

**ANNEX 1**  
**INFORMATION ABOUT NUNTIUS AND THE SERVICES PROVIDED**  
**(CONTENT OF THE PRE-CONTRACTUAL INFORMATION PACKAGE)**

**PART ONE**  
**FEES - SUPPLIES - EXPENSES**

**Athens Stock Exchange (Direct execution)**

**Standard pricing**

Transaction Supplies			
Product	Method of calculation	Minimum	Maximum
Equities - ETF	On transaction value	0,25%	1%
Equities – ETF intraday	On transaction value	0,20%	0,50%
Bonds	On transaction value	0,20%	0,60%
Minimum Commission Charge	Per plate	€5	

Commission Nuntius .....on the value of the transaction

**Trading costs at the Athens Exchange (AE)**

In addition to the Company's above-mentioned commission, transactions executed on the Exchange are subject to the following charges applied to the value of the transaction:

For transactions on the ASE in Shares

Transfers: RTF rights on Stock Exchange Transactions 0.02%

Clearing and settlement expenses for AIFs: 0.035%

Stock Exchange fees: 0,0125%

Settlement orders (per ISIN) €0.5

Per executed operation €0,06

Transaction tax\* 0,10%

\* Transaction tax is levied only on sales transactions

**FOREIGN MARKETS (Receive and transmit orders)**

Transaction Supplies			
Product	Method of calculation	Minimum	Maximum
Equities - ETFs	On transaction value	0,25%	1%
Bonds	On transaction value	0,20%	0,60%
Minimum Commission Charge	Per plate	€20 (equivalent in other currencies)	

In addition to the above, under the applicable legislation, Nuntius is obliged to withhold 0.10% on each sale transaction and pay the relevant amount to the Greek State.

The service of transaction execution is provided through our partner firm **AK Jensen**. Clearing, settlement and custody services are provided either through **Piraeus Bank** or **AK Jensen**.

**Other expenses related to third party charges**

**1. Affiliate Fees - Execution Fees**

<b>European Markets</b>	<b>(bps)</b>	<b>Minimum</b>	<b>Americas</b>	<b>(cps)</b>	<b>Minimum</b>
Austria	7.5	EUR 10	US Listed	0.90	USD 10
Belgium	3.5	EUR 10	Canada	1.20	CAD 15
Denmark	3.5	DKK 90			
Finland	3.5	EUR 10	<b>Asian Markets</b>	<b>(bps)</b>	<b>Minimum</b>
France	3.5	EUR 10	Australia	7.5	AUD 45
Germany – Frankfurt Floor	15	EUR 25	Hong Kong	7.5	HKD 300
Germany – Xetra	3.5	EUR 10	Japan	7.5	JPY 3,000
Ireland	3.5	EUR 10	New Zealand	9	NZD 45
Italy	3.5	EUR 10	Singapore	9	SGD 120
Netherlands	3.5	EUR 10			
Norway	3.5	NOK 120			
Portugal	3.5	EUR 10			
South Africa	12	ZAR 360			
Spain	5	EUR 10			
Sweden	3.5	SEK 120			
Switzerland	3.5	CHF 12			
UK	3.5	GBP 9			

FX transactions | 5 bps with a minimum of \$50

Fixed Income transactions | 5 bps with a minimum of \$75

- The above price list refers to the foreign broker's charges and does not include any fees charged by the execution venues.

**2. Charges of AK Jensen (Clearing, Settlement, Custody)**

Depending on the place of execution and the local custodian, **settlement fees** vary between €25-75 and **safekeeping fees** between €2.5-5 bps/year (charged per month).

## Taxes

Different countries may provide for transaction, capital gains or dividend taxes. For the tax treatment of any transaction or investment, the Client should consult a tax advisor and obtain independent advice.

## PART TWO

### GENERAL INFORMATION ABOUT THE COMPANY AND THE SERVICES PROVIDED

#### 1. General information about the Company

Phone number: +30 210 3350500-588-599  
Fax number: +30 210 3254846  
Address: 6 Dragatsaniou, 105 59  
Email: [info@nuntiuscapital.com](mailto:info@nuntiuscapital.com)  
Website: <http://nuntiuscapital.com/gr/>

#### 2. Services provided

The Company, on the basis of its operating license, is entitled to provide the following services:

##### i. Investment services

- α) receiving and transmitting orders relating to one or more financial instruments listed in Section C of Annex I of Law 4514/2018 (hereinafter "the **Law**").
- β) execution of orders on behalf of clients, which consists of brokering the conclusion of agreements to buy or sell one or more financial instruments listed in Section C of Annex I to the Act on behalf of clients
- γ) management of investor investment portfolios within the meaning of Art. 4 par. 8 of the Law, which consists of managing, on behalf of the client and under discretionary management for each client, portfolios comprising one or more financial instruments.
- δ) providing investment advice, which consists of providing personal recommendations to a client, either at the client's request or at the Company's initiative, regarding one or more transactions involving financial instruments.
- ε) placing of financial instruments without a commitment to draw down.

##### ii. Ancillary services

- (a) custody and administration of financial instruments on behalf of clients, including the provision of custody services and related services such as cash management or collateral services (not including the maintenance of securities accounts at the highest level referred to as "centralized custody service" in point two of Section A of the Annex to Regulation 909/2014).
- (b) Provision of credit or loans to investors for the purpose of carrying out transactions in one or more financial instruments, when the Company participates in such transactions,
- (c) Provision of foreign exchange services, where these are linked to the provision of investment services,
- (d) advising undertakings on their capital structure, sectoral strategy, and related matters, and providing advice and services on mergers and acquisitions.
- (e) investment research and financial analysis or other forms of general recommendations relating to transactions in financial instruments.
- (f) the provision of services related to fostering.

- (g) the provision of investment services/activities and the provision of ancillary services relating to the underlying instruments of financial derivative instruments, as far as they are related to the provision of investment or ancillary services.

### 3. Supervision of the Company

The Company operates under license 1/46/10.7.1990 issued by the Securities and Exchange Commission, as renewed by license 5/330/2.3.2005 & the newest license (under MIFID) 7/481/30.7.2008 and is subject to the supervision of the said authority. The contact details of the Securities and Exchange Commission are as follows

**Address:** 3-5 Ippokratous Street, 106 79 Athens, Greece Phone: 210 33.77.100

**Website:** [www.hcmc.gr](http://www.hcmc.gr)

**Contact telephone:** 210 33.77.297

## PART TWO

### MEASURES TO SAFEGUARD CUSTOMERS' FINANCIAL INSTRUMENTS AND CAPITAL

#### A. Safekeeping of financial instruments - funds

The Company has established appropriate procedures to segregate its clients' financial instruments and funds from its own assets, and to distinguish its clients' assets from each other, so that the funds and financial instruments of its clients are not used by AIFM or third unauthorized persons. In particular:

1. The Company shall deposit its customers' funds in non-interest-bearing bank accounts with credit institutions in its own name, with a clear indication to the credit institution that these are its customers' funds. Furthermore, based on its internal arrangements, it monitors on a continuous basis the correspondence between the total funds recorded in its books as belonging to customers and the sum of customer funds held in the aforementioned customer bank accounts, in order to ensure that customer funds are not used by the Company for its own account.

In addition, the Company implements arrangements to ensure that it is at all times able to identify the beneficiaries of the amounts deposited in each customer bank account and the amount/percentage attributable to each customer, in order to be able to contribute to the protection of its customers' rights in the event of the insolvency of the credit institution, by providing the necessary information to the competent authorities and bodies, in particular the Deposit and Investment Guarantee Fund (DEKE), regarding the Greek and Greek customers' rights to the funds. To this end, the Company applies the '*pro rata*' principle, according to which it allocates to its clients the cash balances of each client account held with a credit institution on the basis of the ratio of the credit balance of each client to the total client funds held by the Company.

2. The Company holds the financial instruments of its customers as follows:

α) If they are shares or corporate bonds in dematerialized form, registered in the Dematerialized Securities System of the Central Securities Depository, in dematerialized securities accounts in a securities account in the name of the Client, operated by AIFM.

b) If other types of securities held by a third party/depositary, in intangible or tangible form, are registered in the Company's investment accounts held by the said depositary, the Company shall ensure that:

(i) The custodian is a Central Registry or other authorized Central Securities Depository, Book-Entry Securities Account System, Credit Institution, or Investment Firm (hereinafter "Custodian") entitled to provide the service of safekeeping and administrative management of securities; and

ii) It has been clearly and explicitly pointed out to the said Custodian that the above investment accounts of the Company have securities registered on behalf of its clients.

The Company may hold these securities in omnibus accounts on behalf of several clients, specifying in its books the financial instruments corresponding to each client.

**3.** The stored Financial Instruments, if they are tangible, will be stored:

(a) either to the Company itself in the name of the customer

(b) either to a Credit Institution, an Investment Service Provider or another Firm entitled to function as a custodian of financial instruments, in the name of the Client or in the name of the Company on behalf of the Client.

