark Finance has the right, without prior consent of the client, to close all affected positions of the client by determining at its discretion the date and price of closing. BenchMark Finance notifies the client of the actions taken by email, phone or via a message on the trading platform.



**Art.53**(1) In trading on margin the client shall be obliged to monitor the amount of his/her current balance and the free funds on his/her trading account. When the client accumulates losses from open positions or has opened too many positions or positions with large volume, the free funds on the account decrease and at some point it is possible that the account does not have the necessary cash guarantee to maintain open positions. The shortage of the current balance (free funds) may lead to official closing of positions, whereby BenchMark Finance may close partially or completely all opened client's positions at prices, determined by BenchMark Finance.

(2) The positions of client contracts for differences (CFD) - CFD on shares, CFD on commodities, CFD on currencies, CFD on indices, CFD metals, CFD on cryptocurrencies and other OTC derivatives, can be officially closed, partially or in full, without notice and without the need for approval or consent of the client, for which the client is considered as notified and with the acceptance of these General Terms and Conditions has given his/her unconditional and irrevocable consent. The cases and conditions under which BenchMark Finance may officially close the client's positions are described in the Policy for execution of client orders for transactions in financial instruments, the present general conditions and the contract with the client. In all cases of official partial or complete closure of the positions opened by the client, the client cannot contest the price levels of the transactions for closing his positions by BenchMark Finance. BenchMark Finance shall inform the client about the closed positions and closing prices. The notification may be made by telephone (on a recordable telephone line), by email or via a message on the relevant electronic trading platform, including by automatically generating a message. When notifying by email, BenchMark Finance accepts that the client has received the notification by sending the e-mail to the e-mail address provided by the client.

(3) BenchMark Finance has the right to close officially at its discretion and without prior notice open positions underlying assets, which is a financial derivative or futures contracts on commodities subject to actual delivery at the maturity of the respective exchange contract. BenchMark Finance performed the official closing of these positions within a reasonable time prior to the maturity date of the underlying derivative contract and then notifies the client of the official closing. After maturing of the current underlying derivative contract BenchMark Finance has no obligation to automatically renew the client's position in an instrument whose underlying asset is a derivative contract immediately following maturing. The price at which carried the official closing is the closing price ( "buy" price for long positions, respectively - "ask" price for short positions) in the corresponding tool in the electronic trading platform on the day fixed as the last day of trading for an instrument. Information on the last day for trading in individual financial instruments, underlying assets on which there is a derivative exchange contract with a fixed maturity, can be found on the website of BenchMark Finance - [www.benchmark.bg](http://www.benchmark.bg). It is entirely the responsibility of the client to get acquainted with the schedule for the last day for trading in the electronic trading platform for individual financial instruments announced on the BenchMark Finance website and BenchMark Finance is not liable for damages caused by the client's not knowing about this schedule.

(4) Up-to-date information on the extent of the margin used, current balance and the amount of free trading margin is available to any client in module "Trade" of the platform used by the client and / or the client can get such information at any time via telephone by contacting BenchMark Finance at the telephone numbers listed on the intermediary's website.

(5) In order to ensure the amount of the required security deposit for the client's open positions and when the respective client has other securities on its account with BenchMark Finance, the latter has the right at its own discretion and when it deems it good to sell a portion or in full financial instruments or to close his/her own positions under art. 63 and Art. 64 of these General Terms and Conditions, as far as it is sufficient to cover his/her obligations, for which the client, by accepting these General Terms and Conditions, has given his/her unconditional and

irrevocable consent. In the event that the amount received is insufficient, the provisions of Articles 63 and 64 of the General Conditions shall apply.

**Art.54**(1) BenchMark Finance considers as unscrupulous behavior on the part of the client trading methods aimed at taking advantage of obvious errors in the quoted prices. It is possible that the quotations of certain financial instruments, for which the client may submit orders for transactions in the electronic trading platforms or by telephone, may contain errors. An obvious error is any obviously incorrectly submitted by BenchMark Finance quotation on the basis of which a position under a contract for difference or other derivative financial instrument has been opened, taking into account the current market conditions at the time of submitting the order. In determining whether a transaction has been concluded with an obvious error, BenchMark Finance has the right to use the available market information and the quotation is considered incorrect if the price at which the transaction was concluded differs from the price of the respective financial instrument, received from at least two leading Bulgarian or international brokers or banks.

(2) Clients have the right to claim adjustment of the parameters for which an opened or closed position in a financial instrument is at their expense and for which they consider to be determined by the investment intermediary with an obvious error by sending a written email to the investment intermediary within three days from the receiving of the confirmation for executed transaction (confirmations are received immediately in the electronic trading platform). In case where the client does not object within the period under sentence one, it is considered that he has accepted the confirmation and cannot claim to adjust the parameters under which his position in a financial instrument is opened or closed on the basis of obvious error in quoted prices.

(3) BenchMark Finance may exercise its right (without a claim form a client) to ascertain an obvious error in the quotations or parameters at which a position in a financial instrument has been opened or closed at the expense of a client and to take the actions provided in article 4 of the present general conditions within three days from the execution of the transaction. The investment intermediary shall notify the client of the identified obvious error and accordingly, of the corrective actions taken by email and/or by means of a message on the electronic trading platform within the same three-day period.

(4) With regard to the identified obvious errors, BenchMark Finance has the right to take one of the following actions:

1. To adjust the quotations or parameters of the affected positions of the client, leaving in force the concluded transactions and the open positions of the client at the new quotations. In this case, BenchMark Finance determines the correct quotations at its discretion, providing on request data on prices collected from independent sources.

Or

2. To declare and determine all affected positions as invalid and to cancel the transactions concluded at wrong quotations.

(5) BenchMark Finance shall not be liable for losses and/or lost profits incurred by the client as a result of transactions determined as concluded as a result of obvious errors or as a result of a decision of BenchMark Finance to leave in force, correct or invalidate those affected by obvious transaction errors. BenchMark Finance is liable for losses and/or lost profits suffered by the client when the obvious error is caused by culpable conduct or gross negligence on the part of its employees, proven by a final, non-appealable decision of a competent authority.

(6) Trading methods such as scalping, arbitrage and other techniques in which the client seeks to take advantage of errors and/or delays in quotations and/or other weaknesses in the electronic trading platform, including when carried out through an automated expert system,

script, API or other software developed by a third party, BenchMark Finance considers it unscrupulous and unacceptable behavior by the client. Provided that at the time of concluding a transaction there was an error and/or delay in the quotations and/or other weakness in the electronic platforms and there is a reasonable assumption that the client has taken advantage or has tried to take advantage of them, BenchMark Finance has the right to take the following actions:

1. To adjust the quotations and price spreads to which the client has access;
2. To restrict the client's access to quotes in real time with the possibility of opening positions, including to start providing quotes for a transaction only after requesting them by phone;
3. To immediately cancel the transactions and all open positions of the client, concluded through the mentioned trading methods;
4. To immediately terminate the client's access to the electronic trading platforms;
5. To terminate unilaterally without notice the contract with the client, notifying him.

**Art.55**(1) BenchMark Finance is not obliged to inform the client about the current market conditions or to inform him about upcoming or future changes in market conditions. It is entirely up to the client to be informed about the current market conditions, upcoming news or events. BenchMark Finance is not responsible for the client being uninformed, ignorance of market conditions, ignorance of news and events relevant to trade, not knowing how the financial instruments ignorance or neglect by the client of the risks associated with trading contracts for differences and other derivative instruments, and the consequent losses incurred by the client on its open positions in contracts for differences or other derivative financial instruments.

