

**GENERAL BUSINESS RULES OF THE INVESTMENT COMPANY
FINVEO JSC PODGORICA**

April 2021

Finveo

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I BASIC PROVISIONS

Article 1.

These business rules of the Investment Company Finveo JSC Podgorica (hereinafter: The Business Rules) regulate the mutual rights and obligations between the Investment Company Finveo JSC Podgorica (hereinafter: The Investment Company), on the one hand and the client of the Investment Company, on the other, related to the provision of investment services and related ancillary services.

The Business Rules are an integral part of each individual contract that the Investment Company concludes with the Client related to the provision of Investment Services, such as receiving and transferring orders related to the sale and purchase of financial instruments, execution of orders for on behalf of clients, trading for own account, foreign currency business services related to the provision of investment services as well as other ancillary services in accordance with the obtained license.

By concluding the contract with the Investment Company, that is filling in the questionnaire, which is an essential component of the contract, the Client confirms that he has been handed the Business Rules, Price List, Client Classification Policy, Account Execution Policy, Conflict of Interest Management Policy, and that he is informed about the investor protection system.

If an individual contract concluded with the Client deviates from the Business Rules, the provisions of the individual contract apply.

Applicable laws and bylaws with all amendments that will be adopted during the duration of the business relationship will be applied to everything that is not regulated by the Business Rules and the individual contract. If laws or by-laws adopted after the entry into force of these Rules of Business or an individual contract resolve an issue differently, the provisions of the relevant regulation shall apply, until the Rules of Business of the investment company are amended.

The current Business Rules are available to the Clients at the business premises of the Investment Company and / or on the official website of the Investment Company.

II INFORMATION ABOUT THE INVESTMENT COMPANY

Article 2.

Investment company Finveo JSC Podgorica, with its headquarters at the address Cetinjska 11, Capital Plaza, Podgorica, operates in accordance with the work permit issued by the Capital Market Authority of Montenegro, under the ordinal number: 03/2-2/11-20 from the date of July 31, 2020, and 03/2-2/13-21 from the date May 20, 2021.

Investment company Finveo JSC Podgorica is in accordance with the work permit authorized to provide investment services defined in Article 206 paragraph 1 items 1, 2, 3, 4, 5, 6 and 7 and ancillary services defined in Article 206 paragraph 2 items 1, 2, 3, 4, 5, 6 and 7 of the Law on Capital Market, and the operating license refers to financial instruments defined in Article 3 paragraph 1 of the Law on Capital Market, which include derivative financial instruments and contracts about the differences.

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The investment company is authorized to hold financial instruments and client funds.

Investment company Finveo JSC Podgorica provides its services only at the Company's headquarters and has no registered affiliates.

III CUSTOMER INFORMATION

Article 3.

In accordance with the regulations governing the operations of investment companies and regulations governing the prevention of money laundering and terrorist financing, the Investment Company is obliged to collect the following data and documents from the client before establishing a business relationship:

1. From natural persons, the Investment Company collects data on name and surname, residence, personal identity number, name and number of the identification document. In doing so, he must keep a copy of his identification document and a copy of his utility bill.
2. From legal entities, the Investment Company collects data on the name, registered office, tax number, persons authorized to represent, transaction account number and beneficial owners. In the archive must be kept a certified copy of the excerpt from the register not older than three months, a copy of identification document of the person authorized to represent and a copy of the bank statement.
3. The investment company is obliged to collect from clients, individuals and legal entities, data necessary for conducting in-depth analysis in accordance with regulations governing the prevention of money laundering and terrorist financing, as well as data on beneficial owners and political exposure of natural or legal owners. For this purpose, the Investment Company collects data that are mandatory prescribed by the Law and the Rules of Business of Investment Companies, and the data range differs depending on the degree of risk of an individual client. The statement on the real owner of the legal entity is given by the authorized person for representation under material and criminal liability.
4. In order to implement the classification of clients into Small Investors and Professional Investors, the Investment Company collects the necessary data on individuals and legal entities through the Questionnaire.

The data referred to in items 3) and 4) of paragraph 1 of this Article shall be collected through forms or questionnaires for natural and legal persons.

If the Client is represented by an attorney, he is obliged to enclose the original power of attorney certified by a notary or the competent state authority.

Warning: If the Investment Company is not able to collect all necessary data and documentation from this Article of the Rules due to the client's fault, before establishing or during the business relationship, it is not obliged to provide the Investment Service to the client, therefore it is necessary to terminate the contract.

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Information on the knowledge and experience of the client, i.e., the potential client is given in writing.

The information from the previous paragraph can be given in a standardized form.

Article 4.

An investment company before provide services request from the client or potential client data on his knowledge and experience in the investment area relevant to the financial instrument or service, which is offered or requested, in order to assess the extent to which an investment service or financial instrument appropriate to the client is envisaged.

Information regarding the knowledge and experience of the client referred to in paragraph 1 of this Article, appropriate to the type of client, type and scope of service, type of transaction, including complexity and risks, shall include in particular:

- the type of services, transactions and financial instruments with which the client is familiar,
- the type, quantity and frequency of the client's transactions with financial instruments, as well as the period in which the transactions were performed,
- the level of education and profession of the existing or potential client.

Notwithstanding the previous paragraph of this article, and in accordance with Article 267 of the Law, a Company that provides investment services related only to the execution, i.e. receipt and transfer of client orders without providing additional services, may provide these services to its clients without obtaining data, provided the following conditions are met:

- services relate to shares involved in trading on a regulated or third country market, money market instruments, institutions of collective investment in transferable securities and other simple financial instruments, bonds and other forms of securitized debt, except bonds and securitized instruments debt containing derivative financial instruments,
- the service is provided at the request of a client or potential client,
- the client or potential client has been clearly informed that, during the provision of a particular service, the Company has no obligation to assess the suitability of the offered financial instrument or service,
- The Company fulfils the obligations under Article 301 of the Capital Market Act which regulate the prevention of conflicts of interest between the Company and its clients.

Article 5.

When investment services are provided to professional investors, the Company may consider that the client has sufficient knowledge and experience in the field of investing and understanding the risks associated with the financial instrument or transaction.

The Company has no obligation to provide the following services to a professional investor:

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- provides appropriate information to understand the nature and risks of investment services and the type of financial instruments in order to make an adequate investment decision. It previously includes trading in derivative / complex financial instruments,
- notifies in writing that the financial instrument or service is not suitable for the client,
- to obtain written consent from the professional client to the Order Execution Policy.

Professional investors are considered to be investors from Article 53, paragraph 1 of the Law on Capital Market.

Before providing services, the Company will inform the client that based on the available data, the client is considered a professional investor.

IV CLIENT CLASSIFICATION

Article 6.

The investment company is obliged to classify the client, based on his knowledge, experience, financial position and investment goals, as a small investor or professional investor, and to inform him about the category in which he is classified. Clients who are considered Professional Investors as well as clients who are considered Qualified Clients are defined in Article 53 paragraph 1 and Article 282 paragraph 2 of the Capital Market Law, and all other clients will be classified by the Investment Company as small investors. The investment company may, at its request, provide the Professional Investor with the higher level of protection it provides to small investors.

In performing all business with a small investor, the Investment Company will apply the rules of business conduct which provide the client with a higher level of protection and information.

When providing investment and related ancillary services to Qualified Clients, the Investment Company shall apply the business rules in accordance with the applicable Capital Market Law, whereby it may classify a Qualified Client, on its own initiative or at its request, as a professional investor or small investor.

V RIGHT TO CLASSIFICATION INTO THE SECOND CATEGORY

Article 7.

If a client classified as a small investor wants a change of status in relation to all or only some products and services, he is obliged to request in writing the treatment of a professional investor, generally or only for a particular investment service, transaction, type of transaction or product. Prior to the status change, the investment company will conduct an assessment of knowledge and experience to determine whether the client meets at least two of the following three conditions:

- The client has performed over 10 transactions per quarter in the last year,
- The size of the client's portfolio of financial instruments exceeds EUR 500,000,

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- The client has at least one year of work experience in the financial sector, in positions that require knowledge of planned transactions or services.

