

RUSSIAN COMMERCIAL BANK (CYPRUS) LIMITED
Standard Terms and Conditions of Business for Investment Services
for Professional Clients

1. Identification and Regulatory Information

- 1.1 We are authorized and regulated in Cyprus by the Central Bank of Cyprus, which has its principal place of business at 80 Kennedy Avenue, Nicosia, Cyprus. Our registered office is situated at 284 Arch. Makarios III Avenue, Fortuna Court, Block B 2nd Floor, Limassol, Cyprus, and our operations are carried out from our offices at 2, Amathuntos Street, Limassol, Cyprus.
- 1.2 These Standard Terms and Conditions of Business (the “Terms”) set out the terms on which we are willing to offer the services set out in paragraph 3 hereto, and create a contractual relationship that has legal consequences.
- 1.3 The relationship between us is as described in these Terms. Neither that relationship, nor the services we provide nor any other matter, shall give rise to any fiduciary or equitable duties on our part or on the part of any of our associates which would prevent or hinder us or any of our associates in any way in acting as provided in these Terms.

2. Your Capacity

- 2.1 You represent, warrant and undertake on a continuing basis that:
- 2.1.1 you have and will have, and are in compliance with, all necessary licences, consents, authorizations, approvals, powers and authorities to enter into these Terms and any transactions hereunder and to perform your obligations in respect thereof;
- 2.1.2 you will obtain and maintain and comply with all necessary consents and approvals of any government or regulatory authority or body in any jurisdiction applicable to each transaction effected under these Terms;
- 2.1.3 these Terms and any transactions entered into hereunder are your valid and binding obligations enforceable against you in accordance with their terms;
- 2.1.4 the person or persons who shall be signing these Terms is or are duly authorized by you to do so and to bind you thereto;
- 2.1.5 entry by you into these Terms and any transaction hereunder will not contravene any law, regulatory requirement or other obligation howsoever binding upon you or any of your assets in Cyprus or any jurisdiction.
- 2.2 Any person designated by you shall at all times have due authorization to act in all respects in relation to these Terms and to any transaction carried out hereunder.

3. Our Services

- 3.1 We shall provide you with the following services unless otherwise specified:
- 3.1.1 execute transactions upon your instructions in accordance with these Terms;
- 3.1.2 dealing with you as principal or for you as your agent or arranging deals in various kinds of investments; and

- 3.1.3 such other services as may be specified by agreement between us.
- 3.2 We shall not provide you with any investment advice (as defined in the Investment Services and Activities and Regulated Markets Law of 2007), nor with any investment research or financial analysis, nor with any other form of personal or general recommendation relating to transactions in financial instruments.
- 3.3 We shall be entitled to delegate the performance of any of our services to any associate of ours or to such other person or persons as we deem fit without any obligation on our part to notify you of such delegation or to receive your approval therefor.
- 3.4 We may employ agents we reasonably select on terms we deem appropriate. We shall exercise reasonable skill, care and diligence in selection of the same.
- 3.5 We may act upon your investment objectives (to include executing transactions) by acting as a principal, as your agent, or a combination of both, or instructing (at our discretion) an affiliated company to effect transactions on your behalf.
- 3.6 Transactions between us may be subject to the rules and customs of an exchange, market or multilateral trading facility and/or any clearing house through which the transactions are executed and to all other applicable laws, rules and regulations (collectively “applicable regulations”) so that:
- 3.6.1 in case of conflict between these Terms and the applicable regulations, the latter will prevail;
- 3.6.2 we may take or omit to take any action which we consider fit in order to ensure compliance with any applicable regulations; and
- 3.6.3 all applicable regulations and whatever we do or do not do in order to comply with them shall be binding on you.
- 3.7 We may deal for you in circumstances in which the relevant transaction is not regulated by the rules of any exchange, market or multilateral trading facility, and you hereby consent to our so acting.
- 3.8 We may buy investments to cover any liability of yours to deliver instruments to us or a third party. We may debit your account with any loss we suffer in this way.
- 3.9 We may undertake stock lending activity with or for you in relation to any assets held by us for you and any further assets as from time to time agreed and on such terms as agreed between us.

4. Orders

- 4.1 We shall use all reasonable endeavours to execute your orders as soon as reasonably practicable from the time of receipt, but shall be under no liability for any loss or expense you incur by reason of any change in market conditions between the time of receipt of the order and its execution. We may postpone execution of an order if we believe on reasonable grounds that it is your best interests to do so.
- 4.2 Any orders are transmitted at your own risk in such manner as may be specified by us or agreed with you from time to time. We shall not be liable for any loss suffered on account of any order not being received by us.

- 4.3 You authorize us to rely and act upon, and treat as fully authorised by and binding upon you, any instruction which purports to have been given and which is accepted by us in good faith as having been given by you or on your behalf, without further inquiry on our part as to the genuineness, authority or identity of the person giving or purporting to give such instruction and notwithstanding any communication you have made or may make to us purporting to limit the persons from whom we may accept instructions, unless such limitations have been acknowledged by us in writing. Notwithstanding the foregoing, we may require, and you shall provide, evidence of any such authority provided to any person acting, or purporting to act, for you or on your behalf. You will be responsible for and bound by all contracts, obligations, costs and expenses entered into or assumed by us on your behalf in consequence of or in connection with such instructions.
- 4.4 All transactions are undertaken with the object of actual settlement. We are not obliged to settle transactions or to account to you unless and until we have received all necessary documents or money. Where we undertake transactions for you, delivery or payment is entirely at your risk. Our obligations to deliver investments to you or to your account, or to account to you for the proceeds of the disposal of investments, are conditional on prior receipt by us of appropriate documents or money due from you. In the case of securities which have already been committed to a bidder, settlement may be delayed if the transaction can only be completed with securities or cash issued by the bidder.
- 4.5 Your orders will be executed in accordance with our Best Order Execution Policy (as amended from time to time), and attached hereto as Appendix A.
- 4.6 Subject to applicable rules and in accordance with our Best Order Execution Policy, we may combine your order with our own orders, orders of persons connected with us and orders of other customers. Such aggregation may on some occasions operate to your advantage and on others to your disadvantage. Where we have agreed to execute a limit order in an equity security on your behalf, you hereby instruct us that we shall not be obliged to immediately publish that limit order if it cannot be immediately executed under prevailing market conditions.
- 4.7 By signing these Terms you hereby consent to our Investments Risk Disclosure Statement, attached hereto as Appendix B. In all cases, you should conduct your own investigation and analysis of any information provided to you before taking or omitting to take any action. Accordingly, in entering (or omitting to enter) into any transaction, you do so in reliance on your own judgment. We shall not in any circumstances be responsible for giving taxation, legal or accountancy advice and shall not be required to take into account the taxation, legal or accountancy consequences of investments for you. You should take independent advice, including (without limitation) tax, legal or accountancy advice, where you consider it appropriate to do so.