**4.** In the case of a custodian operating in a third country outside the European Union and governed by the law of a third country, the Company will deposit its clients' financial instruments with it only if it is subject to special regulations and supervision in that country. It should be noted that, in this case, the Client's rights in respect of financial instruments or funds held with a custodian governed by the law of a third country may be inferior to the rights of the Client vis-à-vis a custodian established and operating in a Member State of the European Union.

**5.** The Company does not, however, assume any liability towards its customers i) for the defective performance or, in general, non-performance of the Custodian's obligations or ii) for the solvency and, in general, for the performance of the Custodian's obligations (including any form of Central Registers, Central Securities Depositories, Clearing and Settlement Systems) in which client assets of its clients are held, being liable only for its own fault in the selection of the Depository. However, it is established that the operation of Central Securities Registries, Central Securities Depositories, Clearing and Settlement Systems, Investment Firms and Credit Institutions in a Member State of the European Union or in another State which provides for a system of supervision which meets international standards precludes the existence of fault on the part of the Company, unless the Company was specifically aware that the Depository was going to become permanently insolvent and in a state of insolvency. Furthermore, the Company shall not be liable for the misconduct of such Custodian's officers and vicarious agents.

**6.** In all cases of safekeeping of securities on behalf of its customers, the Company shall

(a) keep the necessary records and accounts so that

(aa) to be able, at any time and without delay, to segregate the assets held on behalf of a client from the assets held on behalf of any other client and from its own assets,

(bb) to ensure the accuracy of the entries in the accounts and, in particular, the accuracy and correspondence of its own entries and their content with the entries and their content in the accounts of either its own clients operated by itself or, where applicable, the entries in a (collective) account in its own name on behalf of its clients in a Depository,

(b) periodically review the reconciliation of the accounts and records maintained by itself with the accounts and records of the Custodians in which the securities of its clients are registered either in accounts in the name of its clients managed by itself or in accounts in its own name on behalf of its clients,

(c) it has established appropriate organizational arrangements to minimize the risk of loss or diminution of client assets or their rights in relation to those assets due to misuse of those assets, fraud, maladministration, inadequate record keeping or negligence.

**7.** In any case, under Article 16 para. 12 of the Law, creditors of the Company are prohibited to seize or attach assets of the Company's customers, including, but not limited to, money deposited in bank accounts held in the name of the Company or financial instruments, if the beneficiaries, according to the books kept by the Company and any other documentary evidence, are the aforementioned customers. The financial instruments that are not subject to seizure and freezing as described above include, in addition to financial instruments belonging to the clients of the AIF under the rules of the law of property, also those financial instruments that are held, directly or indirectly in the

name of the Company and on behalf of the client, and whose beneficial owner, according to the books and records kept by the Company and any other documentary evidence, is a client of the Company, regardless of whether the financial instruments are registered in the register of the competent authority of the competent authority.

8. The Company is entitled to offset its claims in money and financial instruments against the Customer with the Customer's similar claims against it.

9. The Company shall not dispose, charge, manage or otherwise use the financial instruments held on behalf of its Clients, unless it has concluded a special agreement to this effect with the Client to whom the financial instruments belong, in which case the use shall take place only in accordance with the specific terms to which the Client consents. In any case, the Company does not permit the unauthorized use of client financial instruments for its own account or for the account of any other person. The Company shall keep detailed records of all movements of its clients' financial instruments, in particular movements made under agreements to use securities for the purpose of lending them, indicating the number of securities used and their characteristics, as well as the point in time at which the movements are made, so that it is possible to monitor all relevant transactions and movements and to safeguard the interests of its clients, as well as the allocation of any losses, in accordance with the content of the relevant agreement. In the case of client financial instruments held in a collective client account of the Company held by a third party, the Company shall implement systems and controls to ensure that the use of financial instruments is limited to those belonging to clients who have given their prior express consent.

#### **B. Auditors' reports**

At least once a year, the Company's auditors shall verify the compliance with the above rules, as well as those contained in the legislation and in particular in Article 16 (8) and (9) of the Law and the relevant provisions of the decisions of the Securities and Exchange Commission issued pursuant to the Law, as well as in the Internal Operating Regulations of the Company, as to their suitability for safeguarding the assets of the Company's clients held in custody by the Company.

### **PART THREE POLICY ON THE EXECUTION OF ORDERS CONCERNING PRODUCTS LISTED ON TRADING VENUES**

The Company sets out in this form the arrangements it has established and applies in order to ensure that **its clients' orders in financial instruments listed on Trading Venues are** executed in such a way as to achieve the best possible result for the interests of its clients ("Best Execution").

#### **1. Legislative Framework**

Within the framework of the Financial Instruments Markets Act (hereinafter the "**Law**"), the Company must take effective measures to achieve the best possible result for its Clients, both individuals and professionals, when providing them with investment services: a) the receipt and transmission of orders for execution by third parties and b) the execution of their orders, as well as c) in general when handling "orders" for the preparation of transactions on behalf of its Clients. This policy has been established in order to allow for the best possible execution of orders and its control/revision in conjunction with the provisions of the Company's Internal Regulations.

## **2. Scope of the Best Execution Policy**

2.1 The execution policy of orders described below, which the Company applies, applies in cases where the Company accepts the Customer's declaration of intent containing an order for the execution of a transaction on financial instruments listed on Trading Venues and has the following content:

- or the further transmission of this order to a third party (e.g., Investment Firm, credit institution or Mutual Fund Management Company/ UCITS) for execution by drawing up a transaction on behalf of the Client
- or the execution of the order by the Company itself, on behalf of the Customer, by executing a transaction on the Customer's behalf.

2.2 In all these cases, the Customer may rely on the Company to exercise due diligence in order to protect and serve his/her interests in the best viable way by executing the orders that the Company receives and accepts on behalf of the Customer in the best viable way.

## **3. Content of the Company's pursuit to achieve optimal execution of the Customer's orders**

3.1 Without prejudice to the cases in which the Customers give specific instructions to the Company in relation to the handling of their orders (see below under 6), the Company shall exercise all possible care and take all possible measures to achieve for its Customers, individuals and professionals, the best possible result in the execution of their orders in terms of

- a) the price of the transaction, with the aim of obtaining the best possible price,
- (b) the cost of the transaction, with the aim of limiting costs as far as possible, without this being to the detriment of the quality of the services provided,
- (c) the speed of execution of the order, with the aim of executing it as quickly as possible,
- (d) the likelihood of (aa) execution of the order with the establishment of a transaction; and (b) proper settlement of the executed order, with a view to ensuring both the execution of the order and the safe settlement of the transaction.

The achievement of the above objectives is also influenced by, and therefore takes into account, the volume of the transaction to be entered into and the type of transaction. It may also be influenced, where appropriate, by other parameters, which the Company will take into account in order to achieve the best possible result when executing the order.

3.2 The Company emphasizes to the Customer that, for the most part, it is not possible to serve all of the above objectives equally and simultaneously, since, depending on market conditions, their prioritization is required, which means giving priority to one objective over another or others. Accordingly, in relation to the performance objectives set out, the Company shall, where appropriate, give greater priority to the achievement of some of them over others, in order to achieve the best result for Customers, weighing them also on the basis of the criteria set out in paragraph 3.4.

3.3 The Client may give specific instructions as to the prioritization of the above objectives, as well as to specify indirect criteria for their prioritization, e.g. based on the characteristics of the order given (stop loss, market or limit order etc.), taking also into account the rules of the regulated market or Multilateral Trading Facility or Organized Trading Facility where the orders are executed, in relation to the type and handling by the Trading System of the orders entered into it for execution.

3.4 The Company, in order to weigh the relative weight, assigns to the factors set out in 3.1. in relation to the fulfilment of the respective objectives, takes into account the following criteria (parameters):

- α) The characteristics of the financial instruments that are the subject of the order (complex or not, highly or limited liquidity, etc.),

- b) The characteristics of the Customer, including his/her categorization as a private individual or professional,
- c) The characteristics of the Client's order, always in relation to the option offered by the Trading Systems and the rules of the market in which the order is entered for execution,
- d) The characteristics of the "execution venues" where the order is entered for execution, i.e., regulated markets, MTFs, MTFs or other execution facilities that may be offered on a case-by-case basis and depending on the type and scope of the order.

3.5. For shares and other securities, which are traded on Trading Venues and for which there is liquidity in the market and public prices, the Company considers the price and the cost of execution of the order (and in general the total price paid by the client) to be the most important factors, taking into account that in these Trading Venues, as a rule and based on the current legal and regulatory framework, transactions can be concluded and successfully settled in satisfactory conditions of speed and security.

3.6 For products that are not traded on Trading Venues, the Company applies a separate execution policy which will be brought to your attention if you enter into a contract for the execution of such transactions.

