

GENERAL TERMS AND CONDITIONS

**APPLICABLE TO KAROLL CAPITAL MANAGEMENT EAD MANAGEMENT COMPANY FOR
MANAGING COLLECTIVE INVESTMENT SCHEMES, AS WELL AS FOR CONTRACTS FOR
MANAGEMENT OF INDIVIDUAL PORTFOLIOS AT OWN DISCRETION WITHOUT SPECIAL
INSTRUCTIONS BY THE CLIENT**

Sofia, 2017

I. GENERAL PROVISIONS

Art. 1. (1) The present General Terms and Conditions have been adopted and are applied by Karoll Capital Management EAD, a legal entity, duly organised and existing under the legal form of a single-shareholder Public Limited Company pursuant to the laws of the Republic of Bulgaria, registered in the Commercial Register of the Registry Agency with the Ministry of Justice under UIC: 131134055. The Company seat is in the Republic of Bulgaria, City of Sofia and the registered address is 1303 Sofia, Sofia Municipality, Vazrazhdane District, 57 Hristo Botev Blvd, correspondence address: 1164 Sofia, Sofia Municipality, Lozenets District, 1 Zlatovrah Str, tel.: +359 2 4008 300, /e-mail/: office@karoll.bg ("**The Management Company**" and/or "**The Company**"), holdind a licence No. 11-УД/16.02.2006, issued by the Financial Supervision Commission (FSC) to perform the activity of an Asset Management Company.

(2) The scope of activity of the Management Company is management of the activity of collective investment schemes and of other undertakings for collective investment, as well as management of individual portfolios of clients within the meaning of the Law on the Activity of the Collective Investment Schemes and of Other Undertakings for Collective Investment (LACISOUCI), including:

1. Investment management; administration of the units or shares, including legal and accounting services in relation to asset management, information requests from investors, asset valuation and calculation of the price of units or shares, control on the observance of the legal requirements, keeping the register of unitholders or shareholders, dividend distribution and other payments, issue, sale and redemption of units or shares, execution of contracts, record-keeping and marketing services;
2. Management of individual portfolios consisting of financial instruments, as per contracts concluded with clients, including with institutional investors, at its own discretion and without special instructions by the clients;
3. Provision of investment advice related to financial instruments;
4. Holding and administration of units of undertakings for collective investment.

Art. 2. (1) The present General Terms and Conditions apply to the management of the activity of collective investment schemes, as well as to the discretionary management of individual portfolios of financial instruments and/or cash of clients, performed at own discretion without special instructions by the clients.

(2) The full text of the present General Terms and Conditions shall be an integral part of the individual contract with each investor (referred to hereinafter as "The Client") who have declared that they accept them, explicitly and in writing.

(3) The parties under a particular contract can negotiate special terms, which differ from the ones stipulated in the present General Terms and Conditions, while observing the imperative provisions of the relevant legal acts.

(4) In case of discrepancy between the special and the general conditions, the former shall prevail, although the latter have not been deleted.

II. GENERAL RESTRICTIONS AND REQUIREMENTS TO THE ACTIVITY OF THE MANAGEMENT COMPANY

Art. 3. (1) While performing its activity, the Management Company shall adhere strictly to the requirements and restrictions of the Law on the Activity of the Collective Investment Schemes and of Other Undertakings for Collective Investment (LACISOUCI), the regulations on its application, the compulsory instructions of the FSC, the Rules and the Prospects of the collective investment schemes, which it manages and distributes, and the current Bulgarian legislation.

(2) The Management Company shall not:

1. Perform an activity beyond the investment objectives and the strategy of the person whose activity or portfolio it manages, as these have been stated in the Rules and in the Prospectus of such a person (if any) and in the Management Contract;
2. Take investment decisions and give orders, even if they are within the investment objectives and the strategy of the Client, whose activity or portfolio it manages, if it has not informed them in due manner about any potential conflict of interests. In this case the Management Company shall request from the person to approve in advance the taken investment decision;
3. Receive income in the form of discounts from the commission remuneration of the investment intermediaries, through which its orders are executed, or receive other income or non-financial incentives, if this would cause conflict of interests or lead to breach of the obligations of the Management Company to treat equally the persons whose activity or portfolio it manages and to protect their interests with the care of a good merchant;
4. Make expenses, for the account of Clients whose activity or portfolio it manages, which are not explicitly stated in the Rules, the Prospectus or the Management Contract;