(2) Client is responsible for any adverse consequences that have arisen or may arise for him due to faulty or incorrectly placed orders.

(3) The risk of third parties illegal actions, related to the submission of orders, respectively the opening of positions through the electronic trading system, shall be entirely at the client's expense.

(4) BenchMark Finance shall not be liable for non-execution or untimely execution of orders, submitted through the electronic trading platform for reasons beyond its control, including due to technical problems, force majeure, unforeseeable, extraordinary circumstances and others.

(5) BenchMark Finance shall not be liable for losses incurred by the client (including accidental, indirect or direct losses) resulting from negligence, breach of contract, concealment of facts and circumstances or other situation related to a transaction or with the client's trade, including in connection with a client's order not executed by BenchMark Finance, which situation arose from client's fault or as a result of his/her actions or as a result of objective circumstances for which BenchMark Finance is not at fault and could not prevent by taking due care, and regardless of whether the client has been informed in advance of the possibility to incur/suffer loss.

#### *Electronic trading systems and platforms. Access and security*

**Art.56**(1) BenchMark Finance offers its clients the opportunity to trade through electronic trading platforms BG Trader and MetaTrader 4/5. BenchMark Finance offers its clients the opportunity to monitor the assets on their trading accounts, to receive market information and analysis, to make deposits/withdrawals of funds and others through the electronic system BenchMark Clients - available on the website of the investment intermediary only for its clients.

Access to BenchMark Clients is through the official website of Benchmark Finance AD - [www.benchmark.bg](http://www.benchmark.bg).

(2) Electronic trading platform BG Trader provides clients with:

1. Continuous remote access to its trading account on the Bulgarian Stock Exchange, information on balances and availability, movements, reports on assets, reports, etc.;
2. Direct Electronic Access (DEA) for submitting orders for transactions on the Bulgarian Stock Exchange and organized by it (the later) regulated market and Multilateral trading facility (MTF). The service is provided every working day, except for weekends and public holidays and Bulgarian Stock Exchange non-working days;
3. Confirmations of executed transactions (obtained immediately within the electronic trading system), market information, analysis and others. The service is provided every working day, except for weekends and public holidays and Bulgarian Stock Exchange non-working days.

(3) Electronic trading platform MetaTrader 4/5 provide clients with:

1. Continuous remote access to its trading accounts, information on balances and availability, movements, operations, reports on assets and reports, etc.;
2. Obtaining current "buy" and "sell" quotes for financial instruments available for trading in each of the platforms - contracts for differences (CFDs) and other derivative financial instruments. The service is provided every working day, except for weekends and non-working days for the respective markets;
3. Opportunity to open, respectively close positions in the financial instruments available for trading in each of the platforms - contracts for differences (CFDs) and other derivative financial instruments. The service is provided every working day, except for weekends and non-working days for the respective markets;
4. Confirmations of executed transactions (obtained immediately within the e-commerce platform), market information, analysis and others. The service is provided every working day, except for weekends and non-working days for the respective markets.

(4) BenchMark Clients electronic system provides clients with continuous remote access to:

1. Data on the assets available on the client's trading accounts, financial instruments, quantity, price, current market price, funds (cash), accrued expenses and other legally required information that should be disclosed to the client;
2. Opportunity for deposit and withdrawal of cash;
3. Receiving market information, news, analysis and more.

(5) The active functionality of electronic systems and trading platforms are determined by BenchMark Finance according to the technical security of the system, the investment intermediary has the right at its sole discretion to add new or restrict existing ones. BenchMark Finance notifies clients about changes in the functionality of electronic systems or trading platforms via a message on the website of the investment intermediary-[www.benchmark.bg](http://www.benchmark.bg), within electronic system or trading platform and at the discretion of BenchMark Finance, by phone or email, for which the client, by accepting these General Terms and Conditions, has given his/her unconditional and irrevocable consent.

(6) In cases where BenchMark Finance provides information to the client through the electronic system or trading platform on the main characteristics and features of a financial instrument or service, as well as when it provides statistical and/or current market information on the status of various financial instruments, issuers, underlying assets and/or markets, this information is indicative and should not be taken as a recommendation to enter into or refrain from concluding a transaction, as solicitation of a particular investment strategy or as providing investment advice.

(7) BenchMark Finance may provide the client with access to financial information published by third parties through the electronic system or trading platform. BenchMark Finance is not responsible for the content, accuracy or completeness of this financial information. It should not be considered as a recommendation or investment advice to enter into a transaction or to refrain from concluding a transaction. In the event that information provided by third parties ceases to flow regularly or in a form incompatible with the requirements of the relevant electronic system or trading platform, BenchMark Finance reserves the right to remove this information completely without prior notice and without the need for consent from the client.

(8) The Client does not have the right to copy, sell, transfer or provide to third parties access to the electronic system or trading platform and to the market and financial information provided through it. The Client has the right to use the electronic system or trading platform and the market and/or financial information, provided through it, solely for the purpose it is designated for, namely for remote access and possibility to submit orders/orders for concluding transactions with financial instruments, respectively for opening, closing positions in such, monitoring the availability of financial instruments and cash, receiving reports and references, statistics etc.

**Art.57** (1) The Client is notified and agrees that BenchMark Finance is not responsible for any losses, missed benefits(gains), costs, fees, damages or other expenses incurred by the client due to the specifics of electronic systems and trading platforms, access to which is through the Internet and through appropriate technical devices (computer, laptop, smart phone, tablet, etc.). Accordingly, technical malfunctions may occur, both in the hardware and software products and systems used by BenchMark Finance and/or clients, in the access devices and their capacity, in communication failures, unstable connectivity or internet environment, which may lead to delays in the transmission of information, delay or non-arrival/non-receipt of orders, or to execution, respectively non-execution of already submitted orders, as well as to inability to access electronic systems or trading platforms and other obstacles of technical nature.

(2) The electronic trading systems or platforms offered by BenchMark Finance are periodically updated, and new versions may differ in various aspects, including but not limited to the level of security applied, products and services available, functionality, etc. The Client undertakes to use the latest versions of electronic systems or trading platforms as available on the website. In case of non-fulfilment of this obligation, BenchMark Finance is not liable to the client for losses, costs, missed benefits (gains), damages, as well as potential liability arising for the client as a result of using an old (outdated) version of any of trading platforms, without corresponding improvements.

The technical requirements for the use of electronic trading platforms, as well as additional information about them, can be found on the website.

(3) BenchMark Finance shall not be liable for losses or missed benefits (gains) that have arisen as a result of the use, installation, maintenance, modification or deactivation of the electronic system or trading platform.

(4) The Client is responsible for all orders and instructions, submitted applications and requests, as well as for the accuracy and correctness of the information submitted, respectively sent over the Internet after receiving access and entry into the relevant electronic system or trading platform using his personal identification - name and password for access.

**Art.58** (1) The access of the client to the electronic system or trading platforms shall be carried out by means of a username and password. Username and password to log in electronic trading platforms are activated by BenchMark Finance only after signing a contract for investment services and only after all related contractual documents being provided by the client. The Client undertakes to keep his password secret and guarantees that he/she will not provide to third parties data that serves for his/her personal identification in the electronic system or trading platform - name and password for access.

(2) The Client is obliged to change the password for login to the electronic trading platform, provided to him by BenchMark Finance at his/her first login to the trading platform after activating his/her access to the system. The client can at any time change his/her password directly from the electronic system or trading platform. The Client is obliged to take all necessary steps to store the password and his username in a way that excludes third parties access to them, respectively to take all necessary steps and reasonable efforts not to allow a third party to use in any way an electronic system or a trading platform on behalf and for the account of the client. The Client is responsible for all actions and operations carried out using his/her username and password, and the obligations arising from these actions and operations, regardless of whether they are performed by the client or are the result of unauthorized third party access.