Prior to granting the status of a Professional Investor, the Client is obliged to confirm in writing (by a special act) that he accepts the consequences of a different classification.

Before being classified in the second category, the investment company will warn the client in writing what level of protection and rights provided by the investor protection system may be lost.

Clients who are considered professional investors and have been granted the status of small investors by the Investment Company may request a change of category without prior procedure.

If a client classified as a Professional Investor or a qualified client wants a change of status and treatment with a higher degree of protection than small investors, he is obliged to send a written request to the Investment Company requesting a higher level of protection (related to all or only certain services or products). and proceed to the conclusion of a Small Investor Status Agreement, in respect of all or only certain products and services or transactions.

VI TRADING IN FINANCIAL INSTRUMENTS BY ORDER OF CLIENTS

Article 8.

This service includes receiving and forwarding orders for the purchase or sale of financial instruments in the event that the Investment Company executes the order and receiving and forwarding orders for execution to another Investment company.

The Small Investor and the Investment Company enter into a Brokerage Services Agreement, of which the Questionnaire is an integral part, by which the Investment Company undertakes in its own name, and on behalf of the Client performs the purchase and sale of financial instruments, in accordance with the given orders. pay brokerage commission and other transaction costs. By concluding a general agreement on representation in brokerage business, the client is enabled to trade on the Montenegrin capital market, as well as on foreign markets if the Investment Company has previously provided the necessary conditions for that.

The Order obliges the investment firm to buy or sell certain financial instruments for the Client for an agreed fee in accordance with the conditions contained in the Order, and the Client simultaneously authorizes the Investment Firm to undertake these activities in accordance with these Investment Company Rules and individual contract.

The order refers to a precisely determined number of Financial Instruments.

VII OBLIGATORY ORDER CONTENT

Article 9.

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One order may require the buy / sale of only one type of financial instrument and at one price on both the regulated and the MTP, i.e., OTC capital market.

Regardless of the method of issuance, the order must contain the following elements:

1. type of order (buy / sale),
2. order number
3. date and time of issuing the order,
4. name and registered office of the client who is a natural person, telephone number, identification document, and basic data for the Client who is a legal entity (name of the legal entity, tax number, registered office, and name and surname of the authorized representative);
5. Account number of the investor in the Central security depository and clearing company of Montenegro or some other equivalent register or depository (optional depending on which order is issued for which type of financial instrument)
6. designation of the financial instrument (name, type, class, series, CFI code or ISIN number, or some other internationally recognized mark),
7. quantity,
8. price
9. deadline by which the order is valid
10. password specified in the agreement.

VIII PRICE OF THE FINANCIAL INSTRUMENT IN THE ORDER

Article 10.

The price at which the order is to be executed is expressed individually, as the maximum price at which the client is willing to pay (when buying) or as the minimum price at which the client is willing to sell the security (when selling), for shares and for bonds as a percentage of their face value. The price is expressed in the currency according to the place of execution of the order, which the client marked in the order.

The limited order is displayed on the relevant market at the price stated in the order, while in the case of a market order the price is not determined but it is executed according to the most favourable offer on the market at that moment.

Trading with financial contracts on differences, several types of orders can be offered to the client, as follows:

- Market order: a sales / purchase order in relation to a purchase / sale price,
- Limit order: a sales / purchase order in relation to the purchase / sale price until the price reaches the appropriate limit. These orders can be for a definite period of time or for an indefinite period of time / "valid until revoked" /,

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- Stop-loss order or Take profit order: a market order in which a position is closed (via a market order) if the loss on that position reaches a certain level defined by the contract (stop loss level”) or if the profit reaches a certain level (“take the profit level”) which is determined in relation to the price at which the order was given;
- Trailing Stop-loss order: a stop-loss order in which the level at which a position closes increases if the position becomes more profitable,
- Guaranteed stop order is a loss stop order in which it is guaranteed that the position will be closed at the order level so that there is no “slippage” (in a regular loss stop order the position is closed via a market order, but the following the price may be worse than the level of stopping the loss).

IX DURATION OF ORDERS

Article 11.

The order lasts from the moment the client issues it via the trading platform, until he closes it via the trading platform too.

The order ceases to be valid after full realization or after the expiration of the time period for which it was issued.

The order will be automatically closed if the client has come to a position to lose the invested funds, in order to not to enter in negative position.

In the case of a Limited Purchase and Sale Order, if the expiration date is not specified, the order is considered to be revoked. While the market order in the part in which it was not realized on that day is cancelled immediately, for the part in which it was not realized.

Orders for the purchase and sale of financial instruments in foreign markets can be received only as daily orders.

When providing the service of execution and / or receipt and transfer of orders on behalf of the client, the Company will choose the place of execution that enables execution under the most favourable conditions.

X MANNER OF GIVING ORDERS

Article 12.

The client can place an order in the following ways:

1. In writing by registered mail or fax,
2. Electronically to the broker of the Investment Company,
3. Orally by telephone,
4. In person at the premises of the Investment Company and

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5. Through an internet trading platform.
 1. In writing, the Order is given by registered mail or fax. Such Order must be signed by the Principal and it is necessary, for identification purposes, to contain the password specified in the Brokerage Agreement.
 2. The Client may electronically place Orders only from the e-mail address specified in the Brokerage Agreement. This e-mail address is considered the personal e-mail address of the Client and the Investment Company will consider all Orders that come from that address and which contain the password from the Brokerage Agreement, as Client Orders.
 3. An oral order can be given by telephone directly to the broker in the Investment Company. All telephone conversations are recorded and the obtained recording of the telephone conversation can be used exclusively for the purpose of proving the Order. The investment firm undertakes not to use the recording for any other purpose. The Client expressly agrees to record telephone conversations with the Investment Company.
 4. Personally, in the premises of the Investment Company, where the Client must identify himself with an identification document (ID card, passport (for individuals) or an excerpt from the CRPS with the identification document of an authorized representative (for legal entities))
 5. Through an internet trading platform. The Client logs in via the platform using the username and password, which the Investment Company has assigned to the Client. The Investment Company will accept all Orders submitted through the platform, by the Client who is logged on to the platform. The client is responsible for keeping his username and password.

XI RECEIPT AND EXECUTION OF ORDERS

Article 13.

The investment company is obliged to confirm to the client that the order was received without delay, and no later than the next working day after receiving the order.

The investment company reserves the right not to accept the client's order, in the following cases:

- a) If the order is not given in the manner provided by these Rules of Business of the Investment Company,
- b) if the order does not contain the essential elements prescribed by these Rules of Business,
- c) in case of blocking the trading of a certain financial instrument on the market on which the order is executed,
- d) if the preconditions for trading on the market of the country indicated in the order are not provided, and if the client does not pay the funds necessary for the purchase of financial instruments,
- e) If he considers that there is a reasonable suspicion:
 - To illicit manipulation of the price of a financial instrument or other illicit action,

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- In order for the Investment Company to suffer damage by executing the order,
- That the execution of the order could result in a criminal offence or misdemeanour.

The Investment Company is not authorized to establish a business relationship, and thus not execute the client's order, if it is unable to collect all data and documentation referred to in Article 2 of these Rules of the Investment Company or additional data and documentation in accordance with applicable regulations with the client's contract documentation or was unable to perform a product or service suitability assessment.

Accepted orders, which are executed on the regulated market or MTP, managed by the Montenegro Stock Exchange AD Podgorica, or which are executed outside the regulated market or MTP, are executed by the Investment Company, while orders for purchase or sale of securities executed on to one of the foreign markets on the regulated market or MTP, ie outside the regulated market and MTP, and in relation to which the Investment Company has provided preconditions for trading, the Investment Company forwards to an authorized company abroad, which has access to the market in abroad, directly or indirectly, in accordance with the order execution procedure.

XII AMENDMENT AND REVOCATION OF ORDERS

Article 14.

