

Lenno Global Advisory JSC

Order Execution Policy



Lenno Global Advisory JSC

2019

LENNO

Order Execution Policy

LENO

I. GENERAL PROVISIONS

Art. 1. This Policy is developed pursuant to art. 86, para 1 of the Markets in Financial Instruments Act (MFIA) and Commission Delegated Regulation (EU) 2017/565 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organizational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive (Delegated Regulation 2017/565).

Art. 2. The purpose of this Policy is to ensure a high quality of execution of the transactions carried out for the account of Lenno Global Advisory's clients and to maintain the integrity and efficiency of the financial system when the investment intermediary:

- a) a) executes orders on behalf of clients;
- b) receives and transmits orders in relation to one or more financial instruments, including intermediating for conclusion of transactions in relation to financial instruments;
- c) gives orders to execute transactions on behalf of clients in relation to a customer's portfolio managed by the investment firm.

II. DEFINITIONS

Art. 3. Throughout this Policy, the following definitions will have, the meaning, stated against them, except in contradiction with a legal definition, in which case the latter shall prevail:

3.1. "Client" is a natural or legal person to whom an investment intermediary

provides investment or ancillary services.

3.2. Professional client is a client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs. In order to be considered to be professional client, the client must comply with the criteria on the basis of which the clients of "Lenno Global Advisory" JSC are qualified.

3.3. "Retail client" is a client who is not a professional client or an eligible counterparty.

3.4. "Eligible counterparty" means investment intermediary, credit institution, insurance company, collective investment scheme, management company, pension fund, pension insurance fund, other financial institutions, which are licensed or regulated by the European union and Member State legislation, national governments, public bodies that deal with public debt, central banks and supranational organizations, as well as such entities from third countries, subject to requirements equivalent to the requirements of the European legislation. Other entities who meet the criteria set out in art. 71 of the Delegated Regulation 565/2017, could be considered as eligible counterparties as well, including entities from third countries.

III. EXCEPTIONS

Art. 4. This policy is not applicable in the following cases:

4.1. Eligible counterparties – if the client is classified by the investment intermediary as an eligible counterparty, he does not rely on the best execution protection under this Policy. Every client classified as an eligible counterparty, could

explicitly request not to be considered as such for a specific transaction. When concluding a transaction with or for an eligible counterparty from a third country, the investment intermediary should have the explicit confirmation of the person which agrees to be treated as an eligible counterparty.

4.2. special instructions of the client—when the client provides special instructions related to the entire order or any aspect of it, including requirement to execute the order at a specified place of performance, the investment intermediary shall execute the order in accordance with those instructions. Thus, it is considered that the investment intermediary has taken all the reasonable and necessary steps in order to achieve the best result for the client regarding the entire order or the aspect of the order contained in the client's instructions.

Art. 5. When placing an order on an electronic trading platform (COBOS, etc.), the client select all the parameters of the order and the latter is classified as submitted with special instructions. In this case, the investment intermediary acting on behalf of the client, giving him access to the system, is deemed to have performed the diligence to achieve the best result for the client. When the electronic system allows certain parameters of the order not to be specified, the investment intermediary shall take care of their best execution in accordance with this Policy.

IV. GENERAL PROVISIONS AND PRINCIPLES IN THE EXECUTION OF CLIENTS' ORDERS

Art. 6. (1) II “Lenno Global Advisory” executes their clients’ orders in their best interest according to the Policy adopted by

the investment intermediary, taking into account the price, costs, speed of execution and settlement, size, nature, as well as all other circumstances related to the execution of the order.

(2) When providing investment services and activities on behalf of clients II “Lenno Global Advisory” JSC acts honestly, fairly and professionally in accordance with the best interests of its clients.

(3) II “Lenno Global Advisory” JSC treats its clients equally.

(4) In compliance with the obligation of achieving best result for the client an II “Lenno Global Advisory” JSC shall execute its clients’ orders as it earliest convenience, unless this would obviously be to the clients’ disadvantage.

