Regulation
Trust Management of Monetary Assets

1.1. "Wilco" LLC (hereinafter referred to as the "Company" and/or "Manager") is an investment company registered and licensed in the Republic of Armenia (hereinafter – RA).

1.2. The Company's credentials are as follows:

1.2.1. Name: **"Wilco" LLC**

1.2.2. Investment Company License: **No. 0008**

1.2.3. Address: **26/2 Saryan St., Yerevan 0002, RA**

1.2.4. Website: **wilco.am**

2. Key Definitions

2.1. Terms used in this Regulation on Trust Management of Monetary Assets (hereinafter the "Regulation") that are not defined herein shall be interpreted in accordance with the definitions established by the laws of the Republic of Armenia and normative legal acts adopted on their basis. If such definitions are not provided, they shall be interpreted according to international business practices, unless clearly dictated otherwise by the specific context.

2.2. **Company and/or Manager** – "Wilco" LLC,

2.3. **Client** – A resident or non-resident individual or legal entity of the RA receiving services defined by this Regulation from the Company,

2.4. **Beneficiary** – A person for whose benefit the trust management is performed,

2.5. **Partner** – Any person, including but not limited to brokers, custodians, investment or financial institutions, through or with the assistance of whom the Company provides Services to the Client,

2.6. **CBA** – Central Bank of the Republic of Armenia,

2.7. **Means of communication** – Communication tools specified in the service agreement between the Company and the Client,

2.8. **Assets** – Cash and/or non-cash amounts owned by the Client,

2.9. **Trust Management and/or Service** – Management by the Company of the entrusted Assets and of any securities or assets received as a result of the trust management, in accordance with the Client's instructions and for the benefit of the Client or a third party specified by the Client,

2.10. **Object of Trust Management** – Assets owned by the Client and entrusted to the Manager, including all securities, derivative instruments, and other assets acquired by the Manager during the term of the trust management agreement and owned by the Client, 2.11. **Agreement** – A document signed between the Client and the Company to use trust management services, regulating their rights and obligations related to the trust management of Assets, and including other conditions as defined by law or mutual agreement,

2.12. **Investment Declaration** – A document outlining directions, conditions, and structure for investing the Assets subject to trust management, including limitations,

2.13. **Risk Disclosure Statement** – A document signed by the Client describing certain events, circumstances, and processes that may lead to a partial or total loss of Client assets during the provision of trust management services,

2.14. **Reporting Period** – One month. The first reporting month for both parties is from the date of signing the Agreement until the end of that calendar month,

2.15. **Applicable Legislation** – The Civil Code of the RA, the Law on Securities Market of the RA, related normative legal acts, CBA regulations, as well as the provisions of this Regulation, internal legal documents of the Company, and the Agreement.

3. General Provisions

3.1. This Regulation defines the procedure for the Company to accept the Client's Assets for trust management based on the minimum requirements established by the Company and the applicable legal regulations. The acceptance of Assets for trust management does not imply the transfer of ownership rights over those Assets to the Company.

3.2. The Company is a licensed investment service provider under the supervision of the Central Bank of Armenia.

3.3. This Regulation is developed and governed in accordance with the Applicable Legislation.

3.4. This Regulation is a public document and is available to any interested party for review. It is published on the official website of the Company.

3.5. Each provision of the Regulation shall be interpreted based on its literal wording. If the specific wording of any provision is ambiguous, it shall be interpreted within the general context of the Agreement, this Regulation, and the Company's internal legal documents.

3.6. Amendments and supplements to the Regulation are made unilaterally by the Company, provided that the Client is notified in the manner defined by the Agreement after such amendment or supplement. All amendments and supplements shall become an integral part of the Regulation.

4. Information Required from Clients

4.1. The Company is obliged to request from the Client information regarding their knowledge and experience in the investment field, financial situation, and investment objectives. This information is necessary for the Company to be able to offer the Client an investment strategy that best suits their needs and goals. If such information is not provided, the Company will not be able to recommend any investments to the Client.

4.2. The Company may require from the Client, including but not limited to, the following information:

4.2.1. Information on the Client's knowledge and experience in the field of investment activity,

4.2.2. Information about investment objectives,

4.2.3. Information regarding financial status.

4.3. The Company will rely on the information provided by the Client, unless it knows or should have known that the information is clearly outdated, inaccurate, or incomplete.