(3) In case the username and password have become known to third parties or in case of about the above, in case of lost or stolen password, in case of unauthorized use or suspicions by a third party, in case of breach of the security and confidentiality of his/her password or doubts about it, the client is obliged to immediately change his/her password and notify BenchMark Finance. If necessary, BenchMark Finance terminates the client's access to the electronic system or the trading platform.

(4) Beyond the cases under the preceding paragraph BenchMark Finance may terminate Client's access to the electronic system or trading platform and on its own initiative if in doubt about the client's proper identification and authentication. The client's access to the electronic system or trading platform is restored by generating officially a new password after proper identification of the client by BenchMark Finance.

(5) The orders that have been submitted, respectively the transactions that have been concluded, the operations that have been ordered or the requests that have been made prior to the termination of access to the electronic system or trading platform, shall be executed by BenchMark Finance under the conditions being valid upon submission, respectively execution.

(6) In case of technical problems with the functioning of the electronic system or a trading platform BenchMark Finance may temporarily suspend or restrict client's access to it as the terms of executed transactions, open positions or transactions are retained and the parties are obliged to fulfill their reciprocal obligations. During the period in which the client does not have access to the electronic system or trading platform, he/she may at any time submit an order by telephone (on a phone line that can be recorded) to open new or close already opened positions under contracts for differences or other derivative instruments or transactions in financial instruments.

(7) BenchMark Finance may temporarily or permanently suspend access to the electronic system or trading platform (without terminating the contract with the client) used by clients in the following situations:

1. Where with his/her behaviour and actions, the client creates a risk for the normal functioning of the electronic system or trading platform;
2. In case a fact is found out or there is a reasonable suspicion that there is "money laundering", trading in inside information and/or manipulation of the market with financial instruments, for which it shall immediately inform the competent authorities in accordance with the current legislation;
3. In case of inactivity of the client;
4. Where implementation of regulations or periodic review and updating of client records BenchMark Finance asks the client to submit additional documents, statements, certain registrations completed questionnaires new and/or information till the above is being provided by the client.

In such cases, the provisions of paragraph 5 above shall apply.

(8) BenchMark Finance shall not be liable for damages suffered by the client due to suspension or restriction of client's access to this Article.

(9) In the event that a client decides to use third-party software applications providing Automated trading programs (APIs), trading signals and advice, risk management or other forms of transaction assistance for trading activity ("Expert Advisor"), which applications may have direct access to or connection to the client's trading account in the electronic trading platform, BenchMark Finance is not responsible for the results of the investment decisions taken and does not assume any obligations regarding the operation of the respective application, product or service provided or developed by third parties, and the use of such applications, products or services provided or developed by third parties is entirely at the expense and risk of the client.

(10) The client shall indemnify BenchMark Finance for all losses, damages, costs or claims by third parties as a result of errors in submitted by the client in electronic systems or platforms for trading orders, instructions, orders or other actions and operations that are ordered by the client, and when those actions are carried out by an unauthorized by the client person upon log in to the electronic systems or trading platforms with client's identification data.

(11) BenchMark Finance shall not be liable for damages suffered by the client due to technical problems or malfunctions related to the functioning of the electronic system or trading platform unless those technical problems are caused by guilty conduct (behaviour) or gross negligence by an employee of BenchMark Finance, proven by a final, non-appealable decision of a competent authority.

### *Responsibility and non-compliance*

**Art.59**(1) The client will be responsible for the truthfulness, regularity, authenticity and accuracy of the submitted orders, the declarations and documents submitted to them, as well as for the existence and validity of the rights over the financial instruments provided by him, when the instruments are with real delivery. The investor intermediary is responsible for the accurate, lawful and conscientious execution of the orders submitted by the client.

(2) When submitting an order for sale or exchange of financial instruments with real delivery, the client shall be obliged to provide to the investment intermediary in an appropriate manner the entire quantity of financial instruments according to the order, which shall be in good condition, including from a legal point of view. without delayed execution of the order.

(3) If the financial instruments do not meet the condition under the preceding paragraph, the client shall replace them with regular ones within the term indicated by the investment intermediary or withdraw his order.

(4) The client shall not have the right to submit orders regarding financial instruments when he illegally possesses inside information, which are blocked in the depository institution, on which a pledge or attachment has been established. The client is not allowed to submit orders regarding transactions constituting a covert purchase or sale of financial instruments.

(5) It shall be considered that the client has violated his obligations under the contract with gross negligence, when he/she:

1. has stored the password for concluding transactions by phone or his login data in the trading platform and/ or in the BenchMark Clients section recorded on the same document;
2. has communicated his/her password for concluding transactions by telephone or his / her login details in the trading platform and/ or in the BenchMark Clients section to a third party, including a member of his/her family or relative;

3. has provided the password for concluding transactions by telephone or his login data in the trading platform and/ or in the BenchMark Clients section for use by a third member or has agreed or has allowed this data to be used by a third party.

The client shall bear all losses, regardless of their amount, related to unauthorized transactions, if they are caused by fraud or due to the non-fulfillment of one or more of the client's obligations under para. 5. In this case the client is obliged to indemnify BenchMark Finance by the order of art. 63 and Art. 64 of these General Terms and Conditions.

(6) In all cases of non-fulfillment of the client's obligations under the preceding paragraphs there is a culpable non-fulfillment of the obligations under the contract, for which the client is responsible and is obliged to indemnify BenchMark Finance for the property damages and expenses.

(7) The risk related to the investment and transactions with financial instruments shall be borne entirely by the client. The investment intermediary is not responsible for the result achieved by the client in the execution of the client's orders.

(8) If the client has caused to the investment intermediary property damages, expenses or other financially unfavorable consequences, the investment firm has the right to suspend the execution of already given orders or instructions of the client (eg for installments or withdrawals of funds, or transfer of financial instruments to another intermediary or depository, or other instructions or requests of the client) and to refuse the acceptance of new ones until the settlement of the property relations with the client.

**Art.60**(1) The investment intermediary shall be responsible for the fulfillment of the requirements of the law and the rules of the respective place of trade by the clients to whom it provides the service for providing Direct electronic access (DEA) to a place of trade, namely these are the clients of BenchMark Finance, which through the electronic platform BG Trader trade in financial instruments on the regulated market and / or multilateral trading system organized by the BSE. The investment intermediary monitors the transactions concluded by these clients in order to establish violations of the requirements of the first sentence, illegal trade or conduct that may be related to market abuse and which notifies the FSC.

(2) BenchMark Finance monitors and assures the clients using the Direct electronic access (DEA) service to a trading venue that they cannot exceed the respective pre-set trading thresholds and credit limits.

Art.61 (1) BenchMark Finance shall not be liable in case of possible damage, lost profit, unrealized profit or realized loss, suffered by the client as a result of:

1. incomplete and / or inaccurate order or instruction submitted by the client;
2. temporary or permanent interruption of the client's connection to the Internet;
3. temporary or permanent damage to the other means of communication and communication used;
4. shortcomings or limitations related to the technical means and access devices used by the client, hardware and software products and systems, their capacity and technical characteristics, determining the stability and quality of the client's internet connection, the client's internet provider, the internet route, through which his relationship passes, the physical location of the client and other technical reasons independent of BenchMark Finance.

