INFORMATION DISCLOSURE STATEMENT

Information provided to the Client prior to concluding the Investment Services Agreement

I. General section. Information about the Bank and Its Investment Services

1. General information:

1.1. **Name and address of the Bank: BluOr Bank AS**, Smilšu iela 6, Rīga, LV-1050, Latvija, hereinafter referred to as the Bank.

1.2. The Bank has received licence No.168 from the Bank of Latvia, which was reregistered with the Finance and Capital Market Commission (FCMC) (Credit Institution Operating Licence No. 06.01.05.002/337), allowing the Bank to provide investment services and non-core investment services.

1.3. The Bank provides various services and by-services at the financial instruments (FI) market, including maintaining FI accounts, providing brokerage services for transactions with FI, trust services (active trust and fiduciary services), advisory services on financial instruments, etc.

1.4. The supervisory institution of the Bank is the FCMC, located at Kungu iela 1, Rīga, LV-1050, Latvija.

1.5. The language of communication between the Bank and the Client, i.e. the language of documents and other information to be delivered to the Client, shall be Latvian, Russian or English depending on the language in which the Client has concluded an agreement on receipt of investment services with the Bank (FI Account and Transaction Agreement, Trust Agreement, Active Trust Agreement, Fiduciary Services Agreement), hereinafter referred to as the Agreement.

1.6. The Client may communicate with the Bank and submit instructions to the Bank in the manner provided for in the Agreement(in person, via phone, e-mail provided in the Agreement, a trading platform, or in the Client's Internet Bank, which the Client is using pursuant to the Current Account Opening and Maintenance Agreement concluded between the Client and the Bank).

1.7. The Client is entitled to choose the manner in which they receive information from the Bank — in paper format or electronically, by specifying this in the Agreement.

2. Information on reports provided to the Client:

2.1. The Bank shall provide the following reports to the Client:

2.1.1. **Within the framework of the FI Transactions Agreement:**

2.1.1.1. Confirmations about the execution of Orders (as defined in the Agreement) — no later than on the first Business Day following the execution of the Order or receipt of confirmation from a third party, if applicable;

2.1.1.2. FI Account and Investment Account (as defined in the Agreement) statements — once a year or upon Client's request;

2.1.1.3. Information on costs and charges related to investment services received — once a year;

2.1.1.4. Information on FIs used by the Retail Client in leveraged transactions or transactions with contingent liabilities in case the initial value of the FI decreases by 10% (ten percent) or more — within 1 (one) Business Day after discovering.

2.1.2. **Within the framework of the Trust Agreement:**

2.1.2.1. Report on the management of the Trust (as defined in the Agreement), including information on the total Trust value, Trust profitability and other information reflecting management of the Trust during the respective accounting period — once a month or upon Client's request;

2.1.2.2. Information on costs and charges related to investment services received — once a year;

2.1.2.3. Information on FIs used by the Retail Client in leveraged transactions or transactions with contingent liabilities in case the initial value of the FI decreases by 10% (ten percent) or more — within 1 (one) Business Day after discovering.

2.1.2.4. Information on Trust value decrease, if the total value of the Trust decreases by 10% (ten percent) or more from the beginning of the reporting period — within 1 (one) Business Day after establishing the fact.

2.1.3. **Within the framework of the Fiduciary Services Agreement:**

2.1.3.1. Reports on the execution of Transactions (as defined in the Agreement) — upon Client's request.

[1] The list is not exhaustive. The Bank may provide the Client with other reports in accordance with the Agreement and applicable legislation, or upon the Client's request.

3. Other information provided to the Client:

3.1. In providing the investment services, the Bank may receive inducement payments or other benefits from third parties if such a payment is related to access to a specific investment service or product, or if the purpose of a payment is to increase the quality of an existing service that is rendered to the Client. The Bank may receive such payments e.g. when purchasing shares of foreign funds distributed by the Bank or bonds the issue of which the Bank has organised. The amount of such payments shall depend on the provisions of distribution of a given FI and shall be determined on a case-by-case basis. Receipt of such inducements shall not affect the Bank's obligation to provide the Client with best execution.

3.2. The Bank shall not accept or retain inducements, including monetary and non-monetary benefits, received from Counterparties for the purpose of provision of Trust management services or independent investment advice to Clients. Minor non-monetary benefits that may improve the quality of the relevant service and, in terms of their amount and nature, may be considered as not adversely affecting the Bank's duty to act in accordance with the Client's best interests, may be accepted, if the Bank discloses such information to the Client.

3.3. The Client shall be entitled to receive information about inducements specified in paragraph 3.1 by getting acquainted with the relevant condition for the distribution/purchase of the FI or submitting the relevant request to the Bank using a means of communication coordinated with the Bank. Based on the aforementioned request, the Bank shall be obliged to provide the Client with information about such inducements and their respective amounts. In addition, the Bank shall inform the Client about inducements received on a yearly basis.

3.4. The Bank evaluates various economic, financial, geopolitical and other indicators, which may also include sustainability factors (environmental, social, and governance – ESG) in order to make investment decisions that correspond to our clients' investment policies.

The purpose of investment portfolio management is to protect the capital of our clients and promote long-term capital growth. Long-term investors should seriously assess sustainability in any investment.

Currently, the investments underlying financial products do not take into account the EU criteria for environmentally sustainable economic activity.

Although clear guidelines on sustainable investment are still missing and their goal is not currently envisaged by the Bank's investment strategy, the EU criteria for environmentally sustainable economic activities are not taken into account in the investments. The Bank actively follows the changes in the regulatory enactments regarding sustainable investment services and, based on them and the wishes of our clients in the field of sustainability, plans to revise the existing approach in the near future.

4. Information on protection of the Client against losses

4.1. Deposit Guarantee Law:

4.1.1. Pursuant to the Law, a Client who has made a guaranteed deposit with the Bank may be eligible for it in the event of the unavailability of deposits (e.g. the Bank becomes insolvent or its license is revoked);

4.1.2. The Law stipulates that, regardless of the day that a deposit is made, the guaranteed refund per depositor for a deposit made with the Bank shall amount to the guaranteed deposit, but no more than 100,000.00 EUR (one hundred thousand EUR). If a depositor has several guaranteed deposits with the Bank, they are added up and treated as a single guaranteed deposit;

4.1.3. Guaranteed payment shall be settled Pursuant to the requirements of the law. Background information on the protection of the State guaranteed deposits is available on the Bank's web site https://www.bluorbank.lv/en/compliance.

4.2. FIs on the Client's accounts shall be held separately from the Bank's FIs, although, in certain cases when third parties in accordance with provisions of the Agreement hold FIs, it is possible that these FIs are used on account of a third party.

4.3. Investor Protection Law:

4.3.1. The Bank is a participant in an investor protection scheme pursuant to the Law. The Client is entitled to compensation if the Bank is unable to fulfil its obligations to the Client in full and in due time;

4.3.2. The Client is entitled to compensation in the amount determined by the law in the following cases:

- **Irreversible loss of FI** — a fact established by the FCMC that the data attesting the Client's ownership right to FIs and stored in the Bank's computer system or included in any other type of accounting are irreversibly destroyed or damaged due to some act or failure to act or criminal offence, and the Bank refuses to restore such data based on the documents presented by the Client;
- **Non-executed investment service** — an investment service, accepted for execution by the Bank, but not executed or partially executed, resulting in the Client suffering losses or in irreversible loss of the FI.

4.3.3. Regardless of the date that the Bank accepts an investment service for execution, the compensation per Client shall be as follows:

4.3.3.1. As of 1 January 2008 — 90% (ninety percent) of the value of FIs lost irreversibly, or the losses caused by a non-executed investment service, but no more than 20,000.00 EUR (twenty thousand EUR) (further information provided in the Republic of Latvia Investor Protection Law).

[2] In accordance with Deposit Guarantee Law Section 1 Paragraph One Clause 1, a **guaranteed deposit** denotes credit balance that has arisen following deposit of funds to a depositor's account or from routine bank transactions, and which the deposit attractor is obliged to repay in accordance with the law or an agreement. Further information is provided in the Deposit Guarantee Law.

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4.3.4. Compensation shall be paid only to Clients who submit applications to the FCMC regarding:
- Irreversible loss of FIs;
- Losses caused by a non-executed investment service.

4.3.5. An application for compensation shall be submitted within 1 (one) year after the Client becomes aware that the Bank has failed to fulfil its obligations, but no more than 5 (five) years following the date of such non-fulfilment of obligations.

