

Business Conditions of SFM Group, o.c.p., a.s. for providing of investment services

A. GENERAL PART

1. Basic Provisions

- These Business Conditions shall regulate all relations arisen between the Broker and the Client when providing services and when carrying out activities of the Broker pursuant to the Securities Act, as well as relations arisen in connection with action aimed at providing Services by the Broker also in cases when no Service was provided.
- The Business Conditions shall be part of any Agreement concluded between the Broker and the Client or Instruction given by the Client to the Broker in connection with relevant Services of the Broker regardless of whether the Service was modified in the Business Conditions.
- In the extent in which the provisions of the written Agreement concluded between the Broker and the Client shall differ from the GBCs provisions, provisions of such written agreement shall be final. If the provisions of the GBCs related to individual Services or Agreements contain a regulation differing from the general or final provisions of the GBCs, the provisions of the specific part of these GBCs shall be final.

2. Definitions

The terms written with the first letter capitalised, and used in the GBC, as well as Agreements, Instructions or documentation relating to Contracts shall have the meaning defined in the GBC or in the specific business conditions, unless stated otherwise in the Contracts.

Authentication data

a combination of alphanumeric signs by means of which the Broker verifies the Client's identity when performing remote communication with the Client;

Security or S

record in the legally stipulated way and form evaluated by money related to rights in accordance with the Securities Act and the right in accordance with special laws, especially the right to require certain property performance or perform certain acts against the legally defined persons; the Security shall be the security issued in the Slovak Republic;

Confidential Information

All information related to the Broker's Clients which the Broker acquired about them during or in connection with the performance of services, including information subject to business secret in line with the Commercial Code or subject to legal protection in line with the Act on Protection of Personal Data, as well as any further information on the legal status or economic and financial situation and activity of the Client;

Identification data

identification number which shall be assigned to the Client by the Broker after the Agreement conclusion or announced to the Client after the Agreement conclusion based on which the Broker shall verify the Client's identity when performing remote communication with the Client;

Investment guidance

providing of special recommendation by the Broker for the Client in accordance with the Agreement and Business Conditions.

ISIN

labelling of S and FS according to international numbering system for the securities identification assigned by an organisation according to the ISO 6166 Standard;

Client

physical person or legal entity, having an obligation relationship with the Broker, or to whom the Broker provides or shall provide Services; the Client may also be a third person requesting a Service on behalf of a physical person or legal entity or to the account of another physical person or legal entity as well as a person the Broker shall negotiate the providing of Services with;

Commission Contract

Contract concluded between the Client and the Broker whereby the Broker as the commission agent shall be obliged to manage the sale or the purchase of S or FS in his name for the Client to the Client's account, or he shall perform activity in order to achieve such result and the Client as the committer shall be obliged to pay the Broker a fee;

Documentary S/FS

S/FS in a form of a document;

Mandate Contract

Contract concluded between the Client and the Broker whereby the Broker as the mandatary shall be obliged to manage the sale or the purchase of S or FS on behalf of the Client as the mandatant and to the Client's account based on the Client's instructions or he shall perform activity in order to achieve such result and the Client shall be obliged to pay the Broker a fee;

Business Day

any working day in the time determined by the Publication when the Broker provides their services. The Business Days of the Broker shall not be the public holidays and bank holidays of the Slovak Republic. It shall also not be a day which the Broker shall declare as non-business due to especially serious operational reasons; the Broker shall declare such a decision by the Publication no later than 5 days prior to the day which is to be declared a non-business day;

Business Conditions

Business conditions of SFM Group, o.c.p., a.s., for providing of investment services;

Client's Personal Data

Personal Data of the Client - physical person in line with the Act on Protection of Personal Data, which the Broker acquired about the Client during or in connection with the performance of services;

Broker

the company SFM Group, o.c.p., a. s., with its registered seat at Mickiewiczova 2, 811 07 Bratislava, Identification number (IČO): 35 771 801, incorporated in the Companies Register of the District Court Bratislava I, Section: Sa, Inset No.: 4532/B;

Portfolio

Client's property consisting of S, FS, other financial instruments, funds determined for the purchase of S, FS or other financial instruments and the Broker shall be entitled to manage them in accordance with the Agreement on portfolio management;

Advance payment

amount of money provided by the Client to the Broker as a deposit for the payment of fees, costs, purchase of S, FS or other financial instrument in order to perform services;

Instruction

instruction, request, requirement for providing of services by the Client according to the Agreement, Business Conditions, Securities Act and separate laws;

Charge

fees agreed in the Agreement, GBCs or in the Service Charge List which the Client shall be obliged to pay for Services in the amount set in the Service Charge List or in the amount agreed upon by the Broker and the Client in an Agreement;

Negotiation Rules

Negotiation Rules of the Court of Arbitration issued by the Slovak Bank Association, Rajska 15/A, 811 08 Bratislava, with the prior consent of the Slovak National Bank in accordance with Section 12 (2) and Section 14 of the Act No. 244/2002 Coll. - Arbitration Proceedings Act and in accordance with Section 69 (2) of the Act No. 510/2002 Coll. Act on the System of Payments and on Amending and Supplementing Some Laws in effect from July 1, 2003 as published in the Business Journal;

Court of Arbitration

Permanent Court of Arbitration of the Slovak Bank Association established pursuant to Section 67 (1) of the Act No. 510/2002 Coll. - Act on the System of Payments and on Amending and Supplementing Some Laws and pursuant to Section 12 (1) of the Act No. 244/2002 Coll. - Arbitration Proceedings Act by the Slovak Bank Association, Identification No. (IČO): 30 813 182 as of July 1, 2003;