5. Provide untrue or misleading information, including information about:
 - a) The composition, the value and the structure of the assets of this person's portfolio;
 - b) The status of the market of financial instruments;
6. Use the assets of a Client whose activity or portfolio it manages for purposes, which go against the law, the regulations on its application or against the management contract concluded with that person;
7. Perform the activity of investing Clients' money in financial instruments in breach of a legally established ban or investment restrictions, or financial instruments issued by:
 - a) Related parties to the founding member of Karoll Capital Management EAD;
 - b) Persons that exercise control over the Management Company, or their related parties;
 - c) Persons who are members of the Board of Directors of Karoll Capital Management EAD, or their related parties;
 - d) The depositary bank of the collective investment scheme;
 - e) Other persons, due to a legal ban, imposed by a law;
8. Perform other business transactions, unless this is necessary for carrying out the management activity, as well as provide loans or be a guarantor of third parties.
9. Use and pledge assets of a collective investment scheme whose activity it manages for the purpose of covering its own liabilities, which are not related to the management of the company activity.

(3) The Management Company and every person that takes decisions on the management of the investment activity of the collective investment scheme shall not be the same person as the investment intermediary, through which investment transactions are concluded and executed.

(4) The members of the Board of Directors of Karoll Capital Management EAD and their related parties, as well as other persons contracted by the Management Company shall not be parties to transactions with a collective investment scheme whose activity is managed by the Company, except for their capacity of its shareholders, respectively - parties to transactions with the Company when it acts in the name of a Mutual Fund, except for their capacity of holders of Mutual Fund units.

Art. 4(1) While performing its activity, the Management Company shall keep the Clients' commercial secrecy, as well as their business prestige.

(2) The members of the managing and controlling bodies of the Management Company, its employees and contractors shall not disclose, unless being authorised or as required by the law, and shall not use for their own or other person's benefit, any facts and circumstances concerning the balance and the operations under the cash and financial instrument accounts of the collective investment schemes or the Clients of the Management Company, as well as all other facts and circumstances, which represent commercial secrecy, that they have become aware of while performing their professional obligations..

(3) The prohibition as per para. 2 shall apply also to persons whose activity for the Company has been discontinued.

Art. 5 (1) All marketing announcements to potential and current Clients of the Management Company shall be clearly marked as such, accurate and not misleading and shall not contain untrue or misleading information, as well as information that is contrary to the information in the Prospectus and in the Key Investor Information Document.

(2) All marketing announcements related to offering of units of a collective investment scheme managed or distributed by the Management Company shall contain information that the value of the units and the income from them can decrease, that the profit is not guaranteed and there is a risk that investors may not receive the full amount of the invested funds.

(3) The marketing announcements and public statements of members of the Board of Directors of the Management Company related to the activity of the collective investment schemes and those of other persons contracted by it shall be subject to prior approval by the head of the Legal Compliance Department.

Art. 6. The Management Company shall:

1. Treat equally and fairly the collective investment schemes and the persons whose activity or portfolio it manages;
2. While managing the activity or the portfolio of a Client, act honestly, fairly and professionally to protect the investors and ensure the stability of the market in financial instruments, act with the due care for the interest of its Clients and to prefer their interest in front of its own;
3. Carry out the investment policy and attain the investment objectives of the managed collective investment schemes;
4. Observe the investment restrictions pursuant to the law, the Prospectus and the Management Contract concluded with the person whose activity or portfolio it manages, as well as the adopted rules for portfolio valuation and for defining the net asset value of the collective investment schemes whose activity it manages;

5. Upon request by the Client, provide arguments for a certain investment decision (order) addressed to an investment intermediary, and shall provide in writing the whole available information at its disposal related to the given investment order;
6. Duly inform the Client in writing about any established violations of the investment restrictions;
7. Provide the Client with the whole available documentation and information related to the execution of the Management Contract not later than five business days after contract termination;
8. Inform its Clients about the existing Investor Compensation System, including about its scope and about the guaranteed size of the Clients' assets;
9. Negotiate with its Clients fairly and never mislead them in what it announces or intends to do;
10. Provide justification when giving advice and recommendations to its Clients and to ensure access, at the Client's request, to all relevant materials related to financial instruments, about which it has given advice or recommendations. These shall not be based on overstated favourable facts or on unreported adverse facts, nor can they be grounded solely by the desire to receive consideration.