(5) The Investment intermediary shall make all reasonable efforts to establish the best price for the client pursuant the order’s parameters, amount of costs, probability of execution, as well as the other circumstances related to the execution of the order.

(6) The Investment intermediary may not execute orders on behalf of its clients if it has not obtained their prior consent to the Policy.

(7) In case of specific clients’ instructions II “Lenno Global Advisory” executes the order in accordance with these instructions, in regards to the factors determining the best execution in client’s interest, and for those orders for which there are no instructions, the investment intermediary makes an appropriate assessment.

(8) Any specific clients’ instructions may prevent the intermediary from taking all necessary actions to achieve the best result when executing clients’ orders in accordance with this Policy, for that part of the order, which the specific instructions

refer.

V. FACTORS WHICH THE INVESTMENT INTERMEDIARY REVIEWS AND ASSESSES WHEN EXECUTING CLIENTS' ORDERS

Art. 7. (1) II "Lenno Global Advisory" JSC executes the client orders in his best interest, as to fulfill this obligation the company makes reasonable efforts to determine:

1. The best price for the client according to the parameters of the order: The price of the financial instruments is an important factor, which the investment intermediary reviews when executing clients' orders. This factor considered together with the costs related to the execution of client's order shall be regarded as the most important factor in respect of the retail clients, as well as the selection of execution venue.
2. Amount of the cost: The cost related to the execution of clients' orders is the second most important factor, which the investment intermediary reviews together with the price of the financial instruments. The expenses related to the performance shall include all expenses that are directly related to the execution of the order, including fees for the execution venue, clearing and settlement fees, as well as other fees and remunerations payable to third parties, bound with the execution of the order. The costs are also crucial for the selection of an execution venue.
3. Volume/number of the financial instruments. The volume or the number of the financial instruments of the client's order are directly related to the price of the financial instruments. and the transaction costs. Depending on the order volume different execution

venues may be selected.

4. Speed of execution: The price of the financial instruments depends on the speed of execution. The Investment intermediary takes this factor into account when selecting the execution venues.
5. Probability of execution: In every particular case the Investment intermediary assesses the execution probability and select the execution venue on that basis.
6. Type and nature of the order: The Investment intermediary assesses what the best result for the client might be and assesses all the factors listed according to the type and nature of the order: buy, sell, exchange, etc.; limited, market, etc.
7. Any other factors that are relevant to the order execution and the achievement of the best result.

(2) In execution of client orders II "Lenno Global Advisory" JSC shall take into account the relevant significance of the factors under para. 1, according the following criteria:

1. the characteristics of the client, including whether he has been defined as a retail or professional client;
2. the characteristics of the client's order, including when the order relates to a securities financing transaction;
3. the characteristics of the financial instruments subject of the order;
4. the characteristics of the execution venues, to which the order may be directed for execution.

Art. 8. Additional criteria applicable to

retail clients' orders.

(1) When executing an order given by a retail client, the best possible performance of such order shall be determined by the total amount of the transaction, including the price of the financial instrument and the expenses related to the performance. The expenses related to the performance shall include all expenses that are directly related to the execution of the order, including fees for the execution venue, clearing and settlement fees, as well as other fees and remunerations payable to third parties, bound with the execution of the order.

(2) To achieve best possible performance, in the cases where there is more than one competitive execution venues of an order in relation to financial instruments and in making assessment and comparison of the results that may be achieved for a retail client where executing the order on each of the execution venues, specified under the intermediary's policy for performance of orders which are suitable for its execution, the intermediary's commission fees and the expenses incurred in connection with the execution of the order on each of the possible venues shall be taken into consideration.

VI. EXECUTION VENUES

Art. 9. IA "Lenno Global Advisory" may execute its clients' orders at the following venues:

(1) 9.1.1. Bulgarian Stock Exchange-Sofia – regulated securities market, which through a unified trading system, concentrates the demand and supply of financial instruments meeting minimum requirements, and also assists for:

a) the conclusion of transactions with

these financial instruments at market prices;

b) achieving liquidity of financial instruments;

c) centralized dissemination of market information.