Service Charge List

List of charges and fees of the Broker; the Service Charge List may be contained in one document, the Broker shall be entitled to determine the Service Charge list by Publication in more documents;

Broker Group

a) SFM GROUP INTERNATIONAL S.A., Luxembourg, Luxembourg, SFM Group, s.r.o.,

Prague, Czech Republic, SFM Group Sp. z o.o., Warsaw, Poland, SFM Group, d.o.o., Zagreb, Croatia, SFM GROUP PTE LTD, Singapore,

b) persons that control the Broker or persons that are controlled by the Broker, c) persons that are controlled by persons specified in paragraph b).

For the purpose of definition of the Broker Group, the term "control" means:

- a direct or indirect interest of 20 % or more in the share capital of a legal entity or in the voting rights in a legal entity, or
- the right to appoint and dismiss the statutory body, the majority of members of the statutory body, Supervisory Board or the Chief Executive Officer of a legal entity, or
- the power to influence the control of a legal entity comparable with the influence corresponding to the interest pursuant to paragraph a) in which other natural person is a member or shareholder either based on a contract with the legal entity, Articles of Association of the legal entity or an agreement with the other members or shareholders of the legal entity, or
- power to exercise a direct or indirect influence corresponding to an interest pursuant to paragraph a) in a different manner.

Service

investment service or supplementary service provided to the Client by the Broker during the Broker's activities in accordance with the Securities Act on the contractual basis or based on an Instruction;

Statutes

Statutes of the Court of Arbitration issued by Asociácia bánk, Talerova 1, 814 99 Bratislava, Identification number: 30 813 182, with the prior consent of the Slovak National Bank in accordance with Section 12 (2) and Section 13 of the Act No. 244/2002 Coll. - Arbitration Proceedings Act as amended, published in the Business Journal. The Statutes took effect from July 1, 2003;

S/FS account

account open by a Foreign depository, Broker or a third party where the S/FS belonging to the Client are recorded;

Account

Broker's account used for transfers in connection with providing of Services, especially for balancing the S/FS purchase and sale, the balancing of trade with other financial instruments, payment of fees and costs, securing other financial transactions necessary for proper providing of Services;

Foreign Security or FS

record in a way and form stipulated by the state law evaluated by money in which the foreign security is issued and related to the right according to relevant legal regulations, especially the right to require certain property performance or perform certain property obligations or perform certain acts against the defined persons according to the state law in which the security was issued; the Foreign Security issued abroad shall be considered a security issued outside the territory of the Slovak Republic to the natives or foreigners and tradable at foreign market;

Foreign depository

an entity where the FS are recorded as well as their owners either at the Broker's account, his agent or at the Client's account;

Securities Act

Act No. 566/2001 Coll. On securities and investment services and on changes and amendments of several acts as amended;

Dematerialized S/FS

S/FS in other than documentary form, mainly in a form of a record in the registration stipulated by the relevant legal regulations;

Agreement

any contract or agreement concluded between the Broker and the Client in connection with providing of Services;

Brokerage Contract

Contract concluded between the Client and the Broker based on which the Broker as the mediator shall be obliged to develop activities directed at the Client as the interested person to have the opportunity to sell or purchase S, FS and the Client shall be obliged to pay a fee to the Broker;

Agreement on portfolio management

Agreement concluded between the Client and the Broker based on which the Broker as the manager shall be obliged to manage the Portfolio within the extent of the Agreement on portfolio management and the Client shall be obliged to pay a fee to the Broker;

Publication

publishing of a document or information on the premises accessible to public or via Electronic Services or on the website of the Broker or in other adequate form at the Broker's own discretion, by which the document or information shall take effect, unless otherwise stated;

3. Acting and identity verification

- Legal entity incorporated in the Companies Register shall act via its statutory body or a representative, namely in the way by the extract from the Companies Register, or a representative shall act on behalf of it. Legal entity not incorporated in the Companies Register shall act via its statutory body, i. e. persons who shall be authorized thereto by the foundation deed of the legal entity or by other corresponding deeds in accordance with relevant legal regulations. Should the structure of the legal entity's statutory body change, such change shall be effective towards the Broker as from the moment of presentation of an original or officially legalized copy of a valid decision of a body which is, under the memorandum of association, foundation deed, establishment deed, establishment agreement, foundation deed or articles of association of the legal entity, entitled to effectuate such change.
- An individual may act independently in relation to the Broker only provided that he/she has full legal capacity, unless otherwise stated by the present GBCs. Persons older than 18 years have full legal capacity provided that a court has not limited their legal capacity or has not deprived them of their legal capacity, unless otherwise stated by legal regulations. As for persons who do not have legal capacity, their legal representative shall act for them in relation to the Broker, while he/she shall be obliged to present the Broker with deeds proving his/her authorization for acting.
- Legal entities and individuals shall be entitled to have themselves represented by a representative on the basis of a power of attorney. The authorization shall have to be granted in a written form and it shall have to be sufficiently clear-cut. The Broker may judge the certainty of the power of attorney at its own discretion. The Client's signature on the power of attorney shall have to be legalized in an official or other way, considered satisfactory by the Broker. The Client shall undertake to notify the Broker of any amendment or termination of the validity of the power of attorney without undue delay.
- Shall the power of attorney be issued outside the territory of the Slovak Republic, the signature on the power of attorney shall be legalized by a person entitled to legalize signatures in the country in which the power of attorney has been issued. The Broker shall be entitled to require this power of attorney to be officially legalized and super-legalized or accompanied with the clause "Apostille" pursuant to the Convention de la Hague on Cancellation of Requirement of Foreign Public Documents Legalization of 5th October 1961.
- The Client - natural person declares that any power of attorney that he/she gave to a third person to act in the name of the Client - natural person in the extent and manner specified in the power of attorney shall not expire upon the death of the Client - natural person as the grantor.
- In doing each Service the Broker may require the Client to prove his/her identity unless otherwise stated in a special regulation. In doing each Service the Client shall comply with this requirement of the Broker. The Broker may refuse to maintain the Client's anonymity in a Service, unless otherwise stated in a special regulation.
- A Client - individual shall prove his/her identity to the Broker by a valid identity document. When providing services via technical equipment, identity shall be proved by an identification data and authentication data. In case of a juvenile Client who has no identity document, the Broker shall check identity of his/her legal representative and such representative shall present a document from which an authorization for representing shall be obvious, as well as birth certificate of the juvenile Client.