4.3.6. The amount of compensation shall be determined:
- In the event of irreversible loss of FI — based on the market price of the respective FI as on the day when the FCMC receives an application regarding the irreversible loss of the FI. If the market price cannot be determined on the day when the application is submitted, the latest available market price of the FI prior to the date of submission of the application shall be used;
- In the event of a non-executed investment service — according to losses suffered by the Client due to a non-executed investment service.

4.3.7. The Client is hereby informed that, if the Client's funds are placed in a fiduciary deposit within the framework of fiduciary service, such funds shall not be covered by the protection mechanisms stipulated in the Deposit Guarantee Law and the Investor Protection Law.

4.3.8. The Client is hereby informed that if the Client uses the trading platform BluOr Trader, the funds in the Trading Account shall be listed in the Bank's off-balance and the terms of the Deposit Guarantee Law shall not be applicable to such funds. The Bank is a member of the Investor Protection System and the Client is entitled to receive compensation in the cases provided for in the Investor Protection Law.

5. Information on prevention of conflict of interest

5.1. The Bank has drawn up and implemented its Policy for Prevention of Conflict of Interest with the aim to identify and prevent or solve conflict of interest so that all Clients receive fair treatment when provided investment services. The Policy for Prevention of Conflict of Interest provides the Bank's basic regulations for prevention of conflicts of interest, procedure for identification of conflicts of interest, management and prevention of conflicts of interest and procedure for disclosure of conflicts of interest. The full text of the Policy for Prevention of Conflict of Interest is available on the Bank's website, www.bluorbank.lv.

5.2. Among other things, the Bank informs the Client about the following conflicts of interest:

5.2.1. Within the framework of managing the Client's trust assets, the Bank, acting as the trustee, is entitled to purchase FIs owned by the Bank or its shareholders. By signing the Trust Agreement, the Client consents to the Bank having such rights;

5.2.2. If the Bank organises an issue of bonds or notes, the Bank may offer such FIs to its Clients (and to include them in a Client's trust portfolio for trust management purposes). In such cases, the Bank invites the Client to carefully read the issue prospectus and evaluate one's ability to assume the risks of such a transaction.

6. Information on individual management of the Client's funds

6.1. FIs included in the individual Client asset management portfolios (hereinafter referred to as Trust portfolios) shall be assessed once a month based on their market price or, in the case of unmarketable assets, the latest applicable price, i.e. the price at which the respective FIs are marketable.

6.2. The management goals for each Trust portfolio are determined in the investment policy (or in another annex to the Agreement on Individual Management of the Client's Funds), and the Bank carries out management of funds independently, deciding on investments to be made within the framework of the management and in accordance with restrictions determined in the investment policy (or another annex to the Agreement).

6.3. The Bank is aware that environmental, social or corporate governance (ESG) factors can have an impact on target prices and on the underlying assessment of certain aspects such as the company, national, economic and investment management strategy, so we take into account ESG factors in the investment selection and monitoring process.

6.4. The Bank estimates that taking ESG risk factors into account in investment decision-making will leave positive long-term investment outcomes for clients.

7. Information on inducements

7.1. In providing investment services or by-services to its Clients, the Bank may issue and receive financial and non-financial benefits from third parties. Any benefits received or provided by the Bank to third parties shall be considered as inducement, with the exception of payments directly related and necessary for the provision of the relevant investment services and by-services, namely custody fees, brokerage commission, settlement and conversion fees, fees for legal services, etc.

7.2. The Bank may retain the inducements received from third parties if they are aimed at improving the quality of the service provided to the Client, are clearly disclosed to the Client prior to the provision of the service, and do not adversely affect the Bank's obligation to act in the interest of Client as a fair and good manager.

7.3. If the conditions referred to in paragraph 7.2 are not met, the Bank shall disburse such inducements received from third parties to its Clients.

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7.4. The Bank may receive and retain non-essential non-financial benefits, which could improve the quality of the services provided to the Client, such as: information on a financial instrument or investment service, that is general on its own merits (issue prospectus, product descriptions, aggregated materials on the characteristics of financial instruments, etc.); participation in conferences and seminars organised by a third party to explore the benefits, features and trends of financial instruments/financial markets/ investment services; souvenirs and representation articles and other non-financial benefits of non-essential material value).

7.5. The Bank shall disclose the information about the inducements to the Client prior to the provision of services so that the Client can assess the amount of the benefit, as well as provides information on the actual inducement amounts, disbursed to Clients after the provision of the services.

7.6. In providing individual Trust Investment Portfolio management services to a Client or providing independent investment advice, the Bank may not receive and retain any inducements and, as appropriate, disburse them to the Client, except for non-essential non-financial benefits.

7.7. The Bank shall inform on the inducements received in the form of periodic material and non-material inducements from third parties for the distribution of investment funds to its Clients. An inducement is expressed as a share of the investment fund management commission or percentage of the invested amount. The amount may vary depending on the type of fund and the amount of the inducement may be 0–60% of the management commission of the investment fund concerned. Detailed information on the inducement amount is available to Clients by contacting the Bank or by writing a letter on the Internet Bank.

8. Information on the possible consequences of aggregation of Customer Orders

8.1. The Bank informs the Client that, when conducting transactions with financial instruments, the Bank, in accordance with the Order Execution Policy for investment services on the financial instruments market, is entitled to aggregate the Client's Order with any transaction that the Bank conducts on its own behalf, or with the Orders of other clients in all cases where the Bank considers, that in this way the Client can be provided with a better result than if the Order were executed individually. However, in some cases, despite the fact that the Bank tries to provide the Client with the best result, the effect of executing the Client's Order, aggregating it with the Orders of other Clients or with transactions at the Bank's expense, may work to Client's disadvantage.

II. Special part. Description of FIs

1. The Bank is authorised to provide FI-related investment services to a Client; the relevant information is presented in this reference document (see Table No. 1).

2. When concluding FI transactions, the Client must in each case evaluate the most common risks as follows:

2.1. **Market risk** — the risk of suffering losses related to reappraisal of FI due to changes in its market price. The market price may change due to fluctuations in currency exchange rates, interest rates and other factors. Market risk may be subdivided into:

2.1.1. **Currency risk** — the likelihood that the Client might suffer losses due to transaction currency exchange rate fluctuations;

2.1.2. **Price risk** — the likelihood that the Client might suffer losses due to changes in the market price of the FI involved in the transaction;

2.1.3. **Interest rate risk** — the likelihood that the Client might suffer losses due to financial market fluctuations that alter financial market interest rates. For instance, the value of a debt FI might change depending on interest rate changes: if the interest rates increase, the price of such FIs falls, and vice versa;

2.2. **Sustainability risk** — the risk that any event or conditions in the area of environmental, social or corporate governance (ESG) could have a negative impact on the value of investments. Environmental events may relate to regulatory or legal aspects, technology risks or reputational risks. Social events are mainly related to employment issues. Corporate governance events relate to the company's code of conduct, the diversity of representation and the rights of minority shareholders. Sustainability risks can take place on a different scale, including risks specific to a particular company, industry and country, mainly the political risk and the principle of rule of law. The emergence of sustainability risks may have a negative impact on the value of investments.

2.3. **Liquidity risk** — the likelihood that the Client might suffer substantial losses due to inadequate market liquidity, where sale or purchase of assets at the time and place preferable to the Client becomes difficult or impossible;

2.4. **Legal (legislative) risk** — the risk of suffering losses resulting from the amendments to national legislation or introduction of new laws and regulations that may result in additional expenses or impairing of the investment profitability (including taxation risk);

2.5. **Credit risk** — risk of incurring losses, if the counterparty to a transaction (including the Bank and the issuer of the FI) fails or refuses to fulfil obligations pursuant to the provisions of the respective transaction. Credit risk may be further cathegorised as:

2.5.1. **Issuer non-performance risk** — the likelihood that a FI might lose value or be lost entirely due to the issuer's failure to fulfil their obligations, poor financial performance etc.;

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2.5.2. **Industry risk** — the likelihood of unfavourable conditions or specific conditions within a specific sector of the economy that directly affect the operation of companies involved, and therefore have an unfavourable effect on the price of issued securities;

2.6. **Operational risk** — the likelihood of suffering losses due to non-compliant or inadequate internal processes, performance of people and systems, or due to the influence of external conditions;

2.7. **State risk (political and economic)** — the risk of suffering losses due to regional events that negatively affect the political and/or economic situation in a country and directly affect the operation of companies in that country;

2.8. **Strategic risk** — the risk that a company may face losses due to inappropriate investment decisions;

2.9. **Technical risk** — a risk that may be caused due to interruptions or faults in the functioning of the means of communication and/or trading platforms, limited internet access, or disturbances or interruptions in the operation of other technical facilities;

2.10. **Counterparty risk** — the likelihood that a business partner of the Bank will be unable to fulfil its obligations adequately, resulting in losses for the Bank and its Clients;

2.11. risks arising from the execution of the Client's order over the counter (OTC):

2.11.1. **the risk of loss**, which may occur due to the fact that OTC transactions are not subject to the regulatory framework, as a result of which OTC transactions may be unexpectedly stopped, may not take place regularly or permanently, or otherwise become hindered. It may also be difficult or impossible to determine the price of a financial instrument, to close a position, as well as to determine and be aware of all risks related to the transaction;

2.11.2. **liquidity risk** - the risk that it will not be possible to buy or sell the relevant instrument in conditions of reduced liquidity;

2.11.3. **credit risk of the counterparty**, because the contract can only be terminated with the consent of the counterparty.