3.7 It is emphasized that the achievement of best execution is not necessarily judged on the basis of each transaction individually, but taking into account a specific history of transactions over a certain period of time and assessing whether the best result for Clients is achieved by executing their orders in accordance with the Execution Policy and the "Execution Venues" provided for therein.

#### **4. Command Execution Locations - Selection of Execution Location and selection factors**

4.1 The Company executes orders for its clients on the Athens Exchange's Stock Markets (regulated markets), of which it is a direct Member, to the extent that the orders relate to the financial instruments traded on the Exchange.

4.2 The Company has chosen the specific Execution Venues due to its activity in financial instruments that are traded in the Greek market, given that the systematic execution of transactions in these financial instruments is possible mainly in these Execution Venues. In addition, the Company, as a member of the markets of the Athens Exchange, has the possibility to execute the relevant transactions, without the intervention of third entities, ensuring the best possible conditions in terms of price, cost, speed and probability of execution, as well as any other relevant factor, in order to achieve the best possible result for the client in relation to the specific financial instruments. In the same way, it shall ensure that controls are conducted to verify that the best execution is systematically achieved.

4.3 The Company reserves the right to use other Execution Venues other than the Exchange, if it reasonably expects that this will contribute to the better execution of the order. In this respect, the Company may accept specific instructions from the Customer, but shall not be bound by them if it does not have this possibility or if compliance with these instructions is associated with excessive costs.

4.4 The Company may add or remove any Execution Venue with a view to the optimal execution of orders by amending this Agreement. In any event, however, the Company does not undertake to participate in any additional regulated MTF or MTF markets where the financial instruments subject to the Order may be traded. In the event that the Company itself will in the future participate in a regulated market, MTF or MTF, other than the CMA, the Company will notify the Client of its revised policy in this regard.

4.5 Unless otherwise expressly disclosed to the Clients, in which case this policy will be amended accordingly, the Company does not execute orders outside the Trading Venues with respect to financial instruments listed on the markets of the Athens Exchange.



## **5. Rules and methods for executing commands**

5.1 The Company shall promptly and accurately record the orders of its clients that it receives and accepts and execute them based on the principle of time priority, in relation to orders with the same characteristics, which are comparable to each other, unless the characteristics of a specific order (e.g. the place where it is to be executed) or the market conditions do not allow this or if the interests of the client require a different handling. The Company shall inform the Client within the time objectively reasonably required of any material problem arising in the execution of his order, if it may affect its proper execution, as soon as it becomes aware of such problem.

5.2 The Company, unless it receives different specific instructions from the Customer regarding the execution of his orders and the prioritization of the objectives set out in 3.1., which constitute the optimal result in the execution of his orders, informs the Customer that the above objectives are prioritized as follows:

α) Achieve the best possible price for the transaction as a whole. The best possible result with respect to the execution of the order is determined on the basis of the total price of the transaction to be executed in execution of the Client's order. Total price means the amount representing the price of the financial instrument and all kinds of charges related to the execution, which includes all costs borne by the Client and directly related to the execution of the order, including execution venue fees, clearing and settlement fees and all other fees paid to third parties involved in the execution of the order. Where there is more than one competing venue for the execution of an order (and only then), the assessment of the total price shall also take into account the commissions received by the Company, together with the costs incurred by the client for the execution of the order at each of the eligible execution venues. This does not, however, oblige the Company to compare the results that would be achieved for the client under this policy and its own commissions and fees with the results that could be achieved for the client by any other firm under a different execution policy or a different commission or fee structure. In any event, the Company does not receive any fee, rebate, or non-monetary benefit for directing client orders to a particular trading or execution venue.

b) Speed and completeness of order execution (transaction execution)

c) Security in the clearing and settlement of transactions.

5.3 In each case, the Company will determine the relative importance of the execution factors using its judgment and experience, in accordance with the trading ethics and taking into account the market conditions, the type and nature of the order and the interest of the Clients, as well as the criteria (parameters) set out in 3.4.

5.4. Particularly with regard to orders concerning the execution of transactions on financial instruments listed on regulated markets or other Trading Venues of the Athens Exchange, the Company shall execute the transactions in the manner set forth under 5.1 herein.

5.5 In case of a Client's order with a limit concerning shares listed on a regulated market or another Trading Venue, which is not executed immediately in accordance with the rules of the market's trade execution system or in accordance with the prevailing market trading conditions, the Company, in case the Client has not given other instructions for the execution of his order, will take the necessary measures to facilitate the fastest possible execution of the order, by immediately publicly announcing the Client's order in an accessible manner. The Company shall be deemed to take all necessary measures for the above purpose if it transmits the Customer's order to a Trading Venue. The Customer may, if he wishes, generally consent to the non-publication of his orders with a limit.

## **6. Specific Customer Instructions**

6.1 When the Customer gives specific instructions in relation to the execution of his order or part of it, the Company will execute the order following the specific instructions of the Customer. It is obvious that the existence of specific instructions of the Customer may - depending on their content - negate in whole or in part the application of the Company's execution policy, in order to achieve the best result with regard to the execution of the order.

6.2 To the extent that the Customer's instructions concern only a part of the order, the Company applies its order execution policy for that part of the order that is not covered by the Customer's instructions, if this is possible and compatible with the instructions. In the event that for any reason it is not possible to execute the Customer's order in accordance with the instructions given by the Customer to the Company, the Company shall inform the Customer without undue delay of the impossibility of executing the order in accordance with the Customer's instructions and shall request that the Customer receive new instructions in connection with the execution of the order, and shall be entitled to act in the presumed interest of the Customer.

## **7. Receiving and Transmitting Orders**

7.1 In case of orders received by the Company from the Client for execution of transactions on financial instruments traded on Trading Venues in which the Company does not participate, if the order is not executed by executing a transaction through the Company, the order will be transmitted for execution to another Investment Firm or Credit Institution (hereinafter: the "Executing Firm") for execution of a transaction on behalf of the Client. In this case, the following shall apply:

α) The Company is entitled to refuse to execute transactions in relation to specific financial instruments if it does not have a cooperation relationship with an Executing Firm that provides access to the financial instruments to which the Client's order relates.

b) The Client may give specific instructions as to the Executing Merchant that will execute the order by executing the transaction or as to other features of the order. In order for these instructions to be binding on the Company, the Company must expressly accept them. Acceptance of these instructions also depends on the content of the Company's cooperation with the Executing Firm and the ability or willingness of the latter to cooperate with the Company.

c) In the absence of such instructions, the Company shall transmit the order received from the Customer to an Executing Merchant of its choice for execution. The choice of the Executing Agent shall be made with due diligence so as to safeguard the interests of the Customer. Executing Businesses that cooperate with the Company and to which the Company transmits its clients' orders for execution will be notified to the Client by post or by the means chosen by the Client for communication with the Company.

d) The transaction is executed by the Executing Merchant in the name of the Company on behalf of its customers unless the Customer has opened an account with the Executing Merchant in his own name.

e) The Company shall transmit to the Executing Companies with all due diligence the Customer's orders for the preparation of transactions on the financial instruments ordered by the Customer. It shall also transmit to the Executing Businesses any specific instructions from the Customer. Those orders shall be executed in accordance with the rules of the execution policy for orders laid down by each Executing Business, which shall be made available to the Client. The Company shall not be liable to the Customer for the actions of the Executing Businesses in executing such orders. If the Customer suffers damage due to the improper execution of his orders by the Executing Business, the Company shall provide him with all possible assistance to satisfy any claims, if such assistance is necessary.

f) Unless the Client has opened an account with the Executing Firm in its own name, the clearing/settlement of such transactions shall be carried out by one of the firms that will be notified in due time to the Client in the name of the Company, in an omnibus account (hereinafter: the "Clearing Custodian"). Accordingly, the clearing custodian shall conduct the settlement of the monetary or financial instrument delivery obligations related to such transactions.

7.2. Currently the Company maintains partnerships with the following companies to which it transmits orders for execution, and which provide access (indicatively) to the following execution venues:

Company name	Country of operation	Financial instruments - Places of execution
Piraeus Bank	Greece	HDAT - International Bonds
Eurobank Bank	Greece	HDAT - International Bonds
National Bank of Greece	Greece	HDAT - International Bonds
AK Jensen	Norway	New York Stock Exchange, Nasdaq, Euronext - International Bonds
Yuanta Securities	Taiwan	Southeast Asia equities & bonds
optimum investment	Lebanon	international bonds
Maybank	Malaysia	international bonds
shore capital	United Kingdom	international bonds

## 8. Grouping and sharing of orders

8.1 The Company may group orders of its clients with the same characteristics both when it executes the transactions for execution of the orders and when it transmits them for execution, in which case it transmits the orders to the Executing Firm in a grouped manner, for the latter to prepare single transactions on behalf of several clients of the Company.