- Identity document shall mean: identity card, passport, foreigner's residence permit if contains photography and identity document of citizens of European Committees member states by Broker's discretion. The Broker shall be entitled to require from the Client, in cases determined by the Broker, a supplementary identity document. The Client shall agree to enable the Broker to make a photocopy of the identity document presented by him/her and to keep this photocopy as part information on the Client.
- Shall a representative act for the Client, either on the basis of law or of a power of attorney, the Broker shall check the representative's identity and the representative shall present the Broker with a document from which the authorization for representation shall be obvious. Individual acting on behalf of a legal entity shall prove his/her identity in the same way as a Client - individual.
- The Broker shall be entitled to identify the Client and require proving of identity of Clients or persons acting on behalf of Clients. The Broker may keep records of the data acquired in this way within the extent set by generally binding legal regulations.

B. SPECIAL PART

4. Agreement on providing services

- Based on the Agreement on providing one or more services the Broker shall be obliged to provide the Client with Service set out in this Agreement and the Client shall be obliged to pay a fee to the Broker therefor.
- Providing the Scope of Agreement shall be the acceptance and delegating of the Instruction related to S or FS to the Undertakings for Collective Investments, the Broker shall be obliged to delegate the Instruction for its execution according to the Agreement and Business Conditions whereas the Broker's obligation shall be considered as met at the moment of submitting the Instruction for execution to another Stock Broker or relevant Undertakings for Collective Investments. The Broker shall not be responsible for executing the Instruction which was delegated for execution. The terms for submitting the Instruction and its execution shall be determined by the Broker by means of Publication.
- For the Instruction to be the scope of Service for acceptance and delegation of the Instruction the provisions of point 5.3.2. of the Business Conditions shall apply accordingly, providing the Instruction does not contain any required properties, the Broker shall be entitled but not obliged to, delegate the Instruction for its execution.

5. Commission Contract

- Based on the Commission Contract the Broker as the commission agent shall be obliged to arrange for the sale and purchase of S, FS in his own name for the Client to the Client's account or he shall or he shall perform activity in order to achieve such result and the Client as the committer shall be obliged to pay the Broker a fee. The amount of fee the Client is obliged to pay to the Broker for activity of the Commission Contract shall be agreed in the Service Charge List. The Broker shall perform activities based on the Commission Contract in accordance with the parameters of the relevant securities market and financial instruments designed based on current technical and organization rules valid on the securities market and for individual financial instruments.
- The Broker shall act with professional care when performing his activities. The Client shall take due note of the fact that the professional care shall not be breached if the S or FS price changes after the Instruction execution on the relevant market.
- Instruction
 - The Instruction with the scope of a request for providing of S or FS purchase or sale shall be filed by the Client in writing unless the Business Conditions or the Agreement stipulate otherwise. The Instruction for the Broker shall be binding as of the moment of its acceptance by the Broker.
 - The Instruction shall contain the following:
 - Precise identification of the Client,
 - Stating whether the S or FS shall be purchased or sold
 - S or FS identification especially ISIN or other number of S or FS if assigned for the S or FS,
 - Number of or a volume of nominal value or face value of S or FS the purchase or sale of which the Broker shall arrange or other additional determination of transaction volume at the Broker's discretion,
 - The market where the Broker shall arrange for the S or FS purchase or sale or an Instruction that the Broker shall be entitled to purchase or sell S or FS outside the regulated market or outside the multilateral business system with predetermined interested person,
 - Other requirements determined by the Broker due to conditions and requirements imposed by the regulated markets, multilateral business systems or other markets where the Instruction shall be executed,
 - date of Instruction.
 - Shall the Instruction fail to contain all requirements stipulated by the Business conditions, the Broker shall not be obliged to execute such Instruction, however based on his own decision he shall be entitled to execute such Instruction under the compliance of the following provisions of the Business Conditions.
- Shall the Client in the Instruction fail to state the limit binding price for the S or FS purchase or sale and the Broker decides to execute the Instruction in accordance with point 5.3.3. of GBCs, the Broker shall purchase or sell the S or FS for the best reasonable price for the Client which may be obtained when using Professional care, whereas the Broker shall be entitled to consider other decisive criteria after the Broker's discretion in such circumstance.
- Shall the Client in the Instruction fail to determine a market where the Broker shall arrange for the S or FS purchase or sale and the Broker decides to execute the Instruction in accordance with point 5.3.3. of GBCs, the Broker shall be entitled to execute the Instruction for S or FS purchase or sale at any regulated market, multilateral business system as well as outside the regulated market or outside the multilateral business system on condition the Client expressly agreed with such Broker's procedure. In such circumstance the Broker shall proceed in accordance with his strategy for Instruction execution.
- Shall the Client in the Instruction fail to determine a day when the purchase or sale of the S or FS shall take place and the Broker decides to execute the Instruction in accordance with point 5.3.3. of GBCs, the Broker shall be entitled to perform the S or FS purchase or sale on the first possible day within the obligatory period of the Instruction for the Broker.
- Shall the Client in the Instruction fail to set out other validity period of the Instruction for the Broker, the Instruction shall be binding for the Broker for a period determined by the market on which the Instruction for the Client shall be executed, however no longer than 14 days.
- The Client shall be entitled to change the Instruction providing (i) it is technically possible, (ii) the rules and practices of the regulated market or multilateral business system shall enable it, (iii) the Broker has not executed the Instruction yet, not even partially and (iv) the Broker has expressed his consent therewith. With the consent of the Broker the Client may change the Instruction if the Instruction was executed partially and the rules and practices of the market allow for that. The Instruction change shall be made by the Client by submitting a new Instruction with changed requirements, unless the Agreement provides for otherwise. For the Instruction change the provisions of point 5.3.2. of GBCs shall apply accordingly.
- The Client shall be entitled to cancel the Instruction providing (i) it is technically possible, (ii) the rules and practices of the regulated market or multilateral business system shall enable it, (iii) the Broker has not executed the Instruction yet, not even partially, nor has he performed any steps leading to its execution, the Client or the Broker may cancel the Instruction. The Instruction may be cancelled without stating the reason and the cancellation of the Instruction shall be effective on the day of its delivery to the Broker or the Client. The Client or the Broker shall cancel the Instruction in writing. The Broker shall not be bound by the Instruction on the moment of the cancellation effectivity. The Instruction may be cancelled partially, whereas the provisions of the point 5.3.8. of GBCs on the Instruction change shall apply accordingly.