5. Safeguarding and Administration of Assets

- 5.1 We may act as your custodian or arrange for your custody assets to be held by a third party as custodian on the terms set out in this paragraph 5 and subject to the provisions of these Terms and any separate custodian agreement required by us.
- 5.2 We will open, or cause to be opened in our books and records one or more accounts for the recording of your custody assets. We may, for administrative purposes, combine and operate such accounts as a single ledger. The title to such account(s) will make clear that safe custody investments recorded in the account belong to you and are segregated from our designated investments.

- 5.3 Where your safe custody investments are registered or recorded in our name, you acknowledge and agree that:
- (a) your safe custody investments may not be segregated and separately identifiable from our own designated investments, and
 - (b) as a consequence, in the event of our failure, your safe custody investments may not be as well protected from claims made on behalf of our general creditors
- 5.4 Where we arrange for your safe custody investments to be held outside the EEA, there may be different settlement, legal and regulatory requirements and different practices for the separate identification of investments in those jurisdictions from those applying in the EEA.
- 5.5 Any investments held on your behalf may be pooled with those investments of other clients. This means that your entitlement may not be individually identifiable on the relevant company register, by separate certificates or electronic records (other than ours). In the event of an unreconciled shortfall caused by the default of a custodian, you may share proportionately in that shortfall.
- 5.6 We shall be liable to you for loss and damage incurred by you that arises directly as a result of: (a) our failure to exercise reasonable care in the selection and retention of our custodians; and (b) our negligence, fraud or willful default in acting as custodian pursuant to these Terms. We shall have no other liability to you for the performance of the custody services or the acts or omissions or insolvency of any custodian, CSD (meaning any securities depository, book entry system or other person that provides handling, clearing or safekeeping services in which we or a sub-custodian participates as a customer or member) or clearing system (meaning any person, or any system or platform operated by such person, providing settlement, clearing or similar services).
- 5.7 You agree that we may, without further instructions from you:
- 5.7.1 collect and receive for your account all dividends, interest payments and other payments, distributions and entitlements accruing to you in respect of your safe custody assets and take any action necessary in connection with them including the presentation of coupons and other interest items and the endorsement for collection of drafts, cheques and other negotiable instruments;
 - 5.7.2 deduct or withhold from any sum collected under paragraph 5.7.1 above any sum on account of any tax which in our reasonable view is required to be withheld or deducted, or for which you are in our reasonable view liable under any jurisdiction;
 - 5.7.3 execute in your name such ownership and other certificates as may be required to obtain payment in respect of your safe custody assets; and
 - 5.7.4 exchange interim or temporary documents of title to safe custody assets for definitive ones.
- 5.8 We will make reasonable endeavours to notify you whenever we or our agents are notified that your safe custody assets confer voting rights or other optional rights that you may exercise. We shall have no other obligations regarding such rights.
- 5.9 We will provide you with information relating to your safe custody assets which we hold on your behalf by sending you periodic custody statements. These will be sent to you at least once a month or more frequently as agreed with you from time to time.

6. Fees and Charges

- 6.1 The charges for our services shall be at our prevailing rates as notified to you and as amended from time to time. You will pay any value added tax and such other taxes, duties, out-of-pocket expenses, transaction costs and fees as may be applicable.
- 6.2 If you make any payment hereunder which is subject to any mandatory deductions or withholding whatsoever, you will pay to us such additional amount as is necessary to ensure that the amount received by us will equal the full amount we would have received had no such deduction or withholding been made.
- 6.3 Any amounts due to us under paragraphs 6.1 and 6.2 above may be deducted by us from any funds held in any account you hold with us.
- 6.4 We may share such fees or charges with an affiliate or third party. Information on the essential terms of such arrangements will be provided to you separately on a product service specific basis.

7. Security and Rights of Lien and Set-off

- 7.1 This paragraph shall apply subject to any other charge or security documentation agreed between us applying to the assets in question.
- 7.2 We shall have a lien, right of retention and power of sale and charge (a “security interest”) over any and all cash, investments (including but not limited to safe custody investments and financial instruments), documents of title, certificates and other assets (the “Security”) of yours whether in sole or joint names or otherwise from time to time which are held by or with us or any affiliate now or at any time held by or registered with or its agents or nominees pursuant to these Terms to the extent of and to satisfy any outstanding liability which you may have now or at any time towards us pursuant to these Terms.
- 7.3 It is a condition of these Terms that there must be no outstanding liabilities (whether actual or contingent) due from you, in order for us to pay or repay money from any account you may hold with us or deliver or redeliver any financial instrument.
- 7.4 You agree that you will not withdraw or seek to withdraw any property which is subject to the above security interest or in any way encumber, assign, transfer or deal with such property without our prior consent and until any outstanding liabilities are repaid.
- 7.5 We may apply any property which is subject to the above security interest together with (if applicable) any interest thereon whether or not credited in reduction or discharge of your outstanding liabilities pursuant to these Terms and for that purpose we may realize any such property without prior notice to you and generally exercise any remedies of a secured creditor.
- 7.6 We may, without notice to you, combine, consolidate or merge all and any of your accounts, balances and other amounts with, or liabilities to, us and may set off any sum standing to the credit of any such accounts, balances or other amounts in or towards the satisfaction of any sum or liability you owe to us. To effect set-off we may transfer moneys and/or assets between any of your accounts.
- 7.7 We may set off any obligation owed by you under these Terms or any transaction entered into pursuant thereto against any obligation owed by the Bank to you (whether or not in connection with these Terms or any transaction under them), regardless of the currency, booking branch, or place of payment of either obligation. If such an obligation is neither

ascertained nor liquidated, we may in good faith estimate the obligation and set off in respect of the estimate, subject to the relevant party accounting to the other when the obligation is ascertained or liquidated. If the obligations are in different currencies, we may convert the obligations at a market rate of exchange in usual course of its business for the purpose of set-off. You will indemnify us for any loss, damage, costs, claims and demands arising as a result of the operations of this set-off.

7.8 The rights conferred on us are continuing and outstanding liabilities are not to be considered satisfied by any partial repayment.