9.1.2. Outside a regulated market

9.1.3. Multilateral trading facility - Clients' orders may be executed outside a regulated market or a multilateral trading facility, only if the intermediary's clients have been informed in advance and have given their express consent.

(2) IA "Lenno Global Advisory" JSC shall not structure or charge its commissions in a way that discriminates incorrectly between the execution venues.

(3) BSE – Sofia is the place, where II "Lenno Global Advisory" JSC can achieve the best performance and receive constantly the best possible results for the execution of its clients' orders. The markets organized by the Exchange are as follows:

1. Main market of the Bulgarian Stock Exchange (Bulgarian Stock Exchange or BSE), in which the following market segments are identified:

1.1. Premium Equities Segment;

1.2. Standard Equities Segment;

1.3. Special Purpose Vehicles Segment;

1.4. Bonds Segment;

1.5. Compensatory Instruments Segment;

1.6. Exchange Traded Products Segment;

1.7. Subscription Rights Segment;

1.8. Privatization Segment;

1.9. Initial public offering Segment;

1.10. Government Securities Segment.

2. Alternative Market (Bulgarian Alternative Stock Market or BaSE), in which the following market segments are identified:

2.1. Equities Segment;

2.2. Special Purpose Vehicles Segment;

3. Market BSE International.

(4) The execution venues list under para. 1 is not an exhaustive list. The Investment intermediary may also use other execution venues, that it deems to be appropriate according to this Policy. The Investment intermediary shall assess and analyze on a regular basis the possible new execution venues and shall update para. 1 above. In this connection the client shall be notified about the amendments made to the list.

(5) In regards to specific financial instruments, it is possible that in essence the order could be executed at only one venue. When executing clients' orders in such circumstances it is considered that the investment intermediary has achieved the best result for the client.

VII. SUBMISSION AND EXECUTION OF CLIENTS' ORDERS

Art. 10. (1) The Investment intermediary accepts orders for transactions with financial instruments, submitted personally by the client or by his proxy, and in the cases of clients – legal entities – by his authorized representative. Except in cases of portfolio management the investment intermediary engages in transactions with financial instruments on behalf of clients only on the basis of clients' orders with the

following minimum content:

1. the names (business name) and the unique client number of the client and of his representative, and if such numbers have not been assigned – the respective identification data. Where an investment intermediary assigns to its clients a unique number, it shall keep for them a register which will contain at least that number and the following data: the full name, Personal Identification Number, domicile and address, or business name, identification number BULSTAT, tax number, seat and address of the client, and if the client is a foreign person – analogous identification data. In the register according the previous sentence shall be also entered the relevant identification numbers for his representative or proxy, number and date of the power of attorney, and the investment intermediary may assign a unique number also to the representative or the proxy;
2. type, issuer, ISIN code of the issue, or name of the instrument, respectively characteristics of the derivative financial instrument and number of financial instruments to which the order relates;
3. type of the order;
4. nature of the order (acquisition or disposal of a financial instrument);
5. unit price and total amount of the order;
6. the order's term of validity;
7. execution venue if the client has determined such;
8. quantitative execution of the order (in part, in whole);

9. way of payment;
10. date, hour and place of giving the order;
11. other specific instructions by the client;
12. indication of whether the order was given as a result of investment advice;
13. way of giving the order.

(2) Paragraph 1 is not applicable when the order is submitted via an electronic trading platform, where the order details are not determined by the investment intermediary.

(3) The unique serial number is detailed in the order.

(4) When submitting an order, the client is informed of:

1. the current Policy;
2. the financial instruments and the risks associated with them;
3. the execution venues, on which the investment intermediary relies substantially when fulfilling its obligation to take all reasonable steps to consistently achieve the best possible results when performing clients' orders and to indicate the execution venues, used for each class of financial instruments;
4. the costs and fees of the transaction;
5. where the clients' assets (financial instruments and cash) can be stored, by whom they can be stored and what is the responsibility of that person;

