Wise Spread – Trading liquid assets in the US market Strategy [1]
(further "Strategy")

Effective from April 17, 2024

Risk-level:	50% loss of NAV within the Reporting Period
Base Currency	USD
Minimum Initial Investment	50,000.00 USD
Minimum Additional Investment:	5,000.00 USD
Minimum NAV	50% of NAV within the Reporting Period
Success Fee Rate	20% of the Strategy Income
Hurdle Rate	0
Management Fee Rate	2% per annum of an Average Net Asset Value
Margin Rate (per day)	0.04931%
Reporting Period	shall begin on the first day of each quarter and shall end on the last date of such calendar quarter or on the Strategy Termination Date
First Reporting Period	shall begin on the Strategy Commencement Date, shall end on the last date of the calendar quarter or the Strategy Termination Date

Investment Goals of the Strategy

The Strategy is focused on obtaining capital growth due to the volatility of assets both within one trading day and over a longer period, but it is focused on a long-term investor with an investment period of 1 year and more.
The performance of this Strategy shall be compared as follows:
for the first reporting period – with the market value of the Initial Investment as of the commencement date
for the following reporting periods – the High Watermark over the life cycle of the Strategy calculated on any previous Reporting Period's End Date

Characteristics of the Strategy*

[1] This portfolio management Strategy is a standardized low-frequency algotrading strategy designed and implemented by the Company.

The Company aims to keep the risk of the Strategy calculated on the basis of the VaR model with a 99% confidence level, at a level below VAR(99) = 10% within One day.

Investment Strategy:

- Control style: active.
- Investing is based on a relative return Strategy.
- The allowable risk level for the given Reporting Period: 50% of NAV evaluated at the beginning of each Reporting Period.
- Strategy is suitable for clients with the following **investment profiles**:
  - Semi-Aggressive investor
  - Conservative trader
  - Experienced Trader
  - Aggressive trader
- The currency on the Client's account may differ from the currency of the Client's assets but is limited to currencies of developed countries.
- To maintain portfolio diversification, the Portfolio rebalances daily.
- The Strategy allows you to maximize profits but does not guarantee the safety of invested funds or a given return.
- In the case of strategy failures or other unforeseen events of a negative nature, potentially leading to a failure, accounts are disconnected in manual mode.
- The working time of the strategy is limited to the working hours of the NASDAQ exchange. The strategy can be turned on or off in manual mode.

The basis of the Strategy is a low-frequency approach with manual selection of the list of securities by the trader with the ratio of assets in the Portfolio within the specified limits under the section Asset Allocation Structure subject to the analysis of risks and trends in the capital markets. All the assets are hedged with a short position, which replicates the Market.
The Strategy implies a semi-automated system that can trade without the trader in the way, which is set by the trader. The system is necessary to make a profit through auto-analysis of the market and opening positions.

This Strategy is an interval trading strategy (scale trading), which is an investment strategy involving the purchase of additional assets and reducing its short part, when the asset's price decreases, sequentially by a certain amount. Also the asset's sale with selling short its hedge, when the asset's price increases sequentially and the Market indexes grow. This method allows the Portfolio to lock in a profit on a given asset while at the same time reducing the potential risk of loss as a result of a decrease in the price of that asset later on and, at the same time, leaving part of the position for a potential increase in the price of the asset with being hedged at the same time. The Strategy responds flexibly to changes in the financial market.

The Company seeks to select assets with the highest potential. To assess this potential, the Company uses analytical materials, its own financial models, and market ratios and closely follows all the publicly available materials issued to inform shareholders.

When forming a portfolio, the Company seeks to reduce the risks of individual issuers through diversification and compliance with the risk concentration limits listed below.

Asset Allocation Structure

To meet the target risk level of the Strategy and to assess the effectiveness of management, the following strategic asset allocation is established: **Asset class**	**Minimum share in % of net assets**	**Maximum share in % of net assets**
"Cash, in the currency of the account	0 %	100 %
NASDAQ listed stocks from the S&P500 index, depositary receipts for stocks and exchange-traded funds (ETF) NASDAQ	-100 %	145 %

In the event of unfavorable market conditions, in order to minimize risks, the Company may hold up to 100% of the portfolio in cash.

The base currency of the Portfolio is the US dollar. All calculations to determine the financial result, as well as the shares and ratios of the Portfolio, are made in US dollars. If the current Portfolio consists of assets nominated in different currencies, the nominal value of such assets should be converted into US dollars at an internal conversion rate before all relevant calculations under the terms of this Strategy.