3. FI transactions are also affected by a number of risks specific to the type of FI, including, but not limited to:

3.1. Risk related to investing in **subordinated bonds** — occuers in the event of the issuer's insolvency. The claims of subordinated bondholders are satisfied after the claims of all other creditors but prior to the claims of stockholders. Thus, if the issuer becomes insolvent, investors who hold its subordinated bonds have inferior protection against unfavourable developments compared to holders of ordinary bonds. Furthermore, subordinated bonds are not subject to the state deposit guarantee scheme of Latvia, and no compensation is due from the Deposit Guarantee Fund. Further information is available on the FCMC website: http://www.klientuskola.lv/lv/kas-tev-jazina-par-finansu-pakalpojumiem/subordinetie-ieguldijumi.html;

3.2. Risk related to **placing a fiduciary deposit with a bank in the CIS** — such funds are not covered by protection mechanisms specified in the Deposit Guarantee Law and the Investor Protection Law.

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Table 1

DESCRIPTION OF FIs

Definition and key characteristics of FIs	Advantages for the investor	Risks for the investor	Applicable fees and other payments
Stocks			
Part of a company's property, securities confirming the right of the bearer (stockholder) to participate in company management, receive dividends, as well as other rights specified in the applicable legislation. **Types of stocks:** **a)** Privileged stocks generally do not grant the right to vote at a general meeting of the stockholders but guarantee higher dividends compared to common stocks; **b)** Common nominal stocks grant the right to vote and receive dividends, if a decision is made to pay them.	**a)** A fraction of a company's property and voting rights is purchased in the case of common nominal stocks; **b)** Purchasing the right to receive part of the company's profits in the form of dividends; **c)** By investing in the stock of a promising company, you also purchase the potential of positive investment yields.	**a)** Price risk; **b)** Credit risk; **c)** Capital risk; **d)** Market risk; **e)** Risk of selecting the moment to invest; **f)** Currency risk; **g)** Liquidity risk; **h)** Legal regulation (legislative) risk; **i)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Brokerage fee for buying/ selling stocks; **b)** Service fee of the custodian bank (depository); **c)** Fee for FI transfers and other transactions; **d)** Corporate action fee (payment of dividends, representation at stockholder meetings, blocking of stocks) related to the FIs; **e)** Other fees (levied by depository or exchange, e.g. Stamp Duty in the U.K.).
Depository Receipts			
A security confirming ownership of a specific number of a foreign issuer's securities that is freely circulated within a given country. Certificates of deposit are used to exercise rights conferred by stocks without holding the stocks per se. The stocks actually remain in the trust management of the Bank issuing the certificates of deposit.	**a)** Allows the investor to extend the range of available securities, optimise their portfolio; **b)** Provides an instrument for working with foreign securities within the national legal space; **c)** The risks are reduced, and obtaining information on the counterparty becomes easier both for the investor and for the issuer; **d)** The use of certificates of deposit relieves the investor from issues related to investing in international FIs; **e)** The investor can better diversify their securities portfolio; **f)** Respite remaining within the jurisdiction of their home country, the investor obtains ownership and management rights to foreign capital; **g)** High liquidity; **h)** Reduced legal risks.	**a)** Issuer risk; **b)** Risk of the issuer's country; **c)** Ratio of income on the market of the issuer and the investor's market; **d)** The depository bank supplies the technical side of FI transactions but does not guarantee the security of stocks — this risk is shouldered entirely by the investor; **e)** Risk of worsening economic conditions within the country if a different country's certificates of deposit are purchased; **f)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Brokerage fee for buying/ selling depository receipts; **b)** Service fee of the custodian bank (depository); **c)** Fee for transfers and other transactions with the FIs; **d)** Other fees (set by the depository or exchange).

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Definition and key characteristics of FIs	Advantages for the investor	Risks for the investor	Applicable fees and other payments
Bonds and Notes			
Types of securities enabling the bearer to receive the amount loaned, along with a fixed income, after a certain period of time. These are: bonds, treasury liabilities, accumulative certificates, bills of exchange, bank deposit certificates and other notes. **Complex FIs in this group also include the following types of combined securities:** **a)** Expendable bond (bond with call option). **b)** Retractable bond (bond with put option). **c)** Bond with put and call option – such a bond combines the characteristics of both of the above types.	**a)** A certain guaranteed amount and term for receiving income that is known at the moment of investing; **b)** A good alternative to bank deposits because they may offer higher interest rates **c)** Bonds and notes are liquid securities, i.e. they may be freely purchased and sold, pledged, borrowed, gifted or inherited; **d)** Require less control over the situation: no need to keep track of market value because the income is fixed at the moment of purchase.	**a)** Credit risk — the risk that the loan will not be repaid within the specified term. **b)** Rising inflation; **c)** The issuer's ability to service its debt; **d)** For structured bonds, **e)** The price depends, among other factors, on changes in the price of the underlying asset. Such bonds entail a considerable risk of losing the invested principal amount, and the investor may fail to receive the income they expect; **f)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Brokerage fee for buying/ selling bonds and notes; **b)** Service fee of the custodian bank (depository); **c)** Fee for transfers and other transactions with the FIs (bonds and notes); **d)** Corporate action fee (payment of the coupon and principal) linked to the FIs (bonds); **e)** Other fees (set by the depository or exchange).
Exchange Traded Funds and Notes			
An investment fund pools the assets of a number of investors and places them in stocks, bonds, money market instruments, other FIs and combinations of the above. An investment fund consists of the funds of more than one investor that are placed in certain segments of financial and capital markets, including, but not limited to stocks, bonds, commodity market instruments, bank deposits, real property and other FIs (including composite FIs), considering the fund's investment policy and strategy as described in the prospectus of that fund. Exchange-traded funds, or ETFs, are investment funds that are traded on the stock-exchange and essentially resemble fund indexes.	**a)** Funds are entrusted to professionals; **b)** The investor may pick a fund whose strategy best matches the investor's risk profile. **c)** An investment fund's risk is generally lower compared to purchasing stocks separately; investment fund assets may be invested in the stocks of a number of companies in different countries; **d)** The investor obtains a diversified portfolio of FIs; **e)** The investor does not have to personally invest in specific FIs. **f)** It is easier to sell an exchange-traded fund compared to a package of FIs; **g)** The investor may purchase a passively managed fund at a comparatively lower price based on lower management fees; **h)** By selecting the appropriate ETF, the investor can achieve earnings not only on FIs that go up in price, but also on those that become cheaper.	**a)** Even investment funds with the lowest risk may lose part of their value due to changes in the market environment; **b)** Liquidity risk; **c)** Price risk; **d)** Risk of inaccurate index tracking.	**a)** Brokerage fee for buying/ selling ETFs and other investment funds; **b)** Service fee of the custodian bank (depository); **c)** Fee for transfers and other transactions with the FIs (ETFs and other investment funds); **d)** Other fees (set by the depository or exchange).