Art. 7 (1) When providing investment advice for concluding transactions in financial instruments, the Management Company shall inform the Client about:

1. The risks of investing in financial instruments;
2. The rights that the financial instruments give, the market status of the financial instruments, as well as about the essential changes or new circumstances that may have impact;
3. The type of expenses to be paid by the Client, their amount and method of calculation;
4. When the transactions in financial instruments are executed on a non-regulated market, the Management Company shall also provide to its Clients the below information, as per the provisions of Ordinance No. 38 of 25.07.2007 on the requirements to the activity of the investment intermediaries issued by the FSC /"Ordinance No. 38"/:
 - a/ Whether the financial instruments are traded on a regulated market;
 - b/ About the source of information, if this does not violate a legal prohibition;
 - c/ About the price, at which the Management Company shall buy and sell the financial instruments if it executes regular purchases and sales of these financial instruments.

(2) When providing investment advice pursuant to a contract, the Management Company shall duly inform the Client about the following:

1. Why this advice is useful for them;
2. Whether the advice is independent;
3. Whether the advice is based on a broad or limited analysis of the various types of financial instruments and whether it is limited to financial instruments offered to entities, which have close relations to the Management Company or to the funds offered by it;
4. That the persons who draft the investment advice do not accept and do not hold fees, commissions or other monetary or non-financial benefits from third parties in relation to providing the investment advice.

III. SCOPE OF THE MANAGEMENT CONTRACT

Art. 8. (1) The management of an individual portfolio shall be done based on a written agreement with the Client, which shall define the portfolio parameters and the included types of financial instruments, as well as their quantitative proportions.

(2) When managing a portfolio of financial instruments and/or cash at its own discretion, the Management Company shall only be responsible for the conscientious and competent execution of the contractual obligations but not for the final financial result achieved by the Client. The Management Company shall not promise interest or other fixed positive income from the portfolio management.

(3) The portfolio management shall be done entirely at the expense of the Client and at their risk.

(4) By concluding the management contract, it is deemed that the Client gives their confirmation for each individual operation or transaction, for which the Management Company has given an order.

Art. 9. (1) Depending on the entity whose activity or portfolio the Management Company manages, it can accept to perform some or all actions pursuant to the concluded contract /such as but not limited to/:

1. Preparing a proposal to the Client for selection of an investment policy based on their investment objectives /achieving a desired yield at a certain risk/, as well as a strategy to attain them;
2. Analysis of the capital market and of individual types or groups of financial instruments and other financial assets, as well as forecasting the price variation of these securities;