Restrictions on the asset structure of the investment

For risk management purposes, the following limits on the structure of assets are established:

Indicator	**Limitation:**
Number of open positions (by type of issuer) at each point of time	Multiples of 9* *at the discretion of Company
Short positions	Permanent short within a listed ETF, associated with the market replication (SPY US for instance)
Liquidation time for each individual open position (rounded integer obtained by dividing the open position	1 day

volume by the average daily trading volume in the asset over the last 30 days)	
Maximum leverage of the portfolio	1:1.45
The size of the maximum allowable loss in one position**	50%

** In the case of reaching the maximum allowable loss in one position, the entry of the USA into military action or the occurrence of a default, an extraordinary meeting of the Risk Committee of "Freedom Finance Europe" takes place in order to decide on the possible closure of positions or shutdown of the algorithm.

Restrictions on the nature of transactions and the terms of circulation of securities

1. The Company has the right to make trades of purchase and sale of securities, to purchase securities admitted to trading or included in the quotation list from the organizer of trading NASDAQ.
2. The Company has the right to make contracts at the auction of the organizer of the auction and outside the auction of the organizer of the trade.
3. The recommended initial deposit of the account: from 50 000 dollars. In case of depositing in a smaller amount, the Strategy will not be launched. Deposits are made only in USD.
4 . There are no restrictions on the additional deposit of money, but in the case of additional deposit of less than 5000 dollars, the money in the Strategy will not be added to Strategy.
5. Partial withdrawal of funds from the Strategy is not provided. The Client can close his Asset Management Account by withdrawing funds from the Strategy completely.
7. In the case of notification from the Client about the closure of the Strategy, the Company disconnects the Client from the algorithm within one business day and transfers the Client's assets to his main brokerage account.

Hereby the Client confirms that he has been notified by the Company that the Company does not guarantee the achievement of the expected return determined in the Client's investment profile.

Risk Disclosure

This Declaration aims to provide you with information about the main risks associated with securities market transactions. Please note that this Declaration does not disclose information about all risks in the securities market due to the diversity of situations arising in the market.
In a general sense, risk is the possibility of losses in financial transactions due to possible adverse effects of various kinds of factors. The main risks that your transactions in the securities market will involve are described in Appendix 10 Risk Disclosure Notice to the General Term of Business.

In addition to the risks described in Appendix 10, it is necessary to consider the specific risks of algorithmic trading described below. Operational failures are the most common risk of algorithmic trading. They can be related both to errors made by developers in algorithms or in the implementation in trading platforms, and non-standard situations on the stock market or on the exchange. Therefore, a robot's reaction to unusual behavior of an asset may carry operational risk. This is especially true for force majeure situations and news publications. With such a change in the nature of the market, the algorithm may require manual disconnection and fine-tuning.

Execution of transactions with securities is associated with significant risks. Before making such transactions, the Client should comprehensively assess his/her financial capabilities, as well as the risks specified above.

Hereby the Client confirms that he has been notified of the above mentioned risks, the provisions of the Risk Declaration have been explained to the **Client**[2]

[2] Description of investment goals and characteristics of the strategy is not a guarantee of future return. The Client confirms that he has been notified about the risks related to investments in securities which are described in the Risk Disclosure Notice, which is an appendix to the General Terms of Business, understands and accepts all of these risks.
Investment portfolio is aggregate of assets on the client's account.

RISK MANAGEMENT

The Company manages and controls the risks by setting limits and disabling the algorithm in case of failures and inadequate behavior:

- Market risk is controlled by the requirement to diversify the portfolio and the allowable maximum loss. If the maximum loss is reached, as well as the US default, the algorithm is switched off.

  Also, market risk is reduced by fixing the algorithm’s positive financial result in the case of consecutive growth in the price of a security and, at the same time , not completely closing the position in the security of one issuer, which simultaneously reduces risk and makes it possible to preserve the growth potential of the security's value.
  Daily rebalancing ensures that there is always a diversification of assets in the portfolio.
  When selecting securities, the Company relies on credit and market analysis of the issuer and the security in order to assess the possible risks of significant drawdown on the security.
- Liquidity risk is limited by the requirement for the maximum number of days to implement the portfolio.
- The risks of margin trading are managed by discounting securities and sending margin calls and closing positions in the event of a sharp decline in the market or individual securities.
- The credit risks on the Broker's holding funds in credit institutions (including exchanges) or on the transactions with the counterparties (including exchanges) are limited to due diligence of the counterparties by the Broker. Risks of default of issuers in this Strategy entail only the risk of a strong fall in the value of securities, which will be limited within the limitations of market risks and others described in this paragraph, because the Strategy does not imply the presence of debt instruments.
- Operational risks are mitigated by the introduction of additional manual controls and checks by various departments. Operational failures and inadequate behavior of the algorithm are controlled by the Company, and control is achieved by disabling the algorithm.