(2) In the event of a technical malfunction or other problem related to access or inability of the client to access its trading platform, incl. in the absence of quotations, the client is obliged to contact BenchMark Finance immediately before taking any action related to orders or open positions submitted by him. In case of incorrect execution (respectively non-execution) of an order due to a technical malfunction in the electronic trading platforms, BenchMark Finance will



check and evaluate the executed (respectively unfulfilled) order and will take an opinion on the acceptance of the transaction as invalid (and will cancel it) or final.

BenchMark Finance is not responsible if the malfunction of the software is caused by external, independent factors, as well as due to unregulated intervention of the client or a third party in the software of electronic platforms, communication errors and other programs affecting the proper functioning of the software.

(3) When the client uses API, software products developed by third parties, as well as scripts, BenchMark Finance does not bear any responsibility, incl. and financial, for the results of the investment decisions taken by the client and for his subsequent actions, as he cannot influence these products, therefore they are entirely at the expense and risk of the client.

**Art.62** (1) In the cases when a dispute arises regarding actions taken in execution of the contract, an order or a specific transaction submitted by the client or a margin position, BenchMark Finance has the right at its discretion and without notice to close part or all of the client's margin positions, to reduce the size of the client's open positions, not to execute an order already placed, and not to accept an order for opening new positions until the dispute is resolved, in order to limit the maximum amount subject to the dispute with the client.

(2) When a given market, liquidity provider, stock exchange, intermediary, financial institution or third party used by BenchMark Finance for the purposes of the provided investment services takes action against BenchMark Finance, BenchMark Finance shall have the right to take appropriate actions at its discretion. in relation to the affected transactions, investment services and open counter-positions between BenchMark Finance and clients, including by canceling or increasing the requirements for a guarantee deposit or changing their parameters (volume, price/quotation, validity period, etc.).

**Art.63** 1) The Client undertakes to indemnify BenchMark Finance for all liabilities, losses, expenses, fees, damages or court costs (current and future, including unforeseen ones), incurred by or incurred for BenchMark Finance in connection with the provision of services to as a result of non-fulfillment of any of the client's obligations under the contract, these General Terms and Conditions, the policy for execution of client orders and other rules and policies applicable to the client's relations, market rules for trading on international markets or applicable regulations, except in the cases when these obligations, losses, damages, expenses or expenses have occurred as a result of culpable behavior on the part of an employee of BenchMark Finance, proved by a final, non-appealable decision of a competent authority.

(2) The Client is obliged to indemnify BenchMark Finance and if BenchMark Finance suffers losses, damages or monetary claims are addressed to third parties as a result of:

1. Errors in giving instructions or orders through electronic systems or trading platforms by telephone or email by the client; or
2. Incorrect fulfillment by the client of the conditions and requirements for normatively established minimum content of the order and the client's declarations to him.

(3) In the cases under the preceding paragraphs BenchMark Finance shall have the right to deduct the value of the suffered damage, loss, all expenses, fees, incurred liabilities or cash claims from the available funds on the client's accounts, for which it shall notify the client address, by telephone on a recording line or by message on the trading platform. If the value of the suffered damage, loss, expenses, fees, liabilities or monetary claims exceeds the amount of funds available on the client's accounts, BenchMark Finance has the right to seek compensation from the client in accordance with the general law, together with legal interest for delay.

**Art.64** (1) In case a client has outstanding monetary obligations under his contract with BenchMark Finance or has a negative cash balance on his trading accounts, BenchMark Finance has the right to sell at its own discretion and when it finds such part of the financial instruments

of the client, which is sufficient to cover his obligations, for which the client, by accepting these General Terms and Conditions, gives his unconditional and irrevocable consent.

1. When financial instruments are regularly traded on a regulated market (including a multilateral trading system), BenchMark Finance will make the sale by submitting a market offer in the system of the regulated market at the expense of the client. In case the respective financial instruments are not regularly traded on a regulated market or are not admitted to trading on a regulated market, BenchMark Finance will make the sale, applying the Client Order Execution Policy, for which the client, by accepting these General Terms, gives his unconditional and irrevocable consent.

2. In case the client has open positions under contracts for differences and / or other derivative financial instruments traded on a margin basis, BenchMark Finance has the right to close, without the need for any approval by the client, partially or fully open positions in order to provide the necessary funds to repay the obligations of the client, for which the latter with the adoption of these General Terms and Conditions gives its unconditional and irrevocable consent. With priority, the positions with the highest realized negative result are closed in order to release sufficient funds on the client's account, as the client unconditionally and irrevocably agrees with the prices at which the positions are closed. BenchMark Finance shall notify the client in advance of its intention to exercise its rights under this provision, giving it, if possible, a period within which the client should pay the necessary funds to cover its obligations. The notification can be made by phone (on a recording line), by email or through the relevant electronic trading platform, including through an automatically generated message (margin call). When notifying by email, BenchMark Finance accepts that the client has received the notification by sending the e-mail to the e-mail address provided by the client.

(2) When the amounts received from BenchMark Finance in connection with the operations under the previous paragraph are in foreign currency upon repayment of the client's obligations, the "buy" rate of BenchMark Finance shall be applied for the respective currency on the day of the operation.

(3) In case after the sale of the client's financial instruments or closing of its positions under contracts for differences or other derivative instruments on margin, the balance on the client's account continues to be negative, the client shall be notified of the balance of the obligation, BenchMark Finance suspends his orders for purchase of financial instruments, respectively for opening positions under contracts for differences and / or other derivative instruments on a margin basis, as the client owes a penalty for delay in the amount of 0.1% for each overdue day on the outstanding part from its obligation to BenchMark Finance.

(4) In case the client has opened more than one trading accounts in BenchMark Finance and on one of them he has a negative balance, BenchMark Finance, in order to cover the client's obligations, has the right to transfer funds ex officio from one account for trading of the client to another of his trading accounts, for which the client with the acceptance of these General Terms and Conditions gives his unconditional and irrevocable consent. BenchMark Finance notifies the client in advance of its intention to exercise its right under this provision by telephone (on a subscription telephone line), by e-mail or through the relevant electronic trading platform. When repaying the client's liabilities in case they are in foreign currency, the "buy" rate of BenchMark Finance is applied for the respective currency on the day of the transaction.

(5) The preceding paragraphs shall not apply in cases of negative cash balance on the trading accounts of non-professional clients trading in contracts for differences, to which Decision of FSC № 918-II dated 30.07.2019, the investment intermediary is obliged to provide protection in case of negative balance.

*Providing information on executed orders, reports and inquiries to the client*

**Art.65** (1) BenchMark Finance provides the client with reports on the services provided on a durable medium in accordance with Delegated Regulation (EU) N° 2017/565. The reports include information that is consistent with the type and complexity of the relevant financial instruments and the nature of the service provided, as well as information on the costs associated with transactions and services performed at the expense of the client.

(2) When BenchMark Finance executes an order on behalf of a client, other than an order related to portfolio management, it must perform the following in respect of this order:

a) immediately provide the client with the basic information on the execution of this order on a durable medium;

b) sends to the client a message on a durable medium confirming the execution of the order as early as possible, but not later than the first working day after the execution, or when the investment intermediary has received the confirmation from a third party - not later than the first working day after receiving the confirmation from the third party.

Point b) shall not apply where the confirmation would contain the same information as the confirmation sent immediately to the client by another person.

Points a) and b) shall not apply where the orders executed on behalf of clients relate to bonds to finance mortgage credit agreements with said clients, in which case the transaction report shall be made at the same time as the terms of the mortgage are communicated. credit, but not later than one month after the execution of the order.