3. Setting up and structuring the Client's portfolio while observing the provisions of the legal acts and pursuant to the investment objectives, strategy and restrictions defined by the Client;
 4. Portfolio revision and assessment of the achieved results and management performance;
 5. Exercising all rights attached to the portfolio assets;
 6. Selling and redemption of units of collective investment schemes while fulfilling the relevant requirements to the investment intermediaries and ensuring the use of a network of offices, including through the depositary bank, where the unit purchase and redemption orders are to be accepted and executed and the contacts with the investors and unit holders of the collective investment schemes are to be established;
 7. Arranging and carrying out advertising and marketing campaigns for collective investment schemes;
 8. Defining, under the control of the depositary bank, the net asset value of the managed collective investment schemes;
 9. Defining, under the control of the depositary bank, the issue price and redemption price of units of a collective investment scheme;
 10. Preparing a proposal for temporary discontinuation of the issuance and redemption of units of collective investment schemes, which it manages, respectively – for the resumption of the redemption, and for informing the FSC within the terms as per Art. 22, para. 2 and 4 of the LACISOUCI;
 11. Accounting administration and bookkeeping of the collective investment schemes it manages, unless it has delegated rights to a third party; preparation of the annual financial statement and their certification, as well as preparation of interim financial statements; and for the collective investment schemes it manages – preparation of quarterly reports and monthly balance sheets, as well; additionally – their publication, respectively – presentation to the Financial Supervision Commission; taking investment decisions and giving orders for purchase of financial instruments /including at initial subscription to financial instruments from new issues/ or of other assets with the cash provided by the Client;
 12. Taking investment decisions and giving orders for replacement of the provided financial instruments with other financial instruments;
 13. Taking investment decisions and giving orders for executing other rights attached to the financial instruments;
 14. Taking investment decisions and giving orders for purchase of financial instruments with the cash obtained from share/unit dividends, interest and from the face value of debt financial instruments;
 15. Taking investment decisions and giving orders for purchase of new financial instruments with the cash obtained from sale of financial instruments available in the portfolio;
 16. Performing any other activities, which are not prohibited, of investing the Clients' resources, expressed in their transformation in other assets with the aim of receiving income and/or increasing their value;
- (2) In the individual management contract, other actions can be defined, as well as the concrete terms and conditions for carrying out the scope as per para. 1.

Art. 10. (1) When managing an individual portfolio, the contract shall define specific parameters of the portfolio, the concrete actions, transactions and operations, for which the Management Company has been empowered, where if nothing has been agreed upon in the contract, it will be deemed that:

a/ The Management Company has been empowered to perform all necessary actions to conclude transactions in financial instruments on exchange and off-exchange markets of financial instruments or with other assets, as well as the related operations, without limitation of the investment activity and without defining specific investment objectives;

b/ by signing the management contract, the Client gives their prior consent for each operation or transaction, for which Karoll Capital Management EAD has given an order pursuant to the General Terms and Conditions and the contract;

c/ The Client is aware of the risks related to the investment in financial instruments and in other financial assets;

(2) The Management Company shall provide to the Client the report as per Art. 45, para. 2 of Ordinance No. 38 at least at the end of each month, and if no transactions have been concluded – at the end of each quarter.

(3) The Management Company shall inform the Client, under terms and conditions specified in each individual contract, if a liability arises for the Client pursuant to Art. 145 of the Law on Public Offering of Securities as a result of transactions with financial instruments executed at their expense.

(4) When managing an individual portfolio, the Management Company shall determine the value of the financial instruments in the portfolio of the entity, with which the Company has concluded a management contract, based on their market value in all cases when it is available, or if the market price is not available – the assets shall be valued as per their fair value (pursuant to generally accepted valuation methods), where the specific contract may stipulate other valuation methods.

Art. 11 When managing a portfolio, the Management Company shall not pay, respectively provide and receive remuneration, commissions or non-financial benefits besides those paid or provided by or to the Client or their representative,

paid or provided by or to a third party or their representative, if the provisions of Art. 14, para. 1, item 2 are fulfilled, as well as the related fees as per Art. 14, para. 1, item 3 of Ordinance No. 38 and the paid bank charges.

Art. 12. The contracts for management of individual portfolios shall incorporate also the other sections of the General Terms and Conditions, insofar as they do not contradict to the present section.

IV. RIGHTS AND OBLIGATIONS OF THE MANAGEMENT COMPANY

Art. 13. /1/ While performing its activity, the Management Company shall treat equally and fairly the persons whose activity or portfolio it manages, inform them about the management-related risks, and act with the due care to protect their interests.

(2) When performing its activity, the Management Company shall act honestly and professionally to protect the investors and ensure the stability of the market in financial instruments and prefer the interests of its Clients in front of its own.

(3) In case of conflict interests between the persons whose activity and/or portfolio the Management Company manages, the latter shall ensure fair treatment of the investors by reducing to the minimum the risk of impairing their interests. While performing this obligation, the Management Company shall adopt and review from time to time and if necessary a Policy for treatment of conflict of interests.

