

SCHEDULE I: "1.14 FUNDAMENTAL CHOICE (3 YEARS)" STRATEGY

Risk-level:	Moderate-aggressive
Base Currency:	USD
Minimum Initial Investment:	USD 25 000
Minimum Additional Investment:	Additional Investment is not permitted
Minimum NAV:	Partial withdrawal is not permitted
Management Fee Rate:	2.97% per annum (including VAT) for the period starting with the Lock-in Period Start Date to the last day of the fourth calendar quarter following the quarter of the Lock-in Period Start Date and after that – 1,78 % per annum including VAT.
Success Fee Rate:	17,85% including VAT
Income Hurdle Rate:	0% per annum

1. Investment Objective

The Strategy's investment objective is achieving capital growth by investments in Exchange Traded Funds (ETFs) specified in clause 3 "*Portfolio Structure*". Under this Strategy we shall transfer out an amount equal to 4% per annum of the Net Asset Value of the Portfolio as of the Lock-in Period Commencement Date (**Base NAV**) as per the schedule to your bank account as specified in clause 6 "*Automatic Cash Balance Transfer*", regardless of performance. The Strategy does not provide for capital protection and/or guaranteed yield.

2. Recommended Term of Investment

- 2.1.** The **Management Period** under the Strategy consists of two parts: the Lock-in Period and the Optional Period.
- 2.2.** The **Lock-in Period** commences on the date of placement/reallocation of the Client's assets under the Strategy (**Lock-in Period Start Date**) and ceases on the Twelfth Calculation Period End Date as defined in the in clause 6 "*Automatic Cash Balance Transfer*" (**Lock-in Period End Date**).
- 2.3.** The Strategy does not provide for an opportunity of early termination during the Lock-in Period. If you decide to terminate the Strategy (or the relevant Tranche as defined in clause 7 "*Tranches*" below) before the Lock-in Period End Date, you shall pay us an increased Portfolio Management Fee calculated pursuant to the formula specified in clause 8 "*Early Termination*" below. It is further noted that the amount to be received by you upon the early termination of the Strategy is subject to the Net Asset Value prevailing at the time and may vary substantially from the amount of the Client's initial investment.
- 2.4.** The **Optional Period** commences on the day following the Lock-in Period End Date (**Optional Period Start Date**). No automatic transfer-out shall be effected by us during the Optional Period. You will be entitled to terminate the Strategy at any time during the Optional Period by submitting the relevant instruction. We shall be entitled to terminate the Strategy at our discretion following a 6-

month period after the Optional Period Start Date by prior notice in writing (including by e-mail or E-Facility).

3. Portfolio Structure

3.1. The Strategy is a mid-term investment strategy that involves taking long positions in different ETFs (including ETFs with up to 300% leverage) related to different classes and types of assets.

3.2. In forming the Portfolio we aim to decrease risks by diversification between issuers and by careful monitoring of risk limits specified in clause 4 “*Risk Management*” below. Allocation will be made dynamically using a systematic approach.

3.3. 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.

3.4. We may sell securities without reinvesting in order to transfer-out cash in accordance with the Schedule specified in clause 5 “*Automatic Cash Balance Transfer*”. This may decrease the capital base of the Portfolio and curb its potential for achieving capital growth

3.5. We may liquidate securities 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 Portfolio structure in respect of the Net Assets Value shall be dynamically allocated between the following types of ETFs:

- 4.1.1. US broad market equities (large caps);
- 4.1.2. US industrial sector equities (large caps);
- 4.1.3. US technology sector equities;
- 4.1.4. US small cap entities;
- 4.1.5. US corporate investment grade* bonds;
- 4.1.6. US treasuries bonds (short-, mid- and long-term).

*All ratings are determined by the highest among S&P, Moody’s and Fitch Credit Rating Agencies.

Investment-grade means rated not less than BBB- or Baa3 and above.

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 shall be comprised of the following components in the following proportions:

50% - iShares 20+ Year Treasury Bond ETF (TLT:US)

iShares 20+ Year Treasury Bond ETF is an exchange-traded fund incorporated in the USA. The ETF seeks to track the investment results of an index composed of U.S. Treasury bonds with remaining maturities greater than twenty years.

50% - S&P500 Index

S&P Index consists of stocks of 500 leading US entities.