A change in an order is considered to be a change in the requested quantity or price of a financial instrument in relation to the original order. If the original order has already been executed, the Investment Company is not able to accept the requested change or revocation of the order.

In case of partial execution of the order, the order can be changed for the remaining number of securities from the order. Each change of order results in a new order.

The request for modification or revocation of the order is sent to the Investment Company in the manner provided for the issuance of the order.

XIII EXECUTION OF ORDERS

Article 15.

Accepted orders, which are executed on the regulated market or MTP, managed by the Montenegro Stock Exchange AD Podgorica, or which are executed outside the regulated market or MTP, are executed by the Investment Company, while orders for purchase or sale of securities executed on to one of the foreign markets on the regulated market or MTP, i.e. outside the regulated market and MTP, and in relation to which the Investment Company has provided preconditions for trading, the Investment Company forwards to an authorized company abroad, which has access to the market in abroad, directly or indirectly, in accordance with the order execution procedure.

XIV FEE FOR EXECUTION OF ORDERS

Article 16.

The Investment Company is entitled to charge for the execution of the Order in accordance with the Price List valid at the time of issuing the Order. The price list is displayed in the premises of

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the Investment Company or on the company's website. The Investment Company is obliged to deliver it to the Client at his request. By giving the Order, the Client confirms that he is familiar with the Price List.

XV BOOK OF ORDERS

Article 17.

Orders are entered in the order book. The order book is kept in electronic form. The information contained in the Order Book is a business secret. The data contained in the Order Book may be disclosed only to judicial and regulatory bodies in accordance with applicable regulations. The data contained in the Order Book may be disclosed to persons who perform internal or external audit and control of the Investment Company, perform accounting services, or maintain software Back Office of the Investment Company and other persons who may access this data as a result of functions and tasks performed in Investment Company or for the Investment Company, provided that these persons have been previously warned of the obligation to keep business secrets of the data contained in the Order Book.

XVI ORDER PRIORITY

Article 18.

When performing its obligations arising from the Order, the Investment Company is obliged to adhere to the priorities from the Order Book. The priority of individual Orders is determined in the order from the Order Book, so that the Order that was previously submitted to the Investment Company has priority over the Order that is submitted later.

The Investment Company forwards to the Exchange system bids for purchase and / or sale related to the fulfilment of a specific Order in accordance with the order thus determined. The order of execution of the Order (concluding transactions with Financial Instruments executing the Order) depends on market conditions, instructions given to the Investment Company by the Client in the Order and the strategy used by the Investment Company to fulfil the Order in the most favourable way for the Client.

XVII TRANSFER OF ORDERS FOR EXECUTION TO THIRD PARTIES

Article 19.

Orders for purchase and sale of financial instruments on the foreign market, which are not able to be executed independently, are forwarded by the Investment Company to the foreign authorized participant - the investment company.

By placing an order for the purchase or sale of financial instruments of foreign issuers, which are not listed for trading on a regulated market or MTP managed by Montenegro Stock Exchange AD, the Client expressly authorizes the Investment Company to entrust the execution of the order to another investment company authorized to conduct business with financial instruments in accordance with the regulations of the country in which it has its registered office. In case of entrusting the execution of the Order to another, the Investment Company is obliged

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to check that the Deputy has a valid license to perform operations with Financial Instruments, and when giving instructions to forward to the Deputy the same Order as received from the Client.

The list of foreign markets in which clients can trade through the Investment Company, as well as the list of foreign authorized companies, to which the Investment Company transfers the order for execution, are an integral part of the Order Execution Policy, located on the Investment Company's business premises or website Investment company.

XVIII ORDER PERFORMANCE POLICY

Article 20.

When executing an order or forwarding an order to another authorized company, the investment company shall act in accordance with its own Order Execution Policy. When establishing a business relationship, the Company will obtain the client's consent to the Order Execution Policy.

Upon each significant change in the elements on the basis of which the most favourable outcome for the client is determined, the Investment Company will deliver the Order Execution Policy to active clients.

XVIX RIGHTS AND OBLIGATIONS OF THE INVESTMENT COMPANY AND THE CLIENT REGARDING THE RECEIPT AND EXECUTION OF ORDERS

1. Information provided by the Company to clients prior to the conclusion of the contract

Article 21.

The Company is obliged to provide the client or potential client with insight into the Business Rules and Price List, as well as insight into changes to these acts, in one of the following ways:

1. in business premises where work with clients is performed,
2. by publishing on the Company's website.

Insight into the changes to the Business Rules and the Price List of the Investment Company, the Company is obliged to provide within 8 days before the beginning of the application of these changes.

All information provided by the Company to the client or potential client must be:

1. true, clear and easily understood by the average client of the group to which they are addressed,
2. the potential benefits of the service or financial instrument must not be emphasized without at the same time impartially warning of the risks associated with them,
3. they must not obscure, diminish or make incomprehensible important details, allegations or warnings,

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4. they must not contain the name of a competent authority in a manner that would indicate or suggest the approval of the instrument or service of the Company by that authority,
5. information must not be misleading,
6. must be given in an understandable form so that clients can understand the nature and risks of investment services and the type of financial instrument on which to base their investment decision.

2. Information on the characteristics and risks of financial instruments

Article 22.

The investment company shall provide clients with detailed information on the characteristics and risks of financial instruments, appropriate to the categorization of the client as a small or professional investor, which will enable the client to make an appropriate investment decision.

The risk information referred to in paragraph 1 of this Article shall include in particular:

- risks associated with the type of financial instrument, including clarification of financial leverage and its effect, as well as the risk of loss of investment,
- price volatility of a financial instrument and possible restrictions on the existing market for those instruments,
- financial and other additional obligations of the investor in case of transaction with these financial instruments,
- margin data and other liabilities related to the financial instrument.

When trading financial contracts on differences, the Company will define all risks related to trading in these financial instruments in the contract with the client and inform the client about the risks related to:

- leverage
- financing costs.

Article 23.

When there is a possibility for the client's order to be executed outside the regulated market, i.e., MTP, the Company is obliged to inform the client about this possibility, before proceeding with the execution of the order, obtain prior explicit written consent from the client, except in the case of professional clients. Necessary.

The client's consent may be part of the contract or a separate statement and may be given for all transactions or for each individual transaction.

Article 24.

The company is obliged to:

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- before executing the order, receives written consent from the client on the order execution policy, if it is not given at the time of signing the contract, whereby for professional clients' consent is not required,
- monitors the efficiency of the adopted policies and procedures of order execution, i.e. to monitor whether the best results are achieved for the client in the execution of the order, in order to identify and eliminate deficiencies in a timely manner,
- informs its clients about the ways and procedures of order execution,
- notifies its clients of significant changes in the manner of order execution or changes in order execution procedures,
- to prove at the client's request that he has executed orders in accordance with the adopted procedures of execution of the order.

The investment company is required to establish and implement a policy for the execution of client orders, which for each class of financial instrument must contain information on the different places for execution of client orders and elements that affect the choice of appropriate place of execution of orders.

3. Information on financial instruments

Article 25.

The investment company is required to provide existing and potential clients with detailed information on the characteristics and risks of financial instruments, appropriate to the categorization of the client as a small or professional investor, which will enable the client to make an appropriate investment decision.

The risk information referred to in paragraph 1 of this Article shall include in particular:

1. risks associated with the type of financial instrument, including clarification of financial leverage and its effect, as well as the risk of losing the entire investment,
2. the volatility of the price of a financial instrument and any restrictions on existing markets for those instruments,
3. an explanation that a transaction in such an instrument, in addition to the cost of acquiring the instrument itself, could include additional financial and other liabilities, including contingent liabilities,
4. margin data and other liabilities related to the financial instrument,
5. any condition arising from the loan under which the instrument was purchased or similar obligations applicable to a particular type of instrument.

The Company is obliged to, when providing information on the financial instrument:

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1. which is the subject of the ongoing public offering and for which the prospectus has been issued - informs the client and the potential client about the manner in which the prospectus is available,
2. which includes a third-party guarantee - provides the client and the potential client with sufficient details about the guarantor and the guarantee on the basis of which he can make a correct assessment of the guarantee,
3. consisting of two or more different instruments or services and for which it is obvious that the risk associated with that instrument will outweigh the risks associated with each individual component of that instrument - provide the client and potential client with an appropriate description of the individual components of such instrument which interaction increases the risk.