Art. 14 (1) When carrying out its activity, the Management Company shall implement the measures against money laundering and/or terrorist financing pursuant to the legal provisions and shall:

1. Verify the identity of the Clients;
2. Identify the actual owner of a legal entity Client and undertake the respective actions to identify them in a way that provides sufficient grounds to the Management Company to consider that the actual owner has been established;
3. Collect information from the Client regarding the aim and the nature of the relation that has been established or will be established with them;
4. Perform on-going monitoring over the established business and professional relations and check the transactions and operations performed within the framework of these relations, insofar as they correspond to the available information about the Client, their business activity, risk profile and shall require disclosure of the source of the invested amounts in the cases stipulated in the Law on the Measures against Money Laundering;
5. Disclose information about suspicious operations, transactions and clients.

(2) The Management Company shall apply the measures as per the Law on the Measures against Terrorism Financing (LMTF), pursuant to which cash, financial assets and other property can be attached and the provision of financial services, cash, financial assets or other property to persons included within the meaning of Art. 5 of LMTF is prohibited.

Art. 15. The Management Company shall provide the following information to its Clients:

1. Information about the Management Company and the services it offers as per Art. 8 and 9 of Ordinance No. 38;
2. Information about the financial instruments and the proposed investment strategies and the risks related to them, pursuant to Art. 10 and 11 of Ordinance No. 38;
3. The types of costs for the Client and their size, where for non-professional clients or potential non-professional clients Art 18 of Ordinance No. 38 shall apply;
4. The method of keeping the cash and/or the financial instruments of the Clients pursuant to Art. 32 of Ordinance No. 38;

Art. 16. (1) The Management Company has the right to request information from a potential Client about:

1. Their financial capacity, including information about the sources and the size of their constant income, their assets, including liquid assets, investment and immovable property, as well as their regular financial liabilities;
2. The investment objectives, including, if applicable, information about the period of time, during which the client intends to hold the investment, their preferences regarding the assumed risk, their risk profile and the objectives of the investment;
3. Knowledge, experience in the field of investment activity, including:
 - The type of services, transactions and financial instruments, with which the client is familiar;
 - The essence, volume and frequency of the transactions with financial instruments at the expense of a client, as well as the period, during which they will be concluded;
 - The educational degree, profession or relevant previous profession of a client or of a potential client;
4. The readiness to assume risk.

(2) The Management Company shall be guided by the information as per para. 1 provided by its Clients or potential Clients, unless it is aware or should have been aware that the information is inaccurate, incomplete or not current.

Art. 17. (1). Re-authorisation of third parties with rights and obligations of the Management Company stipulated in an individual management contract is only allowed if the requirements of Art. 106 of LACISOUCI have been fulfilled.

(2) Substitution of the Management Company with a third party during the implementation of a particular management contract is not allowed.

Art. 18. (1) The management Company shall give investment orders to the investment intermediary (intermediaries) with which the persons whose activity or portfolio is managed by the Management Company have concluded a contract.

(2) If stipulated in the management contract, the Management Company can conclude, in the name and on behalf of the person whose portfolio it manages, a contract with an investment intermediary /investment intermediaries/ for execution of transactions in financial instruments, while applying the rules for conclusion of such contracts via a proxy. In this case the Management Company shall address its investment orders to the mentioned investment intermediary (intermediaries).

(3) If stipulated in the individual management contract, the Management Company can negotiate with itself while observing the imposed limitations.

Art. 19. (1) The Management Company shall conform its investment decisions and orders to the limitations stated in the Rules and the Prospectus of the collective investment scheme or in a legal act, if any, regarding the composition of the assets and the size of the investment of each Client.

(2) In case there is a breach of the limitations regarding the composition of the assets and the size of investment of each Client, as stated in the Rules and the Prospectus of the collective investment scheme, in a legal act or in the management contract, due to the impact of external objective factors, not related to the investment decisions of the Management Company, its Board of Directors shall take an immediate decision for concrete actions to eliminate the breach in due time, while taking into account the interests of the persons, with which it has concluded management contracts.

(3) Karoll Capital Management EAD shall notify immediately the FSC about the decision as per para. 2 if the other party is a managed collective investment scheme.

