

SCHEDULE F: "1.6 TECHNOLOGY" STRATEGY

Risk-level:	Moderately high
Base Currency:	USD
Minimum Initial Investment:	USD 25 000
Minimum Additional Investment:	USD 10 000
Minimum NAV:	USD 25 000
Management Fee Rate:	2% per annum including VAT
Success Fee Rate:	20% including VAT
Income Hurdle Rate:	0% per annum

1. Investment Objective

The Strategy's investment objective is keeping the level of portfolio volatility lower than the average level of the securities market indices volatility by investments mostly in the shares, as well as ETFs and other highly liquid funds specified in clause 3 "*Portfolio Structure*".

2. Recommended Term of Investment

The Strategy may be terminated at any time, but it is advisable for Clients to remain with the said Strategy for a period of at least 12 months in order to reasonably expect to achieve the investment objective.

3. Portfolio Structure

- 3.1.** The Strategy involves taking long positions in the following classes of Financial Instruments:
- (a) Monetary funds in the form of cash balance on the accounts, money market instruments, deposits and liquid derivatives on money market rates and currency rates (**Monetary funds and their equivalents**);
 - (b) Fixed income instruments and instruments that are linked to fixed income instruments. These instruments may include (but are not limited to) corporate bonds (including corporate bonds of state unitary enterprises), municipal, sub-federal, sovereign/public bonds and bonds of supranational institutes, such as regional development banks etc., derivatives on bonds/bond baskets of base and credit rates, third party funds, ETFs and other instruments whose issuer is obligated to make fixed payments on a fixed schedule as well as instruments the performance of which is linked to the performance of bond indices or bonds of certain companies (**Fixed Income Instruments and Instruments linked to Fixed Income Instruments**);
 - (c) Shares and depositary receipts on shares of corporations, including derivatives on shares/depositary receipts, stock indices, third party funds, ETFs, structured products and other instruments the performance of which is directly linked to the performance of share indices or shares of certain companies (**Shares and derivatives**);
 - (d) Derivatives on indices, third party funds, structured products, ETFs and other instruments the performance of which is directly linked to the price-dynamics of certain commodities (**Commodity based instruments**).

3.2. In forming the Portfolio we aim to reduce risks associated with any particular issuer by way of diversification and compliance with concentration limits set subject to the conditions specified in clause 4 “*Risk Management*” below. Allocation will be made dynamically using a systematic approach.

3.3. A significant portion of the Portfolio may consist of Shares of companies that operate in emerging markets, as well as in ETFs and other highly liquid funds. The Strategy also assumes investments in derivatives, ETFs and funds, the performance of which is directly connected with the performance of relevant markets.

3.4. A significant portion of the Portfolio may consist of shares of companies whose business model, in our opinion, has not been fully or correctly apprehended by the market, i.e. companies with a growth potential, mostly among high and mid-cap companies. For the assessment of such potential we shall use investment research, own financial models and market factors.

3.5. The Strategy may invest in or use derivative instruments for hedging or investment purposes consistent with the investment objective. For example, we may use derivatives with the intention of offsetting or reducing interest rate and market risks. No assurance can be given that your Portfolio will be hedged from any particular risk.

3.6. We may use Portfolio Assets for the purposes of margin lending. We may open long and short positions in shares and bonds of certain issuers and in derivatives based on shares, bonds and stock indices.

3.7. You understand and agree that in spite of our use of particular indices as Investment Performance Benchmark for the Strategy, sector, industry, and issuer/borrower weightings in Portfolio can vary materially from them from time to time.

3.8. We may liquidate Financial Instruments and hold only cash in the Portfolio either as part of the overall investment strategy or for temporary defensive purposes in response to adverse market, economic, political or other conditions even if such liquidation is inconsistent with other terms of the Strategy. As a result of taking such temporary defensive positions, the Strategy may not achieve its investment objectives.

4. Risk Management

4.1. For the purpose of management of risks the following limits shall be set forth on the Portfolio structure in respect of the Net Asset Value:

- the percentage of Monetary funds and their equivalents shall not exceed 150%;
- the percentage of Fixed Income Instruments and Instruments linked to Fixed Income Instruments shall not exceed 150%;
- the percentage of Shares and derivatives shall not exceed 110%;
- the percentage of Commodity based instruments shall not exceed 100%;
- the percentage of instruments of the same issuer shall not exceed 20%;
- the percentage of small and mid-cap companies shares shall not exceed 100%;
- the percentage of loans secured by Portfolio Assets shall not exceed 100%;

- the percentage of short positions in Shares and derivatives shall not exceed 100%.
- 4.2.** Any discrepancy between the Portfolio structure set out herein and the actual Portfolio structure that has occurred as a result of our actions shall be eliminated within one month after such discrepancy has been or should have been identified.
- 4.3.** Any discrepancy between the Portfolio structure set out herein and the actual Portfolio structure that has occurred as a result of any circumstances other than our actions shall be eliminated within three months after such discrepancy has been or should have been identified.
- 4.4.** Any discrepancy between the Portfolio structure set out herein and the actual Portfolio structure caused by an event of default in relation to any Debt Instrument in the Portfolio shall be eliminated as soon as practically possible.
- 4.5.** Any discrepancy between the Portfolio structure set out herein and the actual Client's Portfolio structure shall be eliminated in a manner, in a way and by means that take into account the best interests of the Client.
- 4.6.** As an additional risk-management measure we shall also perform regular monitoring and control of Portfolio value at risk (VaR) and drawdown value as well as perform regular stress tests on pre-defined risk scenarios which occurred in the past.

5. Investment Performance Benchmark

The Investment Performance Benchmark for assessment of the Strategy's level of risk and efficiency shall be the S&P North America Technology Index – 100%.

6. Specific Risk Considerations

- 6.1.** The specific risk description provided below may not be treated as a complete and exhaustive description of risks associated with or related to the Strategy. You should carefully read the Risk Disclosures placed on our website.
- 6.2.** Although it is our overall policy to diversify the Portfolio, at certain times we may hold relatively few positions. The Portfolio could suffer significant losses if we hold a large position in a particular investment that declines in value.
- 6.3.** The Portfolio NAV will be calculated in USD. Consequently, the Portfolio is subject to the risk of exchange rate fluctuations between the value of the US dollar and the original currency of investment (if such original currency is other than US dollar).
- 6.4.** We may be using leverage and consequently, the Portfolio will be exposed to greater risk, regardless of whether or not the transaction was intended to be profitable from a pricing prospective.
- 6.5.** The success of the Strategy depends, among other factors, upon its future correspondence to market conditions. The past performance of the Strategy is not necessarily indicative of its future profitability. No assurance can be given that the Strategy will be successful under all market conditions.

7. No Guarantees

There is no guarantee that the Strategy will be able to achieve its investment objective. There is no guarantee that the Strategy will earn any return. No guarantee can be given as to the performance of the Strategy in future years. No guarantee can be given that the NAV will appreciate. There is the possibility that the NAV of the Strategy will decline considerably.