7.9 At any time that we consider necessary or desirable, including without limitation, if you default by not making any payment, delivering any instruments or transfer documents or necessary instructions by the due time then (without prejudice to any of our other rights and without further notice to you):

7.9.1 we may treat any outstanding transactions as having been cancelled and terminated;

7.9.2 we may realize any or all money held in debts due to you from any party including ourselves in relation to these Terms or any investment, asset or transaction hereunder;

7.9.3 we may sell, pledge, deposit or otherwise deal with all or any of the security, free of interest and as we in our absolute discretion think fit (without being responsible to you for any loss or diminution in price); this does not affect our right to enforce payment without resort to security;

7.9.4 we may close out, replace or reverse any such transaction or take, or refrain from taking, such other action at such times and in such manner as we consider necessary or appropriate to cover, reduce or eliminate loss or liability under or in respect of any contract, positions or commitments; and

7.9.5 we may charge for any of the above actions.

7.10 The net proceeds of any dealings under the immediately above paragraph will be applied towards the discharge of your liabilities. You will be entitled to any balance remaining after discharge of all liabilities. In the event of a shortfall, you will remain liable for any such shortfall and will pay to us the balance remaining due without delay.

7.11 Our security interest created under this paragraph 7 is not affected in any way by any time indulgence or relief being given by us.

8. Information

8.1 You shall provide to us, upon demand, such financial and other information as we may reasonably request and shall promptly notify us of any change in any information so supplied. Without limitation, such information may include evidence reasonably satisfactory to us as to your identity and, if applicable, that of your principal, and any other documents, information or consents as we may require in order to comply with applicable law and regulations, and with any internal policies of ours relating to such law or regulations, and we reserve the right to decline to provide you with any services hereunder without receipt of same.

8.2 You irrevocably authorize us to disclose to the Central Bank of Cyprus, our parent company, our auditors and those of our parent company, any government or other regulatory body or authority in any part of the world and to any connected person or third party, any information relating to you, including your positions, which is in its possession and which is in its possession and which it is obliged or required to disclose or the disclosure of which may be

necessary for the performance of our obligations under these Terms, any additional agreement(s) or otherwise.

- 8.3 We may provide information about you to any of our affiliates or third parties for the purposes of processing transactions, payments or settlements, or to any of our affiliates for marketing purposes or in connection with the provisions of other services.

9. Data Protection and Permitted Disclosures

- 9.1 You acknowledge that we may obtain information (personal data and sensitive personal data as defined in the Processing of Personal Data (Protection of the Individual) Law of 2001) about you. We and you will each treat as confidential (both during and after the termination of the relationship between you and us) any information learned about the other, its investment strategy or holdings or products or services in the course of the relationship pursuant to these Terms and, except as otherwise agreed, shall not disclose the same to any third party without the other's consent.

- 9.2 Notwithstanding anything to the contrary, you specifically authorize that we may use, store or otherwise process any such information (including, without limitation, information relating to your transactions and accounts) either as we or any of our associated companies shall be obliged or requested to under or pursuant to any applicable laws or regulations or by any regulatory authority or as may be required to administer these Terms, or provide services to you, including without limitation, monitoring and analyzing the conduct of your account. You further acknowledge and agree that in doing so, we may transfer or disclose such information to any associated company or third party anywhere in the world, including countries outside the European Economic Area which may not have equivalent data protection laws to those of Cyprus, for any of the purposes described in this paragraph.

- 9.3 If any personal data or sensitive personal data belonging to any of your directors, employees, officers, agents or clients is provided to us, you hereby represent to us that each such person is aware of and consents to the use of such data as set out in paragraph 9.2 above and you agree to indemnify us against any loss, costs or expenses arising out of any breach of this representation.

- 9.4 All telephone conversations between you and us may be recorded by us and may, to the fullest extent permitted by law, be used in evidence.

10. Indemnity and Limitation of Liability

- 10.1 You shall indemnify us, our employees and agents on a full indemnity basis from and against all claims, liabilities, losses, damages and expenses of any nature (present, future, contingent or otherwise and including reasonable legal fees, those incurred to any dealer exchange or clearing house and cost of enforcement) which arise as a result of or in connection with:

10.1.1 your breach of these Terms; or

10.1.2 any error or ambiguity in any instruction given by you; or

10.1.3 any instruction not being received by us or any delay in receipt of any instruction by us; or

10.1.4 our entering into any transaction under these Terms or otherwise taking any action or omitting to take any action in good faith pursuant to your instructions.

- 10.2 This indemnity shall survive termination of these Terms.

11. Termination

- 11.1 Either party may terminate these Terms at any time by giving thirty days written notice to the other party. Service of notice of termination on us shall take effect only upon actual receipt by us thereof.
- 11.2 Termination will not affect any accrued rights or affect any representations, warranties and indemnities given by you, or any confidentiality obligation of the parties, which shall survive termination.
- 11.3 On termination, we shall complete without prejudice all contracts that are already in progress and these Terms shall continue to bind both parties in relation to such contracts and we may require you to pay charges reasonably incurred as a result of termination.

12. Complaints; Conflicts of Interest

- 12.1 Any complaint about our services should be made following our Customer Service and Complaints Procedure, attached as Appendix C.
- 12.2 Potential and existing conflicts of interest are managed in accordance with the Conflicts of Interest Policy attached as Appendix D.

13. Illegality

- 13.1 If at any time any provision of these Terms is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of these Terms under the law of that jurisdiction nor the legality, validity or enforceability of such provisions under the law of any other jurisdiction shall be in any way affected.

14. Force Majeure

- 14.1 A failure by either party to perform or delay in performing any of its obligations under the agreement will be excused if prevented by events beyond that party's control and affecting persons buying and selling the Securities generally. Such events shall include, but not be limited to, any law, order, regulation or threat of any governmental or other authority prohibiting activities which are the subject of the agreement or which prevent completion of the transaction. The affected party shall use its best efforts to limit, as far as possible, any negative consequences of the aforesaid force majeure event.
- 14.2 If either party becomes aware of a force majeure event, it shall, on becoming so aware, notify the other party of the event.
- 14.3 If the force majeure event prevents a party's performance for a continuous period in excess of thirty (30) calendar days either party may thereafter terminate the transaction upon three (3) business days' written notice and in the case of termination due to force majeure, the parties shall return to their initial state. Expenses for returning the parties to their initial state shall be borne by the parties in equal parts.

15. Assignment

- 15.1 You may not transfer or assign any of your rights, or declare a trust of the benefit of your rights or delegate any of your obligations under these Terms or any contract to any person, without our prior written consent.

15.2 If Russian Commercial Bank (Cyprus) Ltd is consolidated or amalgamated with, or merged into, or all or substantially all its assets are transferred to another entity, Russian Commercial Bank (Cyprus) Ltd may assign or transfer its rights and, upon written notice to you, its obligations under these Terms to that entity.

16. General

16.1 Time shall be of the essence in relation to all matters arising hereunder or pursuant hereto.

16.2 Any failure on our part to seek redress for any defaults or to insist upon strict performance of or compliance with any provisions of these Terms, or any failure on our part to exercise any right or remedy whatsoever will not constitute a waiver of the same.

