



Quantum Capital

Asset management agreement

No _____ / Date: _____

1. Parties

KVANT INVESTMENT LTD, a company registered under the laws of the Belize with company number 165.117 (hereinafter the “Company”), represented by the Director Mr. Stanislav Ermakov, acting on the basis of the Articles of Association, and Mr./Mrs. \$FullName\$, hereinafter referred to as the “Client”, together referred to as the “PARTIES” and individually as a “Party”, entered into this Agreement (the “Agreement”) on the following.

2. Definitions

For the purposes of this Agreement, the following terms shall have the following meaning unless otherwise is stated:

Assets – securities, cash, and other financial holdings readily convertible into cash, which are transferred and placed by the Client as Assets under Management, and/or acquired by the Company in the course of the Portfolio Management in accordance with the conditions of this Agreement and/or Appendix(es) to it.

Portfolio – the total Assets of the Client placed under Management of the Company.

Client Fees – payment made by the Client for the services rendered by the Company under this Agreement and/or Appendix(es) hereto. The Client Fees is a two-tier structure. The first tier comprises of a Management fee. The second tier is the Performance fee.

Reporting Period – the time period specified in clause 5.4 of this Agreement, during which the Company shall provide the Client with a periodic report in relation to the overview and the results of the Management of the Portfolio.

Reporting Date - 10th day following the previous Reporting Period.

Management – performing by the Company of strategic, tactical investment actions, sector allocation together with balancing risks against performance in accordance with the strategy(ies) selected by the Client.

3. Subject of the agreement

The Client shall transfer the Assets to the Company’s account for Management of these Assets. The Company shall manage the Assets on behalf of the Client.

3.1. Subject of the agreement and its execution.

3.1.1. The Client shall on or about this date and from time to time transfer the Assets to the Company’s account for the Management of these Assets. The Company shall manage the Assets on behalf of the Client in order to increase the Assets’ value.

3.1.2. In case the Client requires any supplementary services beyond those described above, the Parties shall draft a separate agreement detailing the volume and cost for such services.

3.1.3. The Company shall confirm the services rendered hereunder in writing (reports, informational letters) which can be sent via post, courier or via e-mail. The Company can provide the Client with oral clarifications in regards to the services rendered hereunder.

4. Strategy entitlement

4.1. The Client hereby agrees that the Assets will be managed in accordance with the strategy specified in the Management Declaration (Appendix 2) and the Investment Statement



(Appendix 3).

5. Fees and expenses reimbursement

5.1. As remuneration for the services provided under this Agreement and/or its Addendum(s), the Client will pay the Client Fees.

5.2. The Company is permitted to deduct the Client Fees and any other related expenses for the Management of the Portfolio on a monthly basis without further authorization from the Client.

5.3. The Company will charge and withhold its fee for the Reporting Period, and in the event of early termination of the Agreement, the Client Fees shall be calculated based on the actual number of days spent on managing the Portfolio during the Reporting Period.

5.4. The Reporting Period is defined as one (1) calendar month.

5.5. The Performance fee is hereby defined as 20% of the capital appreciation of the Assets, generated over the Reporting Period.

5.6. In connection with calculating the fee described in clause 5.5 above, the capital appreciation of the Assets under the Company's Management shall be calculated on the Reporting Date as the difference between the value of the Assets on the Reporting Date and the value of the Assets on the date of transfer of the Assets to the Management of the Company and the capital appreciation of the Assets generated over the previous Reporting Periods, taking into consideration any transfer of the Assets either in or out.

5.7. The value of the Assets under the Management is calculated as the amount of cash assets and the value of securities (financial futures) constituting the Assets on the Reporting Date

5.8. The Company's Management fee constitutes 1.5% per annum of the value of the Portfolio as of the last day of a month and is withheld on a monthly basis.

5.9. In the event, the Client transfers cash assets in currency other than the Reference Currency, specified in p. 8.1., the Company can perform a currency exchange into the Reference Currency at the current rate of exchange.

5.10. The Client shall reimburse the Company's out of pocket or other expenses exclusively connected with the Portfolio Management (if any) simultaneously with payment of the Client Fees.