- dingly onto the partial Instruction cancellation.
- 5.3.10. The Broker shall confirm in writing the Instruction acceptance based on the Client's written request.
- 5.3.11. The Broker shall be entitled to refuse the Instruction acceptance, the Instruction cancellation, Instruction change providing it is incomplete, incorrect, unspecified, unclear, unenforceable, requiring other service than S or FS purchase or sale especially if the Instruction, Instruction change or cancellation fail to contain requirements in accordance with point 5.3.2. of GBCs. The Broker shall not be obliged to execute the Instruction in person and he may appoint a third person to execute it. The Broker may deviate from the Instruction if necessary in the Client's interest and the Broker cannot obtain the Client's consent in time.
- 5.3.12. The Instruction and its contents may not be contradictory to the Securities Act, other generally binding legal regulations, and resolutions of the authorities binding for the Client or the Broker.
- 5.3.13. Instruction, Instruction change, Instruction cancellation shall be part of the Commission Contract. The Instruction change and cancellation shall be effect the validity and effectivity of the Commission Contract.
- 5.3.14. On the day of the Commission Contract termination all unexecuted Instruction shall be terminated, the termination of Commission Contract shall not affect the Instruction on which may not be changed or cancelled in accordance with the Business conditions, whereas for such Instruction execution as well as settlement of all rights and obligation of the Broker and the Client, the provisions of Commission Contract and Business conditions shall apply.
- 5.4. Provision of S or FS purchase
- 5.4.1. Unless the Client and the Broker have agreed otherwise in the Commission Contract or other written agreement, the Client shall be obliged to provide for sufficient funds for purchasing S or FS in a form of advance payment on the Account or account determined by the Broker, no later than on the day of Instruction delivery to the Broker.
- 5.4.2. The advance payment shall be considered a deposit of the Client mainly for the Broker's fee, costs reimbursement and expenses of the Broker, as well as the purchase price of S or FS which the Broker shall purchase, whereas the amount of advance payment shall be stipulated by the Broker.
- 5.4.3. When calculating the advance payment and its assignment, the Broker shall use the assumed amount of fee for the Broker, reimbursement and expenses of the Broker, as well as the purchase price of S or FS which the Broker shall purchase. Shall the Client in the Instruction fail to state the limit binding price for the S or FS purchase or sale, the advance payment calculation shall be determined by the Broker by means of Publication.
- 5.4.4. At the Instruction change by the Client, the Broker may determine new amount of advance payment with regard to the contents of the Instruction change and principles for advance payment determination in accordance with point 5.4.3. of GBCs. In such circumstance the Broker shall also determine the date by which the Client shall be obliged to deposit the newly-established advance payment to the account. Shall the Client fail to deposit the newly-established advance payment within the period stipulated by the Broker, the Broker shall not be obliged to execute the Instruction until the advance payment depositing.
- 5.4.5. The Client shall deposit the amount of advance payment to the account for the Broker and enables the Broker to dispose of these funds freely. Shall the Client fail to fulfill his obligation about the advance payment deposit, the Broker shall not be obliged to execute the Instruction.
- 5.4.6. Providing the Broker provided the purchase of dematerialized S/FS based on the Instruction despite the failure of the Client's obligation of the advance payment, the Broker shall not be obliged to transfer the Dematerialized S/FS the purchase of which he had arranged for, to the S/FS account until the payment of all financial claims of the Broker resulting from the Commission Contract.
- 5.4.7. Providing the Broker arranges for the Purchase of documentary S/FS for the Client which was issued, such documentary S/FS shall become the Client's property on the day of their submission to the Broker. Unless stipulated otherwise or providing the Business Conditions stipulate otherwise, the Broker shall be obliged to submit the documentary S/FS the purchase of which he had provided for the Client, without undue delay and perform all legal acts necessary for the provided documentary S/FS to become the Client's property, should the Securities Act or the special legal regulations require so (e.g. endorsement).
- 5.4.8. Providing the Broker arranges for the Purchase of documentary S/FS for the Client directly from the Issuer at their issuance by the issuer, such documentary S/FS shall become the Client's property on the day of their submission to the Broker. For the documentary S/FS issued on a name, the first owner shall be the Broker. For the documentary S/FS issued as order Instruments they shall be issued to the Broker's order. Unless agreed otherwise or unless these Business conditions provide for otherwise, the Broker shall be obliged to submit the documentary S/FS provided for the Client, without undue delay to the Client and also perform all legal acts necessary for the purchased documentary S/FS to become the Client's property if required by the Securities Act or separate legal regulation (e.g. endorsement).
- 5.4.9. Providing the Broker arranges for the Purchase of dematerialized S/FS for the Client, the purchased dematerialized S/FS shall become the Client's property at the moment of their record into the Dematerialized S/FS to the S/FS account. Unless agreed otherwise, or unless the GBCs provide for otherwise, the Broker shall be entitled to record the purchased dematerialized S/FS to the account of the securities owner of the Broker and then without undue delay to transfer them to the S/FS account.
- 5.4.10. In accordance with the Securities Act the Broker shall submit the Client with report on the provision results and account of execution of the instruction.
- 5.5. Provision of S or FS sale
- 5.5.1. Shall the Client fail to pay the Broker for the receivables incurred in connection with the provision of S or FS sale, the Broker shall be entitled to set off all receivables resulting from the S or FS sale with the receivables of the Client against the Broker for the payment of S or FS purchase price the sale of which the Broker arranged for.
- 5.5.2. Shall the Broker provide for the sale of Documentary S/FS for the Client, the Client shall be obliged to submit the documentary S/FS to the Broker together with the Instruction. The documentary S/FS shall remain the Client's property until acquired by a third person. The Broker shall be entitled to perform all legal acts required by the Securities Act and special legal regulations inevitable for the transfer of documentary S/FS the sale of which is being provided for the third person. By signing the Commission Contract the Client grants the Broker the power of attorney within the extent necessary for performing legal acts stated in the previous sentence. In case of failure in the S/FS sale or the obligation period of the Instruction shall expire, the Broker shall return the documentary S/FS to the Client without undue delay; the same shall also apply providing the Broker executes the Instruction only partially, in such circumstance he shall return the unsold documentary S/FS to the Client.
- 5.5.3. Dematerialized S/FS the sale of which the Broker shall arrange for shall remain the Client's property until acquired by third person.
- 5.5.4. For the provision of S or FS sale, the provisions of point 5.4.10. of GBCs shall apply accordingly.