(5) The giving of the orders by a proxy shall be done only if the proxy submits notarially attested power of attorney, which contains representative authority for execution of actions of disposal with financial instruments and a declaration by the proxy

that he does not carry out by occupation transactions with financial instruments, as well as that he did not execute such for a one-year period prior to conclusion of the contract. A copy of the client's identification document or his representative, certified by the client and by the person who concludes the contract for the investment intermediary shall remain in the investment intermediary's records. The certification shall be performed with the affixing of inscription "true to the original", date and signature of the person, making the certification. Upon submitting the orders under paragraph 1 in entered in the register under article 30, par 1. item 2 from FSCA head office, branch or office of the investment intermediary, if in the process of verification of the client's identity any change in the personal details has been established, or if a new identity document has been issued, article 24, paragraph 5 from Ordinance 38 shall apply.

(6) In case of placing orders for transactions over the telephone, the investment intermediary is obliged to make a record of the conversation with the client, which attests the content of the given order pursuant para. 1. In case of placing orders for transactions by another remote means of communication, the investment intermediary is obliged to electronically store the information, provided by the client in relation to the orders. Fax messages are stored on paper for.

(7) Paragraph 6 shall not apply to an order, given by a representative who has not attested to the investment intermediary his representative authority, or by a proxy who failed to present in advance the documents under Art. 25 from Ordinance 38.

(8) Paragraph 6 shall not apply with regard to transfer of dematerialized financial instruments from e personal account under a client sub-account to the investment intermediary in the Central Depository.

(9) The Investment intermediary may accept client orders through an electronic trading system, which guarantees compliance with the requirements of Ordinance 38 and ensures an access of the client to specific execution venue. The access to the system under the preceding sentence and the entry of orders by the client shall be accomplished by a computer and/or mobile applications, which ensure reliable identification of the clients.

(10) Upon the order acceptance, the person accepting it shall check the identity of the client, or of his representative.

(11) The Investment intermediary shall refuse to accept an order, which does not satisfy the requirements of para. 1 or has been given by a proxy, without the requirements of para. 5 to be complied with.

(12) The Investment intermediary shall provide to the client a signed copy of the accepted order under para. 1, unless it is given according to para 6 and 9.

Art. 11. (1) The Investment intermediary may accept orders for transactions with financial instruments as follows:

1. On-site at the investment intermediary's office. Upon giving orders on-site at the office of IA "Lenno Global Advisory" JSC, the same shall be accepted only at entered in the register under article 30, par 1. item 2 from FSCA registered office, by employees under para. 39 and/or para. 2 of Ordinance 38.
2. Remotely in the following ways:
 - a) by remote means of communications: by telephone, fax or e-mail. The Investment intermediary may accept orders for transactions with financial instruments over the telephone or by

another remote means of communication placed by clients. By signing a contract for the provision of a certain type of investment service, the client gives his consent to the recording of telephone conversations with the personnel of the investment intermediary. The client is informed and agrees that when accepting orders over the telephone an employee of "Brokers" department and/or "Front – office" department shall require the client to provide relevant personal data for correct identification. The contract may be concluded remotely by exchanging electronic statements signed with an electronic signature according to Art. 13 of Electronic Document and Electronic Trust Services Act (EDETSA). The client respectively his representative shall send to the II a copy of his identity document, signed in accordance with the previous sentence, and for clients – legal persons – and copy of commercial registration documents containing information on the establishment and representation.

- b) The Investment intermediary may accept orders for transactions with financial instruments remotely by exchanging the necessary documents signed by the parties, provided that the client holds a bank account opened at a credit institution, holding a license issued by a Member State or a party to the Agreement on the European Economic Area and/or a document, certifying a charging or payment of an utility service; the documents must show who is the account holder, respectively the account. The credit institution issued the document also may have its registered office in Member – State of the Financial Action Task Force), the Asia/Pacific group on Money Laundering (APG), the Eurasian group on combating money laundering and financing of terrorism (EAG) or the

Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) of the Council of Europe. The client, respectively his representative shall send to the investment intermediary the signed contract, an original document, issued by the credit institution concerned, that the client is the holder of a bank account and certified copy of his identity document, and for clients - legal persons – certified copy of commercial registration documents containing information on the establishment and representation. The certification shall be performed with the affixing of inscription “true to the original”, date and signature of the person, making the certification. Transferring of funds from the client in regards to receiving and providing investment and supplementary services on the basis of concluded agreement are only made to and from a payment account held by a credit institution referred to in the first sentence for which the client is the holder. Signing a contract pursuant to this letter by proxy is not allowed.