6. Transferring of assets for management

6.1. The acceptance of the Asset transfer from the Client to the Company is conditional upon the Parties signing the relevant transfer and acceptance form provided in Appendix 4 of this Agreement.

6.2. The start date of the Portfolio Management shall be from the date of receipt of the Client's transferred Assets to the account of the Company.

6.3. The client's assets are placed on the individual sub-broker account of the management company.

7. Liability and idemnity

7.1. The Parties shall be released from any and all liabilities for failure to perform or improper performance of their obligations under this Agreement, in the event of a Force Majeure, including but not limited to natural disasters, war, emergency situations of social character such as riots, etc.), as well as legislative actions which render the fulfillment of the obligations under this Agreement unenforceable.

7.2. Subject to clause 7.3 below, the Client assumes all the risks which may arise from the use of open information channels (Internet, telephone); particularly those that are the results of technical problems; as well as interruptions of work (inter alia due to the network maintenance); password theft and other illegal actions of third-parties rendering telecommunication installations;



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as well as those that result from misunderstanding or identification errors;

7.3. The Company assumes no responsibility or liability for any losses resulting of the aforementioned incidents, except in the case of intentional, unlawful, or gross negligence by the Company.

8. Reference currency

8.1. The Reference Currency applicable to the present Agreement shall be United States Dollars (USD).

8.2. The Reference Currency is the currency to be used for the purposes of evaluation of the Assets placed under the Management, funds withdrawal, providing information, for the evaluation of the Company's Management performance, as well as for the calculation of the Management fee. However, this shall not limit the Company's powers to invest the managed Assets in other currencies.

9. Provision of information

9.1. For the purpose of communication, the Parties agree to use electronic mail addresses, as specified in the Agreement details.

9.2. The accounting for the purposes of provision of information and calculation of the Company's fee shall be executed in the Reference Currency.

9.3. The Company is not required to provide the Client with trading information regarding the Portfolio with regard to each transaction.

9.4. The Company shall provide the Client with a monthly report for each Reporting Period starting from the period that includes the date on which the Assets were placed under the Management.

9.5. The Parties hereby acknowledge that:

9.5.1. Monthly reports will be provided to the Client in a scanned format via electronic mail not later than the 10th day of the month following the reporting month.

9.5.2. The Company shall forward to the Client the reports mentioned above to the Client's electronic mail address as referenced in the Client's Application Form (Appendix 1).

9.6. In case the Company does not receive written objections from the Client in relation to the provided report within 5 (five) working days from the moment of sending of the report, the report shall be considered approved by the Client.

10. Withdrawal of funds

10.1. The Company undertakes to execute the Client's request for assets withdrawal from the Client's account in a timeframe not exceeding 15 (fifteen) working days from the date of receipt of the order by the Company.

10.2. The Client's order must be sent from the Client's e-mail address that is specified in the Client Application Form (Appendix 1) to the Company's e-mail address mentioned in the Agreement Details, as per the form provided by the Company (Appendix 5), bearing the signature of the Client.

11. Termination of the agreement/ funds withdrawal regulations

11.1. This Agreement is to be terminated by a written notice sent by the Client to the Company, expressing the intention to cease the Agreement, provided that the Client forwarded to the Company the order to withdraw all the Assets placed under the Management in respect of the Portfolio.

11.2. The amount of the Assets specified in the Withdrawal Order (Appendix 5) shall be



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transferred by the Company to the Client's bank account specified in the Withdrawal Order (Appendix 5).

11.3. The date of the Portfolio closure will be the date of termination of the mandate of the Company to manage the Client's Portfolio in connection with the termination of this Agreement and withdrawal of all the Client's Assets.

11.4. Termination of this Agreement or closure of the Portfolio, in whichever case, shall be without prejudice to the completion of transactions in progress or to the Company's rights to compensation for any expenses incurred, including, but not limited to, any fees, costs, and/or expenses. Transactions in progress shall be dealt with in accordance with the Client's instructions. In the absence of such instructions, the Company shall act in the best interests of the Client.