6. Mandate Contract

- 6.1. Based on Mandate Contract the Broker as the mandatory shall be obliged to purchase or sell on behalf of the Client as the mandant and to the Client's account Securities or Foreign Securities based on the Client's Instruction or he shall perform activity in order to achieve such result and the Client shall be obliged to pay the Broker a fee. The amount of fee the Client is obliged to pay to the Broker for activity of the Mandate Contract shall be agreed in the Service Charge List. The provisions of points 5.3., 5.4. and 5.5. of the Business Conditions shall apply to the Mandate Contract, rights and obligations of the Broker and the Client accordingly.
- 6.2. The Broker shall not be obliged to arrange for the Instruction in person and he may appoint a third person with its execution.
- 6.3. The Broker may deviate from the Instruction if necessary in the Client's interest and the Broker is not able to obtain the Client's consent in time.
- 6.4. The Broker shall be entitled to a fee regardless of whether or not he has sold or purchased S or FS for the Client or the Broker's activity has brought some results or not.
- 6.5. On the day of the Mandate Contract termination all unexecuted Instruction shall be terminated. The termination of Mandate Contract shall not affect the Instruction which

may not be changed or cancelled in accordance with the Business conditions, whereas for such Instruction execution as well as settlement of all rights and obligation of the Broker and the Client the provisions of Mandate Contract and Business conditions shall apply.

7. Brokerage Contract

- 7.1. Based on the Brokerage Contract, the Broker as the mediator shall be obliged to develop activity directed at the Client as the interested person to have opportunity to sell or purchase S or FS and the Client shall be obliged to pay the Broker a fee. The provisions of Mandate Contract in accordance with part 6 of GBCs shall apply accordingly to the Brokerage Contract, rights and obligations of the Broker and Client.
- 7.2. The amount of fee the Client shall be obliged to pay the Broker for activities based on the Brokerage Contract shall be agreed in the Service Charge List.