- c) The Investment intermediary may accept orders for transactions with financial instruments remotely by exchanging the required documents on paper, signed by the parties, and the client signs in the presence of a notary, who, who certifies this fact. All necessary information according to Ordinance 38, as well as the of information necessary for the assessment of the appropriate service for the client could be done by him remotely by signing the documents in the presence of a notary. The client, respectively his representative shall send to the investment intermediary the contract with notarized verification of the signatures, a certified copy of his identity document, and for clients -

legal persons – certified copy of commercial registration documents containing information on the establishment and representation. The certification shall be performed with the affixing of inscription “true to the original”, date and signature of the person, making the certification.

- 3.** The Investment intermediary may accept client orders through an electronic trading system, which guarantees compliance with the requirements of Ordinance 38 and ensures an access of the client to specific execution venue. The access to the system under the preceding sentence and the entry of orders by the client shall be accomplished by a computer and/or mobile applications, which ensure reliable identification of the clients.

(2) Paragraph 1 shall not apply to an order, given by a representative who has not attested to the investment intermediary his representative authority, or by a proxy who failed to present in advance the documents under Art. 25 of the Ordinance 38 to the investment intermediary.

(3) Paragraph 1 shall not apply with regard to transfer of dematerialized financial instruments from e personal account under a client sub-account to the investment intermediary in the Central Depository.

(4) The Investment intermediary shall provide to the client a signed copy of the accepted order under para. 1, unless it is given according to para. 1, item 3.

Art. 12. (1) Types of orders, which the client may submit on a regulated market are specified in chapter IV „Trading Rules” of the General Rules of „BSE – Sofia” JSC, as well as in the applicable legislation.

(2) The clients’ orders submitted for

performance on "BSE-Sofia" JSC shall be executed in accordance with the applicable legislation, Terms and Conditions in relation to transactions with financial instruments of II "Lenno Global Advisory" JSC, Contract for the provision of Investment and/or ancillary services, Contract for purchase/sale of financial instruments, and this Policy.

(3) An employee of "Front-office" department accepts the client's order, the employee hands it over to the employee of "Back-office" department for processing, after that the stock broker uploads the order in the trading system. The client should bear in mind that the procedure from accepting the order to its implementation in the trading system requires a certain technological time.

(4) The clients who have concluded an agreement for subscription in COBOS system upload their offers in the electronic trading system of "BSE-Sofia" JSC – COBOS.

Art. 13. (1) Upon order acceptance, the investment intermediary shall require from the client, or from his representative, to declare if:

- a) he possesses inside information about the financial instruments, to which the order relates, and about their issuer, if the financial instruments to which the order relates or on the basis of which the financial instruments – subject of the order are issued, are traded on a regulated market;
- b) the financial instruments – subject of sell or exchange order, are blocked at the depository institution, in which they are safeguarded, whether there is a pledge set up on them or distraint levied;
- c) the transaction – subject of the order,

constitutes a concealed purchase or sale of financial instruments.

Art. 14. (1) The investment intermediary shall execute the client orders on the following conditions:

- a) immediate and accurate registration and allocation of the orders for execution;
- b) immediate execution in the sequence of their receiving of identical client orders, unless the characteristics of the order or the prevailing market conditions make this unrealizable, or the interests of the clients require otherwise;
- c) the investment intermediary shall inform a retail client about the arisen objective difficulties, obstructing the exact execution of the orders, immediately upon coming to know of them.

(2) When the investment intermediary is responsible for overseeing or arranging the settlement of the executed order, he takes all reasonable steps to guarantee that all of the client's financial instruments or funds received upon the settlement of this order, are delivered promptly and correctly to the respective client.

(3) An investment firm shall not misuse information relating to pending client orders, and shall take all reasonable steps to prevent the misuse of such information by any of its relevant persons.