When trading financial contracts on differences, the Company will define in the contract with the client all the risks related to trading in these financial instruments and inform the client about:

- leverage effect,
- financing costs,
- spread and
- the types of orders it can give.

In the case referred to in paragraph 4 of this Article, the Company shall indicate to the client that in case the client holds only part of the funds in a special investment account (margin), the increase or decrease of the instrument which is the basis for concluding the difference agreement shall result in a percentage, lower or higher profit compared to direct investment based on value.

In the case of trading financial difference contracts, the contract with the client agrees on the minimum margin that the client must have in order to conclude a financial difference contract, notifying the client that the lower the margin, the greater the potential leverage effect.

The Company will trade financial contracts on differences based on:

- indexes,
- shares,
- goods,
- currencies,
- bonds and
- cryptocurrencies.

An investment company that provides investment services or performs investment activities referred to in Article 206 of the Law in connection with financial instruments referred to in Article

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3, paragraph 1, item 4 of the Law, and uses leverage is obliged to provide protection against negative balance.

The protection against negative balance referred to in paragraph 5 of this Article shall ensure that the investment company does not allow the occurrence of a negative balance position on the client's account and may not claim funds from the client based on a possible negative balance position.

A negative balance sheet position implies that the client cannot lose more funds than those in the account opened with the investment company.

Leverage is the use of margin in order to increase the potential return on investment which also symmetrically increases the potential loss.

Leverage trading means that the client can trade in an amount greater than the funds he has invested and which serve exclusively as a margin.

The Authority shall prescribe by decision the amount of leverage for trading in financial instruments.

Article 26.

Investment company:

- executes the client's order without delay and correctly records and allocates it,
- executes the client's order according to the time of acceptance of the order and without delay, unless this is prevented by the characteristics of the order or market conditions or if the client's interests require different treatment,
- without delay, informs the small investor about possible difficulties for the orderly execution of the order.

Article 27.

The Company may accept client orders:

1. directly, in writing at the Company's premises in Podgorica, every working day in the time interval from 08. 00 - 16. 00h,
2. by mail, telephone, or electronically if agreed with the client.

Notwithstanding paragraph 1, item 1 of this Article, the Company may receive client orders through the trading platform 5 (five) working days a week 24 hours a day.

The order can be given by telephone or other means of remote communication only if the following conditions are met:

1. The Company and the client have signed an agreement expressly giving the client consent to telephone communication and accepting the risks of such communication,
2. The client submits a written statement in which he explicitly states:

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- a) Telephone number by which the communication will be established and the order will be given, i.e. the executed order and notifications will be sent;
- b) password to use when placing an order.

In the case referred to in paragraph 3 of this Article, the client undertakes to keep the password secret and may not disclose it or make it available to third parties.

The company identifies the client, after submitting the statement referred to in paragraph 2, item 2 of this Article exclusively on the basis of the reported password and telephone number. The Company shall reject any telephone order that has not been forwarded using the telephone number or password specified in the statement referred to in paragraph 2, item 2 of this Article.

The Company is obliged to inform the client at the beginning of the recorded telephone conversation about this fact, as well as about the fact that the content of the telephone conversation can be used in any proceedings against the client and as proof of the order and the content of the order.

The Company does not take any responsibility for any damage that the client may suffer as a result of unauthorized use of the password / password by a third party or communication with the company by phone.

The Company and the client may agree that the client may issue the order by fax, in which case the client will be allowed to place the order in this way. An order received by fax, if such an order has been agreed, shall be deemed to have been received on the day and at the time when the Company received the signed order.

The Company and the Client may agree that the Client may place an order by e-mail using the Internet Service and the Client. In the event that it is agreed to place an order in this way, the order is delivered through the client, or the person specified in the contract and from e-mail addresses predefined by the contract.

The e-mail address from which the order is issued, and the name of the person authorized to issue the order, is defined by the client by signing a special annex to the contract. The order in the name and for the account of the Client may be issued by a third party on the basis of the original and court-certified authorization to dispose of financial instruments.

Article 28.

The order may not be given, sent or transmitted and received by telephone or electronic communication made with privately owned equipment, which the investment company may not record or copy.

An order given contrary to paragraph 1 of this Article shall not be considered legally valid.

4. Acceptance of orders

Article 29.

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The Company will accept the order for the execution of the transaction of purchase or sale of a financial instrument, as follows:

- for the purchase, if it determines that the client's cash account has sufficient funds to settle his obligations that would arise from the execution of the purchase order,
- for sale, if it determines that the client has sufficient securities in the securities account required to execute the order.

The Company may refuse to execute an order for the purchase or sale of a financial instrument, if the conditions referred to in paragraph 1 of this Article are not met.

Notwithstanding paragraph 2 of this Article, the investment company shall not refuse to execute the order if the client's order can be executed in whole or in part:

- from realized but unsettled transactions,
- granting loans with the consent of the client, in accordance with the law,
- by lending securities in accordance with the rules governing the lending of securities.

The Company is obliged to reject any order for the execution of a transaction with a financial instrument, as follows:

- receiving an order for purchase, i.e., sale if it determines that by executing that order,
- either a criminal offence or a misdemeanour has been committed,
- receipt of a purchase or sale order that must be executed on a particular trading day,
- when the deadline for submitting that order for its execution has expired in accordance with the rules of the regulated market in which those securities are included in trading,
- execution of the order, if the order does not meet the conditions established by law and the contract, or if not, all required information required for their execution has been submitted,
- execution of orders, if there is a suspicion of money laundering and terrorist financing,
- order execution, if the investment company considers that the execution of the order may lead to manipulation in the regulated market.

Regardless of the reason for refusing the order, the investment company shall notify the client of the rejection of the order, in the same manner as it received the order, no later than the next day from the day of receipt of the order, stating the reason for the order rejection.

5.Acknowledgment of receipt of the order

Article 30.

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The Company is obliged to confirm to the client the receipt, change and withdrawal of the received order, by submitting a notification on:

- time and place of receipt of the order, change and revocation of the order,
- accepting or refusing to execute the order, stating the reasons for refusing the order, immediately upon receipt of the order,

The certificate referred to in paragraph 1 of this Article shall be submitted no later than the next working day from the day of receipt of the order in the manner in which the order was received, unless otherwise agreed at the client's request with the client.

Article 31.

The investment company will execute the order in accordance with the client's instructions and its own Order Execution Policy, with the care of a good expert.

By accepting the order for purchase or sale of financial instruments, the investment company undertakes:

- Buy or sell a financial instrument according to the elements of the order,
- In case of purchase, settle the purchase through CKDD or another equivalent register or depository,
- Inform the client about the completed transaction (via a bill that can be picked up in person at the premises of the Investment Company, be sent by e-mail or regular mail)
- In case of sale of financial instruments, make payment of the sale value of financial instruments less commission costs to the client's account, unless the client wants to use the funds for further purchase of financial instruments,
- Upon settlement of the sale, i.e. by the client's payment order, make the payment within one business day from the date the client issued the payment order, unless the payment relates to the sale of financial instruments abroad in which case the Investment Company will make the payment within one business day. days from the date of receipt of money from a foreign custodian bank.

The Client undertakes to the Investment Company:

- Before issuing a purchase order, pay the purchase value from the order increased by the amount of commissions and fees in accordance with the Price List, and clients operating through a custody bank are required to submit data on a custody account with detailed instructions for settling financial instruments;
- Prior to issuing a sale order, provide a sufficient amount of financial instruments to settle to the investment company's depository account,
- Pay the brokerage commission and all transaction costs such as the cost of the trading venue, custody bank, as well as other possible trading costs in the relevant foreign

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market, all in accordance with the order to buy or sell financial instruments, according to the valid Investment Company Price List. Third party price lists,

- Reimburse the Investment Company for any amount paid to the client in the name of taxes.