(3) Apart from the requirements of the previous paragraph, BenchMark Finance shall provide the client upon request with information regarding the status of the order.

(4) In case of client orders related to units or shares in a collective investment undertaking, which are executed periodically, BenchMark Finance shall provide the information under paragraph 2 (b) or provide the client with the information at least once every six months. referred to in Article 59 (4) of Delegated Regulation (EU) N° 2017/565, in respect of those transactions.

(5) The investment firm may provide the client with the information referred to in Article 59 (4) of Delegated Regulation (EU) N° 2017/565, as using standard codes, providing an explanation of the codes used.

(6) If the settlement is not made on the specified date or another change in the information contained in the confirmation of the transaction occurs, BenchMark Finance shall notify the client in an appropriate manner by the end of the business day on which he learned of the change.

**Art.66** (1) When providing a portfolio management service to clients, BenchMark Finance shall provide to each client a periodic reference on a durable medium for the portfolio management activities performed on behalf of this client, unless such reference is provided by another face. The periodic report shall be a correct and balanced overview of the activities performed and the results of the portfolio during the reporting period and shall include the information referred to in Article 60 (2) of Delegated Regulation (EU) N° 2017/565.

(2) The periodic reference shall be provided once in three months, except for the following cases:

a) where the investment firm provides its clients with access to an online system that meets the criteria for a durable medium, if current client portfolio estimates are available and if the client has easy access to the information required by Article 63 (2) of the Delegated Regulation (EU) N° 2017/565, and the investment firm has evidence that the client has accessed the valuation of its portfolio at least once during the relevant quarter;

b) in cases where paragraph 3 applies, the periodic reference must be provided at least once every 12 months;

c) when the agreement between the investment firm and the portfolio management client authorizes a debt-financed portfolio, the periodic reference shall be provided at least once a month.

The exemption provided for in point b) shall not apply in the case of transactions in financial instruments covered by Article 4 (1) (44) c) of Directive 2014/65 / EU or falling under any of points 4 to 11 of Section C of Annex I to that Directive.

(3) In the cases when the client chooses to receive the information about the executed transactions on an individual basis, BenchMark Finance shall immediately provide the client with the basic information about this transaction on a durable medium upon execution of a transaction by the portfolio manager.

BenchMark Finance shall send the client a communication confirming the transaction and containing the information referred to in Article 59 (4) of Delegated Regulation (EU) N° 2017/565, no later than the first business day after implementation or when the investment firm receives confirmation from a third party - no later than the first working day following receipt of the confirmation from the third party. The requirement of the previous sentence shall not apply where the confirmation would contain the same information as a confirmation which is immediately sent to the client by another person.

(4) When BenchMark Finance provides the portfolio management service, it shall inform the client if the total value of the portfolio, estimated at the beginning of each reporting period, is depreciated by 10% and subsequently by multiples of 10%, not later than the end. on the working day on which this threshold is exceeded or if the threshold is exceeded on a non-working day - until the end of the next working day.

(5) When in portfolio management the investment intermediary holds on behalf of a non-professional client positions in debt-financed financial instruments or transactions with contingent liabilities, BenchMark Finance informs the client when the initial value of each instrument is depreciated by 10% and subsequently by multiples of 10% of the value. Reporting is performed for each individual instrument, unless otherwise agreed with the client, and by the end of the business day on which this threshold is exceeded, or if the threshold is exceeded on a non-business day - by the end of the next business day.

**Art.67** (1) When BenchMark Finance holds financial instruments of clients or funds of clients, it shall send at least once a quarter to each client for whom it holds financial instruments or cash, a certificate on a durable medium for these financial instruments or funds, unless such reference is provided in another periodic reference. At the request of the client, the investment intermediary shall provide this information more often for a fee specified in the intermediary's tariff.

(2) The reference for the client's assets shall contain the following information:

a) details of any financial instruments or funds held by the investment firm for the client at the end of the period covered by the statement;

b) the extent to which each financial instrument or client's funds have been the subject of securities financing transactions;

c) the amount of any benefit achieved to the client as a result of participating in securities financing transactions and the basis on which those benefits have been achieved.

d) an explicit indication of the assets or assets that are subject to the rules of Directive 2014/65 / EU and its implementing measures and those that are not, for example, that are the subject of a financial collateral arrangement;

e) an explicit indication of assets which are affected by certain particularities with regard to property rights, for example, which are subject to a security interest;

f) the market or estimated value, if the market value is not available, of the financial instruments included in the reference, with an explicit indication of the fact that the absence of a market price may indicate a lack of liquidity. The estimated value is determined by the investment intermediary on the basis of the principle of maximum effort.

In cases where the client's portfolio contains proceeds from one or more outstanding transactions, the information referred to in point a) may be based on either the trade date or the settlement date, provided that the same basis is used successively for all such information in the report.

The periodic statement of the client's assets shall not be provided when the investment firm provides its clients with access to an online system meeting the criteria for a durable medium, if up-to-date reports on the client's financial instruments or funds are readily available from the client and the investment firm has evidence that the client has accessed this report at least once during the respective quarter.

(3) When BenchMark Finance keeps financial instruments or cash and performs a portfolio management service for a client, it may include a report on the client's assets in the periodic report on the performed portfolio management activities, which it provides to that client under Article 60, paragraph 1 of Delegated Regulation (EU) No 2017/565.

**Art.68**(1) In the case of submitted orders and concluded transactions through an electronic trading platform the confirmations for concluded transactions, the trading reports and the inquiries for the financial instruments or the funds of the client shall be provided to the client through the electronic trading platform.

(2) When BenchMark Finance is obliged to provide a specific client with certain information or notification and the client has not provided for this purpose an email address or telephone or they are out of date, as well as when the content of the notification or information does not imply their provision by telephone, provided in the office of the investment intermediary upon request.

(3) The Client may submit a written objection to BenchMark Finance in connection with a received confirmation of a transaction, report or reference for financial instruments or cash within 3 days of its receipt. The client can object only to incorrect execution of a submitted order. In case the client does not object within the term under sentence one, it is considered that he has accepted the confirmation, the report or the reference for his assets.

#### *General requirements for portfolio management or investment advice*

**Art.69**(1) BenchMark Finance provides portfolio management services or investment advice only upon request by a client, in compliance with the provisions of Directive 2014/65 / EU, Delegated Regulation (EU) 2017/565 and MFIA.

(2) When providing portfolio management services, BenchMark Finance concludes transactions with financial instruments at the expense of the client on its own initiative, without orders of the client, in compliance with the contract with the client and according to the client's suitability assessment. Portfolio management services are offered only after signing a specific contract with the client, as the client gives his confirmation in advance and accepts the results of each transaction or transaction performed on his portfolio, performed by BenchMark Finance according to the contract.

(3) When providing portfolio management services or investment advice, BenchMark Finance shall inform the client that the provision of comprehensive and accurate information by the client

aims at the investment intermediary to recommend appropriate products and services and to act in its best interest, as well as that the investment firm is required to perform a suitability assessment.

(4) When managing a portfolio, the client's financial instruments and funds shall be managed entirely at his expense and risk. When managing a portfolio or providing investment advice, BenchMark Finance is responsible only for the conscientious, lawful and competent performance of contractual obligations, but not for the final financial result achieved for the client. BenchMark Finance is not responsible for the financial result of an investment decision based on an investment advice it has provided to the client.

(5) When managing a portfolio, BenchMark Finance concludes transactions with financial instruments at the expense of the client under the best conditions and making efforts to achieve the best execution in accordance with the Order Execution Policy. When managing a portfolio, when BenchMark Finance submits orders for execution of another person on decisions taken by it for concluding transactions with financial instruments on behalf of the client, it acts in accordance with the best interest of the client, observing the relevant provisions applicable to this activity.