6. Automatic Cash Balance Transfer

We shall within 20 (twenty) Business Days after each relevant Calculation Period End Date transfer from the Portfolio an amount equal to 4% per annum of the Base NAV calculated with respect to the relevant Calculation Period to the Client’s bank account (based on the latest banking details received from the Client) as per the Schedule specified below:

Record Date:	The first calendar day of the month following the month of the Lock-in Period Start Date.
First Calculation Period Start Date:	Lock-in Period Start Date.
First Calculation Period End Date:	The last calendar day of three-month period following the Record Date.
Second Calculation Period Start Date:	The calendar day following the First Calculation Period End Date.
Second Calculation Period End Date:	The last calendar day of six-month period following the Record Date.
Third Calculation Period Start Date:	The calendar day following the Second Calculation Period End Date.
Third Calculation Period End Date:	The last calendar day of nine-month period following the Record Date.
Fourth Calculation Period Start Date:	The calendar day following the Third Calculation Period End Date.
Fourth Calculation Period End Date:	The last calendar day of twelve-month period following the Record Date.
Fifth Calculation Period Start Date:	The calendar day following the Fourth Calculation Period End Date.
Fifth Calculation Period End Date:	The last calendar day of fifteen-month period following the Record Date.

Sixth Calculation Period Start Date:	The calendar day following the Fifth Calculation Period End Date.
Sixth Calculation Period End Date:	The last calendar day of eighteen-month period following the Record Date.
Seventh Calculation Period Start Date:	The calendar day following the Sixth Calculation Period End Date.
Seventh Calculation period End Date:	The last calendar day of twenty one-month period following the Record Date.
Eighth Calculation Period Start Date:	The calendar day following the Seventh Calculation Period End Date.
Eighth Calculation Period End Date:	The last calendar day of twenty four-month period following the Record Date.
Ninth Calculation Period Start Date:	The calendar day following the Eighth Calculation Period End Date.
Ninth Calculation Period End Date:	The last calendar day of twenty seven-month period following the Record Date.
Tenth Calculation Period Start Date:	The calendar day following the Ninth Calculation Period End Date.
Tenth Calculation Period End Date:	The last calendar day of thirty-month period following the Record Date.
Eleventh Calculation Period Start Date:	The calendar day following the Tenth Calculation Period End Date.
Eleventh Calculation Period End Date:	The last calendar day of thirty three-month period following the Record Date.
Twelfth Calculation Period Start Date:	The calendar day following the Eleventh Calculation Period End Date.
Twelfth Calculation Period End Date:	The last calendar day of thirty six-month period following the Record Date.

7. Tranches

7.1. The Strategy does not provide the opportunity to contribute an Additional Investment. You may, however, hold several separate Portfolios under the Strategy that will have different Management Periods and Record Dates (“**Tranches**”). In order to create a new Tranche under the Strategy you shall deposit not less than USD 25 000. The Lock-in Period with respect to such new Tranche starts at the date of the relevant deposit date and terminates on the relevant Eighth Calculation Period End Date.

7.2. Tranches shall be identified in Portfolio Management Reports as well as in other documentation by indicating the relevant Lock-in Period Start Date after the name of the Strategy. If you wish to terminate a particular Tranche, you can do so by submitting to us a relevant instruction, specifying that Tranche.

8. Early termination

8.1. If you decide to terminate the Strategy/Tranche before the Lock-in Period End Date, you shall pay to us the Increased Management Fee calculated as follows:

$$R_1 = R_0 + S_i * MF / 100 * (1095(1096 - r_i) / 365)^*$$

where:

R_1 is the Increased Management Fee chargeable hereunder;

R_0 is the Management Fee for the applicable MF Calculation Period chargeable pursuant to clause 8.2 of the Rules;

S_i is the Market Value of Assets subject to withdrawal from the Portfolio or withdrawn during the applicable MF Calculation Period as determined on the day preceding the date of such withdrawal;

MF is the applicable Management Fee Rate;

r_i is the actual number of days from (and including) the effective date of the Strategy till (and excluding) the date of withdrawal;

For the avoidance of doubt, this clause 8 shall not be applicable to the cases when you reallocate Assets between Portfolios as provided in clause 8.3 of the Rules.

* If any of the three calendar years for which the Strategy is in force is a leap year (i.e. there are 366 calendar days in that year) then the value of 1096 should be used. Otherwise, the value of 1095 applies.

9. Specific Risk Considerations

9.1. 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.

9.2. The Strategy purports to investments in ETFs. The main risks associated with investing in ETFs are:

- (a) The prices of the underlying investments of the ETFs will vary according to the markets on which these are listed or traded.
- (b) Neither dividend payout nor dividend growth is guaranteed, nor are ETFs in which the Strategy invests obliged to pay dividends.
- (c) Underlying assets of ETFs may decline in value.

9.3. 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.

9.4. 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).

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.

10. No Guarantee

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.