16.3 To the extent that any paragraph, sub-paragraph or part thereof contained in these Terms is void or unenforceable, the operation of any other paragraph, sub-paragraph or part thereof shall be unaffected.

16.4 In the event of you having any concerns with our services then such concerns should be put in writing as per paragraph 12 (Complaints) above.

17. Amendment

17.1 Save as provided in this paragraph, these Terms shall apply to all transactions between us and you to the exclusion of any other terms of business which might otherwise apply by virtue of any course of dealing.

17.2 We may amend these Terms at any time by giving notice to you, such notice to be served by sending you revised Terms or written notice of the amendments.

17.3 We may revise our fees and/or interest/commission rates from time to time. Any changes shall be duly notified to you.

18. Commencement

18.1 These Terms shall take effect as of the date stated at the head of the covering letter accompanying these Terms or, where you have not previously entered into terms of business with us, if earlier, the day on which we commenced any business with you.

18.2 Any revised Terms issued under paragraph 17.2 above shall take effect on the date stated in the letter accompanying such revised Terms.

19. Notices

19.1 Any notice given under these Terms, including instructions from you to us, may be personally served or sent by post, email or fax. A notice from us may be sent to your last known postal address/email address/fax number. All notices to us should be sent to Russian Commercial Bank (Cyprus) Ltd, 2 Amathuntos street, P.O.Box 56868, 3310, Limassol, Cyprus Fax +357 25342192, email: rcb@rcbcy.com

19.2 All statements, demands, notices and other documents whatsoever to be given to you hereunder shall be conclusive and binding upon you as to your rights and liabilities unless written notice of objection hereto is actually received by us within ten (10) business days of the date on which such documents are deemed to have been received by you.

19.3 We shall not be held responsible for delays or inaccuracies in the transmission of any instruction or other information or the execution of orders due to any cause whatsoever beyond our reasonable control. We shall not be liable for any loss, expense, cost or liability (including consequential loss) suffered or incurred by you as a result of instructions being given, or any other communications being made via the internet or other electronic media.

20. Law and Jurisdiction

20.1 These Terms are governed by and shall be construed and interpreted in accordance with the laws of Cyprus in all respects.

20.2 It is irrevocably agreed for our exclusive benefit that the courts of Cyprus are to have jurisdiction to settle any disputes which may arise out of or in connection with these Terms. Nothing in this paragraph shall limit our right to bring proceedings against you in any other court of competent jurisdiction.

SIGNATURES:

FOR THE BANK:

.....
Name:
Title

FOR THE CLIENT:

.....
Name:
Title:

APPENDIX A

BEST ORDER EXECUTION POLICY OF RUSSIAN COMMERCIAL BANK (CYPRUS) LIMITED (THE “BANK”)

This Best Order Execution Policy sets forth the general basis on which the Bank will provide “best execution” as required by the European Union’s Markets in Financial Instruments Directive (“MiFID”). Unless otherwise indicated, capitalized terms used herein shall have the meaning assigned to them in MiFID.

This policy shall apply when the Bank executes an order on your behalf in respect of any of the financial instruments covered by MiFID (each an “Order”). This will be the case when:

- We act on your behalf; and
- We agree to achieve the best price or other terms for you in the market

It will not apply when the Bank is not executing an order on your behalf, or where we transact with you but not on the basis of having received an order from you. This would be the case:

- Where we are acting as a dealer and offering to enter into a transaction with you or accepting to enter into a transaction with you as principal
- Where we are acting as your counterparty for our own account
- When you transact with us as principal on the basis of a published quote or a request for quote
- To the extent that we are following your instructions to execute an order in a particular manner

The financial instruments covered by MiFID include most financial instruments, including most derivative contracts, but do not include, for example, spot FX transactions.

In order to achieve best execution of Orders the Bank has established the following principles and guidance which are designed to obtain the best possible execution result, subject to and taking into account the nature of the Orders, the priorities customers place upon the Bank in filling those Orders and the market in question, and which provide, in the view of the Bank, the best balance across a range of sometimes conflicting factors.

Demonstrating best execution does not necessarily involve a transaction-by-transaction analysis, but rather involves an assessment of a record of transactions over a period indicating that overall the best result is achieved by executing Orders on your behalf on the venues and in the manner described in this Policy.

The Bank will take into consideration a range of different factors of which price shall be a key factor, but which may also include such other factors as the need for timely execution, the liquidity of the market (which may make it difficult to execute an Order), the size of the Order, the nature of the Order, the cost of the transaction and its nature, including whether it is executed on a Regulated Market, Multilateral Trading Facility (“MTF”) or over-the-counter.

In the absence of express instructions from customers, the Bank will exercise its own discretion in determining the factors that it needs to take into account for the purpose of providing customers with best execution, having regard to the execution criteria listed below.

The Bank’s commitment to provide customers with best execution does not mean that it owes its customers any fiduciary or other responsibilities over and above the specific regulatory

obligations placed upon the Bank or as may be otherwise contracted between the Bank and the customers.

The Bank owes a duty of best execution when executing Orders on behalf of customers. The Bank considers itself to be in receipt of an Order where an execution instruction is given to the Bank that gives rise to contractual or agency obligations towards the customer. Specifically, this will be the case where customers commit to a trade that is not immediately executable, leaving discretion with the Bank as to the manner of execution and exact terms of the resulting transaction, and the execution can be booked to the account of the customer without the need to re-confirm the price, size or any other factor(s) with the customer or where the Bank executes an Order as agent or riskless principal on the customer's behalf.

When executing such an Order on behalf a customer, the Bank will take into full account the factors relevant to the Order, including those set out above and the following execution criteria:

- (a) The characteristics of the client;
- (b) The characteristics of the client Order;
- (c) The characteristics of financial instruments that are the subject of that Order; and
- (d) The characteristics of the execution venues to which that Order can be directed.

It should be noted that where customers have provided their consent some Orders may be executed outside a Regulated Market or MTF.

In cases where we pass an Order to a third party dealer or broker to execute, we will be responsible to review periodically our choice of such third parties and to be confident that, based on a review of their execution history and/or best execution policy, the third party broker or dealer is providing best execution on a consistent basis.

In circumstances where the Bank executes trades with a customer but does not execute an Order on behalf of the customer, the Bank will not owe that customer a duty to provide best execution. This would include, but may not be limited to, circumstances where the Bank is providing either continual quotes or quotes at the customer's request, upon which the customer subsequently decides to execute.