The investment company, related to the receipt and transfer of orders for execution, in relation to clients whose assets it holds in a collective custody account with an authorized custodian bank, has the following obligations:

- To inform the client on request about the terms of the contract with the custodian authorized bank,
- Keeps all kept financial instruments or funds in a special client account separately from its assets,
- Informs the client about corporate activities related to the financial instruments it holds for the client,
- Receive dividends and other receipts from corporate activities of issuers on behalf and for the account of the client and calculate and pay capital gains taxes in Montenegro on behalf and for the account of the client.

A client who trades in financial instruments for safekeeping with the Investment Company agrees, which is consent by concluding a contract on brokerage services and issuing an individual order for purchase or sale of financial instruments, with the transfer of his assets to third parties where the Investment Company keeps clients' assets abroad.

XX PAYOUTS AND PAYMENTS OF CASH FOR PURCHASE OR SALE OF FINANCIAL INSTRUMENTS

Article 32.

For the purchase of financial instruments on the Montenegro Stock Exchange or abroad, the currency to be paid is EUR, where, if necessary, the Investment Company, in accordance with the client's request, will convert funds into another currency if required by trading conditions in a particular market.

The Investment Company will disburse funds from the sale of financial instruments to the client's transaction (Payment Transactions Act), i.e., at the client's request in foreign currency to the foreign currency account. All costs of transferring funds to the client's foreign accounts are borne by the client.

For the purchase of financial instruments on the trading platform, the payment currency is USD. Payment of funds will be made to the transaction account with the bank, i.e. to the account with the payment institution or to the payment card. Prior to payment, the client is required to provide proof of ownership of the account or card. The exception is the situation when the funds arrived from the account to which the payment is requested during the deposit.

The investment company does not pay the client interest on the funds it holds for its account.

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XXI PORTFOLIO MANAGEMENT OF FINANCIAL INSTRUMENTS

Article 33.

The rights and obligations of the client and the investment company related to the management of the portfolio of financial instruments are regulated in detail by the Portfolio Management Agreement, which is standardized. For everything that is not defined by such an agreement, these Rules of Business of the Investment Company apply, which are delivered to the client before the conclusion of the Portfolio Management Agreement.

XXII INVESTMENT CONSULTING

Article 34.

The investment advisory service implies giving personal recommendations to the client, at his request or at the initiative of the Investment Company, in respect of one or more transactions with financial instruments.

A personal recommendation is a recommendation to take one of the following activities:

- Purchase, sale, subscription, exchange, repurchase, holding or undertaking to subscribe for a particular financial instrument,
- Execution or non-execution of rights arising from a particular financial instrument.

Prior to the investment consultation, it is necessary to conduct an adequacy assessment in accordance with Article 45 of these Rules.

After the payment of the fee is determined by the valid Price List of services, investment consulting is performed, and the client is given a copy of the minutes which contains a personal recommendation.

Investment consulting is performed in personal contact with an authorized investment advisor in the business premises of the Investment Company or at the request of the client elsewhere. Exceptionally, at the client's request, it is possible to provide investment advice by telephone if the client's investment profile and its classification have been previously prepared. In the case of investment consulting by telephone, the minutes will be delivered to the client by regular mail or e-mail.

Based on the personal recommendation, the client makes the investment decision himself, and is warned of the risks referred to in Article 42 of these Rules, as well as the possibility that the Investment Company, employees or persons related to the Investment Company may own financial instruments subject to personal recommendation. Investments made and distributed by the Investment Company are not considered investment advice.

XXIII AUXILIARY SERVICES

Article 35.

The investment company will provide ancillary services to the Clients in an organized manner after the fulfilment of the necessary organizational and technical conditions. The Client agrees that the Investment Company may request the conclusion of an Agreement for the provision of ancillary services. The Company will inform the Clients about the availability of ancillary services

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through the website of the Investment Company, and other ways of communication of the Investment Company with the Client. The Company may from time to time, through the prescribed methods of communication, submit to the Clients investment research and financial analysis prepared in accordance with the applicable regulations and rules of the profession. When preparing investment research and financial analyses, the Company may rely on information, analysis, studies and other documentation submitted to it by the analysed entities, and may consider them, without additional verification, accurate, true and complete. It can also rely on publicly available information from recognized financial data sources that is not always required to be verified. The Company emphasizes that the content of investment research and financial analysis to be provided to Clients does not constitute explicit or tacit investment advice or personal recommendation of any kind and nature to Client and / or third parties in terms of any actual and / or proposed transaction, product or investment objectives. Investment research and financial analysis do not take into account economic, financial and / or investment circumstances related to the Client, especially in terms of his economic position, and his financial condition and indicators, as well as investment objectives. The Company emphasizes that the Client assumes full responsibility in connection with all decisions and transactions in its Financial Instruments Accounts and emphasizes that the Company is not responsible for any decision on investment and disposal of assets made by the Client. The Company is not responsible for the accuracy or delay of investment research and financial analysis due to the occurrence of force majeure, or IT, organizational, communication and similar problems. The Company has no obligation to notify of changes in its opinion, information, forecasts, and projections arising from new circumstances. The Company especially emphasizes that the Client consciously and independently assumes all risks regarding investments in financial instruments, and that the Investment Company is in no case liable to the Client for any damage caused by any risk related to the purchase, sale, holding and / or safekeeping of the financial instrument. , with which the Client was adequately acquainted, i.e. delivery of investment research, as well as other ancillary services to enable him to conclude a transaction with one or more financial instruments, as well as all other risks related to the provision of investment and ancillary services.

XXIV HOLDING AND PROTECTION OF CLIENTS 'CASH AND FINANCIAL INSTRUMENTS

Article 36.

The right of ownership of clients is protected within the Law on Capital Market, which implies the separation of clients' assets from the assets of the Investment Company. For this purpose, the Investment Company, in addition to regular accounts with commercial banks, also has special purpose accounts which, in accordance with legal provisions, do not enter the Investment Company's assets, bankruptcy or liquidation estate or be subject to enforcement claims against the Investment Company. Special purpose accounts are used exclusively for the payment and disbursement of clients' funds for the purpose of buying or selling financial instruments on the client's order.

If investment company is a member of the Central security depository and clearing company of Montenegro CDCC, the investment company is obliged to pay returns to the guarantee fund given the risk of non-settlement of the transaction traded on the Montenegro Stock Exchange.

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Money from the sale of financial instruments and / or financial instruments can be used to execute new orders, unless the client requests the payment of money, lowering the shares to a vacant position in the CCDD or lowering the shares from the collective custody account.

The Investment Company will keep the funds paid by the client for the purchase of financial instruments as well as the funds from the sale of financial instruments separately from its own funds, on dedicated accounts with commercial banks in Montenegro, taking into account bank ratings and risk dispersion. Clients are informed, when it comes to trading abroad, that the Investment Company holds funds and financial instruments held with authorized custodian banks abroad, collectively, i.e., in collective custody accounts (review of risks associated with holding assets in collective custody accounts is prescribed Article 31 of these Rules).

When choosing a third party on whose accounts the financial instruments or clients' funds are deposited, the rating, expertise and market reputation of the third party are taken into account, as well as the legally prescribed conditions and market practices related to holding financial instruments and funds. The investment company does not take responsibility for loss or damage caused by failure or insolvency of a third party or their third parties but is responsible to the client only for the choice of a third party, i.e., that the selection acted professionally and with due care in accordance with bylaws.

XXV PLEDGE RIGHTS

Article 37.

The investment company has the right to block financial instruments owned by the client according to the provisions of the ZOO as well as the right to out-of-court settlement of their value and the right to collect from funds in a special client account under the following conditions:

- if the client has due and outstanding liabilities to the Investment Company arising from any contract concluded in accordance with these Rules of Business of the Investment Company.

The Investment Company shall notify the Client in advance of its intention to collect by blocking financial instruments, withholding money or of the intention to offset the cash balance and receivables for the amount of the Client's debt to the Investment Company.