#### *Activity of a registration agent*

**Art.70** (1) BenchMark Finance shall carry out activity of registration agent, when on the basis of a written contract with the client submits in the respective depository institutions data and documents for registration of:

1. transactions with financial instruments, previously concluded directly between the parties;
2. transfer of dematerialized financial instruments in case of donation and inheritance;
3. change of data for the holders of dematerialized financial instruments, correction of erroneous data, issuance of duplicates of certifying documents and other actions, provided in the regulations of the respective depository institution.

(2) In the cases under par. 1, the persons, respectively their representatives, shall sign the necessary documents in the presence of a person under art. 65, para. 1 of Ordinance N<sup>o</sup> 38, after their identity has been verified by the order of Anti money laundering act and Regulations for implementation of the Law on Measures against Money Laundering.

(3) The investment intermediary may carry out an inspection in the Central Securities Depository for the financial instruments owned by a given person, with which no contract has been concluded, on the basis of a written application. Paragraph 2 shall apply accordingly.

(4) The transferor and the acquirer of the financial instruments may be represented before the investment intermediary, which carries out activity of registration agent, by persons, explicitly authorized with a notarized power of attorney in compliance with the requirements of art. 59 of Ordinance N<sup>o</sup> 38.

(5) BenchMark Finance refuses to conclude a contract under para. 1 on the grounds under Art. 112 of Ordinance N<sup>o</sup> 38.

(6) At the request of the seller and with the consent of the buyer in case of purchase and sale of dematerialized financial instruments under para. 1, item 1, the amount representing the sale price under the transaction shall be deposited with the investment intermediary - registration agent, until the registration of the transaction with the Central Securities Depository. The investment intermediary shall notify the parties to the transaction of this possibility.

(7) The requirements of Chapter Four of Ordinance N<sup>o</sup> 38, as well as Chapter Seven of MFIA, with the exception of Art. 70, para. 1, art. 71, para. 1, art. 76, 90 and 91 of MFIA shall not be

applied in the cases when the investment intermediary provides services to a client as a registration agent.

### *EMIR reporting*

**Art.71** (1) This Article shall apply only to clients, legal entities that trade in derivatives and are obliged to report their transactions with the entry into force of Regulation 648/2012 on OTC derivatives, central counterparties and trade repositories (EMIR) and its accompanying additional standards, which creates a new European regulation related to the introduction of additional obligations in order to increase transparency in derivatives trading and reduce credit and operational risk in such transactions. The scope of the cited regulations includes both explicitly listed financial counterparties for transactions in derivative instruments, including investment intermediaries, and non-financial counterparties - legal entities established in the EU.

(2) BenchMark Finance and the client, determined as an obligated person - financial or non-financial counterparty, within the meaning of EMIR, shall be obliged to report the data on all transactions concluded by the client with derivatives to a person who centrally collects and maintains data for such transactions. called the Transaction Log. ViennaMark Finance informs its clients that for the purposes and needs of EMIR it considers and treats all its clients - legal entities, as a "Non-financial counterparty", unless they fall within the scope of the term "Financial counterparty" under Regulation 648/2012 on OTC derivatives, central counterparties and transaction registers (EMIR).

(3) The Client - an obligated person under EMIR, upon acceptance of these General Terms and Conditions, delegates to BenchMark Finance the full rights for the reporting of its transactions before the Register of Transactions.

(4) In case BenchMark Finance defines the client as an obligated person - financial or non-financial counterparty, within the meaning of EMIR, the parties shall be obliged to coordinate the client's portfolio in OTC derivatives under Regulation 648/2012 on OTC derivatives, central counterparties and trade repositories (EMIR), and to follow a specific procedure for the timely detection and resolution of disputes related to all OTC derivative transactions that have not undergone centralized clearing under EMIR.

(5) Disputes between the parties arising in connection with the application of EMIR shall be resolved in accordance with the procedure provided for in EMIR.

### *Entry into force and termination of the contract*

**Art.72** (1) The contract with the client shall enter into force after the commercial account of the client in BenchMark Finance is activated.

(2) All amendments and supplements to the contract between BenchMark Finance and the client may be made only with an explicit written agreement in the manner and manner in which the contract with the client has been concluded.

(3) The contract may be terminated in the following cases:

1. by mutual written consent of the parties;
2. by unilateral written notification to the other party to the contract, as the notification may be with immediate effect or after the term indicated in it. When a client submits a unilateral notice for termination of his contract at the time of submitting the written notification, the client must not have open positions and/or outstanding liabilities to BenchMark Finance;
3. upon expiration of the term of validity of the contract, if the contract is concluded with a term;

4. in case of death or placement under guardianship of a client, a natural person;
  5. upon termination of a client, a legal entity or of the investment intermediary;
  6. upon revocation of the license of the investment intermediary;
  7. in case of disagreement, stated in writing by the client, with changes in the General Terms and Conditions, the tariff of BenchMark Finance, the policy for execution of client orders or other rules, policies or procedures of BenchMark Finance, stated within the terms and conditions of Art. 73 of these general terms and conditions;
  8. unilaterally by BenchMark Finance, if a client has outstanding monetary obligations or has a negative cash balance on his account due to unpaid monetary obligations under transactions, owes a guarantee amount on open positions, owes losses incurred by the client, due commissions, custodian fees, interest, fees or expenses in connection with provided investment services, concluded transactions with financial instruments or safekeeping of its financial instruments;
  9. unilaterally by BenchMark Finance, if the investment intermediary has reasonable doubts and / or at its own discretion determines the client's trading strategy as unscrupulous, as an attempt to take advantage or the client has taken advantage of errors and / or delay in quotations, and / or other weaknesses in the electronic trading platform, including when done through trading methods such as scalping, arbitrage and other techniques or through the use of an automated expert system, script, API or other software developed by third parties;
  10. unilaterally by BenchMark Finance, in case the investment intermediary ceases to provide certain services used by the client;
  11. unilaterally at the discretion of BenchMark Finance, when the client has not been active, has not concluded transactions and/or has not opened positions in financial instruments for a continuous period of 12 , at its sole discretion, to complete a transaction that is performed for the benefit of a client and is initiated prior to termination.
  12. unilaterally by BenchMark Finance, when due to a change in the regulations or in connection with actions performed by the investment intermediary for periodic review of client files, the client is required to submit additional documents and/or information and the client does not provide them within the deadline, given to him by BenchMark Finance;
  13. unilaterally by the client, when he has concluded his contract by electronic means by sending a written notice of termination to the intermediary, without paying compensation or penalty and without stating a reason, the client may withdraw from the contract within 14 days from the date the conclusion of the contract, in which case at the time of submission of the written notification the client must not have open positions and/or outstanding liabilities to BenchMark Finance;
  14. in the presence of other grounds provided for in these general terms and conditions or the applicable legislation.
- (4) In the cases when the investment intermediary sends a written notification to the client for the termination of the contract, he may do so by e-mail to the e-mail address provided by the client, indicating from which date the client's contract will be terminated. In cases where it is a case of non-fulfillment of a monetary or other obligation of the client, the investment intermediary shall give him an appropriate term for execution upon the expiration of which term, in case of non-fulfillment by the client, the contract shall be considered terminated.
- (5) BenchMark Finance requires and/or sets off from the client payment of all monetary obligations, fees, commissions and other expenses accrued and due until the date of termination, as well as all additional costs and direct costs or losses incurred by BenchMark Finance. following termination, if any. Only after the repayment of all obligations of the client as



of the date of termination, BenchMark Finance transfers the financial instruments and funds in accordance with the client's orders.