Where we have accepted your instructions with respect to the execution of an Order, we will follow them to the extent that it is possible for us to do so. You should be aware that to the extent that we accept and follow your instructions, this Policy will not be applicable, although this Policy will be applicable to other execution factors to the extent that they are not covered by your instructions. For example:

- Where you instruct us to execute your Order on a particular venue, we will not be responsible for selecting the venue
- Where you instruct us to execute your Order at a particular time or over a particular period, regardless of the price available, we will endeavour to execute your Order at that time or over that period in the best possible manner but will not be responsible for timing or any of the consequences for price or other factors that results from the timing of execution.

The Bank's policy, in providing customers with best execution is to exercise the same standards and operate the same processes across all the different markets and financial instruments on which the Bank executes Orders. However, the diversity in those markets and instruments and the types of Orders that customers may place with the Bank mean that different factors will have to be taken into account when the Bank assesses the nature of its execution policy in the context of different financial instruments and different markets. For

example, there is no formalized market or settlement for over-the-counter transactions. In some markets, price volatility may mean that the timeliness of execution is a priority, whereas, in other markets that have low liquidity, the fact of execution may itself constitute best execution. In other cases, the Bank's choice of venue may be limited (even to the fact that there may only be one platform/market upon which the Bank can execute an Order) because of the nature of the Order or of the customer's requirements.

In meeting its obligation to take all reasonable steps to obtain on a consistent basis the best possible result for the execution of Orders, the Bank may use one or more of the following venue types when executing an Order on behalf of customers:

- Regulated Markets;
- Other exchanges that are not Regulated Markets;
- Multilateral Trading Facilities (MTFs);
- Systematic Internalisers (SIs);
- Third party investment firms, brokers, and/or affiliates acting as a Market Maker or other liquidity providers; and/or non EU entities performing similar functions; and
- Other internal sources of liquidity.

The Bank will take into account the following factors to determine the manner in which an Order will be executed:

- General prices available;
- Depth of liquidity;
- Relative volatility in the market;
- Speed of execution;
- Cost of execution;
- Creditworthiness of the counterparties on the venue or the central counterparty;
- Quality and cost of clearing and settlement; and
- Any other consideration relevant to the efficient execution of the Order.

The Bank will determine the relative importance of each factor using the execution criteria which are set out above.

Ordinarily, price will merit a high relative importance in obtaining the best possible result for the customer. However, in certain circumstances, for some client Orders, financial instruments or markets, the Bank in its absolute discretion, may decide that other factors listed above may be as or more important than price in determining the best possible execution result in accordance with this policy. In some markets, for example, price volatility may mean that timeliness of execution is a priority. In other markets that have low liquidity, the fact of execution may itself constitute best execution.

The Bank will monitor the effectiveness of its Order execution arrangements and this Policy to identify and, where appropriate, correct any deficiencies. The Bank will assess whether the execution venues included in this Policy provide the best possible result for customers or whether it needs to make changes to its execution arrangements. The Bank will review its order execution arrangements and this Policy at least annually or whenever a material change occurs that affects the Bank's ability to obtain the best result for the execution of Orders on a consistent basis using venues included in this Policy. The Bank will notify its customers promptly of any material changes to this Policy.

APPENDIX B

INVESTMENTS RISK DISCLOSURE STATEMENT OF RUSSIAN COMMERCIAL BANK (CYPRUS) LIMITED (THE “BANK”)

The Bank is required to provide customers with this Investments Risk Disclosure Statement. This notice cannot disclose all the risks and other significant aspects of designated investments, nor does this notice impose any obligation on the Bank to deal accept instructions relating to any of the designated investments in any instance.

Customers should be advised not to deal in a product unless they understand its nature and the extent of their exposure to risk. Customers should also be satisfied that the product is suitable for them in light of their particular circumstances and financial position. Different instruments involve different levels of exposure, and in deciding whether to trade in such instruments customers should be aware of the following:

1. Shares

A share is a certificate representing a shareholder's right in a company. Shares may be issued in bearer or registered form. One share represents a fraction of a corporation's share capital. Dividend payments and an increase or decrease in the value of the security are both possible. The shareholder has financial and ownership rights which are determined by law and the issuing company's articles of association. Unless otherwise provided, transfers of bearer shares do not entail any formalities. However transfer of registered shares are often subject to limitations.

Dealing in shares may involve the following risks:

- (a) **Company risk:** a share purchaser does not lend funds to the company, but makes a special contribution and, as such, becomes a co-owner of the corporation. He thus participates in its development as well as in chances for profits and losses, which makes it difficult to forecast the precise yield on such an investment. An extreme case would be if the company went bankrupt, thereby wiping out the total sums invested.
- (b) **Price risk:** share prices may undergo unforeseeable price fluctuations causing risks of loss. Price increases and decreases in the short-medium and long term alternate without it being possible to determine the duration of those cycles. General market risk must be distinguished from the specific risk attached to the company itself. Both risks, jointly or in aggregate, influence the evolution of share prices.
- (c) **Dividend risk:** the dividend risk per share mainly depends on the issuing company's earnings and on its dividend policy. In case of low profits or even losses, dividend payments may be reduced or not made at all.

2. Bonds

Bonds are negotiable debt instruments issued in bearer or registered form by a company or a government body to creditors and whose par value at issuance represents a fraction of the total amount of debt. The duration of the debt as well as the terms and conditions of repayment are determined in advance. Unless stipulated otherwise, the bond is repaid either at the maturity date, or by means of annual payments, or at different dates determined by drawing lots. The interest payments on bonds may be either: (i) fixed for the entire duration; or (ii) variable and often linked to reference rates (eg. FIBOR or LIBOR). The purchaser of a

bond (the creditor) has a claim against the issuer (the debtor). Bonds may carry the following specific risks:

- (a) **Insolvency risk:** the issuer risks becoming temporarily or permanently insolvent, resulting in its incapacity to repay the interest or redeem the bond. The solvency of an issuer may change according to changes specific to the issuing company, the issuer's economic sector and/or the countries concerned, as well as political developments with economic consequences. The deterioration of the issuer's solvency will influence the price of the securities that it issues.
- (b) **Interest rate risk:** uncertainty concerning interest rate movements means that purchasers of fixed-rate securities carry the risk of a fall in the prices of the securities if interest rates rise. The longer the duration of the loan and the lower the interest rate, the higher is a bond's sensitivity to a rise in the market rates.
- (c) **Credit risk:** the value of a bond will fall in the event of a default or reduced credit rating of the issuer. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer.
- (d) **Early redemption risk:** the issuer of a bond may include a provision allowing early redemption of the bond if market interest rates fall. Such early redemption may result in a change to the extended yield.
- (e) **Risks specific to bonds redeemable by drawing:** bonds redeemable by drawing have a maturity which is difficult to determine, so unexpected changes in the yield on these bonds may occur.
- (f) **Risks specific to certain types of bond:** additional risks may be associated with certain types of bond, for example, floating rate notes, reverse floating rate notes, zero bonds, foreign currency bonds, indexed bonds, convertible bonds and subordinated bonds. For such bonds, customers are advised to make inquiries about the risks referred to in the issuance prospectus and not to purchase such securities before being certain that all risks are fully understood. In the case of subordinated bonds, customers are advised to enquire about the ranking of the debenture compared to the issuer's other debentures. Indeed, if the issuer becomes bankrupt, those bonds will only be redeemed after payment of all higher ranked creditors. In the case of reverse convertible notes, there is a risk that customers will not be entirely reimbursed, but will receive only an amount equivalent to the underlying securities at maturity.