(4) The best execution of the order is achieved when II "Lenno Global Advisory" has made the reasonable and possible efforts to establish the best price for the client according to the order's details, amount of costs, probability of execution, as well as all the other circumstances related to the execution of the order.

Art. 15. Il "Lenno Global Advisory" JSC does not execute clients' orders or transactions on its own account, in aggregation with another client order, unless the following conditions are met:

1. it must be unlikely that the aggregation of orders and transactions will work overall to the disadvantage to any client, whose order is to be aggregated;
2. the investment intermediary has disclosed to each client whose order is to be aggregated that the effect of aggregation may work to its disadvantage in relation to a particular order;
3. the investment intermediary has adopted and efficiently implements an order allocation policy, providing in sufficiently precise terms for the fair allocation of aggregated orders and transactions, including indicating how the volume and price of the orders determines allocations and the treatment of partial executions.

Art. 16. Il "Lenno Global Advisory" aggregates clients' orders in the following cases:

1. in case there are orders from clients with the same price and at the execution venue the best counteroffer is for a larger quantity and price, that satisfies the orders. This way both orders are executed at the same price, but when processing priority is given to the previously received order
2. when the clients' orders are at different prices and at the execution venue the best counteroffer is for a larger quantity and price that satisfies both orders. Again, both orders shall be executed at the same price and when processing the orders, the first one is the order previously accepted.

3. in case where the combined offer is placed, the counteroffer is changed and the combined offer is executed in several parts and at different prices or even partially executed, priority is given to the earlier order.

Art. 17. In the cases when an investment intermediary aggregates a client's order with one or more other client's orders and the order thus aggregated has been partially executed, it shall allocate the aggregated transactions – result of the order execution, in accordance with the adopted by it policy for orders allocation.

Art. 18. (1) The Investment intermediary shall refuse client's order if the client respectively his representative refuses to file the declaration under Art. 12, para. 1 above, it has been declared that he possesses inside information or he declares that the transaction – subject of the order, constitutes a concealed purchase or sale of financial instruments. The refusal under sentenced one shall be certified by a separate document, signed by the client.

(2) The investment intermediary shall not have the right to execute an order, if it has been declared or if the intermediary establishes that the securities – subject of an order for sale, are not available on the client's account or have been blocked in a depository institution, as well as if there is a pledge set up on them or distraint levied.

(3) The prohibition under para 2 in relation to pledged financial instruments shall not apply in the following cases;

- a) the acquirer has been informed about the set up pledge and has stated express consent to acquire the pledged financial instruments, there is an explicit consent of the pledge creditor in the envisaged in the Registered Pledges Act cases;

b) the pledge was established on aggregation within the meaning of the Registered Pledges Act.

(4) The prohibition under para 2 in relation to an order for the sale of financial instruments which are not available on the client's account, shall not apply in the cases when the investment intermediary ensures otherwise that the financial instruments, subject of the sale, shall be delivered on the day of the transaction's settlement, as well as in other cases as laid down in an ordinance.

(5) An investment intermediary shall not have the right to execute a client's order for transactions with financial instruments, if that would result in violation of the Delegated Regulation 565/2017, the Markets in Financial Instruments Act (MFIA), Law on Measures against Market Abuse with Financial Instruments (LMMAFI), the Act on Special Investment Purpose Companies (ASIPC) or some other acting statutory acts.

Art. 19. In case of a limit order by a client relating to shares admitted to trading on a regulated market, where it is not executed without delay in accordance with the effective market conditions, the investment intermediary shall take measures unless the client expressly gives another instruction to execute the order as soon as possible by publicly announcing the order of the client under the procedure of Art. 70 of Delegated Regulation 565/2017.

Art. 20. The obligation under Art. 19 is considered to be fulfilled by II "Lenno Global Advisory" JSC with the transmission of the limit order on a regulated market and/or a multilateral trading facility or when the order is published by a service provider established in a Member-State.

Art. 21. II "Global Advisory" JSC may not comply with the obligation under Art. 19 if the volume of the order does not correspond to the normal market volume.