In relation to the service of trading financial instruments abroad, when the Investment Company holds the same in a collective custody account opened in the name of the Investment Company, the custodian bank has the right to debit assets (financial instruments, funds) on the account in case of outstanding, and due obligations arising from the contract on opening a custody account.

XXVI REPORTING TO SMALL INVESTORS

Article 38.

Before providing investment services, i.e., before concluding a contract, the Company is obliged to provide small investors and potential small investors with information on:

- The Company and the services provided by the Company,

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- financial instruments with a general overview of the nature and risks characteristic of them,
- protection of financial instruments,
- costs and associated expenses.

The Company is obliged to inform the client and the potential client about any significant change in the information.

Information is provided through the Company's website in accordance with legal requirements or other durable media in a standardized form.

All settlements, documents and reports are delivered to the client via a permanent medium to the address of residence / e-mail or electronic email address via the Internet if all conditions provided by the Investment Company Rulebook are met, which emphasizes the client's consent to such data delivery.

The language of communication is Montenegrin. The Company may communicate with clients - foreign legal or natural persons in English or another foreign language provided by the contract, provided that the contract, orders and other necessary documentation exchanged with the Company by the client are compiled bilingually.

Communication between the Company and the client is performed in a manner that is agreed with the client, and which is most convenient for the client, in accordance with the Law on Capital Market and the conditions prescribed by law. If the Client chooses to communicate with the Company by telephone, application, e-mail, or other forms of distance communication, the Company has the right to:

- 1) records telephone conversations or electronic communication of transactions concluded by trading for its own account, as well as receiving, transmitting and executing client orders, regardless of whether the transaction is concluded,
- 2) provides recording of telephone conversations and electronic communication with equipment provided for use to the employee or contractor or whose use by the employee or contractor is permitted by the investment company.

By familiarizing with these rules, the client is informed, before providing investment and ancillary services, that telephone communication or conversations between the investment company and its clients will be recorded.

XXVII BUSINESS CALCULATION

Article 39.

The investment company shall without delay provide the client with information related to the execution of the order. The Investment Company shall deliver the order execution certificate to the client no later than the first working day after the order execution, i.e., the first working day after receiving the order execution from a third party, with the following information:

- identification code of the Investment Company, client code, trading day and time code, trading type code, trading place code, trading instrument code, financial instrument,

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issuer, quantity, unit price and total price, purchase or sale code, and cost specification items.

For clients who trade via the Internet, all data on executed orders are available in electronic form within the applications for online trading and are sent on monthly basis.

XXVIII PORTFOLIO MANAGEMENT REPORT

Article 40.

For clients who have concluded a Portfolio Management Agreement with the Investment Company, the Management Report is submitted every 6 (in words: six) months, as of 30.6. and 31.12. If the client wishes to receive the Reports every 3 (in words: three) months, he is obliged to send a written request to the address of the seat of the Investment Company. The portfolio management report contains:

- a) Name of the investment company, account code of the small investor,
- b) a report on the content and valuation (assessment) of the portfolio including details of each financial instrument held for the client, market value or fair value of the portfolio at the time of reporting, cash balance at the beginning and end of the reporting period, and portfolio return during the reporting period,
- c) review of transactions performed within the reporting period,
- d) the total amount of fees charged to the client incurred in the reporting period, which are management fees and costs related to the execution of transactions,
- e) comparison of portfolio returns during the reporting period with the agreed reference value,
- f) the total amount of dividends and other payments received on behalf of the client during the reporting period, arising from the ownership of securities, and information on other corporate shares that give rights in relation to financial instruments.

The investment company performs valuation of assets in the portfolio in relation to the closing or last price achieved on the market on the day of portfolio calculation or the last available trading date before the date of portfolio calculation, within the report, while internally, for investment decision purposes, portfolio assets are valued. executes as needed and more often. If the Investment Company realizes a loss in portfolio management that exceeds the percentage determined by the Portfolio Management Agreement, without delay, by phone or e-mail, it will notify the client of the loss by the end of the business day in which the threshold is exceeded. The settlement currency, regardless of the market in which the client's assets are invested, is always EUR.

XXIX FEES AND ASSOCIATED COSTS

Article 41.

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The investment company will charge the client fees and other costs according to the valid Price List. For trading in all types of financial instruments, the commission of the Investment Company is calculated, as well as the costs of the trading venue, the costs of the CDCC, as well as the possible costs of keeping securities. Clients whose transactions are settled through custody accounts are charged additional fees determined by the Price List. There may be other costs for trading on foreign markets, such as the cost of returning money to Montenegro, ie. foreign bank commission and domestic bank commission.

All costs are calculated for each individual transaction, unless otherwise specified for each service in the Price List. In case of withdrawal of the order, no commission is charged. The portfolio management service includes the collection of management fees, trading fees, success fees, and fees for early termination of the Agreement (described in more detail in the Price List). If a client incurs a cost, caused by the specifics of an individual market, which is not provided for in the Price List, the Investment Company will calculate it separately and deliver such calculation to the client. In addition to the above costs, there is a possibility that the client may incur other costs associated with transactions such as. taxes on dividends from abroad, or costs of corporate activities, whereby the Investment Company will calculate the client's tax costs as well as all related fees.

In the case of trading in financial contracts on differences, the Company makes a profit from the movement of instrument prices, financing costs and commissions. Inactive accounts (no open positions or no transactions) may be subject to a penalty payment in which case the Company is authorized to debit a certain amount, determined by the price list, from the client's account in case of quarterly inactivity.

For access to certain markets abroad, an obligation to pay special or additional costs may be agreed with the client.

XXX RISKS RELATED TO TRADING IN FINANCIAL INSTRUMENTS AND PROPERTIES OF FINANCIAL INSTRUMENTS

Article 42.

Investing in financial instruments, and given their characteristics, is associated with the following risks:

- a) Business risk arises from the uncertainty of whether the issuer of the security will maintain its competitive position in the market in the future, as well as business stability and continuity of growth. Higher business risk may have a negative impact on the price of securities of the issuer in question.
- b) Financial risk is a consequence of the structure of financial sources of the issuer of securities. When analysing the stated risk, it is necessary to analyse the financial indicators of the issuer of securities. Higher financial risk can have a negative impact on the price of securities.
- c) Systemic risk is the risk inherent in the entire capital market, market segment, industry, etc., in other words, the price of a particular security can fluctuate significantly even if

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financial indicators such as profit, dividends, interest payments, competitive the position or other financial indicators of the issuer of securities have not changed (eg due to changes in interest rates, recession, adverse weather conditions and natural disasters, investor behaviour in the market, etc.).

- d) The risk of changes in exchange rates occurs when investing in securities denominated in foreign currency, and their yield is also exposed to the risk of changes in the EUR exchange rate against the currency in which part of the investment will be expressed. Changes in the value of foreign currencies can have a significant impact on the total yield of a security denominated in domestic currency.
- e) Interest rate risk is the risk arising from the uncertainty of the future price of money (future interest rates). It is characteristic of debt securities (fixed income securities). The price of a financial instrument with a fixed yield is the opposite of the interest rate. If market interest rates rise, the price of fixed-yield bonds falls, and conversely, if interest rates fall, the price of fixed-yield bonds rises.
- f) Credit risk implies the risk that the issuer of bonds will not be able to fully or partially settle its obligations at the time of their maturity or that it will not be able to refinance due obligations (refinancing risk). Non-fulfilment of obligations has an impact on the yield of debt securities (e.g. bonds, commercial paper, etc.) of that issuer, but can also have a significant impact on the yield of other securities of the issuer in question (e.g. on the yield of shares).
- g) Liquidity / marketability risk is the risk that a security will not be able to be sold at a certain point in time or that it will not be able to be sold without a significant discount.
- h) Inflation risk is the risk of a fall in the value of securities caused by a general rise in prices.
- i) The risk of revocation or early repayment is the risk inherent in bonds. Consequences occur when the issuer has the option to revoke the bond before its maturity under conditions that are unfavourable for the investor at that time, or when the issuer has the option of early repayment of the debt.
- j) Economic risk implies the impact of cyclical and seasonal trends in the economy or individual sector on the profitability of investments in certain industries. Securities of cyclical activities such as e.g., construction will feel more the impact of cyclical movements of the economy on its value, while on securities less cyclical activities such as e.g. the food industry cyclical economic trends will not have such a big impact.
- k) Political or country risk may have a significant impact on the yield of securities. Such risks include e.g. the risk of changes in legal regulations, negative developments in international relations or within the state, the risk of outbreaks of interstate or intrastate conflicts, etc. For countries in transition where elements of modern market economy are not present, political factors can have a significant impact on the yield of securities.
- l) The risk of changes in tax regulations is the likelihood that the legislature will change tax regulations in a way that would adversely affect the return on investment in securities affected by changes in such tax regulations.