3. Warrants

A warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities and is exercisable against the original issuer of the underlying securities. A relatively small movement in the price of underlying securities can therefore lead to a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be volatile. It is essential for anyone who is considering of purchasing warrants to understand that the right to subscribe is invariably limited in time with the consequence that if the investor fails to exercise this right within the predetermined time scale then the investment becomes worthless. Customers should be advised not to purchase a warrant unless they are prepared to sustain a total loss of the money invested plus any commission or other transaction charges. Some other instruments are also called warrants but are actually options (for example a right to acquire securities which is exercisable against someone other than the original issuer, often called a "covered warrant").

4. Off-exchange warrant transactions

Transactions in off-exchange warrants may involve greater risk than exchange-traded warrants because there is no exchange market through which customers may liquidate their position, or assess the value of the warrant or the exposure to risk. Bid and offer prices need not be quoted, and even when they are, they will be established by dealers and thus it may be difficult to establish what is a fair price.

5. Securitised derivatives

These instruments may give customers a time-limited right (i.e. where customers must give a form of notice to exercise that right) or an absolute right (where no such notice of exercise is needed) to acquire or sell one or more types of investment which is normally exercisable against someone other than the issuer of that investment. Or they may give customers rights under a contract for differences which allow for speculation on fluctuations in the value of the property of any description or an index, such as the FTSE 100 index. In both cases the investment or property may be referred to as the “underlying instrument”.

These instruments often involve a high degree of gearing or leverage, so that a relatively small movement in the price of the underlying instrument results in a much larger movement, unfavourable or favourable, in the price of the instrument. The price of these instruments may therefore be volatile.

These instruments have a limited life, and may (unless there is some form of guaranteed return to the amount invested in the product) expire worthless if the underlying instrument does not perform as expected.

Customers should only buy this product if they are prepared to sustain a total loss (where the terms of the securitized derivative provide that return is totally dependent on the performance of the underlying instrument(s) to which the product is linked), a substantial loss (where terms of the securitized derivative provide for some form of return irrespective of the performance of the underlying instrument(s) to which the product is linked but where that return is low) or loss (where terms of the securitized derivative provide for some form of return irrespective of the performance of the underlying instrument(s) to which the product is linked but where that return is high but less than 100% of the amount paid for the product) or the money invested plus any commission or other transaction charges.

6. Futures

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. They carry a high degree of risk. The “gearing” or “leverage” often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement in the value of the underlying asset can lead to a proportionately much larger movement in the value of the investment, which may be either favourable or unfavourable for the customer.

7. Options

There are many different types of options with different characteristics subject to the following conditions.

Buying options:

Buying options involves less risk than selling options because if the price of the underlying asset moves against the customer, the customer can simply allow the option to lapse. The

maximum loss is limited to the premium, plus any commission or other transaction charges. However, if a customer buys a call option on a futures contract and he later exercises the option, he will acquire the future. This will expose the customer to the risks described in “futures” and “contingent liability investment transactions”.

Writing options:

Writing options involve considerably greater risk than buying options. Customers may be liable for margin to maintain their position and any loss may be well in excess of the premium received. By writing an option, the customer accepts a legal obligation to purchase or sell the underlying asset if the option is exercised against him, however far the market price has moved away from the exercise price. If the customer already owns the underlying asset which he has contracted to sell (when the options will be known as “covered call options”) the risk is reduced. If the customer does not own the underlying asset (“uncovered call options”) the risk can be unlimited. Only experienced persons should contemplate writing uncovered options, and then only after securing full details of the applicable conditions and potential risk exposure.

Traditional options:

Certain London Stock Exchange member firms under special exchange rules write a particular type of option called a “traditional option”. These may involve greater risk than other options. Two way prices are not usually quoted and there is no exchange market on which to close out an open position or to effect an equal and opposite transaction to reverse an open option. It may be difficult to assess its value or for the seller of such an option to manage his exposure to risk.

Certain options markets operate on a margined basis, under which buyers do not pay the full premium on the option at the time they purchase it. In this situation customers may subsequently be called upon to pay margin on the option up to the level of their premium. If a customer fails to do so, his position may be closed or liquidated in the same way as a futures position.

8. Off exchange transactions in derivatives

It may not always be apparent whether or not a particular derivative is arranged on exchange or in an off-exchange derivative transaction.

While some off-exchange markets are highly liquid, transactions in off-exchange or “non-transferable” derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction, or to assess the exposure to risk. Bid prices and offer prices need not be quoted and even when they are, they will be established by dealers and thus it may be difficult to establish what is a fair price.

9. Liquidity

Certain investment positions may be illiquid. Futures positions may be illiquid because, for example, some exchanges limit fluctuations in certain futures contract prices during a single day (by regulations referred to as “daily price fluctuation limits” or “daily limits”). Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Similar occurrences could prohibit an investor from promptly liquidating unfavourable positions and subject such investor to substantial

losses. In addition, the investor may not be able to execute futures contract trades at favourable prices if little trading in the contracts involved is taking place. It is also possible that an exchange may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only. Further, the factors relating to illiquidity of investment positions may also be applicable to an investor whose assets are used in any in specie redemption or withdrawal.

10. Funds

A fund is an investment vehicle into which investors can make an investment by purchasing a unit, share or interest (“unit”) in the fund. The fund is usually managed by a third party which invests the fund’s cash and assets. The units represent the investor’s interest in the fund and the value of the units purchased is often determined by the value of the underlying investments made by the fund (although where the units in the fund are listed or traded on a market, the units may trade or be sold at a discount to net asset value).

There are many different types of fund available including hedge funds, private equity funds, mutual funds and unit trusts. Depending on the legal structure of the fund units in the fund may be listed on a stock exchange and the fund may be either open-ended (being generally a fund that confers on investors a right to redeem their interests in the fund) or closed-end. Some fund structures are more exposed to risk than other due to, amongst other things, the markets they invest in, the nature of their assets and the extent of their leverage.