8. Agreement on portfolio management

- 8.1. Based on the Agreement on portfolio management the Broker shall be entitled to, even without the Client's Instruction to arrange for (i) purchase and sale as well as the first possession of S, FS and other financial instruments, (ii) performing all activities he is entitled to pursuant to the GBCs regulating the Agreement on management, and (iii) performing any activities necessary based on the Broker's discretion in order to accomplish the obligation to manage the portfolio with the goal to provide for long-term professional care of the Portfolio. Shall the Agreement on portfolio management contain restrictions for the controller when managing the portfolio, the Broker shall be obliged to respect such restrictions, the Client in such circumstance shall take due note of the fact and agree that such restrictions may negatively impact the Portfolio performance.
- 8.2. The parts of the Portfolio are:
- a) All funds transferred by the Client to the account stated in the Agreement on portfolio management, under the assumption that the money transfer order for the funds transfer shall contain Authentication data and Identification data; Authentication data for these purposes shall be understood as the variable symbol of the transfer, which is the birth number of the Client and the Identification data shall be the transfer specific symbol, which is the number of the Agreement on portfolio management based on which the Broker performs the portfolio management part of which the funds shall become; if it is obvious, if there is doubt or the Broker shall come to a conclusion that some data on the Client's money transfer order for the funds transfer shall not be in compliance with the Contract, the Broker shall be entitled to, at his own discretion
- i. Credit such funds to the portfolio managed based on the Agreement the number of which is identical to the Identification data stated on the money transfer order providing the Authentication data is wrong or is missing,
- ii. Credit such funds to the portfolio managed based on the Agreement of the Client whose birth number as the unique identification shall be identical to the Authentication data stated on the money transfer order, providing the Identification data is wrong or not stated providing such identified Client signed more Agreements on portfolio management with the Broker, the Broker shall be entitled to credit such fund to any of the agreements,
- iii. Credit such funds to the Portfolio managed based on the Agreement, if it is clear based on all circumstances that the Authentication data and Identification data were mixed up,
- iv. Transfer such funds back to the Client's account,
- b) all funds as a result of the portfolio management including any revenues and performance obtained in connection with S, FS and other financial Instruments being part of the Portfolio;
- c) all S, FS and other financial Instruments obtained on the basis of and in connection with the Portfolio management by the Broker for the Client.
- 8.3. The Broker shall be entitled to:
- a) Use financial means being part of the Portfolio for the Portfolio management,
- b) Use S, FS as well as financial Instruments being part of the Portfolio for the Portfolio management,
- c) Use any payments, including any revenues and performance resulting from the portfolio management in order to perform Portfolio management, unless the Broker and Client agree otherwise,
- d) To perform portfolio management to the account of the Client along with the performance of Portfolio management to the account of other Clients and if not possible to perform all transactions for the same price during the mass Portfolio management, to charge 1 reasonable price obtained with mass Portfolio management to the burden of one and to the benefit of another Client.
- 8.4. The amount of fee for Portfolio management in form of fees does not include the costs or fees of the Broker used or shall use in connection with the Portfolio management, which mainly are (i) fee paid by the Broker to third person for obtaining the first possession, purchase and sale of S, FS or other financial instruments, (ii) price for which the S, FS or other financial instrument were acquired or bought by third party.
- 8.5. The Client shall be mainly obliged to:
- a) By the time stipulated by the Agreement on portfolio management, transfer sufficient funds to the account specified in the Agreement on portfolio management,
- b) Ensure enough funds on the account pursuant to letter a) for accomplishment of obligations resulting from the Agreement on portfolio management until the settlement of all debts resulting from the Agreement on portfolio management,
- c) Prior to the conclusion of the Agreement on portfolio management or at its conclusion, to provide the Broker with all information required by the Broker for the purpose of satisfying legal requirements;
- d) Cooperate with the Broker and provide him with necessary assistance for the Portfolio management,
- e) Provide the Broker with all information for determining investment decisions in connection with Portfolio management and inform the Broker of any changes in data provided by the Client to the Broker in connection with the Portfolio management,
- f) Inform of circumstance detected during activities and deed in accordance with the Agreement on portfolio management which may have an impact on fulfillment of Broker's obligations resulting from the Agreement on portfolio management or which may be important for the Broker's decision in connection with the Agreement on portfolio management,
- g) Based on the Broker's request, submit documentation within the stipulated period useful for the purpose of Portfolio management with all requirements and in a form stipulated by the Broker,
- h) Handle the Portfolio only via the Broker and refrain from any handling of Portfolio and application of any rights in any way related to the Portfolio,
- i) Refrain from any actions related to sale, purchase, transfer, and loan of S, FS as well as other financial instrument in the Portfolio except for cases when this deed is performed via Broker,
- j) Refrain from registering the transfer and transition of S, FS and other financial instruments being part of the Portfolio,
- k) Not transfer S, FS or other financial Instruments being part of the Portfolio within the territory of a state determined by the Broker in Publication, nor onto a person which is the resident of a state determined by the Publication,
- l) Not to encumber the Portfolio with any third-party rights or not to grant any right to the Portfolio to a third party with the exception of the third-party right to handle the Portfolio on behalf of the Client based on the power of attorney,
- m) Deposit any revenues from S, FS as well as any other financial Instruments to the account.
- 8.6. The Client shall be entitled to deliver the Instruction to the Broker the scope of which shall be the Client's request for settling a part or the entire Portfolio especially by sale or other form of encashing S, FS and other financial instruments belonging to the Portfolio and payment of the funds to the Client. Shall such instruction be delivered to the Broker in accordance with the Business conditions, the Broker shall be obliged to perform activities necessary for execution of the Client's Instruction. The Client shall take due note of the fact that by settling the part of the Portfolio based on the Client's Instruction in accordance with this point may cause disruption of investment strategy and the Portfolio performance may be significantly decreased.
- 8.7. After the termination of the Agreement on portfolio management the Client shall be obliged to give the Broker an Instruction on how to settle the Portfolio, especially to determine the way of handling the S, FS, other financial instruments and funds on the ac-