(6) Upon sending a unilateral written notice for termination of the contract, as well as upon signing a bilateral agreement for termination of the contract, the client shall be obliged to close all its open positions in contracts for differences or in other derivative instruments before the date of termination, as well as to indicate at least 3 (three) working days before the termination of the contractual legal relations where to transfer his financial instruments (if there are financial instruments with real delivery on his accounts) and/or cash, if any at the investment intermediary.

The client's financial instruments shall be transferred to a depository institution, in accordance with the depository institution's rules, to the client's sub-account with another person designated by the client or to the client's personal account, including by opening a new account if the client does not specify his sub-account. person within a period of 3 (three) working days.

BenchMark Finance pays the client's funds on the basis of the instructions submitted by the client, in one of the following ways: in cash at a cash desk in BenchMark Finance, in compliance with the requirements of the Law on Restriction of Cash Payments or in a bank account specified by the client. which the client is the holder.

In case the client does not withdraw his funds in cash and does not give an order for outgoing transfer to his bank account, BenchMark Finance at its discretion transfers the funds to the client's bank account, from which and to which during the commercial relations with the client Cash has been received or outgoing transfers have been ordered by the client or it is stored by BenchMark Finance in a special account for clients with terminated contracts, and the client can look for them and request their payment at any time within the 5-year limitation period.

(7) In case the client does not close its open positions opened in the platforms for trading on international markets by the expiration of the term in the termination notice, the client agrees that they will be officially closed at the discretion of BenchMark Finance at the time of termination. of the contract. In the case of official closure of positions opened in the trading platforms on international markets, the client unconditionally agrees with the price levels at which BenchMark Finance has closed its positions. Irrespective of the actions taken by BenchMark Finance to close the positions, if as a result the balance on the client's account is negative (loss is realized), the client is obliged to pay BenchMark Finance an amount equal to the realized negative cash balance. The previous sentence does not apply to non-professional clients trading in contracts for differences, against which by Decision of FSC N<sup>o</sup> 918-IP of 30.07.2019 the investment intermediary is obliged to provide protection in case of negative balance.

(8) Upon termination of the contractual relations, BenchMark Finance has the right, at its own discretion, to complete a transaction, which is performed in favor of a client and is started before the termination.

(9) BenchMark Finance executes the client's orders for transfer of his financial instruments and funds to accounts specified by him, only after repayment of all obligations of the client to BenchMark Finance. The client is obliged to pay all fees, commissions and expenses of the investment intermediary in connection with the transfer of its financial instruments and funds. BenchMark Finance has the right to withhold all amounts due from the client before the transfer of its financial instruments and funds, such as in case of default by the client, insufficient cash or negative cash balance on the client's accounts, BenchMark Finance will comply , the conditions and the procedures under Art. 63 and Art. 64 of these General Terms and Conditions, for which the client is notified and gives his unconditional and irrevocable consent.

(10) The procedure and provisions regarding termination of a contract shall be applied by analogy and in settling the relations between the parties in connection with termination/ closing

of a separate commercial account of the client, in cases when the contract between the client and BenchMark Finance is not terminated.

*Change of the general conditions, the tariff and the other documents applicable in the relations with the client*

**Art.73**(1) All amendments and supplements to these General Terms and Conditions, the Investment Intermediary Tariff, the Client Order Execution Policy, the Client Categorization Policy, the products offered by BenchMark Finance and the risks related to them, the Policy for Prevention and Management of Conflicts of interest, Client Complaints Management Policy, Privacy Policy and other documents applicable to the client relationship are adopted by the Board of Directors of BenchMark Finance. All amendments and/or additions to these documents shall be published on the website of the investment intermediary and the published documents shall indicate the date of their adoption and the date of entry into force. In case of disagreement with the amendments, the client has the right to terminate the contract without notice by notifying the investment intermediary in writing before the date of entry into force of the new documents, without liability for penalties and costs, except for costs associated with the client assets and their transfer to the client's accounts.

(2) The investment intermediary shall notify the FSC of any change in its General Terms and Conditions and the tariff. The full text of the General Terms and Conditions and the tariff with the reflected amendments and additions as of the respective date and the minutes of the Board of Directors for their acceptance shall be attached to the notification. When the adopted changes do not meet the normative requirements of the Markets in Financial Instruments Act and the acts on its implementation, the FSC on the proposal of the Deputy Chairman has the right to request elimination of the established incompleteness, discrepancies and contradictions.

(3) All amendments or supplements to the General Terms and Conditions and the Tariff of BenchMark Finance shall be published on the website of the investment intermediary and the published documents shall indicate the date of their adoption and date of entry into force. The publication of the General Terms and / or the Tariff shall be made not later than one month before the entry into force of the amendments and supplements. In case of disagreement with the amendments to the General Terms and / or the Tariff, the client has the right to terminate the contract without notice before the date of entry into force of the new general terms and / or tariff, without liability for penalties and costs, except the costs related to the assets owned by the client and their transfer to the client's accounts. Upon termination of the contract under this procedure, the investment intermediary shall settle its relations with the client within seven days of receipt of the statement of termination by applying the procedure for settling relations with the client provided for in these general terms and conditions, unless signed in agreement with the client. termination of the relationship is not provided otherwise.

*Temporary or permanent suspension of the provision of services under the contract*

**Art.74**(1) Except in the cases provided in the contract with the client or in the other provisions of the present general conditions, BenchMark Finance may at its discretion temporarily or permanently (for an indefinite long time) terminate the provision of all or part of the services under the contract when:

1. there is a suspicion or there is data that the client has acquired and used inside information or other information protected by law or market practices;
2. there is a suspicion or there are data that transactions, subject of the client's orders, represent covert purchases or sales of securities;

3. there is a suspicion or there are circumstances from which suspicions may arise that the client violates the provisions against money laundering and terrorist financing or uses the investment intermediary for such purposes;
4. there is a suspicion or there is evidence that the client violates any of the clauses of the general conditions or mandatory provisions of the applicable law;
5. The LEI of a client legal entity has expired and the client has not renewed it or has renewed it, but has not notified BenchMark Finance in a timely manner.
6. When, in its sole discretion, BenchMark Finance ceases to provide an investment service, trade in a financial instrument, trade in an electronic trading platform, terminates access or business relations with a trading venue (regulated market, MTF, OCT) or place enforcement, terminate its business relationship with a depositary, etc.

In the above cases, as well as other cases explicitly stated in these General Terms and Conditions, BenchMark Finance has the right to unilaterally terminate the contract with the client with unilateral written notice to the client.

### *Settlement of disputes. Reporting and complaints*

**Art.75**(1) The contradictions or disputes arising between the parties in connection with the interpretation and application of these General Terms and Conditions and the implementation of the specific contract shall be settled, following the principle of good faith and fairness. The parties shall resolve disputes between them by mutual consent and through negotiations. In the event that this is not achieved, the dispute shall be referred to the competent court or to arbitration chosen by the parties. By signing the specific contract, the client gives his consent and accepts the information under Art. 90 of MFIA to be disclosed to the competent judicial or arbitration bodies in connection with the resolution of disputes between the parties.

(2) The clients should be acquainted with the possibility to submit complaints and signals, according to the conditions, the order and the procedure described in the Policy for management of complaints, published on the website, with which at concluding a contract, the client declares that he has got acquainted, has understood its contents, accepts and agrees to apply.