Dealing in any fund may involve the following risks and customers should carefully read any prospectus, offering memorandum or other fund literature in advance:

- (a) **Transferability and withdrawal:** units in funds may not be readily redeemable or transferable or there may not be a market for such units. In such cases, an investor may have to hold his interest until such time as the fund is wound up or a secondary market develops for those units – this may involve the investor holding his interest for a substantial period of time. If the fund is an open-ended fund restrictions may apply to the redemption of the units that may result in an investor being unable to liquidate his investment in the fund at the time of his choosing. There may also be fees payable on redemption of units.
- (b) **Regulation:** some funds may not be regulated in the jurisdiction of their establishment or elsewhere, meaning that certain investor protections or restrictions on activity applicable in a given jurisdiction to a regulated fund may not apply to such funds.
- (c) **Leverage:** some funds may borrow funds under credit facilities in order to satisfy redemption requests, pay certain organizational expenses and finance the acquisition of investments. As such, leverage exposes the fund to capital risk and interest costs that may reduce the value of an investor’s investment therein.
- (d) **Rights of participation:** investors in funds generally have very limited rights of participation in respect of their units and the absolute power to make all decisions is usually delegated to the investment manager of the fund.
- (e) **Strategy:** some funds specialize in particular asset classes or geographical sectors, meaning that risk may as such be concentrated. Some funds choose strategies which the market would regard as high risk. The investment strategy of a fund may be such that the fund faces strong competition for the purchase of assets from other investors, thereby reducing its investment opportunities.

- (f) Valuations: it may be difficult to determine the net asset value of a fund which has invested in illiquid underlying assets and therefore it may be difficult to value the underlying units of the fund.
- (g) Underlying assets: the underlying assets of a fund can be diverse and cover both long and short positions and a full range of assets including derivatives. A fund may be exposed to market risks and risks associated with particular trading activities which may result in losses for the fund or periods of underperformance. The risks associated with a direct investment by an investor in the underlying assets are also relevant in determining the risks associated with an investment by the fund in the underlying asset.
- (h) Management of the fund: the operation and performance of the fund will depend upon the performance of the fund's investment manager. Generally a fund will rely on the investment manager to make investment decisions consistent with the fund's investment objectives and the investment manager in turn, will be dependent upon its key personnel to carry out their roles with due care and skill. The investment manager and its affiliates (if any) may be in a position to provide services to other clients which conflict directly or indirectly with the activities of the fund and could prejudice investment opportunities available to, and investment returns achievable by, the fund. If the agreement between the fund and the investment manager is terminated, the fund may not be able to find a suitable replacement for the investment manager, potentially leading to losses for the fund and periods of fund underperformance.

Customers should carefully consider whether an investment in a fund is suitable for them taking account of their financial circumstances and the specific risks involved, and be prepared to sustain a total loss of the money they have invested.

11. Currency Risk

The value of securities held by an investor may be adversely affected by changes in the rate of exchange between currencies, e.g. the currency of the investment amount and that of the asset denomination.

12. Settlement Risk

The ownership of shares in companies is generally evidenced by entries in the relevant companies' register of shareholders. In certain countries, registers may not be subject to effective government supervision, and it is possible that the investor could lose its registration through fraud or negligence by the registrar.

The absence in certain countries of a developed centralized settlement system available to foreign investors creates other risks. It is possible that a broker could default on the obligation to deliver shares, or could become bankrupt before re-registration of shares occurs, in which case the Fund would receive neither the shares nor the return of such prepaid funds.

In addition, delays and inefficiencies of the local postal, transport, and banking systems could result in missing rights and entitlements, the loss of funds (including dividends), and exposure to currency fluctuations.

13. Foreign markets

Foreign markets will involve different risks from the Cyprus market. In some cases the risks will be greater. The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts will be affected by fluctuations in foreign exchange rates.

14. Emerging markets

Emerging markets are less developed countries which may have less stable economic and/or political conditions than larger mature Western economies. Emerging market investing is generally characterized by higher levels of risk than investing in fully developed markets. Accounting, corporate governance and financial reporting standards that prevail in certain of these countries are often not equivalent to those in countries with more developed markets. Tax and legal regimes may be subject to uncertainty and to significant and unpredictable changes and repatriation of investments and profits may be restricted by exchange controls. There may also be less well developed regulation of markets, issuers and intermediaries. Markets may lack the liquidity of those in developed countries, leading to difficulty in valuing assets. Instability in such markets has previously led to and may continue to lead to investor losses. Settlement of transactions carried out on such markets may be lengthier and less secure than in developed markets.

15. Limited liability transactions

Before entering into a limited liability transaction, the customer should obtain from the Bank a formal written statement confirming that the extent of the customer's loss liability in each transaction will be limited to an amount agreed by the customer before the customer enters into the transaction.

The amount the customer can lose in such transactions will be less than in other margined transactions which have no predetermined loss limit. Nevertheless, the customer may sustain any loss in a relatively short time. The customer's loss may be limited, but the risk of sustaining a total loss to the amount agreed is substantial.

16. Collateral

If a customer deposits security as collateral with the Bank the way in which it will be treated will vary according to the type of transaction and where it is traded. There could be significant differences in the treatment of the collateral depending on whether the customer is trading on a recognized or designated investment exchange, with the rules of that exchange (and the associated clearing house) applying, or trading off exchange. Deposited collateral may lose its identity as the property of the customer once dealings on the customer's behalf are undertaken. Even if dealings should ultimately prove profitable, the customer may not get back the same assets which he deposited and may have to accept payment in cash.

17. Stock Lending

Stock lending may affect a customer's tax position and therefore customers should consult a tax advisor before proceeding.

As a result of lending securities the customer will cease to be the owner of them, although he will have the right to reacquire at a future date equivalent securities (or in certain circumstances their cash value or the proceeds of redemption). However, except to the extent that the customer has received collateral, the customer's right to the return of the securities is subject to the risk of insolvency or other non performance by the borrower. Since the customer is not the owner during the loan period, he will not have voting rights nor directly receive dividends or other corporate actions although he will normally be entitled to a payment from the borrower equivalent to the dividend he would otherwise have received and the borrower will be required to account to the benefit of the customer any corporate actions. Full details will be contained in any stock lending agreement the customer enters into and the above description is subject to the terms of any such document.

18. Commissions

Before customers begin to trade they should obtain details of all commissions and other charges for which they will be liable. If any charges are not expressed in money terms (but for example, as percentage of contract value) customers should obtain a clear and written explanation to establish what such charges are likely to mean in specific money terms.

19. Suspensions of trading

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur for example at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit customers' losses to the intended amounts because market conditions may make it impossible to execute such an order at the stipulated price.