count. Providing the Client fails to give such an Instruction no later than three days after the termination of the Agreement on portfolio management, the Broker shall be entitled to perform the settlement at his discretion in order for the settlement to be as optimal as possible for the Client from the financial and legal point of view, he shall especially encash the S, FS and other financial instruments and the revenue shall be deposited to the Account specified by the Client in the Instruction. The Broker shall be obliged to inform the Client on such settlement without undue delay. Providing that as of the day of the termination of the Agreement on portfolio management all S, FS and other financial Instruments obtained for the Client may not be settled, the Broker shall perform their settlement in reasonable time based on nature of the S, FS and other financial Instruments allowing for that (e.g. after the expiration of fixed period of funds at deposit accounts, etc.). In reasonable time after the termination of the Agreement on portfolio management, the Broker shall submit the Client the final report on the Portfolio management, whereas the Broker shall be entitled to a fee payment (or its aliquot part) and all debts of the Broker against the Client resulting from the Agreement on portfolio management shall become payable.

8.8. In case of the Client's death who is a physical person, the Agreement on portfolio management shall not terminate. The Broker shall submit the Portfolio to the Client's successor or successors in an agreed way.

8.9. The Client hereby appoints the Broker to perform any deed on behalf of the Client and to his account related to the Portfolio management in any way, especially to:

a) Opened for him the S/FS account in their records, at the Foreign depository or third person and concluded all contractual relationships related thereto;

b) perform any deed related to the sale, purchase, transfer, transit and loan of S, FS and other financial instruments;

c) perform any deed related to the registration of transfer and transit of S, FS and other financial instruments;

d) obtain any documents in accordance with the by law determined record of S, FS and other financial instruments, from the issuer or other organisations which would otherwise be sent directly to the Client.

8.10. The Client shall be bound to submit the Broker if necessary within the period stipulated by the Broker, all necessary written powers of attorney.

8.11. The Broker shall be entitled to perform any activities in accordance with the Agreement on portfolio management through the use of a third person and empower him for all deeds related with this activity even without the Client's consent, if it will be necessary

8.12. The Client shall be entitled by a special agreement concluded between the Client and the Broker to appoint persons who shall be authorized to perform all legal acts related to and in connection with the Portfolio, if necessary, the Broker may issue a special power of attorney for this person whereby the Client shall grant the Broker with an agreement therewith by signing the Contract on Portfolio management.

8.13. Unless it is agreed otherwise in writing, if S or FS are part of the Portfolio the Broker shall be bound to perform management within the holder report of S and FS in compliance with point 9 of the GBCs, the fee for the S/FS management shall be charged by the Broker in accordance with the Service Charge List.

8.14. For the Agreement on portfolio management, the provisions governing the Commission Contract, the Mandate Contract and the Agreement on management shall apply accordingly, unless resulting otherwise from the Agreement on portfolio management or Instructions.

9. S/FS management

- 9.1. The scope of the management performance shall be S/FS which are in the Portfolio in accordance with the Agreement on portfolio management and the Broker was appointed by the Client with its processing or the Client has acquired them based on Commission Contract. Such S/FS are recorded at the S/FS account.
- 9.2. The provisions of the Commission Contract shall apply accordingly to the legal relationship of the Client and the Broker.
- 9.3. The Broker shall perform all activities necessary for the performance and maintenance of rights connected with the S/FS at the S/FS account with professional care and based on Instructions within the extent determined by the Contract and these Business conditions. The management shall be agreed for the period of Service duration provided by the Broker to the Client.
- 9.4. The Client shall be obliged to communicate and cooperate with the Broker when providing for the management performance and based on the Broker's requirement to submit the documentation within the stipulated time necessary for the management performance with all essentials and in specified form. Shall the Client fail to fulfill any of the obligations stipulated in this point, the Broker shall not be liable for damage caused to the Client as a result of the Broker not being able to perform the S/FS management in a proper and timely way.
- 9.5. Shall the Broker and the Client fail to agree in writing otherwise, the Broker shall be obliged to perform with professional care only the following rights related to the S/FS: dividend payment, payment of interests from debt S/FS, payment of a part or total principle of debt S/FS, performance of holder report for the Client.
- 9.6. Providing the Client and the Broker shall agree, the Broker shall be obliged to use appropriate effort directed at the Client to be informed duly and timely on publicly announced notices on events, rights and obligations in connection with S/FS shall the Client learn on such events from public sources.
- 9.7. All S/FS which are the scope of the management shall be labelled by the Broker in order for them to exactly determine which S or FS are the Broker's property of the third person. The S/FS management is performed in a way to provide the Client with clear overview on any transaction and on the balance on the S/FS account.
- 9.8. Should the Client suffer from irreversible damage or loss resulting from the fact that his rights connected with S/FS could not be exercised in time and properly, the Broker may, based on his own decision and on assumption that his acting shall not be contradictory to the legal regulations, perform without receiving an Instruction all actions inevitable for application and maintenance of rights related to S/FS, especially to vote at the General Meetings of the S or FS issuers he manages.
- 9.9. When managing S/FS the Broker shall cooperate with Foreign depository, registers and agents complying with the assumption of safe and reliable providing of services. The Broker shall decide on the selection of these organisations and uses their services on a contractual basis. By signing the Contract the Client shall provide his consent with the management of their S/FS at these organisations.
- 9.10. Any reporting duty resulting from obtaining or sale of S/FS or the funds movement in relation to the transactions with S/FS shall be accomplished by the Client alone unless the relevant regulations provide for otherwise.