**Art.76** For all issues not settled by these General Terms and Conditions and other documents applicable in the relations with the client, with which the client has agreed upon concluding a contract and / or not settled in the specific contract with the client, the requirements of MFIA, Law on the public offering of securities, the Law on implementation of measures against market abuse of financial instruments and by-laws on their implementation and the provisions of the legislation in force in the country, as well as directly applicable EU Regulations governing the activities of investment intermediaries.

### **Final provisions**

**§ 1.** The words, expressions and terms used in the General Terms and Conditions have the meaning given to them by MFIA, Ordinance № 38, Delegated Regulation (EU) 2017/565 and other applicable Bulgarian and European law, with direct application in Bulgaria. For the purposes of these General Terms and Conditions, the following terms and expressions have the following meanings:

1. Base currency of the trading account - the currency of the account chosen by the client, in which all amounts received as a result of partial or complete closing of the client's positions are converted, the due commissions, expenses or revenues from overnight financing are accrued ( swap), dividends, interest, etc .;

2. Underlying asset - financial instruments on the basis of which a derivative is traded, whose price fluctuations serve as a starting point in determining the gains or losses on open positions in the derivative.
3. Contract for difference - an agreement between a "buyer" and a "seller" for exchanging the difference between the current price of an underlying asset (shares, currency, commodities, indices, etc.) and its price when the contract for difference (position) is closed. The contract for difference does not create rights and obligations for the parties related to the delivery of the underlying asset.
4. Guarantee deposit / guarantee amount (margin) - the amount of money that the client must provide in his trading account to open a position. The guarantee amount is blocked on the client's trading account from the total amount of his free funds and until the closing of the open position, which it guarantees, the client cannot use it for other purposes. The guarantee amount is expressed as a percentage of the value of the open position.
5. Maturity date - the official maturity date for the underlying asset (when available) in accordance with the terms and conditions for trading in the individual financial instruments announced on the BenchMark Finance website.
6. Last day for trading - last day within which a client can make transactions with a financial instrument using the services of BenchMark Finance.
7. Margin call - is a requirement for additional deposit / amount that BenchMark Finance may require from the client to keep its open positions in order to protect itself from losses or risk of losses in connection with already opened positions / concluded transactions or future open positions / transactions of the client. A margin call can be made by telephone (on a recording line), by e-mail or on the electronic trading platform, including by an automatically generated message.
8. Spread - represents the difference between the higher and lower value of a bilateral quotation for a given financial instrument.
9. Short position - sale of a financial instrument, which at the time of the transaction is not available in the client's portfolio. When opening a short position, the client expects the price of the financial instrument to decrease.
10. Long position - purchase of a financial instrument, which after concluding the transaction becomes part of the client's portfolio as an asset subject to sale. When opening a long position, the client expects the price of the financial instrument to increase.
11. Swap - represents the interest / amount that the client pays or receives when his position remains open at the end of the business day and is transferred to the next day.
12. Leverage - a financial term that illustrates the reinforcing financial effect of a financial transaction due to an increase in the invested resource with the help of borrowed funds, expresses the possibility to use borrowed capital as additional financing to the already invested funds.
13. "OCO" - an order of the type "one cancels the other" (One Cancels the Other), in which at the same time two limit orders for purchase are submitted, or two limit orders for sale at different prices, one of which is below, and the other above the current market price, in case one of these orders is executed, the other is canceled automatically.
14. API - application programming interface (Application programming interface) is software provided by a computer system, allowing its connection and interaction with other computer systems. API is a set of programming functions that allow automatic submission of commands to trading platforms and can allow connection to other software systems.

15. Script - a program (series of instructions) that is interpreted and executed by another program, and not pre-compiled to be executed by the processor.

16. Market rules / conditions / principles - rules, customs, principles, regulations, provisions or practices of an exchange, clearing house, regulated or unregulated market or other place or organization where transactions in financial instruments are made.

17. Contingencies / extraordinary market circumstances (extraordinary market situation) - events beyond the will and control of BenchMark Finance, which include, but are not limited to, temporary or permanent suspension of trading in a given underlying asset or currency of the underlying asset or currency, market, imposition of restrictions, special or unusual conditions, exceptional or excessive market movements on the price of an underlying asset or currency, volatility, loss of liquidity in respect of an underlying asset, division, liquidation or bankruptcy of an issuer of an underlying asset, and etc., as well as an upcoming event that, in BenchMark Finance's opinion, may significantly affect the price of the respective underlying asset or currency or market situation, where BenchMark Finance has reason to believe that any of the above events may occur.

18. Force majeure events or circumstances outside the markets in financial instruments - extraordinary events or circumstances beyond the will and control of BenchMark Finance, which include, but are not limited to:

18.1. Any action, event or circumstance, which may include, but is not limited to, natural disasters and natural disasters, hostilities, strikes, riots or riots, terrorist acts, actions and regulations of state bodies and institutions, imposition of restrictions of any kind, government bans, embargoes, sudden economic, political or societal changes on a global or regional scale, as a result of governmental or institutional orders, and other similar events that affect normal trading conditions and / or impede the proper functioning of the financial market and/or create an unusual, extraordinary market situation with respect to one or more underlying assets, currencies or financial instruments offered by BenchMark Finance for trading.

18.2. Technical problems such as failure or damage to communications, internet connectivity or computers, servers, electronic systems, power outages, failure or damage to electronic or communication equipment that are beyond the control of BenchMark Finance .

19. LEI - Legal Entity Identifier for EMIR and MiFIR is a unique identification code by which the parties to derivative transactions and the Central Counterparties must report the data for each derivative contract concluded by them to the Transaction Registry. , as well as to report daily the transactions to the supervisory body of the FSC by the order of art. 26 of Regulation (EU) N° 600/2014 of the European Parliament and of the Council on markets in financial instruments and amending Regulation (EU) N° 648/2012. The LEI is issued by the organizations or local operating units (Pre-Local Operating Unit - pre-LOU) belonging to the LEI/GEI system, which are approved to issue the LEI by the European Securities and Markets Authority (ESMA), and their list may to be found on the website of the LIEROC Regulatory Oversight Committee <http://www.lieroc.org>.

20. EMIR - Regulation (EU) N° 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories. The use of the term EMIR refers to Regulation (EU) N° 648/2012 and all other related regulations of the European Commission, Council, the European Parliament and ESMA.

21. Applicable legislation - the legislation in force on the territory of the Republic of Bulgaria regulating the activity of investment intermediaries, as well as all other rules of the respective regulatory authorities, depositories and/or markets regulating the trading in financial instruments, as well as all other applicable laws and regulations acts to them.

**§ 2.** These General Terms and Conditions completely repeal the previous General Terms and Conditions of the investment intermediary, adopted at a meeting of the Board of Directors of

BenchMark Finance AD, held on 26.01.2009. and supplemented in implementation of recommendations given by the FSC with a decision of the Board of Directors at a meeting held on 20.01.2011, supplemented by a decision of the Board of Directors at a meeting held on 08.02.2012, amended and supplemented by a decision of the Board of the directors from a meeting held on 02.12.2013, amended by a decision of the Board of Directors from a meeting held on 08.01.2014. and 26.02.2014, amended by a decision of the Board of Directors at a meeting held on 14.04.2016. and from 30.05.2016, amended by a decision of the Board of Directors from a meeting held on 12.10.2016. in force from 20.12.2016.

**§ 3.** The General Terms and Conditions were adopted at a meeting of the Board of Directors of BenchMark Finance AD, held on 10.05.2021. and shall enter into force as of 14.06.2021.