Art. 20. The Management Company shall:

1. Provide, in a suitable manner, information regarding the organisation of its activity and its financial status to each person willing to conclude a management contract, as well as about the types of expenses to be covered by such a person and by the Management Company, respectively;
2. Observe the investment restrictions pursuant to the legal acts, the Prospectus, the Rules and the management contract with the person whose activity or portfolio it manages;
3. Upon request by the managing or the controlling body of the person whose activity or portfolio it manages:
Provide the whole information available with related to the management of the activity or the portfolio of such a person;
Provide justification for a certain investment order addressed to an investment intermediary, if requested by the Client;
4. Inform immediately the person whose activity or portfolio it manages if it establishes a breach of the investment restrictions;
5. Provide to investors the information they need in due time, in a precise manner and easily accessible by them.
6. Deliver to the person whose activity or portfolio it manages the whole available documentation and information related to the execution of the Management Contract not later than 5 business days after contract termination;

Art. 21. (1) The Management Company shall send the following information to the stated address or deliver in any other way, at least monthly, to its Clients with whom it has concluded portfolio management contracts:

1. Volume and structure of the portfolio at the end of the reporting period;
2. Performed transactions in financial instruments during the reporting period;
3. Current yield during the period against the underlying amount;
4. Consideration fees charged by the Management Company pursuant for the respective period;

(2) If within five days of receiving the report the Client does not object in writing and/or does not request additional information on it, the Client shall be deemed to agree with it and accept it.

Art. 22. The Management Company shall inform the person whose activity or portfolio it manages about:

1. Changes in the composition of the Board of Directors of the Company and in the method of representation,

including changes of the persons authorised to manage and represent the Company without being members of the Board;

2. Any decisions that has entered into force for enforcement of administrative measures as per the Law on the Activity of the Collective Investment Schemes and of Other Undertakings for Collective Investment,
3. Any decisions take for reorganisation;
4. Initiated litigation or arbitration proceedings, to which the Company is a party, if such proceedings have had or may have substantial impact on its activity;
5. Submitted claims for opening insolvency proceedings, as well as decisions or applications for termination and announcement of liquidation of the Company;
6. Any other changes that may have an impact on the implementation of the concluded contract.

Art. 23. (1) When managing a collective investment scheme, the Management Company shall, in the name and at the expense of the same, issue, sell and repurchase its units while applying respectively the provisions of the LACISOUCI and its implementing regulations related to the investment intermediaries.

(2) To fulfil the activity as per para. 1, the Management Company shall ensure:

1. The use of a network of offices where the unit purchase and redemption orders are to be accepted and executed and the contacts with the investors and unit holders of the collective investment schemes are to be established;
2. Acceptance of unit purchase and redemption orders every business day, during a period of time defined in the Prospectus.

(3) Submission of orders through a proxy, as well as the acceptance of purchase or redemption orders for units of collective investment schemes submitted by investors over the telephone or via another remote communication means shall be allowed subject to the application of Art. 34, para. 3 of Ordinance No. 38.

(4) The cash provided by investors and received by the Management Company for the acquisition of units of a collective investment scheme shall be kept with the depositary bank, until the issuance of the units to be paid with it, in an account of the collective investment scheme opened specifically for this purpose and managed by Karoll Capital Management EAD. The cash received shall be deposited in the bank account as per the previous sentence until the end of the following business day, at the latest.

Art. 24. The Management Company, under the control of the depositary bank of the collective investment scheme it manages, shall calculate the net asset value per unit, the issue price and the redemption price of the collective investment scheme units.

Art. 25. The Management Company shall announce the information under Art. 24 at the FSC and in the dailies specified in the Prospectus.

Art. 26. The Management Company shall inform immediately the FSC about the existence of conditions for temporary discontinuation of the redemption of units of a collective investment scheme it manages with a view to taking a timely decision.

Art. 27. (1) The Management Company shall keep separate accounting for each person whose activity or portfolio it manages. The accounting shall be done in a way that prevents deletion or forging of data.

(2) At issuance (sale) and redemption of units of a collective investment scheme through Karoll Capital Management EAD, the latter shall keep a separate ledger for each collective investment scheme where at least the data stipulated in Art. 65 of Ordinance No. 44 shall be recorded;

(3) In relation to the portfolio management activity, the Management Company shall keep a separate ledger for each entity, which contains at least the data as per Art. 7 and Art. 8 of Regulation (EC) 1287/2006.