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Definition and key characteristics of FIs	Advantages for the investor	Risks for the investor	Applicable fees and other payments
Leveraged Exchange Traded Funds			
Leveraged ETFs. This type of traded funds has a higher yield potential, which is also related to higher risks. Leveraged, or margin ETFs are intended for increasing routine income from their index or some other market indicator. Margin ETFs will generally have a multiplier of either 2x or 3x.	A 2x fund will gain 2% for each percentage point of the underlying index's growth (excluding fees). However, if the index falls by 1%, the 2x fund will lose 2% as well. A leveraged ETF is a universal investment tool because it allows the investor to achieve earnings during a market downturn — or, by selecting a leveraged ETF, to multiply the desired returns.	**a)** A leveraged ETF also loses value faster when the value of the securities basket shifts in an undesirable direction. **b)** Margin requirements: it can reach 90% for some leveraged ETFs.	**a)** Brokerage fee for buying/ selling ETFs and other investment funds; Service fee of the custodian bank (depository); **b)** Fee for transfers and other transactions with the FIs (ETFs); **c)** Fee for using collateral; **d)** Other fees (set by the depository or exchange).
Investment Fund Certificates			
An investment fund certificate is a FI documenting an investor's participation in an investment fund. An investment fund is dedicated to pooling the funds of a number of investors to invest them and gain income from the ensuing increase in asset value. A fund will invest available resources in various industries, sectors, classes of asset based on the investment objects specified in the fund's prospectus. By purchasing its investment certificates, one becomes a co-owner of the pooled assets and is entitled to a corresponding fraction of the fund's profits. The performance of the investment fund will depend on changes in the value of its investments.	By purchasing investment fund certificates, an investor generally gains the following advantages: **a)** Professional fund management; **b)** Substantial investment diversification; **c)** Cheaper and broader access to various market segments; **d)** Increased liquidity.	By contributing one's assets toa fund, the investor will usually lose control over selection of specific investment objects and the costs of investing. The risk of a given fund will depend on FIs purchased by the fund and on its general policy, which is described in its prospectus. By making investments and carrying out transactions with investment fund certificates, an investor meets the same range of risks that apply to making one's own investments in stocks and shares. Investment funds generally invest their funds in a more diverse set of investment objects — therefore, risk is more diversified and balanced. The following risks apply to investment fund certificates **a)** Price risk; **b)** Liquidity risk; **c)** Currency risk; **d)** Interest rate risk; **e)** Legal risk; **f)** Information risk; **g)** Operational risk; **h)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Brokerage fee for buying/ selling investment fund certificates; **b)** Service fee of the custodian bank (depository); **d)** Fee for transfers and other transactions with the FIs (investment fund certificates); **c)** Other fees (levied by depository or exchange).

Definition and key characteristics of FIs	Advantages for the investor	Risks for the investor	Applicable fees and other payments
Credit-Linked Notes			
A credit-linked note (CLN) is a FI that is analogous to a bond: a type of bond linked to a loan agreement. A bank may use it to manage credit risk, refinancing issued loans and transferring the inherent risks to third parties, i.e. investors. The structure of a credit-linked note (CLN) is engineered to include a credit default swap (CDS) transaction. Thus, a credit-linked note is an issuer security that provides payments stipulated by a CDS. CLNs are short-term and intermediate-term debt obligations and are issued by banks as well as corporate market players.	Profit — the credit institution undertakes to transfer to the exposed party a part of the payments made by the borrower in its favour under the credit agreement.	**a)** Credit risk; **b)** Risk of the issuer's bankruptcy; **c)** Inadequate security — lack of loan collateral; **d)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Brokerage fee for buying/ selling credit-linked notes; **b)** Service fee of the custodian bank (depository); **c)** Fee for transfers and other transactions with the FIs (credit-linked notes); **d)** Other fees (set by the depository or exchange).
Asset-Backed Securities			
Bonds with income payments that are guaranteed by a wide spectrum of underlying assets: from credit card payments and vehicle loans to real property	Income with a certain range of risks.	**a)** Holders of asset-backed bonds are faced with potential premature repayment — or, conversely, increased lifetime of the relevant securities. It is also considerably harder to forecast the payment structure compared to ordinary bonds; **b)** High credit risk, risk that the repayment term will be different; **c)** Inflation risk; **d)** The possibilities of diversifying an investment portfolio of asset-backed securities are extremely limited; **e)** Under normal market conditions, investing in asset-backed securities is not economically sound; **f)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Brokerage fee for buying/ selling asset-backed securities; **b)** Service fee of the custodian bank (depository); **c)** Fee for executing corporate actions linked to the FIs (asset-backed securities); **d)** Fee for transfers and other transactions with the FIs (asset-backed securities); **e)** Other fees (set by the depository or exchange).

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Definition and key characteristics of FIs	Advantages for the investor	Risks for the investor	Applicable fees and other payments
Convertible Bonds			
A bond that allows the investor to choose between treating it as a pure bond, with the specified return, or to convert it into a certain number of common stocks.	**a)** Allow holders to exchange each bond for a specific number of the issuing company's common stocks; **b)** Allow holders to take advantage of the increase ina given company's stock price; **c)** The actual return on a convertible bond may exceed the specified return at the moment of repayment if conversion yields a greater profit; **d)** Combine the reliability of fixed-dividend bonds with the potential of profiting from the increase in stock prices; **e)** In the event of bankruptcy, the bondholders recoup their funds before stockholders do.	**a)** This type of security stipulates lower coupon rates and promised return upon repayment compared to non-convertible bonds; **b)** The likelihood of receiving payment for convertible bonds is lower compared to basic bonds; **c)** If a large number of bonds are converted into stocks, the market price may decrease due to dilution; **d)** The company itself may buy out all convertible bonds. This way, the company forces bond holders to convert their bonds; **e)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Trading fees for buying/ selling convertible bonds; **b)** Service fee of the custodian bank (depository); **c)** FIs (convertible bonds) corporate action fee; **d)** Fee for transfers and other transactions with the FIs (convertible bonds); **e)** Other fees (levied by depository or exchange).
Structured Products			
Complex FIs that are based on simpler underlying FIs. **Likely components of a structured product:** **a)** Fixed-income instruments; **b)** Equity-linked instruments. Thanks to a combination of different FIs, they possess some unusual properties. Structured products have a fixed maturity term.	Structured products may yield higher returns for investors.	**a)** Structured products are subdivided into a number of categories based on the initial level of risk: • 100% capital protection, guaranteeing full repayment of the principal; • Partial capital protection; • No capital protection, conditional capital protection. **b)** Types of risks: • Risk of default or insolvency of the fixed-income instrument issuer; • Risk of default of the structured product issuer; • Volatility; • Derived parameters — structured products may be sensitive to a number of factors related to the price composition of various derivative instruments; • Product validity term — a long time frame increases uncertainty regarding both the asset and the issuer; • Risk of lost profits; • Liquidity risk; • Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Brokerage fee for buying/ selling structured products; **b)** Trading spread — the difference between the ask (purchase) and bid (sale) prices; **c)** Service fee of the custodian bank (depository); **d)** Fee for transfers and other transactions with the FIs (structured products); **e)** Other fees (set by the depository or exchange).

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Definition and key characteristics of FIs	Advantages for the investor	Risks for the investor	Applicable fees and other payments
Hedge Fund Certificate			
A type of alternative investment fund that is unrestricted by normative regulation, or subject to regulation that is more lenient. It is unavailable to the public and is managed by a professional investment manager.A hedge fund's key difference from other investment funds is the higher degree of freedom in selecting an investment style.	**a)** Possibility of properly applying an entire spectrum of trading strategies; **b)** Considerably more freedom in selecting strategies with the greatest effect given the circumstances; **c)** Option to develop a potentially more diversified portfolio; **d)** By pooling their funds, investors are entitled to equity in a portfolio that mitigates risk considerably.	**a)** The operation of hedge funds is regulated much less closely compared to traditional funds; **b)** It is harder to obtain and summarise information about the hedge fund market; **c)** Limited access to information allows fund managers to apply various strategies more flexibly and makes them more responsive in the event of changing market trends, but also makes it hard for the investor to obtain information about changes in the fund's strategy; **d)** Low liquidity; **e)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Brokerage fee for buying/ selling hedge funds; **b)** Service fee of the custodian bank (depository); **c)** Fee for transfers and other transactions with the FIs (hedge funds); **d)** Investment fund management fee; **e)** Other fees (set by the depository or exchange).

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Definition and key characteristics of FIs	Advantages for the investor	Risks for the investor	Applicable fees and other payments
Contracts for Difference			
A contract for difference (CFD) is an agreement between two parties whereby one party will pay the other the difference between an asset's current value and its value at the end of the agreement term. The agreement term is often unspecified, with only one of the parties entitled to terminate it. This derivative financial instrument envisages two parties exchanging the difference of the contract upon entering and exiting the market. A CFD is a trading instrument reflecting the fluctuations in the price of the underlying asset. It can lead to either profit or loss, depending on the price of the underlying asset compared to the position taken — the actual sale and purchase of the underlying asset never takes place. A CFD is a derivative financial instrument that allows you to profit from either the increase or the decrease in the value of the underlying commodity or security. CFDs are most often used for speculative operations. For instance, a CFD on stocks is derived from the stock purchase agreement, allowing speculation on price shifts without having to register ownership of the stocks themselves. Initially, the CFD market was used for transactions that include agreements on the purchase and sale of packages of stocks without actual title to the stocks. Contracts for difference are now used for trading in futures agreements and financial instruments as well. Trading in CFDs is usually performed using a loan (as part of margin trading).	**a)** Greater leverage; **b)** Access to the global market from a single trading platform; **c)** No shorting restrictions; **d)** Professional execution of transactions without commissions; **e)** No intra-day trading restrictions; **f)** Variety of underlying assets.	**a)** Need to pay the spread, which precludes profit from a trading strategy that is based on minor price fluctuations; **b)** The CFD market is not sufficiently regulated; **c)** The risk of an unfavourable change in the price of the underlying FI, leading to potential losses; **d)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Trading fee for purchasing/ selling contracts for difference (a fee may be waived, in which case the Bank would include its fee in the trading spread — the difference between the bid and ask price); **b)** Fee for transferring open positions under contracts for difference to the next period (a fee may be waived, in which case the Bank would include its fee in the trading spread — the difference between the bid and ask price); **c)** Financing fee (financing rate) — only for CFDs on stocks; **d)** Other fees (set by the depository or exchange).