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- m) Social risk includes the possibility of changing the mood of consumers towards certain companies or entire activities, which can arise in various ways (for example, as a result of the movement for ecology and concern about environmental pollution). Such a social climate can lead to the closure of a number of companies or entire activities that have not adapted to new trends and to the opening of new ones.
- n) Event risk includes the possibility of sudden events (natural disasters, takeovers and restructurings, regulatory changes, etc.) that may have a significant impact on the issuer's ability to meet its obligations (repayment of interest and principal). Business risk, financial risk, systemic risk, economic risk and social risk are risks that are characteristic of stock trading. Cancellation or early repayment risk, interest rate risk, credit risk and event risk are risks specific to bonds, while exchange rate risk, liquidity / marketability risk, political risks, regulatory risk are common risks associated with investing in stocks and bonds.

XXXI RISKS RELATED TO HOLDING FINANCIAL INSTRUMENTS / CASH IN COLLECTIVE CUSTODY ACCOUNTS

Article 43.

Clients' funds and financial instruments, which trade on foreign markets, are deposited in collective custody accounts with custody banks, which are opened in the name of the Investment Company, and for the account of the clients. The analysis of assets per individual client is conducted by the Investment Company, through its own records. The investment company, through checks that are performed automatically, through business information systems, and double checks by various organizational units, reduces the potential risk of errors in record keeping, which can negatively affect the assets and rights of clients.

Keeping assets in collective custody accounts can lead to the following risks:

- Impossibility to identify the ultimate owners of financial assets with the depository - in case of any loss there may be a problem of identification of the ultimate owners of assets in the aggregate accounts. However, in most countries there are clear and simple legal solutions to such problems.
- Asset protection - non-separation of assets at the level of the central depository poses a risk that the chain intermediary, a member of the central depository or another intermediary, is considered the ultimate owner of the securities. Failure to identify on the custody side can lead to a situation where the ultimate owner of the securities is threatened with foreclosure if one or more intermediaries in the chain become insolvent.
- Forced lending of assets - as a factor beyond the influence of the Investment Company, and due to routine and unconscious action of a foreign third party where a temporary imbalance occurs, the consequence of the shortfall may be forced lending of one client's financial instrument to any other client. property.
- Transparency - aggregate accounts at the central depository level, together with inappropriate identification of the ultimate owners of securities may prevent regulatory

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authorities, tax authorities, issuers, and any other entity with the right to collect information on securities positions and movements at the central depository level, to identify the actual owners of the securities.

- Corporate activities - due to the possible existence of a large number of custody and sub-custody accounts, there may be a delay between the issuer of securities and the client, ie the inability to participate in corporate activities within the deadline.
- Corporate activities - dividend in shares or fragmentation - in case of several owners of financial assets on a collective custody account when distributing dividends in shares or fragmentation for certain corporate shares, there may be a problem of rounding the number of allotted shares for individual clients in the correct ratio. property.
- Corporate activities - conflicting interests and different voting - in the case where a custodian bank keeps securities in a collective account with a third party for several clients, some may want to vote "for" on a particular issue, while others want to vote "against". In theory, there may be a risk that the relevant legal system of a particular country does not allow one investor to vote against.
- Tax processes - the structure of aggregate accounts, without the category of investors or without the category of activities, can bring significant shortcomings in the processing of taxes on the part of tax authorities, agents, central depositories and intermediaries. In the form of transaction tax, for those central depositories that have a role in assessing and collecting capital gains tax on transactions, the structure of aggregate accounts at the central depository level may make it impossible to distinguish between taxable and exempt transactions. Such a structure can led to problems at the level of the central depository if the central depository, issuer or custodian bank is responsible for the process of tax calculation and tax collection.
- Other risks - if the relevant legal system does not recognize the collective custody account as a valid legal form of account, in the event that a third party is unable to separate the Investment Company's assets or custody from the client's assets there may be a risk that the client does not have ownership rights. . These risks of keeping assets in pooled accounts may be to a greater extent in cases where the legal or regulatory system has not developed a clear idea of pooled custody accounts.

By concluding any contract with the investment company, as well as placing orders for the purchase or sale of financial instruments, the Client confirms that he is fully aware of the above risks and the fact that the Investment Company is not liable for damage caused by any risk.

XXXII LIMITATION OF LIABILITY OF THE INVESTMENT COMPANY

Article 44.

When providing services to clients, the investment company will act with the care of a good expert, in accordance with the rules of the profession and the prevailing business practice. In fulfilling its obligations, the Investment Company shall be liable to the client only for actual property damage resulting from intent or gross negligence on the part of the employees of the

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Investment Company, according to the principle of proven guilt. The investment company is not liable to the client for any damage caused by, for example, not exclusively:

- factors beyond the control of the Investment Company such as losses caused by force majeure, natural disasters, wars, market rules, government decisions, downturns of stock market communication systems or other circumstances beyond the control of the Investment Company,
- own technical and organizational limitations such as congestion of telephone lines or systems in general, inability to use any of the communication channels,
- non-fulfilment of obligations of the Investment Company due to omission for which the other contracting party, issuer or institution whose services the Company uses is responsible (e.g., unavailability of SWIFT),
- failure to operate a depository of financial instruments, stock exchanges, banks whose services the Investment Company uses, including custody of banks, as well as failure, failure or failure in the system of any third party whose services the Investment Company uses to fulfil obligations under the contract with the client.
- The investment company is not liable for damages if it fails to warn the client of the harmful consequences of the execution of the order. Legal inability to fulfil an obligation will be considered force majeure.
- The investment company is not liable to the client for the damage that occurs if it does not receive timely notification from the client about the change of the company name, address / headquarters, telephone number or e-mail address.

XXXIII ADEQUACY AND SUITABILITY OF THE INVESTMENT COMPANY'S PRODUCTS OR SERVICES IN RELATION TO THE CLIENT

Article 45.

ASSESSMENT OF ADEQUACY

The investment company is obliged to collect from the client, a small investor, data on his knowledge and experience necessary to understand the risks associated with the service provided (type of services, transactions and financial instruments with which the client is familiar, nature, volume and frequency of transactions and period in which they were performed, and the profession and occupation of the client) in order to determine whether a particular product or investment service is suitable for the client and warn him of their possible unsuitability, where the Investment Company may, upon explicit request, provide the client with the requested service without regardless of any inappropriateness. Without the required information, the Investment Company is unable to determine whether a particular product or investment service is appropriate for the client. It is understood that qualified clients have the necessary knowledge and experience to invest in the capital market, and in relation to the same Investment Company will not conduct a suitability assessment. The investment company shall not conduct an eligibility assessment for the purchase or sale of shares listed on a regulated market or in a similar third

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country market, the purchase or sale of money market instruments and all other simple financial instruments, and the service is provided at the client's initiative. legal obligations related to the regulation of areas of conflict of interest. In relation to trading in certificates as structured securities, an assessment of suitability will be conducted.

ASSESSMENT OF SUITABILITY

Adequacy assessment involves the entire process of collecting data and information about a client, before or during the provision of a financial instrument portfolio management or investment advisory service.