12. Confidentiality

12.1. All information provided by the Client to the Company in connection with this Agreement shall be held confidentially, and shall be used solely for the purposes of execution this Agreement.

12.2. The Company shall not disclose such information to any other party without the Client's consent, except for the situations when disclosure of such information is necessary for execution of the Agreement, or when given to the affiliates of the Company, provided that such affiliates maintain the confidentiality of the disclosed information. The Company may release the Client information in the event such information is summoned by the relevant authorities.

12.3. For the purposes hereof, the term "affiliate" refers to a company, any subsidiary or a parent company of that company, and any subsidiary of any such parent company; any controlled or controlling person of a company; as well as a company under common control, in each case from time to time.

12.4. The term "control" means the ability to make decisions or otherwise determine any action of a company in regard to implementing business activities and corporate governance;

12.5. All obligations for maintaining confidentiality or information usage limitations set by clause 12 hereof shall continue indefinitely irrespective of terminations of this Agreement.

13. Representations and warranties

13.1. The Company is a commercial enterprise and carries out its activities for profit. To avoid uncertainties, the Company may render similar services to third parties, as rendered to the Client hereunder.

13.2. The Parties represent and warrant each other that the execution and enforcement of this Agreement and settlement of the transactions envisaged in this Agreement do not violate, conflict, or comprise a violation, and will not violate, conflict, or comprise a violation of any conditions or provisions of other agreements wherein the Parties or the Parties' affiliates or controlled persons are a party thereof, or any legislative act.

13.3. The Client represents and warrants to the Company that all information that has been or will be provided by the Client to the Company or his representatives is full, accurate and is not misleading in all respects.

13.4. The Parties represent and warrant that the execution of this Agreement has been duly approved and that this Agreement is signed by the authorized representatives of the Parties.

13.5. The Client's assets will be used for profit earning for the client and cannot be used for profit earning for other clients including margin trade supply.

14. Term of the agreement

14.1. This Agreement shall come into effect on the date it is signed by the Parties and



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shall remain in force for an unlimited duration, until it is terminated by either Party in accordance with terms of this Agreement.

14.2. Without prejudice to clause 11.1 of this Agreement either Party can terminate this Agreement by sending to the other Party a written notice of its intention to terminate the Agreement 15 (fifteen) working days before the intended date of termination hereof.

15. Governing law and dispute resolution

15.1. This Agreement is exclusively governed by the laws of England.

15.2. Any dispute, controversy or claim arising out of or in relation to this Agreement, including the validity, invalidity, breach, or termination thereof, shall be resolved by arbitration in accordance with the LCIA rules of Arbitration. The number of arbitrators shall be one. The seat of the arbitration shall be in London, and the arbitral proceedings shall be conducted in English.

16. Miscellaneous

16.1. The provisions of this Agreement shall be binding upon the Parties, their successors and assignees.

16.2. Under the present Agreement (if necessary), the Company has the right to involve third parties for rendering services, on condition that the third parties have the appropriate licenses.

16.3. All changes and amendments hereto shall be made in writing. Any amendments must be duly approved and signed by the authorized signatories of the Parties.

16.4. This Agreement is drawn up in English and in Russian. In case of any discrepancies between the English and Russian texts of the Agreement, the English version shall prevail.

16.5. This Agreement is made in two (2) identical copies for each of the Parties.



17. Details of the parties

Details of the parties	
Company:	Client:
KVANT INVESTMENT LTD Registration number: 165117 Registration date: 23.01.2017	\$FullName\$
Address:	Address:
New Horizon Building, Ground Floor, 3 ½ Miles Philip S.W Goldson Highway, Belize City, Belize	\$RegAdr\$
Bank details:	Passport details:
Rietumu Banka, JSC Address: Vesetas 7, Riga, LV-1013,Latvia IBAN LV60 RTMB 0000 6478 0613 1 (USD) SWIFT: RTMBLV2X	Series: issued by: issued date:
E-mail for Message communication:	E-mail for Message communication:
<u>Info@kvantcapital.ru</u>	\$Email\$
Signatures of the parties	
Company:	Client:
Director _____ / S.Ermakov	_____ / \$ShortName\$