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Definition and key characteristics of FIs	Advantages for the investor	Risks for the investor	Applicable fees and other payments
Futures Contracts			
Standard exchange agreement on the sale and purchase of an asset, concluded for a specific term. Upon conclusion, the counterparties (i.e. the buyer and the seller) note the underlying asset price and delivery date, stipulating all the relevant parameters, and undertake obligations to the exchange's clearing chamber up until execution. Moreover, the execution of a futures contract may be performed both with the actual delivery of an underlying asset (delivery futures) and without it (cash-settled futures). Futures contracts are only traded on the exchange market.	**a)** Allows distributing the risk of unfavourable price changes among market players willing to undertake exposure to this risk to a greater or lesser extent. **b)** A way to invest by speculating on one's market of interest **c)** Standardised provisions make futures contracts very liquid, which has created an extensive secondary market with the mediation of dealers who sell and purchase them constantly; Besides, the stock-exchange organises a secondary market for futures contracts with the mediation of dealers who sell and purchase them constantly; **d)** Option of making a considerable profit even if the underlying property or instrument price changes by a small amount.	**a)** In unfavourable circumstances, losses can be particularly high; **b)** The standardised nature of a futures contract can be problematic for the counterparties.	**a)** Brokerage fee for buying/ selling futures; **b)** Futures contract rollover fee (transferring open positions to a new period); **c)** Other fees (set by the depository or exchange).
Options			
A derivative FI that may have various underlying assets. In current practice, stocks, indexes, interest securities, futures contracts and commodities are widely used. Sale and purchase of options can take place either within an exchange or outside it, on the over-the-counter (OTC) market. It enables a buyer to choose between executing the agreement or rejecting it. Two parties must participate in the transaction. One of them buys the option, i.e. the right to choose. The other sells, or underwrites the option, i.e. provides the choice. **Two major types of options are distinguished according to execution time:** **a)** American style (can be exercised on any day before expiration); **b)** European style (can be exercised on the expiration date only). **Depending on the type of right provided to the buyer, there are put and call options:** **a)** A call (purchase) option; **b)** A put (sell) option.	**a)** Allows distributing the risk of unfavourable price changes among market players who are willing to undertake exposure to this risk to a greater or lesser extent. **b)** Allows buyer to limit their risk to a pre-determined amount that they would lose in an unfavourable situation; **c)** There is no limit to the potential gains from an option; **d)** it is an extremely versatile FI that may be used in various ways — for speculative operations (a relatively risky practice) and for restricting the impact of price fluctuations.	**a)** Under unfavourable circumstances, losses can be particularly high; **b)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Brokerage fee for buying/ selling options; **b)** Other fees (levied by depository or exchange).

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Definition and key characteristics of FIs	Advantages for the investor	Risks for the investor	Applicable fees and other payments
Over the counter (OTC) transactions			
Transactions with FIs (stocks, bonds, depository notes) where the counterparties enter into an agreement directly, without the mediation of an exchange. OTC transactions generally involve deferred settlement. An over-the-counter transaction may entail the conclusion of a FI sale and purchase agreement. Types of OTC transactions: future, option, swap transactions (involving currency, securities, energy sources, metals, emissions (CO_2) quota, charter) etc.	OTC transactions do not require reservation of funds before trading because the parties settle directly.	**a)** In unfavourable circumstances, losses can be particularly high; **b)** Most OTC transactions are concluded through trade mediators but, unlike exchange trading, the mediator on the secondary market is not liable for the non-fulfilment of either party's obligations; **c)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Brokerage fee for buying/ selling FIs (the fee may be waived, in which case the Bank would include its fee in the trading spread – the difference between the bid and ask price; **b)** Rollover fee (transferring open positions to a new period); **c)** Other fees (set by the depository or exchange).
Currency Swaps			
A pair of offsetting currency exchange transactions for the same amount on different value dates. For swap transactions, the value date is considered to be the date of the sooner transaction; the so-called maturity date denotes the date of the later transaction.	**a)** Hedging currency risks; **b)** Profiting from differing exchange rates; **c)** Reducing expenses on managing a FI portfolio.	**a)** Target risk — exchange rates may change following the conclusion of the swap transaction; **b)** Credit risk — the risk of one party failing to fulfil their obligations, whereby the other party will sustain unexpected losses; **c)** Risks arising from the execution of the Client's order over the counter (OTC).	The fee may be waived, in which case the Bank would include its fee in the trading spread — the difference between the bid and ask price.
Currency Forwards			
A currency sale/purchase transaction at a specific date in the future, at a rate determined upon conclusion of the transaction. The forward exchange rate is calculated based on the difference in interest rates for the currencies involved.	**a)** Simplifies planning of future income and expenses, **b)** Allows avoiding financial losses due to exchange rate fluctuations. **c)** Allows speculating on exchange rate fluctuations or to hedge against them.	**a)** The time necessary for coordinating the provisions of a forward transaction; **b)** A concluded agreement prevents the parties from benefitting from favourable conditions in the future; **c)** Risks arising from the execution of the Client's order over the counter (OTC).	The fee may be waived, in which case the Bank would include its fee in the trading spread — the difference between the bid and ask price.
Interest Rate Swaps			
An agreement between two parties to exchange interest payments for a predetermined amount specified in the agreement, called the contract price. On a predetermined date, one of the parties executes payment at a fixed interest rate, receiving in return a payment at a floating interest rate (e.g. LIBOR).	Allows one to reduce expenses on attracting and servicing loans. In general, the parties will not exchange the amounts due under the agreement, transferring only the difference of a given pair of payments as appropriate.	**a)** Target risk — exchange rates may change following conclusion of the swap transaction; **b)** Credit risk — the risk of one party failing to fulfil their obligations, whereby the other party will sustain unexpected losses; **c)** Risks arising from the execution of the Client's order over the counter (OTC).	The fee may be waived, in which case the Bank would include its fee in the trading spread — the difference between the bid and ask price.

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Definition and key characteristics of FIs	Advantages for the investor	Risks for the investor	Applicable fees and other payments
REPO Transactions			
A transaction consisting of the purchase (sale) of a FI with subsequent resale (repurchase) after a given term, at a given price. REPO transactions are often performed in order to credit market players with either funds or FIs. The REPO mechanism envisages that, for the term that assets are being provided, the FIs used asa pledge will be transferred to the creditor. This simplifies the resolution of issues if the borrower fails to fulfil their obligations, reducing credit risk.	**a)** Essentially a quick way to receive or provide financing backed by FIs; **b)** Cheaper than a basic loan; **c)** Requires relatively little documentation to carry out the transaction; **d)** Option of investing available assets to gain additional revenue.	**a)** If the investor continues to borrow and reinvests the loan in the same FIs, they can structure their FIs in such a way that minor **ch**anges in FI prices may lead to the loss of all assets invested; **b)** By using borrowed funds or FIs, the investor risks not only their own money, but also the loaned funds, which must be repaid in full; **c)** The risk of a REPO transaction is largely dependent on the type of FI provided as collateral, on its price sensitivity. **d)** If the investor uses funds obtained from ceding their FIs to purchase other FIs, repeating the process several times over, they can engineer a financial scheme where the lowest variation in FI pricing may lead to a loss of all of the assets they have invested; **e)** There is a risk of the issuer whose instruments are thus ceded going bankrupt. **f)** There is a risk that the partner will refuse the other part of the transaction; **g)** Upon concluding REPO transactions, the parties usually stipulate the investor's obligation to monitor the value of their collateral and to remit the warranty deposit account with funds of FIs within a specific term without additional warning on the part of the bank.	**a)** Financing fee; **b)** The Bank may levy a REPO transaction fee.

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Definition and key characteristics of FIs	Advantages for the investor	Risks for the investor	Applicable fees and other payments
Short Selling			
Sale of securities, commodities or currencies which are not held by the trader at the moment of sale. Short selling is a subtype of speculation. It is most often used within the framework of margin trading, which allows conclusion of trading transactions for amounts, which greatly exceed the trader's actual capital.	**a)** Speculation opportunity; **b)** A way to hedge against increasing prices.	**a)** Losses can increase indefinitely; **b)** Short selling makes use of borrowed capital, a so-called margin, i.e. the investor actually borrows a given instrument. If the price of the instrument begins to increase, the position may be closed automatically once actual capital is used up. Following such a margin call, the instrument's price might fall in favour of the investor but the preceding losses will have made them unable to derive profit; **c)** Overpriced instruments often continue to grow, creating a risk of further short sales; **d)** Stocks tend to increase in value over time. If an investor opens a short position, they are betting against the market and the general long-term economic trend; **e)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Trading fees; **b)** Fee for using FIs delivered by the Bank to the client for short sale; **c)** Other fees (levied by depository or exchange, e.g. Hard to Borrow Fee).
Margin Trading and Margin Loans			
Trading where the investor's own assets are coupled with funds borrowed from a bank (on its terms). In addition to the fee for Client's transactions, the Bank also collects interest for the use of borrowed assets. During leveraged purchase of FIs, the investor pays part of the transaction value using their own assets and the Bank provides the remaining part.	**a)** Reliance on assets borrowed from a bank allows the investor to artificially grow their position, i.e. receive higher returns; **b)** The option of concluding transactions without coverage is a crucial advantage of margin trading.	**a)** Margin trading fees necessarily lead to additional expenses; **b)** The investor risks both their own and borrowed assets; **c)** Risks arising from the execution of the Client's order over the counter (OTC).	**a)** Brokerage fee for buying/ selling FIs or currency (the fee may be waived, in which case the Bank would include its fee in the trading spread – the difference between the bid and ask price; **b)** Currency or precious metals swap — positions opened in a pair of currencies (Forex) or precious metal which are not closed by the end of the trading day they were opened, are automatically closed and reopened as an identical position on the next value date. The swap interest rate is calculated based on the overnight interbank deposit rates in the relevant.

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III. Costs related to investment services

Cost type	Explanation	Examples
One-off charges	All costs and charges (included in the price of the FI) paid at the beginning or at the end of the investment period.	Revocation of transfer/ acceptance orders, Securities portfolio creation fees, DVP/RVP (Delivery/Receive vs Payment) transactions.
Ongoing charges	All costs and charges paid in the process of rendering investment services.	Investment portfolio management fee.
Charges related to FI transactions	All costs and charges paid for FI transactions.	Trading fees, Trading fees related to trading platforms.
Charges related to non-core services	Any costs and charges related to non-core investment services that are not included in the costs mentioned above.	Custody.
Incidental costs		Performance fees.

Examples of aggregated costs rendering investment services

Examples show general principles of cost calculations for different types of investment services. To receive information regarding costs related to certain investment services/FIs, please contact the Bank.

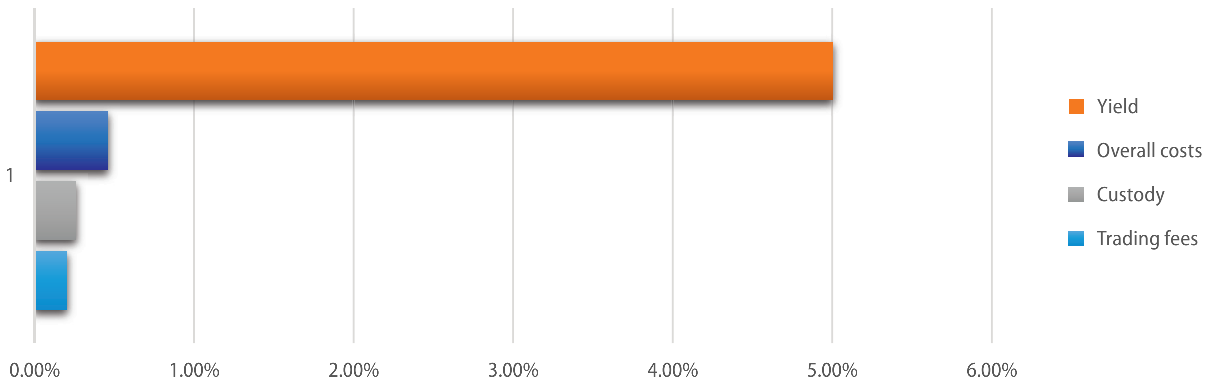
1. Brokerage services for Purchase of FI for EUR 100,000, holding for a year

BONDS

FI value, EUR	Yield[1]	%	Sum, EUR
100,000	Coupon	5%	5,000
Cost type	**Fee**	**%**	**Sum, EUR**
One-off charges	-	0	0
Ongoing charges	-	0	0
Charges related to FI transactions	Trading fees	0.20%	200
Charges related to non-core services	Custody[2]	0.26%	257
Incidental costs	-	0	0
Overall costs		**0.46%**	**457**

[1] Yield of the bond calculated upon purchase.
[2] Assuming a steady increase of asset values over the course of a year (coupon).

EXAMPLE OF COST CALCULATION FOR THE PURCHASE OF BONDS WITH ONE-YEAR MATURITY



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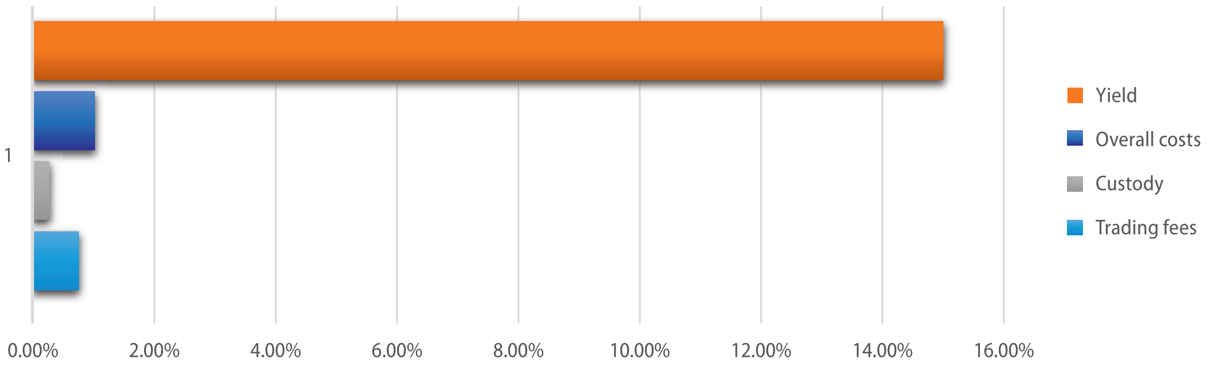
STOCKS

FI value, EUR	Yield[1]	%	Sum, EUR
100,000	Value increase	15%	15,000
Cost type	**Fee**	**%**	**Sum, EUR**
One-off charges	-	0	0
Ongoing charges	-	0	0
Charges related to FI transactions	Trading fees[2]	0.75%	752
Charges related to non-core services	Custody[2]	0.27%	270
Incidental costs	-	0	0
Overall costs		**1.02%**	**1,022**

[1] Stocks yield depends on the change in value and dividends received; changes in value depend on stocks' market price upon sale and cannot be calculated upon purchase.
[2] Assuming a steady increase of asset value over the course of a year.

EXAMPLE OF COSTS CALCULATION FOR THE PURCHASE OF STOCKS AND SUBSEQUENT SALE AFTER ONE YEAR



FUNDS/ETFs

FI value, EUR	Yield[1]	%	Sum, EUR
100,000	Value increase	13.15%	13,150
Cost type (for investment service)		**%**	**Sum, EUR**
One-off charges		0	0
Ongoing charges		0	1,180
Charges related to FI transactions	Trading fees[1]	3.20%	3,197
Charges related to non-core services	Custody[2]	0.27%	267
Incidental costs	-	0	0
Cost type (for the FI) may differ for each fund and is specified in the KID document of the investment fund		**%**	**Amount, EUR**
One-time charges	Purchase fee	0	0
Ongoing charge	Fund ongoing charge[3]	1.18%	1,180
Charges related to FI transactions		0	0
Incidental costs	-	0	0
Overall costs		**4.64%**	**4,645**

[1] Fund/ETF shares yield depends on the change of its value; changes in value depend on management results and could not be calculated upon purchase.
[2] Assuming a steady increase of asset value over the course of a year.
[3] Fund ongoing charge is already taken in consideration in the calculation of the value of the investment fund and is not charged to the Client.

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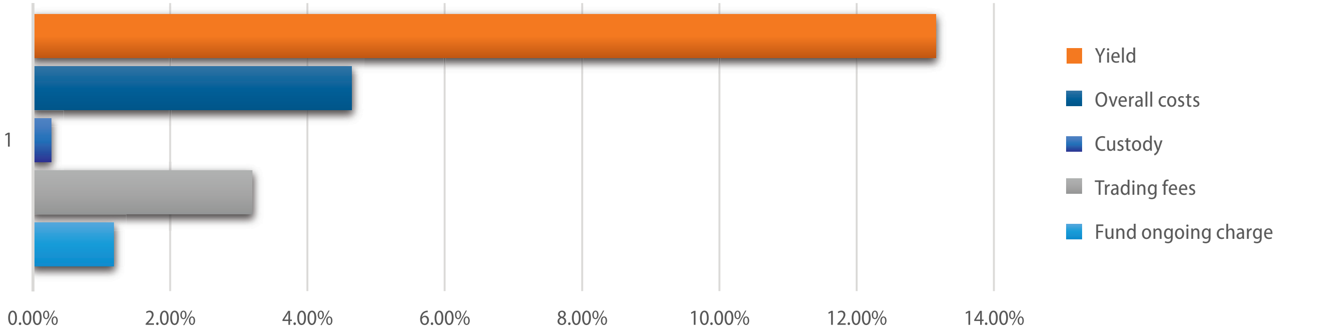
EXAMPLE OF COSTS CALCULATION FOR THE PURCHASE OF FUND SHARES AND SUBSEQUENT SALE AFTER ONE YEAR



2. Marginal trading — Forex

The table below shows Client charges in two scenarios, favourable and unfavourable scenario, assuming that 1 EUR/USD contract with nominal value of EUR 100,000 is purchased at the exchange rate 1.1750 and the position closes on the same day.

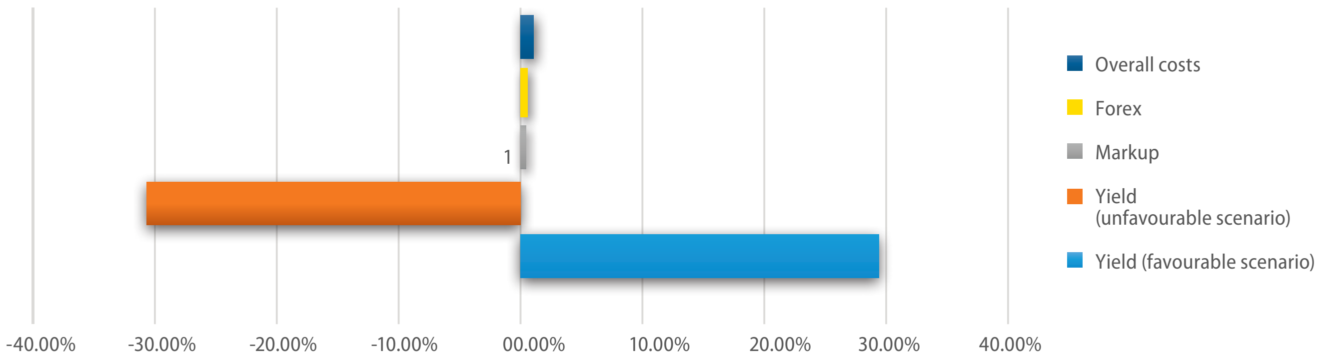
Leverage is 30:1, i. e. 3.333%, the required initial deposit is EUR 3,333 (100,000 * 3.333%).

FUTURES/OPTIONS

Trading amount, EUR	Yield[1]	Change of initial investment %	Sum, EUR
100,000	Favourable scenario — currency exchange rate increases by 1% up to 1.18675	29.71% (990.10/3333EUR*100%)	990.10 EUR
	Unfavourable scenario — currency exchange rate decreases by 1% up to 1.16325	-30.31% (-1010.10/3333EUR*100%)	-1010.10 EUR
Cost type	**Fees**	**%**	**Sum, EUR**
One-off charges	Surcharge	Up to 0.005% from the amount of the purchase or sale transaction	10 EUR
Ongoing charges		0	0
Charges related to FI transactions	FOREX	0.0075% from the amount of the purchase or sale transaction	15 EUR
Charges related to non-core services		0	0
Incidental costs		0	0
Overall costs		**0.75%**	**25 EUR**

[1] Forex marginal trading yield depends on changes in exchange rates/prices on financial markets; changes in value could not be calculated in the moment of purchase. High potential yield means high potential risk.

EXAMPLE OF COST CALCULATION: OPENING AND CLOSING A CONTRACT



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3. Futures/options

The table below shows customer charges in two scenarios, favourable and unfavourable, assuming that 1 futures contrast is purchased with Mini DAX (with multiplier of EUR 5 per index point) for the price of EUR 12,100 and the position closes on the same day.
The required initial collateral is EUR 4,400.

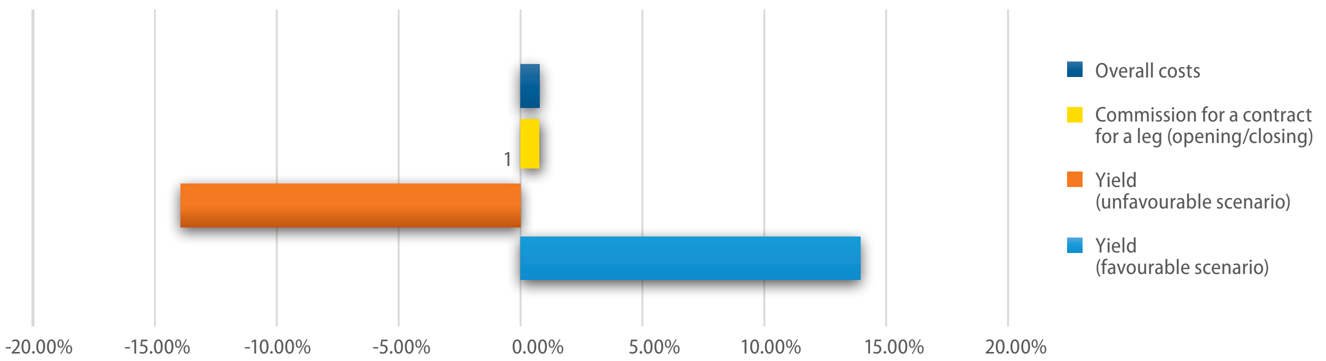
1. Brokerage services in case of Margin trading, trading for EUR 1,000,000

MARGIN TRADING – FOREX

Trading amount, EUR	Yield[1]	Change of initial investment %	Sum, EUR
60 500 (12 100 * 5 EUR)	Favourable scenario — increase of the Futures Contract Mini DAX value by 1% up to EUR 12,221	13.75% (605/4400*100%)	605 EUR
	Unfavourable scenario — decrease of exchange rate by 1% up to 1 1979 EUR	-13.75% (605/4400*100%)	-605 EUR
Cost type	**Fees**	**%**	**Sum, EUR**
One-time charges	Commission for a contract for a leg (opening/closing)	Up to 0.005% from the amount of the purchase or sale transaction	40 EUR (20 EUR *2)
Ongoing charge	Increase of deposit (unfavourable change of exchange rate)[2]	0	0
Charges related to FI transactions		0	0
Charges related to non-core services		0	0
Incidental costs		0	0
Overall costs		**0.91%**	**40**

[1] Futures/options yield depends on changes of exchange rate in financial markets; changes in value cannot be calculated in the moment of purchase. High potential yield means high potential risk.
[2] In the event of unfavourable change of the exchange rate, the Bank may require increase of the initial deposit.