8.2 The allocation of the financial instruments acquired or disposed of for the account of several clients in the single bundled transaction shall be made at the average single price achieved with all individual transactions in respect of the individual financial instruments, inferring the single price for each unit of the financial instrument, so as to achieve an accurate and fair allocation of the bundled orders and transactions.

The Company does not execute orders for own account bundled with orders of its clients

8.3 The bundling of orders contributes to the reduction of the customer's costs and ensures, in principle, a higher level of fairness and equity for the Company's customers. However, it cannot be excluded that the grouping may be to the detriment of the customer with regard to a specific order. This may occur, for example, if a customer's sales order coincides with large sales orders from other customers.

8.4 If the product of the relevant transactions is not sufficient to cover the orders of all the clients that were grouped together, the product of the transactions is distributed proportionally among the most clients, based on the volume requested by each client.

## 9. Review of the Enforcement Policy

9.1 The Company monitors the effectiveness of the arrangements and the Execution Policy of the orders it has established, making changes where necessary.

9.2 The Company shall periodically and at least once a year, examine whether the Execution Venues selected and communicated to the Customer herewith adequately serve the Customer's interests.

9.3 The Company will notify its clients of any material changes to the Order Execution Policy by placing a revised version of the Execution Policy on the Company's website or by a simple letter sent to the Client, as specified in the Investment Services Agreement between them.

## 10. Validity of the Company's order execution policy principles

The Company's customers are invited to carefully study the content of this document, which becomes the subject of the contractual relationship between them and is binding on the parties. If the Client gives the Company an order for execution either within the investment service of execution of orders or within the investment service of reception and transmission of orders, after having received this document, it is presumed that the Client has accepted

that the contents of this document have become the subject of the contractual relationship between them. If the Client disagrees with the terms hereof and does not accept them, he/she is entitled to terminate his/her contractual relationship with the Company, as set out in the Investment Services Agreement between them, within one month of receipt of this document. In this case, he shall be entitled to invoke any more favorable terms previously applicable to him that governed the contractual relationship between him and the Company, if such a case exists.

#### **11. Disclosure - Provision of additional information**

Based on the applicable legislation, the Company publishes on an annual basis, on its website, for each category of financial instruments, the top five execution venues in terms of transaction volume, where it executed client orders during the previous year or - if applicable - the top five Execution Firms in terms of transaction volume, to which it transmitted or sent for execution client orders, as well as data on the quality of execution, in accordance with the specifications of the European Commission Regulation 2017/576. Customers have the possibility, in accordance with Article 27 par. 8 of the Law, to request from the Company information on the application of the Company's order execution policy to their orders.

The Company is at the Customer's disposal to provide the Customer with any additional information or clarification regarding the Order Execution Policy. In this regard, the Customer may contact the Company's Compliance Officer.

### **PART FOUR POLICY ON IDENTIFICATION AND MANAGEMENT OF CONFLICTS OF INTEREST**

Company has established a Conflict-of-Interest Identification and Management Policy ("the Policy"), under which it takes, to the extent possible, all reasonable measures to identify and a) avoid potential conflicts of interest, as well as b) resolve existing conflicts of interest between

a) the Company, the Competent Persons within the meaning of Article 2(1) of Regulation 2017/565 ("Competent Persons"), or persons directly or indirectly linked to the Company by a controlling relationship (e.g. a subsidiary or subsidiaries of its subsidiaries), on the one hand, and, on the other hand, its customers; and

b) customers of the Company - existing or potential - among themselves.

The Company hereby briefly informs the Clients of its policy on the identification and management of conflicts of interest in the context of the provision of investment or ancillary services.

#### **1. Scope of the policy**

The Company applies the Policy in its relations with all its clients to whom it provides investment or ancillary services.

#### **2. Identification of potential conflicts of interest**

Conflict of interest may arise in relation to any investment or ancillary service provided by the Company. For the purpose of identifying any emerging conflicts of interest that may create a material risk of harm to the Company's clients in the provision of investment or ancillary services to them, the Company has established procedures to ascertain whether it or a Competent Person or a person directly or indirectly related to it in a controlling relationship is, either with respect to the outcome of the service or in any other respect, in one of the following situations, listed by way of example:

Competent Persons (as defined in Article 2(1) of Regulation 2017/565, including but not limited to directors and employees of the Company) directly or indirectly linked to the Company by a control relationship are likely to obtain

a financial benefit, including where they avoid financial loss, or a comparative advantage in the provision of the service to the detriment of the Customer e.g. (i) if Competent Persons and persons directly or indirectly linked to the firm in a controlling relationship are likely to use investment research or analysis conducted by the relevant department of the firm before it is made public; or (ii) if there is a risk that employees of the firm, when providing investment advice or portfolio management services, may propose transactions or enter into transactions in financial instruments in such a way as to serve their own or the firm's interests.

### **3. General measures and procedures to prevent and deal with conflicts of interest**

In order to prevent and address situations of conflict of interest, which may arise in the context of the provision of investment or ancillary services, the Company shall take the necessary organizational and administrative measures - taking into account the size of the Company, the type of conflict, the scale and complexity of its business activities - so that the Competent Persons involved in various business activities, which involve, constitute or may cause a conflict of interest, exercise the necessary powers to prevent conflicts of interest.

Such measures include, for example:

α) Provision and implementation of effective **procedures** to prevent or control the exchange of **information** between Competent Persons involved in the provision of services to the Company's clients, where the exchange of such information may be detrimental to the interests of clients. To this end, the Company has adopted procedures such as the sealing of sections ("Chinese walls") so that they do not communicate with each other, in addition, it has circulated a circular to all Competent Persons, requiring each of them to disclose their transactions by type, quantity, total transaction value of financial instrument, trading venue, AIFM that executed their order, etc. to the Company's Compliance Officer no later than the day following each transaction of each Competent Person.

b) Identifying instances of simultaneous or successive involvement of a Competent Person in the provision of different investment or ancillary services to clients of the Company, where such involvement may be detrimental to the interests of Clients. Establish control procedures and suggest rules of conduct to prevent and address conflicts of interest.

c) Exercise separate supervision over Competent Persons who, in the course of their duties, may provide services to clients who have or represent interests that conflict with each other or conflict with those of the Company.

d) Establish rules for the execution of personal transactions of the Competent Persons in financial instruments and control of such transactions, as well as the compliance with these rules by the Company's Compliance Officer, including the control of any transactions carried out by the Competent Persons in relation to the transactions carried out on the same financial instruments by other clients of the Company - including persons serving the Competent Persons.

(e) Identifying instances in which a person is exercising improper influence on a Competent Person in relation to the provision of investment or ancillary services to the Client and establishing measures to prevent and address the exercise.

f) the avoidance of any link between the remuneration of competent persons primarily engaged in one activity on the one hand and the remuneration of different competent persons primarily engaged in another activity or the revenues generated by those different persons on the other hand, where a conflict of interest may arise in relation to those activities.

#### **4. Confidentiality - Compliance of the Company's personnel**

The Company's personnel who have access to privileged information within the meaning of Article 7 of Regulation 596/2014 of the European Parliament and of the Council (Market Abuse Regulation) or who obtain other confidential information, e.g. related to clients or client transactions, handle such information in accordance with the law and maintain the confidentiality of the relevant information, where required by law, bound by professional secrecy. Company personnel are subject to ongoing guidance and training on the Company's Policy and are evaluated on their compliance with it.

#### **5. Personal transactions**

With regard to the identification and settlement of conflicts of interest between the Competent Persons and the Company's Customers, in the context of the personal transactions of the former, the Company takes the following measures:

5.1 The Company shall establish and implement appropriate procedures to prevent any Competent Person, who engages in activities that may lead to a conflict of interest or who, due to the activity he/she engages in, has access to privileged information within the meaning of Article 7 of Regulation 596/2014 or other confidential information related to clients or client transactions, from entering into a personal transaction, the conduct of which is prohibited by the provisions of the law or constitutes an abuse or improper disclosure of information.

5.2 The Company shall take measures and establish appropriate procedures to prevent Competent Persons from advising or assisting, within or outside the scope of their employment or their contract for the provision of services to the Company, any other person in (a) executing a transaction in financial instruments that have been investigated by the Company, before the recipients of the investigation have been given the opportunity to act on it, and (b) executing a transaction in financial instruments that would constitute an improper use of the financial instruments.

5.3. The Company shall take measures and establish appropriate procedures to prevent any Competent Person from disclosing, within or outside the scope of his or her employment or contract for services to the Company, to another person any information or giving an opinion, if the Competent Person knows or should have known that after disclosure of such information the other person may: (a) enter into a transaction in financial instruments which, if it were a personal transaction of the Competent Person, would constitute the preparation of a transaction in financial instruments; (b) enter into a transaction in financial instruments which, if it were a personal transaction of the Competent Person, would constitute the preparation of a transaction in financial instruments; (c) enter into a transaction in financial instruments which, if it were a personal transaction of the Competent Person, would constitute the preparation of a transaction in financial instruments; (d) enter into a transaction in financial instruments which, if it were a personal transaction of the Competent Person, would constitute the preparation of a transaction in financial

5.4 The Company responds appropriately to ensure that:

(a) each Competent Person is aware of the restrictions on personal transactions, as well as the measures adopted by the Company in relation to personal transactions and the policy of disclosure of such transactions to the Company, (b) the Company shall be promptly informed of any personal transaction of a Competent Person, either by notification of such transaction or by implementing other procedures that allow for the identification of such transactions.

#### **6. Providing additional information**

The Customer is entitled to request additional information from the Company in relation to the administrative and organizational procedures adopted by the Company for the prevention and resolution of conflicts of interest. In this regard, the Customer shall address the Company's Compliance Officer.

The Company shall inform the Customer in this regard, and may refuse to provide confidential information, in its reasonable judgment, e.g., if the provision of such information, in the Company's reasonable judgment, could jeopardize confidential professional and business information concerning the Company.

#### **7. Policy implementation - review**

The Company monitors the implementation of the Policy and periodically reviews its effectiveness, in accordance with the provisions of its Internal Regulations. The Company monitors and reviews periodically and in any case once a year the effectiveness of the arrangements of the Policy established by the Company, making changes where and when necessary.

#### **8. Keeping a conflict-of-interest file**

8.1 The Company shall keep a record which shall be updated at regular intervals for each investment or ancillary service or activity performed by or on behalf of the Company and (a) in respect of which a conflict of interest has arisen, which entails a **material** risk of damage to the interests of one or more Clients or (b) in the case of an ongoing service or activity, in respect of which a conflict of interest may **arise**.

8.2 The Company shall keep a record of the personal transactions of the Authorized Persons notified to or detected by the Company, including any authorization or prohibition of personal transactions provided by Authorized Persons.

8.3 In the case of an outsourcing contract, the Company shall ensure that the service provider keeps a record of personal transactions of the Competent Persons and provides the relevant information to the Company, without undue delay, upon its request.

### **PART FOUR EXAMINATION OF COMPLAINTS**

The Company's department, which includes the Company's Compliance Officer, in accordance with the procedures provided for in the Company's Internal Operating Regulations, is responsible for examining any complaints of the Customer, as well as of all the Company's customers, in relation to the provision of services by the Company to the Customer.

The person responsible for receiving customer complaints is the Compliance Officer at the company's headquarters. At the offices of the Company, the details of the people who make up the Complaints Handling Department of the Company will be disclosed, and any clarification will be provided in this regard. This person will respond to the complaints and general objections raised orally or in writing within a reasonable period of time.

The Customer, after not being satisfied with the solution given by the Chairman of the Board of Directors of the Company, who must make a final decision on the recommendation of the Manager for the receipt of customer complaints within 5 days of the submission of the Manager's conclusion and in any case not more than 10 days from the submission of the Customer's complaint, may address :

α) The Banking and Investment Services Ombudsman ([hobis.gr](http://hobis.gr)), 1 Massalias Street, P.C. 10680 Athens, tel. 10440, 2103376700 or

b) To the Consumer Ombudsman ([www.sinigoroskatanaloti.gr](http://www.sinigoroskatanaloti.gr)), 144 Alexandras Street, P.O. Box 11471, Athens, Tel: 2106460284 / 2106460458.

**PART SIX**  
**LIST OF PROFESSIONAL CLIENTS**

A professional client for the purposes of Art. 4514/2018 is a client who has the experience, knowledge, and expertise to make his own investment decisions and to accurately assess the risk he assumes. In order to be considered a professional, the client must meet the criteria set out in this Annex, in accordance with the provisions of Annex II of Law No. 4514/2018.

### **I. Legal Persons**

(a) The following undertakings, which are required to be authorized or subject to prudential rules in order to carry out their characteristic activities in financial markets, irrespective of whether they are authorized by a Member State pursuant to Community legislation or authorized or subject to the prudential rules of a Member State without reference to a directive or are undertakings authorized or subject to prudential rules of a third country:

- a. credit institutions,
- b. Investment Firms (Investment Firms within the meaning of the Law),
- c. other financial institutions authorized or regulated,
- d. insurance undertakings,
- e. collective investment undertakings and their management companies,
- f. pension funds and their management companies,
- g. dealers in commodity exchanges and related derivatives,
- h. local businesses,
- i. other institutional investors (including public limited liability companies).

(b) Large enterprises that individually meet at least two of the following size criteria:

- (aa) total balance sheet: EUR 20.000.000,
- (bb) net turnover: EUR 40.000.000,
- (cc) own funds: EUR 2.000.000.

(c) National and regional governments, public bodies managing public debt at national or regional level, central banks, international and supranational organizations such as the World Bank, the International Monetary Fund, the European Central Bank and the European Investment Bank and other similar international organizations.

(d) Other institutional investors whose principal activity is investing in financial instruments, including entities whose sole purpose is the securitization of assets or other financial transactions.

### **II. Legal - Natural Persons**

#### **Customers who may be treated as professionals at their request**

1. Clients who do not fall into the above categories, including public entities and individual private investors, may waive part of the protection afforded to them by the rules of conduct of investment firms. CIFs may treat such clients as professionals, provided that the criteria and procedures set out in the next paragraph are complied with. Such clients should not, however, be considered to have market knowledge and experience comparable to that of the clients listed in point I above.

2. The waiver of the protection of conduct rules shall only apply if the investment firm is reasonably satisfied, after an appropriate assessment of the client's capacity, experience and knowledge, that, having regard to the nature of the transactions or services contemplated, the client is capable of making investment decisions on his own and of



understanding the risks involved. The criteria for assessing experience and knowledge may be similar to the suitability criteria used for managers and directors of firms authorized under financial sector legislation. In the case of a small entity, the person subject to the above assessment is the person authorized to conduct transactions on its behalf.

3. Before accepting a waiver of this protection, the EPEY must take all reasonable steps to ensure that the client who wishes to be treated as a professional client meets at least two of the following criteria:

(a) the client has conducted an average of ten transactions of sufficient volume per quarter in the relevant market during the last four quarters,

(b) the value of the client's portfolio of financial instruments, defined as cash deposits plus financial instruments, exceeds five hundred thousand (500,000) euros,

(c) the client holds or has held for at least one (1) year a professional position in the financial sector which requires knowledge of the intended transactions or services.

4. Customers referred to in this Section II may waive the protection of the Rules of Conduct only by the following procedure:

(a) clients notify the Investment Firm in writing of their wish to be treated as professional clients, either generally or for a specific investment service or transaction or for a type of transaction or product,

(b) the Investment Firm sends them a written warning clearly specifying the protection and compensation rights they may lose,

(c) customers state in writing, in a document separate from the contract, that they are aware of the consequences of losing this protection.

## PART SEVEN FINANCIAL INSTRUMENTS AND RISKS

### **I. Introductory remarks**

Investing in financial instruments involves risks. Although the scale of these risks varies, depending on a variety of parameters which will be briefly described below, investing in financial instruments always involves exposure to risks that cannot be fully covered. These risks generally consist of a reduction in the value of the investment or even the loss of the amount invested. In certain circumstances, the Client may even be required to pay additional amounts to the amount invested by the Client to cover any losses that may arise.

Then, under II. The general investment risks are listed. Section III. sets out, by category of financial instrument, the main risks associated with each category of financial instrument. The risks associated with financial instruments in respect of which transactions can be concluded through the Company are listed. Finally, under IV., the investment risks associated with proprietary investment and ancillary services are listed. This section also lists the risks associated with the investment and ancillary services provided by the Company to its clients.

The Client's attention is particularly drawn to the need to carefully study the present document and to take its contents very seriously when making investment decisions, and to avoid any investment and transaction in respect of which he/she considers that he/she does not have the necessary knowledge or experience.

### **II. General investment risks**

These risks are characterized as general because they are inherent in the way the capital market and the financial system in general operate and arise in circumstances that cannot be foreseen or excluded. They are linked to the functioning of the financial system in general, of credit institutions, of investment firms and of issuers of financial instruments which are the subject of the investment, and they constitute parameters which affect one or more of

these variables, the variation of which affects the value of an investment. International organizations, central banks and many other bodies are making significant and systematic efforts to safeguard the financial system and markets and to protect them from the occurrence of such risks. However, despite these efforts, the possibility of their occurrence is not excluded, which may be both general and specific, i.e., linked to specific financial instruments or financial institutions. The following list of risks is indicative and is intended to facilitate an understanding of how the capital market works and of the general factors affecting the value and price of an investment.

**1. Systemic risk (systemic risk)**

The inability of a financial institution to meet its obligations as they fall due may cause other financial institutions (including investment firms) or firms to be unable to meet their own obligations when they fall due. This creates a risk of a Domino effect due to the contagion of insolvency, in particular in the context of the operation of payment and securities settlement systems, to a number of financial institutions. The activity of any investment firm in the financial sector therefore exposes it to systemic risk, which, if it occurs, may be reflected in its clients.