(4) The Management Company shall keep current on a daily basis the information about the portfolios it manages.

Art. 28. The Management Company shall keep for 5 (five) years the whole documentation and information related to its activities, including information related to:

1. The ledgers provided for in Ordinance No. 44 and other accounting records;
2. Contracts concluded with Clients, the necessary consents and authorisations or copies of powers of attorney, current data about the persons, with which it has concluded management contracts, information about conflicts of interest, submitted orders in relation to portfolio management and the accepted orders for issue (sale) and redemption of units of collective investment schemes, sent confirmations, other notifications and reports in relation to the execution of the management contracts;
3. Advertising materials and publications and the related documents;
4. The documents related to the internal organisation of the Management Company, the objections by the

persons, with which it has concluded management contracts, the internal investigations;

5. Internal and external, outgoing and incoming correspondence.

Art. 29. (1) The Management Company shall have the right, when concluding a contract for management of a Client's portfolio, to request a set of personal data, needed for concluding and executing the contract. By signing the contract, the Client gives their consent that their personal data can be processed for the purposes of managing the individual portfolio.

(2) The Management Company shall process the personal data to the extent necessary for the implementation of the contract with the Client, while applying established Rules for processing of personal data at Karoll Capital Management EAD.

Art. 30 The Management Company shall impose limitation on the operations of withdrawal and depositing of cash in relation to the management of individual portfolios of Clients up to the size as defined by a protocol of the Board of Directors, while observing the legal restrictions.

V. RIGHTS AND OBLIGATIONS OF THE PERSONS WHOSE ACTIVITY AND/OR PORTFOLIO IS MANAGED BY KAROLL CAPITAL MANAGEMENT EAD

Art. 31. Each person, with which the Management Company has concluded a management contract, shall have the right to require from the Management Company to perform accurately its contractual obligations, and to inspect the implementation of the contractual obligations by the Management Company without harming its operational independence.

Art. 32. (1) Each person, with which the Management Company has concluded a management contract, shall perform conscientiously their obligations ensuing from the legal acts, the contract and the principles of morality.

(2) Each person, with which the Management Company has concluded a management contract, shall be responsible for the authenticity and veracity of the provided information, data and documents in relation to the same contract. If any irregularities with them are identified, the person shall eliminate them and/or replace them with new ones. In case this is not done and it is impossible to perform a certain obligation, the relations between the parties shall be settled as in the case of culpable neglect of the obligations under them.

VI. REMUNERATION OF THE MANAGEMENT COMPANY AND MANAGEMENT COSTS

Art. 33. (1) For the management actions performed, the Company shall have the right to receive remuneration, the size of which is determined as percentage of the assets of the person whose activities it manages and/or percentage of the yield from their management, or in any other way specified in the individual management contract, and the rules and procedure for its payment shall be defined in the individual management contract concluded with each Client while observing the provisions of the relevant laws.

(2) The restrictions as per Art. 30, para. 2 of the LACISOUCI shall apply with regard to the collective investment schemes.

(3) For the activity of investing the assets of a collective investment scheme in units issued by another scheme, the Management Company shall not have the right to remuneration if it manages the activities of both entities.

Art. 34. (1) The accounting costs related to the management activity of a collective investment scheme shall be borne by the Management Company.

(2) The costs for issuance, sale (including advertising) and redemption of units of a collective investment scheme, for preparing and updating Prospectuses of collective investment schemes shall be borne by the managed collective investment schemes.

(3) The Management Company shall have the right to repayment of the costs for fees and commissions, including extraordinary expenses incurred in relation to performance of its obligations under the management contract.

(4) The individual contract between the Management Company and the persons whose activity or portfolio it manages may provide for other expenses, which shall be assigned to the parties based on their agreement.

VII. FORM, CONTENTS, AMENDMENT, CANCELLATION AND TERMINATION OF THE MANAGEMENT CONTRACT

Art. 35. (1) The management contract shall be concluded in writing. It can be supplemented and amended by

mutual consent expressed in writing.