All data or information collected by the Investment Company about the client before or during the provision of the aforementioned services are used exclusively in the best interest of the client, i.e., with the aim for the Investment Company to determine whether the strategy within the standardized portfolio management service is appropriate for the client. the company could recommend to the client suitable products or services within the investment advisory service. Also, the importance of collecting accurate and complete data is emphasized, because only in that way can the Investment Company adequately assess the suitability and act in the best interest of the client.

On the other hand, the collection of data and information about the client as part of the assessment of suitability (for example, data on the client's knowledge and experience in the field of investment, data on financial situation, client's investment goals) is a legal obligation of the Investment Company. are collected through the Adequacy Assessment Questionnaire (hereinafter: The Questionnaire). Without this information, the Investment Company is not authorized to provide the client with a portfolio management service or investment advisory service, nor in the case when, based on the assessment of suitability, the Investment Company determines that the requested service or product is not suitable for the client. The investment company will consider the data presented by the client through the Questionnaire to be true, unless it is clear from the questionnaire itself or by comparison with the data collected later that the data is inaccurate or contradictory. The investment company will periodically, in conversation with clients or by sending a new form of the Questionnaire, determine whether the data stated in the Questionnaire are still relevant in relation to general data, data on investment objectives and financial situation, and in case of data change, which is an integral part of the Questionnaire, i.e. to archive a new Questionnaire. If the client does not submit the requested data during the audit of the data from the questionnaire, the Company will consider that they have not been changed or that the data at its disposal are up to date, unless the circumstances clearly indicate that the client does not want to submit data (eg the client refuses) that is, the client submits data that are obviously inaccurate or largely contradictory to the data on the client that the Investment Company has at its disposal from before, in which case the client's actions may be a reason for termination of the contractual relationship.

XXXIV CONTACT ADDRESS AND ACCOUNT NUMBERS OF THE INVESTMENT COMPANY

Article 46.

All reports, calculations and other notifications related to the work performed for the client, the Investment Company will deliver to the address of residence / seat of the client or to the email

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address of the client, which was previously verified by the contract. The working hours of the Company are every day, from Monday to Friday, from 08:00 to 16:00 h, except for public holidays and other non-working days in accordance with the publicly published calendar of non-working days of the Montenegro Stock Exchange. The Client may establish contacts with the Investment Company at the registered office address: Finveo JSC Podgorica, Cetinjska 11, 81000 Podgorica, Montenegro Tel: + 382 20 436 698; +382 20 202 002, e-mail: info@finveo.mn ; Sales Department E-mail: sales@finveo.mn.

The Investment Company shall notify clients of changes in the information specified in this chapter via the Investment Company 's website, and through a notice displayed at the Investment Company 's business premises. The Client is obliged to inform the Investment Company about the change of address and other contact information, and especially about the change of bank account numbers for the payment of funds. If the client fails to notify the Company, it will be considered that the Investment Company has duly fulfilled its obligation by using the existing contact details of the client to send the notification.

The investment company has dedicated accounts, to which clients can deposit funds at:

- Crnogorska komercijalna bank AD Podgorica
- Ziraat bank AD Podgorica

XXXV STORAGE AND PROCESSING OF PERSONAL DATA

Article 47.

The investment company will collect and further process the client's personal data only for the purposes of the contract concluded with the client. By concluding any contract with the Investment Company, i.e. placing an individual order, the client gives explicit consent to the Investment Company to take all actions related to the processing and exchange of his personal data, facts and circumstances that the Company learns and obtains in performing its obligations. Of the Investment Company for the collection, storage, recording, organization, insight and transfer of personal data for the purpose of performing regular activities of the Investment Company. A client who wants to invest in foreign markets by concluding a contract agrees to the disclosure of his personal data outside Montenegro, if the same is necessary to achieve the purpose of the contract.

XXXVI POLICY OF PREVENTION OF CONFLICTS OF INTEREST

Article 48.

Potential conflict of interest means any situation in which the Investment Company or a relevant person is able to use their professional or official position or authority for their personal benefit or for the benefit of the Investment Company, and at the expense (burden) of the client, but also any other situation is marked as a conflict of interest or prohibited action in the regulations governing the capital market. The basic principles applied by the Investment Company in order to prevent conflicts of interest are the principle of active prevention of conflicts of interest and the principle of transparency.

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The Investment Company shall apply the Internal Rulebook on Prevention of Conflicts of Interest, which prescribes measures to prevent conflicts of interest, and if conflicts of interest cannot be avoided, the Investment Company shall inform clients of circumstances that affect or may affect their independence and objectivity, and always before doing the business on behalf of the client.

Relevant persons are, in conducting transactions, obliged to place the interests of clients and the integrity of the capital market above their personal interest. When purchasing a certain security / financial instrument for its own account, the employee of the Investment Company may not give himself priority in relation to another client or in relation to the account of the portfolio managed by the Investment Company. If there is a conflict of interest between the clients to whom the Investment Company provides the service of receiving and executing orders, the Investment Company will execute the previously received order first. If there is a conflict of interest related to the execution of several identical orders, namely the orders of clients whose portfolios the Investment Company manages and clients to whom it provides the service of receiving and executing orders, the Investment Company will give priority to the order with earlier time of receipt. trading, if it was adopted earlier.

The time of receipt of the order is visible from the order book kept by the Investment Company. The internal rulebook on the prevention of conflicts of interest is available to clients for inspection at the business premises of the Investment Company or on the website of the Investment Company.

The Investment Company has taken all necessary steps to identify conflicts of interest and has adopted a rulebook on the prevention of conflicts of interest which regulates the circumstances that represent or may lead to conflicts of interest to the detriment of the Client and the procedures and measures taken by the Investment Company for the interests of the Client. Circumstances that represent or may lead to a conflict of interest for the Company are as follows:

- The investment company and / or relevant persons could make a financial gain or avoid a loss to the detriment of the Client,
- The investment company and / or relevant persons have an interest or benefit in the outcome of work performed for the client or transactions performed for the account of the Client, which differs from the interest of the Client,
- The investment company and / or relevant persons have a financial or other motive for favouring the interests of another Client or a group of Clients to the detriment of the Client's interests.
- The subject of business of the Investment Company or relevant person is the same as the subject of business of the Client,
- The investment company and / or relevant persons receive or will receive from a person other than the Client additional incentives based on work performed for the Client in the form of money, goods, services or the like, which is not the usual commission or fee for that work.

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The relevant person within the meaning of this Article is the director or manager, employee, tied agent or majority shareholder of the Investment Company.

XXXVII METHOD OF COMMUNICATION

Article 49.

The Company may also provide information to clients electronically, if the following conditions are met:

- the client has submitted a valid e-mail address to the Company,
- the client has chosen such a method of information delivery,
- the client is electronically informed about the website address and the place where he can access the relevant data,
- The Company regularly updates information,
- Information is available at all times.

The Client may place orders directly, by fax, telephone and electronically, if provided for in the contract with the Client.

In case the client performs all communication with the company electronically, it is necessary to submit a statement that he accepts a defined email address as a means of communication with the company and an exclusive way of submitting documentation that he considers legally valid and waives objections to this method of delivery. such service shall be deemed to be personal service in a legally valid manner in the event of a dispute.

XXXVIII CLIENT COMPLAINTS

Article 50.

Complaints due to possible improper work performed by the employees of the Investment Company are submitted on a standardized Complaint Form which is available on the website of the Investment Company in electronic form on email: complaints@finveo.mn or in the business premises of the Investment Company in physical form.

The complainant is obliged to state his name and address. Anonymous complaints will not be considered. The investment company shall keep a Register of Complaints in electronic form and shall inform the complainant of the manner of resolving the complaint.

XXXIX FINAL REGULATIONS

Article 51.

The valid Rules on the operations of the investment company are available in the business premises of the Investment company or on the website of the Investment company, and the client is obliged to be informed about them before placing an order. By giving an order for the purchase or sale of financial instruments, the client confirms that he has read and that he agrees with the Business Rules of the Investment Company.

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These general Business Rules of the investment company will be applied after obtaining the consent of the Capital Market Authority of Montenegro.

Chairman of the Board of Directors

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