**2. Political risk (political risk)**

International political, diplomatic, and military developments affect the course of financial and capital markets. Political developments in a particular country (e.g., political unrest, election of a government and more specific government choices in key areas of social and economic life) can therefore affect the price of financial instruments traded in that country or of companies based or operating there.

**3. Inflation risk (inflation risk)**

The performance of the General Consumer Price Index affects the real value of invested capital and expected returns.

**4. Exchange rate risk**

Changes in exchange rates affect the value of an investment made in a currency other than the investor's base currency, but also the liabilities or assets of companies.

**5. Interest rate risk**

Interest rate movements may affect the trading price of certain financial instruments, such as bonds and derivative financial instruments that have an underlying value affected by these changes (e.g., in Futures Contracts on Bonds).

**6. Credit risk (credit risk)**

It consists in the possibility of damage occurring as a result of a contracting party's failure to fulfil its contractual obligations. The effect of credit risk is multiple: It can affect an issuer - and hence its financial instruments - a credit institution or an investment firm - and consequently affect its solvency - etc.

**7. Market risk (market risk)**

It consists of the risk that the value of a financial instrument will decrease due to changes in the market. By extension, it is the risk of economic activities directly or indirectly linked to the market in question. The four most common market risk factors are:

- Equity risk, i.e., the risk that equity prices may change as a result of several factors, which may affect the performance of financial institutions.
- Interest rate risk, (see above under 5).

- Foreign exchange risk, i.e., the risk of changes in exchange rates (see above under four.)
  - Commodity risk, which refers to the risk of changes in the price of commodities such as metals or wheat.
- Changes in equity or other indices are also a factor to be taken into account when assessing market risk.

#### **8. Liquidity risk (liquidity risk)**

Liquidity risk is a financial risk and is caused by any lack of liquidity in the market for one or more financial instruments. The absence of supply and demand affects the marketability of financial instruments and makes them vulnerable to speculation and manipulation, adversely affecting the likelihood of achieving a 'fair price'. Liquidity risk is mainly found in emerging markets or markets where low-volume transactions are carried out ('shallow markets').

#### **9. Operational risk (operational risk)**

It arises due to the implementation of inadequate or failed internal procedures, personnel and IT or communication systems, as well as due to external factors, such as natural disasters or terrorist attacks, that disable the systems for settling transactions or reduce the value of the assets subject to the transaction (e.g. risk of collapse of the technical systems of a regulated market or an investment firm, risk of inappropriate management of a company with securities listed on a stock exchange, risk of inappropriate management of a company with securities listed on a stock exchange, etc.).

#### **10. Regulatory and legal risk (Regulatory and legal risk)**

This risk stems from:

- α) Changes in the legal and regulatory framework governing markets, transactions in these markets, taxation of investments carried out in a particular market. These changes may affect investments in a number of ways.
- b) Inability to execute contracts due to legal problems, etc. This can occur due to incorrect legal assessment, but also due to legal uncertainty, which arises in particular due to unclear, vague, and general legal provisions. Contrary to the initial assessment of the companies, contracts or other agreements may thus be found to be invalid, with adverse economic consequences for the parties.

#### **11. Trading systems risk**

The Trading System through which trading is conducted on the Trading Venues is subject to the risk of temporary failure or shutdown. Thus, when trading becomes unavailable for a sufficient period of time, the smooth functioning of the market and the interests of investors may be disrupted, in particular if an investor expects to close an open position.

#### **12. Settlement risk**

It is a specific form of credit risk that arises from the failure of counterparties to payment and settlement systems for financial instruments to properly perform their obligations, e.g. when one of the counterparties fails to deliver the securities it has sold and is obliged to deliver or, in the case of a market, when it fails to pay the price due for the securities.

#### **13. Concentration risk (concentration risk)**

It is the risk assumed by an investor who invests all his/her financial assets in a single financial instrument. It is the opposite of risk diversification, where the investor invests his funds in several financial instruments, especially those with distinctive characteristics and which have elements of mismatch.

### **III. Risks by category of financial instruments**

The Company provides investment services leading to transactions in the following financial instruments, which involve the following main risks:

#### **1. Shares**

##### ***A. Share concept***

In summary, the primary features of shares are listed. However, it should be stressed that these characteristics vary according to the law governing the issuing company, without excluding any deviations from those set out. Companies governed by foreign law must therefore be subject to special scrutiny.

A share is a fraction of the share capital of a public limited company. The share, as a security, embodies the rights of the shareholder arising from his/her participation in the public limited company. These rights usually correspond to the number of shares held by the shareholder. Indicative rights arising from holding shares include the right to a dividend from the company's distributed profits (if distributed) and a corresponding percentage of the company's assets in the event of its dissolution. Shares may be ordinary, preference, registered or bearer, voting or non-voting, exchange-traded or non-traded.

The ordinary share is the most common type of share and includes all the basic rights of a shareholder, such as the right to participate in profits, the issue of new shares, the proceeds of liquidation, as well as the right to vote in the General Meeting of the company and to participate in its management.

The preference share offers an advantage (privilege) over ordinary shares, consisting in the preferential receipt of dividends or the preferential right to the liquidation proceeds in case of liquidation of the company, but usually lacks the right to vote and participate in the management of the company.

Depending on the company's performance and results, shareholders may receive a dividend from any profits of the company and reap the benefits of any increase in the intrinsic value of that company's share. However, the above are uncertain facts.

##### ***B. Risks***

An investment in shares may involve the risks listed below by way of illustration:

α. Risk of volatility: The price of a share traded on regulated markets, MTFs and MTFs is subject to unpredictable fluctuations, which may not necessarily be causally linked to the financial performance of the issuing company. This creates a risk of losing part or, in certain circumstances, all of the capital invested. It should be stressed that it is never possible to predict the upward or downward trend of a share or the duration of such a trend. In particular, it is stressed that the market value of a share is a function of many factors and does not depend solely on the company's financial data, as reflected, for example, in the principles of fundamental analysis.

β. Risk of the issuing company: Shares, as a fraction of the capital of the issuing company, are affected by the performance and prospects of the issuing company, whose losses, or profits, if any, are not easy to predict. The greatest risk arises in the event of the bankruptcy of the company issuing the shares, in which case the investor will lose his entire investment.

c. Dividend risk: the payment of dividends depends on the existence of profits of the company issuing the shares and the dividend distribution policy applied by the company based on the relevant resolutions of the General Meeting of its shareholders. It is therefore by no means certain that the investment in shares will be accompanied by the receipt of dividends.

δ. Other risks: The stock market performance of a stock also depends on many exogenous factors such as macroeconomic developments, political factors, state of stock markets etc. It also depends on factors such as the

marketability of the share, the liquidity of the market and developments concerning the share itself, such as an aggressive takeover, the possibility of delisting the share from the stock market, etc. It should be stressed that, in any case of investment in shares, the general investment risks discussed above under II must also be taken into account.

#### ***F. General labelling - recommendation***

It is recommended to the Client that, before carrying out any transaction on shares, he/she a) study the annual financial report or, if applicable, the semi-annual financial reports and quarterly financial statements published by the issuing company in order to fulfil its obligations to provide periodic information to the investing public and b) search for any publications / announcements of important events, which the issuing company has made in order to inform the investing public on an extraordinary basis, mainly through the website of the company.

## **2. Bonds / Bonds**

### ***A. Concept - characteristics***

A bond is a security that incorporates a promise of a monetary or other benefit from the issuer to the beneficiary, mainly the bearer. This obligation usually consists of payment of the principal at maturity and interest at the periods specified in the terms of the issue.

The key features of each bond are

- (a) its nominal value, which is not necessarily the same as the trading price, but is the amount the issuer is obliged to pay at maturity of the bond,
- (b) the interest rate/coupon; and
- (c) the period of its expiry.

Bonds can be issued either by government entities (government bonds) or by companies (corporate bonds). In this sense, bonds are a form of government or corporate borrowing.

### ***B. Species***

Bonds are issued in a variety of forms:

- α) As unsecured bonds: The bondholders have a claim against the issuer, like its other creditors, on all of its assets.
- b) As bonds linked to security provided for the benefit of the bondholders: the claim of the bondholders is secured in this case i) by security in favor of the bondholders, provided on specific assets of the issuer, ii) by guarantees of third parties, iii) by assignment of claims, etc. Furthermore, bondholders may benefit from additional protection as a result of special agreements with the issuer or because of their preferential positioning vis-à-vis other bondholders or creditors.
- c) Bonds/subordinated bonds: in case of bankruptcy of the issuer, the bondholder is satisfied after all other creditors of the issuer - if there is still property, which is - as specifically set out in the bond loan.
- (d) Convertible or exchangeable bonds, which carry rights to be converted into shares or other financial instruments or exchanged for other financial instruments.