(2) Each management contract and the additional agreements to it shall contain at least the following: the company; seat and registered address; address for correspondence, Unified Identification Code as per the Law on the Commercial Register or another identification code (including a code under the Law on the BULSTAT Register) and the bank account of each party.

(3) The management contract and the annexes to it shall be drafted and signed by the parties or by their representatives in two identical counterparts, and in three identical counterparts, respectively – in case of tripartite contracts with involvement of an investment intermediary, all of them having the same evidential value, one for each party.

Art. 36. (1) In case the Management Company performs a particular management contract under more favourable terms than agreed, the whole benefit shall belong to the person whose activity or portfolio are being managed.

(2) Specific terms and conditions shall be defined for the implementation of each management contract.

(3) The Management Company shall perform its management activity pursuant to the provisions and the standards laid down in LACISOUCI, the Markets in Financial Instruments Act, Ordinance No. 44 and the other relevant legal acts.

Art. 37. (1) The management contract shall be terminated:

1. With the expiry of its term;
2. By the mutual consent of the parties expressed in writing.
3. In case of termination due to liquidation of the legal entity, under which any of the parties to the contract has been registered.
4. At withdrawal of the permission of any of the parties to the contract to perform the respective activity;
5. By a prior written notice of three months addressed to the other party to the registered address /correspondence address/;
6. At cancellation of the management contract due to non-performance;
7. On other grounds, as stipulated in a legal act, in the present General Terms and Conditions or in the particular management contract;

(2) In any case of termination of an individual management contract, the parties shall sign a protocol for final settlement of accounts.

VIII. LIABILITY FOR NON-PERFORMANCE AND SETTLEMENT OF DISPUTES

Art. 38. (1) The Management Company shall be liable in front of the persons, with which it has concluded contracts, for the damages suffered by them as a result of non-performance of the management contract by the Management Company, if such damages are caused by intentional acts or gross negligence of the Management Company, its employees and representatives and due to other reasons, for which the Management Company is responsible.

(2) The liability of each party to the contract shall be defined in each particular contract. In case no such liability has been stipulated, the provisions of the Commerce Act and of the Law on Obligations and Contracts shall apply.

(3) For non-observance of the provisions of LACISOUCI and its implementing regulations, the Management Company, the members of the Board of Directors of the company and all persons employed by it shall bear administrative and penal liability pursuant to the same law and pursuant to the Administrative Violations and Sanctions Act.

Art. 39. (1) All disputes arising between the Management Company and the persons, with which it has concluded contracts, shall be debated and discussed for the purpose of reaching voluntary settlement in good faith.

(2) In case the dispute cannot be settled amicably or the written agreement reached pursuant to the previous paragraph is not fulfilled within the terms stated therein, the dispute shall be referred to the competent court in Sofia, whose local jurisdiction is defined, as per the Civil Procedure Code, by the acceptance of the present General Terms and Conditions as incorporated by reference to the management contract, regardless of the seat or the place of residence of the defendant.

IX. APPLICABLE LAW

Art. 40. The present General Terms and Conditions and the management contracts concluded by the Management Company shall be governed by the provisions of the Bulgarian law.

X. METHODS FOR VALUATION OF THE FINANCIAL INSTRUMENTS IN THE CLIENT'S PORTFOLIO

Art. 41. When managing an individual portfolio of financial instruments at own discretion and without special instructions by the Client, the Management Company shall determine the value of the financial instruments in the Client's portfolio based on their market value, and if it is not available – on their fair value. The methods for valuation shall be approved by the Board of Directors and shall be annexed to each contract.

XI. FINAL PROVISIONS

§ 1. The present General Terms and Conditions shall be supplemented and amended by approval of the Board of Directors of the Company.

§ 2. The amendment of the General Terms and Conditions shall have effect on the other party to a particular management contract only if that party has been duly notified about them and has certified and declared their acceptance within the sufficient deadline provided to it in writing.

The present General Terms and Conditions have been adopted by the Board of Directors of Karoll Capital Management EAD on 21.04.2003, amended and supplemented by decisions of the Board of Directors of 30.06.2003, 17.01.2006, 30.03.2007 and 01.12.2017.

MEMBERS OF THE BOARD OF DIRECTORS: