Appendix No. **10**
to the Client Service Regulations

Brokerage Company "Rioni Capital"

NOTICE

on Risks Related to the Recording of Client Assets Transferred as Collateral Together with Assets of Other Clients

TBILISI
2025

This Notice on Risks Related to the Recording of Client Assets Transferred as Collateral Together with Assets of Other Clients (hereinafter – the Notice) constitutes an appendix to and an integral part of the Client Service Regulations (hereinafter – the "Regulations") of the brokerage company "Rioni Capital" (hereinafter – the Company).

The Broker hereby notifies the Client that:

1. Client assets provided as collateral to secure obligations admitted to clearing, as well as obligations arising from agreements concluded by the Broker at the Client's expense, are recorded with external custodians, upper-tier brokers, banks or depositories.
   Depending on the infrastructure used, such recording may be carried out:
   - on an **omnibus account (Omnibus Client Account)** — together with assets of other clients of the Broker;
   - on an **individual segregated account (Segregated Account)** — upon the Client's request.

   Recording of Client assets is carried out on separate accounts, in compliance with the principle of inadmissibility of commingling Client assets with the Broker's assets.

2. In the case of recording Client assets on an omnibus account, the following risks may arise:
   - restriction of operations by the custodian or prime broker in the event of breach of their internal limits;
   - delays in settlements due to corporate actions, corporate restrictions or market infrastructure reasons;
   - temporary restriction of access to assets during inspections, corporate events or regulatory procedures.

   Client assets may not be used to fulfill the Broker's obligations and are segregated from the Broker's assets in accordance with the requirements of the National Bank of Georgia (NBG) and the standards of international custodians.

3. Upon the Client's request, assets may be recorded on an individual segregated (Segregated) account with a bank, custodian or upper-tier broker.
   This regime reduces infrastructural risks; however, it may be accompanied by:
   - additional commissions charged by the Broker and banks;
   - increased tariffs of the custodian and the upper-tier broker;
   - restriction of access to certain markets or instruments;
   - extension of settlement periods.

4. The Broker's remuneration and information on additional expenses related to tariffs of the bank, custodian or upper-tier broker for separate recording of Client assets are disclosed in the Broker's Tariffs or in a separate agreement.

Everything stated above is intended to recommend that the Client carefully consider, taking into account the Client's investment objectives and financial capabilities, whether the risks related to recording of Client assets transferred as collateral together with assets of other clients are acceptable to the Client.
This Notice is not intended to prevent the Client from executing such transactions; it is intended to assist the Client in their assessment.
The Client must ensure that the above information is clear and, if necessary, obtain clarification from Rioni Capital or from a consultant specializing in the relevant matters.