4.4. The Client is obliged to inform the Company of any changes to the previously provided information within 1 business day of becoming aware of the change.

5. Professional or Non-Professional Client

5.1. Based on the applicable legislation and the information provided by the Client, the Manager presents below the criteria and classification of Clients as professional or non-professional.

5.2. The following clients are considered professional:

5.2.1. Investment companies, branches of foreign investment companies, banks, credit organizations, insurance companies, investment and pension funds, and investment fund managers, as well as foreign legal entities authorized by the legislation of their jurisdiction to conduct such activities;

5.2.2. The Republic of Armenia, Armenian municipalities, the Central Bank, foreign states, foreign local self-government bodies, and foreign central banks;

5.2.3. International financial institutions including the International Monetary Fund, the European Central Bank, and the European Investment Bank;

5.2.4. Legal entities that meet at least two of the following criteria:

a) As of the end of the year preceding the signing of the investment services agreement, the balance sheet value of the entity's assets exceeds AMD 500 million;

b) As of the end of the year preceding the signing of the investment services agreement, the entity's revenue from operations (as defined by the RA Tax Code) exceeds AMD 1 billion;

c) As of the end of the month preceding the signing of the investment services agreement (or, if unavailable, the month before that), the entity's total equity is at least AMD 50 million.

5.3. Upon the Client's initiative, entities not listed above may also be classified as professional if they meet at least two of the following:

5.3.1. Conducted 10 or more securities transactions per quarter during the last 4 quarters, each averaging at least AMD 1 million;

5.3.2. Hold a securities portfolio exceeding AMD 100 million at the time of application;

5.3.3. Have at least 2 years of professional work experience in the financial market relevant to the services they seek to receive.

5.4. To assess professional client qualification, the Manager may request information to evaluate the Client's ability to use investment services, make investment decisions, and understand related risks, including:

5.4.1. Education, qualifications, and professional training;

5.4.2. Language proficiency;

5.4.3. Professional experience over the last 10 years: organization, position, responsibilities, reasons for termination, etc.;

5.4.4. Contact details of up to 3 individuals who personally know the Client, one of whom should be from their most recent place of work;

5.4.5. Legal incapacity status (if applicable);

5.4.6. Criminal record for intentional crimes (if applicable);

5.4.7. Inclusion on UN Security Council or terrorism/mass destruction weapon-related sanctions lists (if applicable);

5.4.8. Disqualification from holding financial/legal/commercial positions by court order (if applicable);

5.4.9. Bankruptcy status, unpaid obligations, or pending insolvency proceedings (if applicable);

5.4.10. Criminal charges by RA or other jurisdictions (if applicable);

5.4.11. Information on whether the Client has been subject to criminal liability for an offense under Armenian or foreign criminal law, if applicable;

5.4.12. Information on whether the Client has been subject to administrative liability in the fields of taxation, customs, or finance within the past five years, if applicable.

5.4.13. The Manager reserves the right to request additional information or ask supplementary questions in the course of assessing the Client's investment profile or legal status.

5.5. Non-professional clients are all clients who are not considered professional under the RA Central Bank regulations and this Regulation.

6. Investment Declaration

6.1. Based on the information defined in Chapter 4 of this Regulation, the Company is obliged to prepare an Investment Declaration for the Client, which defines the Client's instructions and limitations.

6.2. The Investment Declaration is an integral part of the Agreement. The Company is not allowed to take actions that contradict the Investment Declaration.

6.3. The Investment Declaration is prepared individually for each Client and must include at least the following information:

6.3.1. The directions and purpose of asset management, based on the Client's willingness and capacity to bear investment risks,

6.3.2. Restrictions on the composition and structure of the investment portfolio.

6.4. If, after the expiration of the Investment Declaration's term, neither party to the Agreement submits a written request to amend it, the term is considered automatically extended until the expiry of the Agreement.

6.5. The expiration of the Investment Declaration does not prevent making amendments and/or supplements to it during its term, including its suspension or termination for a specific period, if such actions are in the interest of the Client (and, if necessary, also the Beneficiary).

6.6. Amendments and/or supplements to the Investment Declaration are made in writing, by signing an additional amendment, which becomes an integral part of the Agreement.

7. Risks and Risk Mitigation Measures

7.1. Any investment inherently involves risk, as it may result in gains as well as partial or total loss of financial assets due to market fluctuations, price volatility, legal or economic factors.

7.2. In the event of deals, the Client bears the investment risk associated with securities. The Company does not compensate the Client for any losses unless such losses are caused by the Company's bad faith conduct.

7.3. The Client must understand that past successful performance or the financial success of others in the securities market does not guarantee similar outcomes for the Client in the future.

7.4. Considering that risk is an inseparable and objective component of market relations and cannot be entirely avoided, the Company undertakes to maintain an effective risk management system aimed at forecasting, preventing, and/or minimizing risks to the extent possible, aligned with the interests of the Company, its Clients, and the applicable legislation. To this end, the Company implements the following key risk mitigation measures:

7.4.1. Comprehensive analysis of securities issuers, with particular attention to the following factors: experienced management team, clear strategy and business plan, growth and development potential in the market, improving financial indicators, stable demand, adherence to corporate governance principles, and transparency;

7.4.2. Diversification of the investment portfolio;

7.4.3. Continuous monitoring of risks related to asset management and immediate notification to the Client of any identified or potential changes (including newly emerging risks) that may exceed the Client's willingness or ability to bear such risks;

7.4.4. Risk analysis related to the provision of trust management services, including identification, assessment, and control of risks.

8. Receipt and Accounting of Client Assets

8.1. Within the scope of trust management services, the Company is obliged to keep the Client's assets separate from its own.

8.2. Client's assets may be accounted for by the Company in segregated accounts opened with Partner organizations specifically for the purpose of trust management, under the terms of the Agreement. At the Client's request, assets may also be accounted for in accounts opened in the Client's name with Partner organizations, provided that the Company is granted the necessary authority to operate such accounts for service delivery purposes.

8.3. The bank account agreement for accounts opened in the name of the Company for accounting Client assets must clearly state that the account is designated for the custody of the Company's Client assets.

8.4. The Company also performs internal separate accounting of the Client's assets.

8.5. If the Investment Declaration includes provisions for investing in the Armenian securities market, the Client must open a personal securities account in the Central Depository of Armenia for the purpose of safekeeping such securities. The account terms must be provided to the Company at the time of signing the Agreement.

8.6. The Company is deemed to have received the Client's assets for trust management at the moment the relevant amounts are credited to the accounts specified in Clause 7.2 of this Regulation.

9. Asset Management Process

9.1. The management of assets is carried out in the following stages:

9.1.1. The Company's employees perform analysis of financial markets and individual financial instruments based on publicly available information received from various sources.

9.1.2. Based on the above-mentioned analyses, the employee makes investment decisions, which, in accordance with the requirements of this Regulation, are subject to registration in the register maintained by the Company. Based on the adopted investment decisions, the employee prepares and transmits buy/sell orders for financial instruments and submits them for execution to the Partner organizations.

9.1.3. The Company's employees carry out daily monitoring of current risks related to the Client's trust management object. In case of deviation from the Investment Declaration or the emergence of certain important information, the employee performs additional analysis, based on which investment decisions are made.

9.1.4. For internal control purposes, the Company conducts ongoing oversight of the accounts opened with Partner organizations for the purpose of separate accounting of the Clients' assets.

10. Limitations on Company Activities

10.1. The Company is prohibited from:

10.1.1. Carrying out asset management activities in violation of the rules governing such activities or the provisions of the Agreement, including entering into or executing deals in such violation;

10.1.2. Accepting for asset management any assets that, under the laws of the Republic of Armenia, may not be subject to management;

10.1.3. Pledging or otherwise using as collateral the Assets accepted for trust management, or providing guarantees secured by them, without a written agreement with the Client;

10.1.4. Using the Assets accepted for trust management in any way for the benefit of itself and/or a third party, or delegating the right to dispose of them to a third party, unless otherwise provided by the Agreement.

10.2. The Company also provides the Services contemplated by the Agreement to third parties, which may give rise to conflicts of interest between the Company and the Client, as well as among different Clients of the Company.

10.3. In order to prevent conflicts of interest between the Company and the Client under the Agreement and to minimize any negative consequences, the Company undertakes, in the course of its professional activities, to uphold the principle of the Client's interests taking precedence over its own.