20. Clearing house protections

On many exchanges the performance of a transaction by the investment firm is "guaranteed" by the exchange or clearing house. However the guarantee is unlikely in most circumstances to cover customers and may not protect them if the investment firm or another party defaults on its obligations to customers.

21. Stabilisation

From time to time the Bank may carry out transactions in securities on behalf of customers where the price may have been influenced by means taken to stabilise it. Stabilization enables the market price of a security to be maintained artificially during the period when a new issue of securities is sold to the public. Stabilization may affect not only the price of the new issue but also the price of other securities relating to it. The fact that a new issue or a related security is being stabilized should not be taken as indication of the level of interest from investors, nor of the price at which they are prepared to buy the securities.

THIS DISCLOSURE STATEMENT DOES NOT PURPORT TO DISCLOSE ALL OF THE RISKS OR OTHER RELEVANT CONSIDERATIONS ASSOCIATED WITH ENTERING INTO TRANSACTIONS REGARDING THE ABOVE-MENTIONED INSTRUMENTS. YOU SHOULD NOT CONSTRUE THIS DISCLOSURE STATEMENT AS BUSINESS, LEGAL, TAX OR ACCOUNTING ADVICE. YOU SHOULD CONSULT YOUR OWN BUSINESS, LEGAL, TAX AND ACCOUNTING ADVISERS AND YOU SHOULD REFRAIN FROM ENTERING INTO TRANSACTION UNLESS YOU HAVE FULLY UNDERSTOOD THE ASSOCIATED RISKS AND HAVE INDEPENDENTLY DETERMINED THAT THE TRANSACTION IS APPROPRIATE FOR YOU.

APPENDIX C
CUSTOMER SERVICE AND COMPLAINTS PROCEDURE OF RUSSIAN
COMMERCIAL BANK (CYPRUS) LIMITED (THE “BANK”)

The Bank holds the provision of quality and professional services at the core of its activities. Accordingly, the Bank strives to offer its clients and their representatives an efficient and courteous service, and at all times holds itself open to any suggestions which will help it to improve the service it delivers to its clients.

If for any reason the Bank’s clients are not happy with any service received, they should follow the following procedure:

Making a Complaint:

- If the Bank fails to live up to the expectations of the client in any way, the client should make a complaint as soon as possible but in any event not later than one month after provision of the service to which the complaint relates.
- A complaint should be formally made in the first instance to the relevant Department Manager. Where possible, the Department Manager will try to remedy the situation without any further delay.
- Where this is not possible, or where the client prefers to express its complaint in writing, the client can do so by completing the form attached. Written complaints will be investigated fairly and impartially by an appropriate official of the Bank who has no involvement with the subject matter of the complaint.
- A complaint may be made as above either in writing, in person, or by telephone to the following number: 25-837300.
- The Bank shall make its best efforts to respond to all written complaints within 7 working days. However, should the issue in question require more time, a revised response time and a progress report shall be provided.
- Should the client not be satisfied with the offered solution based on the above procedure, the client may then refer its complaint directly to the Bank’s Chief Executive Officer.

Details of Complaint:

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You may continue on an additional sheet if required

Signature:.....

Date:.....

Please return to: Russian Commercial Bank (Cyprus) Ltd
 P.O. Box 56868
 3310 Limassol

Your Details

Name:.....

Address:.....
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Daytime telephone number:.....

Date of incident:.....

Name of official you dealt with:
(If known)

APPENDIX D

CONFLICTS OF INTEREST POLICY OF RUSSIAN COMMERCIAL BANK (CYPRUS) LIMITED (THE “BANK”)

The Bank offers certain investment dealing services which may cause it to face conflicts of interest which could arise in its normal course of business. Consistent with its regulatory obligations, the Bank has formulated this Conflicts of Interest Policy to enable it to manage such situations should they arise.

Conflicts of interest can arise between the Bank, or other entities within the same group as the Bank, the management of employees of the Bank, other persons associated with the Bank and the Bank’s customers, or between individual customers of the Bank.

The Bank is not required to disclose to a customer any material interest it may have in a particular transaction, or that in a particular circumstance a conflict of interest or duty may exist, where the Bank has managed such conflicts to ensure, with reasonable confidence, that risks of damage to the customer’s interests will be prevented. Nor is the Bank under any obligation to account to a customer for any profit, commission or remuneration made or received by the Bank in connection with such transactions or circumstances.

In particular, conflicts of interest may arise:

- through performance-related remuneration of employees and agents of the Bank
- by the provision of benefits to employees and agents of the Bank
- from the carrying out of cross-trades, i.e. arranging for any transaction to be executed in whole or in part by the sale to, or the purchase from, one customer of the relevant investments by another customer, either of the Bank’s or one of its associated persons
- from other business activities, including the Bank’s own profits from trading as principal and in selling financial instruments which it owns
- from the Bank’s relationships with issuers of financial instruments
- through obtaining information that is not in the public domain
- from the personal relationships of employees or members of management of the Bank or of persons associated with them
- through the involvement of the above persons in managerial, supervisory or advisory boards

Whenever two or more business interests arise, conflicts of interest may be present. The Bank shall always properly manage such conflicts of interest.

The Bank’s employees shall have a duty to observe certain standards and codes of conduct. The Bank expects its employees at all times to be prudent and honest, to conduct themselves lawfully and professionally, to comply with relevant market standards and in particular always to take proper account of the legitimate interests of clients.

In keeping with the above, the Bank has an independent compliance department reporting directly to the members of the Bank's management, who are responsible for identifying, monitoring, avoiding and managing conflicts of interest within the Bank.

Further:

- the Bank shall at all times take care to prevent the improper distribution of confidential information by the establishment of information barriers and the separation of responsibilities between departments
- the Bank shall maintain a list of those employees and agents of the Bank who have access to confidential information, which assists in the monitoring and control of such information and the prevention of misuse of it
- the Bank shall maintain a list of issuers whose financial instruments may not be traded in order to minimize or eliminate potential conflicts of interest
- the Bank shall ensure that no preferential treatment is offered to employees or agents of the Bank with which it engages in investment dealings
- the Bank shall adhere at all times to an Best Order Execution Policy designed to ensure that orders are always carried out in the best possible way with respect to safeguarding of customers' interests
- the Bank shall disclose to its compliance department the securities transactions of those employees or agents of the Bank, for whom conflicts of interest could arise, given the nature of their duties
- the Bank shall ensure that unavoidable conflicts of interest are disclosed to the relevant customers prior to the provision of the investment service

Responsibility for the above obligations rests with the members of the management of the Bank and with the Bank's relevant employees in each case.

Any questions regarding this Conflicts of Interest Policy shall be raised with the Bank's compliance department.