### ***F. Interest rate***

The issuers undertake to pay an interest rate that may be (a) fixed, (b) floating, determined on the basis of an accepted interest rate index (e.g., EURIBOR, FIBOR, LIBOR, etc.).

Special attention should be paid to so-called compound bonds, i.e., those whose interest rate is determined on the basis of indices composed of derivative contracts. These indices, which determine the interest rate on the basis of

derivative financial instruments are thus incorporated into the overall structure of the bond. These bonds belong to the category of complex financial instruments and investment in them requires a great deal of care and expertise. It should be pointed out that the market value of these bonds is substantially influenced by the indices of derivative financial instruments embedded in them, which determine the interest rate. They are therefore not suitable for non-specialized investors.

The interest rate is usually paid at predetermined points in time (monthly, semi-annually, quarterly, annually, or even at the maturity of the bond loan). Bonds without coupons are also issued. In these bonds, the interest is incorporated in the value of the bond. In other words, investors do not receive interest during the life of the bond but acquire the bond at a discount to its face value, which discount is attributable to the interest.

#### **D. Risks**

Investing in **bonds carries risks** such as:

α. Insolvency risk: the issuer of the bonds may become temporarily or permanently insolvent, so that it may not be able to pay its creditors the interest or even the principal corresponding to the bonds. Particularly in the case of subordinated bonds, the investor should investigate the ranking of the bond in which he is considering investing in relation to other bonds of the issuer, since, as explained above, in the event of the issuer's bankruptcy the investor runs the risk of losing his entire investment.

β. Interest rate risk. It is underlined that changes in the interest rate can have a significant impact on the market price of the bond. For example, if interest rates rise, the prices of bonds of previous issues with lower interest rates fall in the markets.

c. Credit risk: *see above and under II.6*. The value of the bond decreases if the credit rating of the issuer is downgraded.

δ. Early redemption risk: it is possible that bond issuers may provide in the bond loan program the possibility of early redemption in case of a fall in interest rates, in which case there is a change in the expected return on the bonds.

ε. Market liquidity risk: This risk is significant if the investor wishes to liquidate the bond before maturity. In this case, in the absence of marketability, the investor may obtain a price below (under certain circumstances by a wide margin) the nominal value of the bond.

It is stressed that, in any case of investment in bonds/bonds, the general investment risks discussed above under II.

#### **E. General labelling - recommendation**

It is recommended that the Client, prior to carrying out any transaction on a bond, a) study the annual financial report or, where applicable, the semi-annual financial reports and quarterly financial statements published by the issuer in order to fulfil its obligations to provide periodic information to the investing public, as well as any existing prospectus issued in relation to the bond in which the Client is going to invest and b) search for any publications/announcements of significant In the case of complex bonds in respect of which a Basic Information Form is required to be issued under Regulation 1286/2014, the Client is advised to study the said form to be provided by the Company and to take into account, in particular, the risk rating indicated therein.

### **3. Financial instruments subject to the resolution regime covered by the scope of the BRRD Directive**

**In particular, as regards the shares of credit institutions and, in general, companies in the financial sector** that fall within the scope of the internal article 1 par. 1 of Article 2 of Act No. 4335/2015, if they are placed in special

liquidation or reorganization, the risk to which the investor-shareholder is exposed may also consist of differentiated forms of alienation from his shares and, consequently, loss of the value of his investment, in particular in the case of the application of bail-in or the impairment or conversion of capital instruments as a reorganization measure (internal Articles 43, 47 and 59 of Article 2 of Law 4335/2015). In particular, the resolution authority may, as a means of resolution, inter alia, (a) cancel existing shares or other equity instruments, reduce their nominal value up to zero, or transfer the shares and other capital instruments to creditors who have undergone a liability restructuring, (b) dilute, and to a significant extent, the ownership interest of existing shareholders and holders of other equity instruments by converting them into shares or other equity instruments; and (c) generally apply various variations of methods of loss or impairment of the value of shares. It is emphasized that the implementation of reorganization measures is by decision of the competent reorganization authority, provided that the requirements of the law are met, without any prior notice to investors, and that reorganization measures may take a variety of forms, as the competent authority may determine on a case-by-case basis, in accordance with the provisions of the law (cf. Chapters I, IA, IB and IC of Article 2 of Law 2 of the Law. 4335/2015 and, indicatively, internal articles 43, 44, 46-50, 59, 60, 63, 66 and 72 of article 2 of the Law. 4335/2015).

**In particular, as regards bonds, debentures and, in general, debt securities of various forms issued by credit institutions** and, in general, undertakings in the financial sector that fall within the scope of the internal article 1 par. 1 of Article 2 of Act No. 4335/2015, as well as by undertakings affiliated with the aforementioned legal entities and guaranteed by the credit institution or the undertaking in the financial sector, if the credit institutions or undertakings in the financial sector are placed in special liquidation or reorganization, the risk to which the investor is exposed consists, inter alia, in the impairment, up to zero, of the original amount or the outstanding balance due of the claim from the debt securities against the credit institution or the affiliated undertaking in the financial sector, if the credit institutions or the undertakings in the financial sector are placed in special liquidation or reorganization, the risk to which the investor is exposed consists, inter alia, in the impairment, up to zero, of the original amount or the outstanding balance due of the claim from the debt securities against the credit institution or the affiliated undertaking in the financial sector. 4335/2015. It is emphasized that the implementation of resolution measures, if the conditions of the law are met, is done by decision of the competent resolution authority without any prior notice to investors, and that resolution measures may take various forms, as the competent authority will decide on a case-by-case basis, in accordance with the law (see also the provisions of the law). Chapters I, IA, IB and IC of Article 2 of Law 2 of the Law. 4335/2015 and, indicatively, internal articles 43, 44, 46-50, 59, 60, 63, 66 and 72 of article 2 of the Law. 4335/2015).

### **3. Derivatives**

#### **A. Introduction**

Derivatives are complex and sophisticated financial instruments, the content of which varies according to the "underlying instruments", i.e., those financial instruments or products, of which the derivatives are a function and composition. A derivative may contain a wide range of underlying instruments, in a variety of variations and combinations. This results in the existence and possibility of an indefinite number of types of derivatives. Derivatives are usually in the form of contracts between parties agreeing to fulfil mutually agreed obligations at one or more future points in time. Their value is determined by the value of the underlying instruments, which may be equities, securities, foreign exchange rates, interest rates, commodities and financial indices and any combination thereof.

The main types of derivatives are futures, options, and swaps. A brief description of the above main types of derivatives is given below.

## **B. Basic types of derivatives**

### α. Futures / Forward contracts:

They are standardized contracts for the purchase or sale of a certain quantity and quality of an underlying instrument at a future date and at an agreed price specified at the time the contract is concluded. Under these contracts, one party undertakes to sell to the other a specified quantity of a financial instrument (e.g., a share) and/or a currency or commodity at a specified future date at a predetermined price. The buyer assumes a similar obligation. Therefore, the date on which the transaction is entered into and the date on which the obligation is discharged (e.g., delivery of the financial instruments and payment of their value) differ. Often contracts provide that on the maturity date there is no delivery of financial instruments and payment of their full price, but only payment of the difference in price from the time the contract was entered into. The prices of forward contracts are usually determined on the basis of a two-day spot rate, that of the contract's inception and that of the expiry date. To this price an amount (premium or discount) is added or subtracted depending on the forecast of the future market price development. Underlying assets can be, among others, shares, exchange rates, interest rates, bonds, stock exchange indices, etc. Both parties are obliged to fulfil their obligations under the contract on the settlement date.

### β. Options

These derivatives give one party the right to buy or sell a specific underlying instrument at a predetermined price at a specified future date. This right of one party is matched by an obligation of the other party of another (its counterparty) to enter into the agreed transaction if the first party exercises its right. The underlying instruments may be currencies, interest rates, stock market indices, shares, debt securities and money market instruments.

Unlike futures, the buyer of an option has the option, but not the obligation, to make the transaction in the future. He buys for a specific price the right to enter into a specific transaction in the future. In contrast, his counterparty, the seller (the option holder) of the option, has the obligation to fulfil his obligations under the contract if the other party (the buyer of the option) exercises his right.

The value of an option can be determined based on several techniques developed by specialist product designers and analysts. Those techniques may also be used to determine how the value of an option may be affected by any change in the more specific circumstances associated with the option. Therefore, it is possible to understand and manage the risks associated with investing in and holding options with a degree of accuracy.

### c. Swaps

A swap involves the purchase of a financial asset at a spot price (worth two days) and the simultaneous agreement to sell it at a specific date in the future at a forward price. In a swap we have two legs: a) an immediate (spot) value transaction, usually two days (short leg) and b) a forward transaction (long leg) that reverses the first transaction. Usually, an exchange of cash flows is agreed upon. This derivative is often used to cover the risk arising from price volatility, interest rates or to speculate on changes in the underlying prices.