EXAMPLE OF COSTS CALCULATION: OPENING AND CLOSING THE FUTURES CONTRACT



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4. Margin trading — CFDs (stocks, precious metals, indices and other assets)

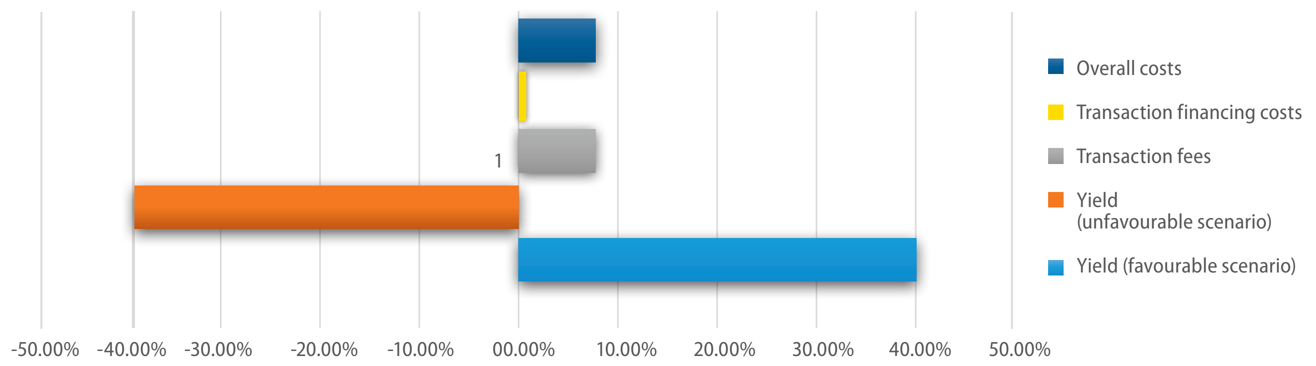
The table below shows Client charges in two scenarios, favourable and unfavourable, assuming that 1000 CFDs on stocks of Deutsche Bank AG are purchased at the price of EUR 10/stocks and the position closes on the next Business Day.

Leverage is 20:1, i. e. 5% The required initial deposit is EUR 500 (10,000 * 5%).

Trading amount, EUR	**Yield[1]**	**Change of initial investment %**	**Sum, EUR**
10,000	Favourable scenario — increase of the price of CFD Deutsche Bank AG by 2% up to EUR 10.20	40% (200/500*100%)	200 EUR
	The unfavourable scenario — decrease of the price of CFD Deutsche Bank AG by 2% up to EUR 9.80	-40% (-200/500*100%)	-200 EUR
Cost type	**Fees**	**%**	**Sum, EUR**
One-off charges	Transaction fees	0.20% from the trading amount	40.40
Ongoing charges		0	0
Charges related to FI transactions	Contract for difference	0	0
Charges related to non-core services	Charges related to non-core services (transaction financing)	0	EUR 0.60 per day
Incidental costs		0	0
Overall costs		**8.2%**	**41**

[1] CFD yield depends on changes in financial markets; changes in value could not be calculated in the moment of purchase. High potential yield means high potential risk.

EXAMPLE OF COST CALCULATION: OPENING AND CLOSING A CONTRACT



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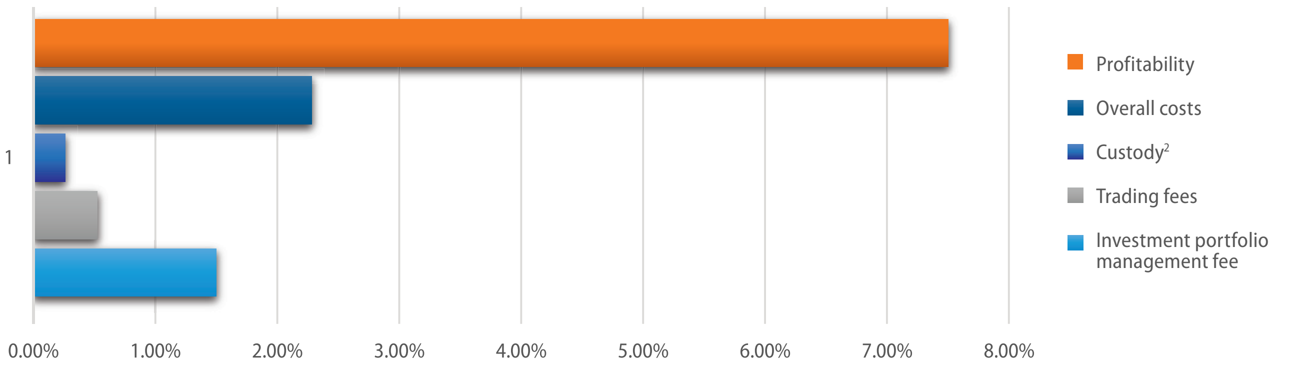
5. Management of Trust investment portfolio with initial value 100,000 EUR during one year

TRUST INVESTMENT PORTFOLIO (BALANCED STRATEGY)

Trust value (EUR)	**Yield**[1]	**%**	**Sum, EUR**
100,000	Value increase	7.50%	7500
Cost type	**Fee**	**%**	**Sum, EUR**
One-off charges		0	0
Ongoing charges	Investment portfolio management fee	1.50%	1,500
Charges related to FI transactions	Trading fees (purchase/sale, 25% relocation)	0.53%	525
Charges related to non-core services	Custody[2]	0.25%	250
Incidental costs	Performance fees	0	0
Overall costs		**2.28%**	**2,275**

[1] Trust calculated yield depends on changes in FI value in the portfolio, dividends and coupon received; actual yield is depending on many factors and could not be calculated in the moment of purchase.
[2] Assuming a steady increase in the value of the asset over the course of one year.

EXAMPLE OF COSTS CALCULATION FOR THE MANAGEMENT OF BALANCED TRUST PORTFOLIO WITH TARGET RETURN 5%



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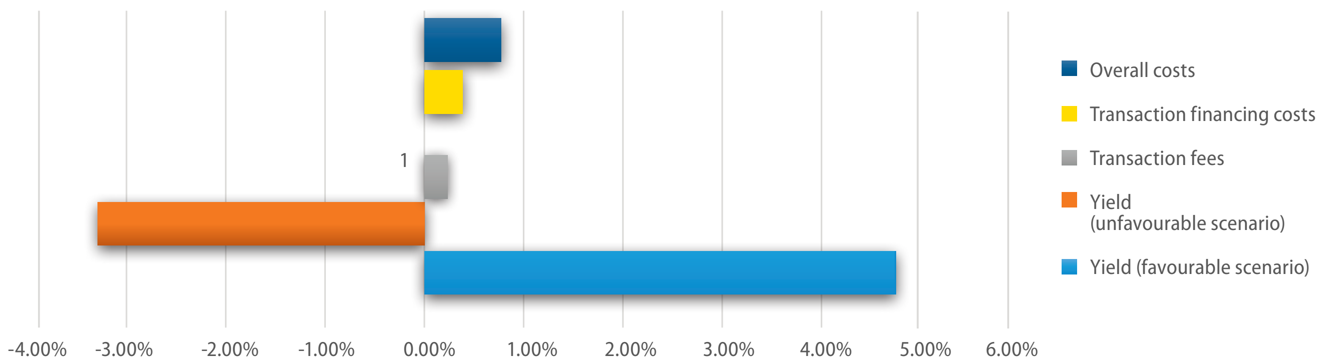
6. Financing (margin loan)

The table below shows Client charges in two scenarios, favourable and unfavourable, assuming that XYZ bonds with coupon 6% per year are purchased with one month financing.
Tranding amount is EUR 100 000. Financing amount EUR 50 000. Financing rate 3%/year. Initial investment.

Trading amount, EUR	Yield	Change of initial investment %	Sum, EUR
100,000	Favourable scenario — increase of the price of the Bond XYZ by 2%	4.75% ((100000*6%/12+100000*2%-50000*3%/12))/50000 EUR	2,375 EUR
	Unfavourable scenario — decrease of the price of the Bond XYZ by 2%	-3.25% ((100000*6%/12-100000*2%-50000*3%/12))/50000 EUR	-1,625 EUR
Cost type	**Fee**	**%**	**Sum, EUR**
One-off charges	Transaction fees		
Charges related to FI transactions	Trading fees	0.20%	200 EUR
Ongoing charge	Custody	0.25% /12	20.83 EUR
Charges related to non-core services	Charges related to non-core services (transaction financing)	3% / 12	125 EUR
Incidental costs	Performance fees	0	0 EUR
Overall costs		**0.69%**	**345.83 EUR**

EXAMPLE OF COST CALCULATION: OPENING AND CLOSING A CONTRACT



7. Inducements

In providing investment services to its Clients the Bank may receive the following financial and non-financial benefits from third parties.

Third party	Investment service to be provided	Inducement
Schroders Investment Management SA	Investment fund management	40% of the received management fee

The below table specifies the inducements received by the Bank on the condition that the Client invested EUR 100 000 in the investment fund of Schroder International Selection Fund US Small & Mid-Cap Equity (ISIN: LU0334663233).
Yield as of 28.02.2019.

Trading amount, EUR	Yield[1]	Income	Inducement	Inducement as percentage from the initial investment
100,000 EUR	12.7%	12,700 EUR	638 0.4%*1.5%* (100000+112700)/2	0.64%

[1] Yield as of 28.02.2019.

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