10.4. In order to prevent conflicts of interest among different Clients of the Company and to minimize any negative consequences, the Company undertakes, in the course of its professional activities, to uphold the principles of equality and fairness toward all Clients, taking into account the terms of the Agreement and the Investment Declaration signed with each Client.

10.5. When entering into deals on its own account using Assets accepted for management in accordance with the Client's Investment Declaration, the Company shall give priority to the execution of deals for the Client's benefit.

10.6. When executing deals on Client accounts, the Company shall observe the principle of fair allocation of deals, without granting priority to any Client. When investing in securities, the Company shall ensure participation opportunities for all Clients for whom the given security is appropriate and/or provided for in the Investment Declaration. If the volume of securities acquired by the Company is insufficient to fully satisfy all Clients' participation, the Company shall allocate the securities proportionally, based on the volume specified for each Client in their respective investment decision.

11. Management Fees and Performance Fee

11.1. In return for the provision of the Services defined by the Agreement, the Client pays the Company according to the tariffs established by the latter.

11.2. The trust management tariffs are defined by the Agreement signed between the Company and the Client or by the Company's internal legal acts.

11.3. The management fee is calculated as of the last calendar day of each month and/or the day of termination of the Agreement.

11.4. The Agreement signed between the Company and the Client may also provide for the payment of a performance fee, calculated as a percentage of the annual increase in the Client's assets resulting from trust management.

11.5. The management fee and the performance fee are paid within the deadlines set by the Agreement.

11.6. The management fee and the performance fee, as well as all other necessary expenses incurred by the Company in relation to the Services, are transferred by the Client to the account specified by the Company or charged by the Company on a non-acceptance basis from the assets available in the Client's investment portfolio.

12. Client Reporting, form and Procedure of Submission

12.1. The Company is obliged, upon the Client's request at any time, as well as for each month, to provide the Client with a report on the trust management of their assets, either by email, post, or in person. The report must include at least the following:

12.1.1. The name of the Company,

12.1.2. The identification number of the account opened for the purpose of managing the Client's assets,

12.1.3. The balance of the Client's assets at the beginning and end of the reporting period,

12.1.4. The annual yield during the reporting period,

12.1.5. The fees charged during the reporting period, with at least a breakdown by fees charged for the Service and expenses incurred for deal execution,

12.1.6. A comparison of management performance against a benchmark previously agreed upon with the Client (if such benchmark exists).

12.2. The report defined by Clause 11.1 of this Regulation shall be provided within five business days from the moment of receiving the Client's request (if there is a request), and in any case by the 15th day of the month following the reporting month.

12.3. If the Client has chosen to receive a report on the portfolio management per each deal, then in addition to the report defined by Clause 11.1, the Company is also obliged to provide the Client, by email, post, or in person, with a report on each deal (order) concluded within the framework of trust management, by the end of the business day following the day of the deal.

12.4. The report submitted to Clients under Clauses 11.3 of this Regulation must include at least the following information:

12.4.1. Name of the Company,

12.4.2. Client's name and surname (or name in the case of a legal entity) or the Client's identification number,

12.4.3. Date of the deal, specifying year, month, day,

12.4.4. Time of the deal, specifying hour and minute, 12.4.5. Instruction given by the Client,

12.4.6. Place of the deal,

12.4.7. Security identifier code, issue number (if not available, the name of the issuer and the type of security; for derivatives, a description),

12.4.8. Type of deal specified in the instruction (buy, sell),

12.4.9. Nature of the instruction, if the deal type is not buy or sell (e.g., subscription to securities, option exercise, etc.).

12.5. If the reports are sent to the Client by email, the moment of submission is considered to be the time the report is marked as sent in the Company's outgoing email records.

12.6. If the reports are sent by post, the submission date is considered the date indicated on the receipt provided by the postal service. The receipt is attached to the copy of the report kept at the Company.

12.7. Reports provided in person are given to the Client in two copies. The Client must sign one copy of each report, confirming receipt. The signed copy is returned to the Company. The moment of signing the report retained by the Company is considered the moment of submission.

12.8. The suspension of the Company's license is not a basis for refusing to provide the report to the Client. The license can be revoked only in the manner prescribed by law.