## **F. Risks**

Derivative financial instruments have particular technical characteristics and transactions in them involve **an increased risk of reduction or loss of the capital initially invested or even a multiple thereof**. Consequently, transactions in financial derivative instruments are suitable only for certain categories of investors who have



appropriate experience and who understand the operation of such instruments and the risks involved. The main risks associated with transactions in financial derivative instruments are described below.

#### α. Product risk

##### i) Futures - Forward contracts: leverage

Futures trading involves a high degree of risk, as a result of the leverage (gearing) phenomenon: their characteristic is that they attempt to achieve, by investing a certain amount, results which, in the securities market, would be achieved with multiple amounts. Given that the amount of collateral (margin) required from the client to participate in a futures contract by opening a 'position' is small in relation to the total value of the contract, a small change in the value of the contract will have a proportionally much greater effect on the capital invested (in the form of collateral) or will require further capital to be invested to maintain the position. In particular, in the event of an adverse change in the value of the contract, the Client is obliged to pay an additional amount required for the daily settlement and to supplement the required security (margin of safety) in order to avoid the Client's position being closed and losing the entire amount invested. Furthermore, it is possible that the Central Counterparty (e.g. the Clearing and Settlement of Transactions in the Derivatives Market of the Exchange (e.g. the Clearing and Settlement of Derivatives Market of the Exchange 'CSCM') or the respective clearing/settlement agent of the derivatives market may set a higher security (higher margin of insurance) as a condition for maintaining open positions. In this case, the Client is obliged to pay the additional amount to avoid closing the position and losing the entire amount invested. If the Client fails to fulfil these obligations in time, the position will be closed, and the Client will be liable for the fulfilment of all obligations arising from the settlement of the transactions carried out on derivatives. This means that he may not only lose the amount invested - and thereby lose the expectation of profit if the market reverses in the future and at the end of the futures contract the position he has taken is profitable for him - but also that he may be obliged to pay additional amounts to cover his loss. Customer orders designed to limit potential losses, such as a "stop-limit" order or a "stop-loss" order, may prove ineffective due to market conditions which would prevent their execution. Combined position strategies (e.g., straddle or strangle) may involve the same risk as simple 'buy' or 'sell' positions.

##### (ii) Rights of option: Risk diversification

Transactions in Options involve a high degree of risk, which is in any case a function of the type of Option. Of particular importance is the distinction between 'call' and 'put' options and the distinction between 'American-style' options, which may be exercised at any time within the specified time limit, and 'European-style' options, which may be exercised only on the date of expiry of the specified time limit. In assessing the profitability of a position, account should be taken not only of the fees and commissions of all kinds charged on the transactions concerned but also of the price of the rights paid to the seller.

The buyer of the Right has the option to exercise the Right or let it expire. If the Option Rights are exercised, they will be settled either in cash or by physical delivery (for delivery rights) / receipt (for call rights) of the underlying value of the rights. If the underlying value is a Futures Contract, the purchaser will, if the option is exercised, acquire a position in a Futures Contract with all consequent obligations to pay or top up the margin of insurance and the daily or final settlement of such position, in which case the above under a. i. shall apply. If the option expires without being exercised, the Customer suffers total loss of the invested capital, consisting of the option price, all fees, and commissions.

The seller of an option is exposed to much greater risk than the buyer. While the Price paid to the Option seller is fixed, the amount of loss the seller can suffer is much greater than that amount. In particular, in the event of an adverse change in the value of the Right, the seller is required to make up the required margin of insurance. Furthermore, in the event that a higher margin of insurance is set by the CCP (e.g., the FCA) or the relevant clearing

and settlement agent of the derivatives market, the seller is obliged to pay an additional amount. If the seller fails to fulfil these obligations in a timely manner, the AIFM or the CCP or the clearing/settlement agent shall close the position of the client/seller, who shall be responsible for the fulfilment of any additional obligations arising from the settlement of such transactions. Further, the seller is exposed to the risk of the buyer exercising the option. The seller's risk of loss may be unlimited if the seller of the option has not carried out transactions to hedge and cover it.

iii) short selling (short sale)

In the case of sale of financial instruments that the Customer does not have and is obliged to have at his disposal on the day of settlement of the transaction (e.g., forward sale), for delivery, the Customer's risk is unlimited. This may, by way of illustration, occur in the event of a rise in the price of the financial instrument, in which case the Client is exposed to significant risk, since it is obliged to purchase the financial instruments in question, which it is obliged to deliver at whatever price is prevailing at the time of delivery due.

β. Derivatives market conditions (market risks)

The economic conditions of the derivatives market (e.g. existence or lack of liquidity) and the rules of operation of this market (e.g. safety valves of normal operation: temporary suspension of meetings, suspension of derivative trading, deletion of derivatives) may make it difficult or impossible to carry out effective transactions on derivatives, increasing the risk of loss of the invested capital.

c. Divergence between the derivatives market from the underlying market

The prices of derivative financial instruments do not necessarily correspond to the prices of the underlying securities. The divergence may be due to the conditions (e.g., demand) or operating rules (e.g., price cap) of the derivatives market or the underlying securities market.

δ. Risk of imperfect hedging

This risk occurs when the Client, by executing transactions in derivatives, aims to hedge the risk from transactions in the underlying value, but the position in derivatives is imperfectly correlated with the positions in the underlying value (e.g. in the case of a Futures Contract in the FTSE, the Client does not have positions in all the shares that make up the FTSE and in proportion to their participation in the FTSE).

ε. Cash or property deposit risk (cash or property deposit risk)

The freezing of cash or securities may involve a credit risk if the depositary fails to meet its obligations in full, either when they fall due or subsequently.

f. Legal risk, including the risk of amendment of provisions

In addition to what has been set out above under II. 10., it is underlined that the fulfilment of claims and the satisfaction of the Client's rights on contracts in financial derivative instruments also depends on the legal rules applicable in the Payment and Clearing/Settlement System of the market where the derivatives transactions are carried out and on which rules the Client's claims and rights depend, especially in case of insolvency of a member of the above mentioned systems. It should be noted that foreign legislation, in particular of non-EU Member States, governing transactions in derivatives may offer weaker protection to the Client than that offered by Greek law and the law of the Member States of the European Union. Furthermore, any amendment of rules governing the

obligations of the parties to a derivatives market in financial instruments (e.g., conditions for conducting transactions, terms, and procedure for clearing and settlement of transactions, increase of the margin of safety) may affect the interests of the Client. The above factors are likely to expose the Client's invested capital to additional risks.

ζ. Foreign exchange risk (currency risk)

In addition to what has been set out above under II. 4., it is underlined that the profit or loss resulting from transactions in derivative financial instruments valued in foreign currency (regardless of whether they are traded on the domestic or foreign market) will be affected by changes in exchange rates when there is a need to convert the value of the derivative from one currency to another and in particular to the currency in which the Client's property is valued.

η. Replacement cost risk (replacement cost risk)

This risk arises in the event that the Customer's counterparty is unable to fulfil its due obligations. In this case, the Client will be obliged to open a new position at the price established in the relevant market (replacement value), to which price an amount will be added depending on the time remaining until the maturity of the derivative (add-on).

θ. General risks

In any case, the general risks described under II. above must also be taken into account.

In any case, the Investor should take note of the Key Information Form relating to the derivative financial instrument on which he intends to enter into a transaction. This form is created by the issuer of each financial instrument and is provided to the Client by the Company in accordance with the terms of the Investment Services Agreement and other specific agreements. Specifically with regard to the derivative financial instruments traded on the derivatives market of the Athens Exchange, these basic information forms are posted on the website of the HSE ([www.athexgoup.gr](http://www.athexgoup.gr)) at the link <https://www.athexgroup.gr/el/web/guest/kids>.

**END OF ANNEX 1**

**Important note :**

A careful study of this Annex is of significant importance for the proper service, protection, and promotion of the Customer's interests.

I certify that I have carefully studied the above information contained in the seven parts of this Schedule 1 of the Investment Services Agreement, and in particular:

**Part 1 : Fees - Commissions - Expenses**

**Part 2 : General information about the company and the services provided**

**Part 3 : Order Execution Policy for products listed on trading venues**

**Part 4 : Policy for identifying and managing conflicts of interest**

**Part 5 : Examination of complaints**

**Part 6 : List of professional clients**

**Part 7 : Financial instruments and risks and declaration of its contents acceptance.**

**The Customer - natural person**

Last name: \_\_\_\_\_ First name: \_\_\_\_\_

\_\_\_\_\_  
(Signature )

Proof of signature \_\_\_\_\_

**The customer - legal entity (Signature of the legal representative and stamp of the legal entity)**

Name of the legal entity: \_\_\_\_\_

Legal representative

Last name: \_\_\_\_\_ First name: \_\_\_\_\_

\_\_\_\_\_  
(Signature )

(Seal)

Proof of signature \_\_\_\_\_