Art. 22. II "Lenno Global Advisory" does not transfer its clients' orders for execution to other persons.

Art. 23. II "Lenno Global Advisory" JSC shall not execute orders on behalf of its clients unless they have given their prior consent to this Policy.

Art. 24. An investment intermediary shall demand from a client, who gives an order for the purchase of financial instruments, to provide to it the cash needed for the payment under the 23 transaction – subject of the order, upon giving the order, except if the client attests that he will fulfill his liability for payment, as well as in other cases as laid down in an ordinance. If the rules of the execution venue on which the transaction will be concluded, allow the execution of a transaction where the payment for the financial instruments is not effected simultaneously with their transfer, the investment intermediary may not demand payment by the buyer, if there is express written consent of the seller for that. This shall apply accordingly also to other transfer transactions with financial instruments.

Art. 25. The information stored by the investment intermediary about the transactions concluded with financial instruments on behalf of a client contains at least information about the client's identity and the actions undertaken in implementation of the Law on Measures against Money Laundering and Law on Measures Against the Financing of Terrorism.

Art. 26. The investment intermediary shall keep the information about the provided services and activities under Art. 6, para. 2 and 3 of the MFIA for at least 5 years.

VIII. REVIEW AND UPDATE OF THE POLICY

Art. 27. (1) II “Lenno Global Advisory” JSC permanently monitors the effectiveness of this Policy and the quality of the execution of the orders and, where necessary, takes corrective measures to the irregularities detected.

(2) A revision of the Policy and the agreements for execution of clients’ orders is made once a year.

(3) A revision under para. 2 shall also be carried out whenever a material change that can affect the II ‘s ability to ensure best results for execution of client orders when using the execution venues which are included in the policy for order execution occurs.

(4) The Investment intermediary is required to promptly notify its clients of any changes to this Policy.

IX. FINAL PROVISIONS

§ 1. When problems are encountered in practice, the solving of which requires an amendment or supplementation to this Policy, the competent authority may change it in due course, being governed by all legal requirements.

§ 2. The Executive directors of the II may issue orders and instructions on the implementation of this Policy.

§ 3. This Policy shall be submitted to the

executive directors of the II, the investment advisories under contract by the investment intermediary, the stock brokers and all other investment intermediary’s employees for information purposes upon taking up their duties, and they provide a declaration for statement that they are familiar with them, which declaration is attached to the other documents, related to the performance of their duties in the investment intermediary.

This Policy has been adopted by the Board of directors of II “Lenno Global Advisory” JSC with Minutes of meeting held on 10.12.2007 r., amended with Minutes of meeting held on 10.09.2008 r.; amended and supplemented with Minutes of meeting held on 12.01.2009 r., revised and confirmed at a meeting of the Board of directors held on 27.01.2010 r.; confirmed at a meeting of the Board of directors held on 20.01.2011 r.; amended at a meeting of the Board of directors of II “Lenno Global Advisory” JSC held on 31.01.2012 r., entered into force on 01.02.2012 r.; confirmed at a meeting of the Board of directors held on 29.01.2013 r., entered into force on 01.02.2013 r.; confirmed at a meeting of the Board of directors held on 31.01.2014 r., entered into force on 01.02.2014 r.; revised and confirmed at a meeting of the Board of directors held on 29.01.2015 r., entered into force on 01.02.2015 r.; revised and updated at a meeting of the Board of directors held on 12.04.2016 r., entered into force on 12.04.2016 r.; revised and updated at a meeting of the Board of directors held on 13.01.2017 r., entered into force on 16.01.2017 r., last amended at a meeting of the Board of directors held on 15.03.2018 r.

for II “Lenno Global Advisory” JSC:

1. Tsvetanka Docheva Todorova
2. Bilyiana Zhorova Kostova

Lenno Global Advisory JSC

Tzum, North Reception
2 Maria Luisa Blvd, Level 5
Sofia 1000,
Bulgaria

+359 700 42 442
+359 2 445 20 60
support@lenno.com
lenno.com





LENO