10. Investment guidance

- 10.1. In connection with the providing of Services, the Broker may provide the Client with the service of Investment Guidance under the following conditions:
- a) Investment guidance is always based on and dependent on information provided by the Client to the Broker, therefore if any information provided by the Client to the Broker shall be false or incomplete, the Broker shall not be liable for the correctness and suitability of personal recommendation provided to the Client;
- b) Personal recommendation is elaborated by the Broker always for the specific Client, therefore the Broker shall not be liable for any potential damage caused to third parties or the Client due to the use of personal recommendation designed for the Client by third party;
- c) Personal recommendation provided by the Broker to the Client is always elaborated as of a specific period of time and only on the day stipulated in the personal recommendation, this recommendation may be considered suitable for the Client; the Broker shall not be liable for the state if the Client uses personal recommendation in different period of time to the time stipulated in the elaboration of the recommendation;
- d) the Broker shall not be liable for potential financial losses of the Client emerging as a result of incorrect use of personal recommendation by the Client, procedure following the part of the recommendation or procedure according to personal recommendation shall the Client have knowledge that in a short period of time there will be a change in his financial status or investment goals and failed to inform the Broker in such changes;
- e) the Client shall take due note of the fact that the development on financial markets shall be hardly predictable, it may be influenced by the facts independent of the Broker, which could not be predicted at the time of elaborating the personal re-

commendation and which may influence the development on financial markets in contradiction with the Broker's assumptions despite the fact that the Broker used his experience in financial markets and proceeded with professional care;

- f) Shall the Client proceed correctly according to personal recommendation provided by the Broker and shall suffer financial loss despite that, especially in case of arising of any of the facts described in the previous letter of this point, the Broker shall not be liable for possible financial losses of the Client.

C. FINAL PART

11. Confidential information and protection of personal data

11.1 The Broker undertakes to handle Confidential Information in accordance with generally binding legal regulations and to maintain the confidential character of Confidential Information also after the contractual relationship between the Broker and the Client has ended.

11.2 The Broker may pass Confidential Information to third parties only in case, in the extent and under conditions:

- a) set forth in generally binding legal regulations, or in valid decisions of courts or other administrative
b) authorities,
c) set out in GBCs, or in Agreements,
d) stated in the Client's written consent given to the Broker.

11.3 The Client hereby expressly agrees that the Broker may

- a) process the Client's Personal Data for the purpose of administration of the contractual relation between the Client and the Broker or a member of the Broker Group and for the purposes relating to the Broker's business operations pursuant to a special regulation or for purposes relating to the business operations of a member of the Broker Group registered in the Companies Register pursuant to special regulations, for the purpose of preparation, doing, execution and subsequent checks of Broker Business with the Client, for the purpose of identification of Clients and their representatives, for the purpose of documenting operations of the Broker or a member of the Broker Group, for the purpose of protecting and enforcing the rights of the Broker or a member of the Broker Group, for the purpose of performing the Broker's duties and obligations pursuant to special regulations;

b) transfer Personal Data outside the territory of the Slovak Republic, provided that the country to which the Personal Data are transferred guarantees adequate protection, and the Broker shall advise the Client of such steps by Publication; if the Broker transfers Personal Data to countries where an adequate protection is not ensured, the Broker undertakes to act in accordance with the Personal Data Protection Act 428/2002 as amended or with a law that will later supersede Act 428/2002;

c) on the basis of a personal data processing agreement, provide the Client's Personal Data to a third party or authorize a third party to process the Client's Personal Data, even a third party whose registered office is outside Slovakia, provided that adequate protection is guaranteed, for the purposes stated in letter a) of this point and for the purpose of cooperation upon letter f) of this point, and the Broker shall advise the Client of such steps by Publication

d) provide the Client's Personal Data or pass the Client's Personal Data for processing to a member of the Broker Group, and the Broker shall advise the Client of such steps by Publication;

e) process the Client's Personal Data for the purpose of marketing or marketing survey; and this in the extent necessary for performing some of the purposes listed in this point of GBCs.

11.3. The consent given by the Client under point 11.3. of the GBCs applies throughout the duration of purpose of the processing.

11.4. The Client may withdraw his consent in writing, if the Broker breaches the conditions set forth in point 11.2. and 11.3. of GBCs.

11.5 If the Client provides the Broker with personal data of another natural person pursuant to Personal Data Protection Act 428/2002 as amended in connection with any contractual relation, then the Client expressly declares that he/she has the written consent of this natural person to pass the personal data to the Broker for processing in the extent set forth in these GBCs.

11.6 The Client agrees that the Broker may provide Confidential Information to the Broker's shareholders and to other entities within the Broker Group. The Client agrees that the Broker may provide Confidential Information to third parties with which it cooperates on condition that third parties are capable of ensuring protection of Confidential information from misuse.

11.7 The Client agrees that the Broker may provide information in the extent of Confidential Information and documents on the Client's failure to fulfill its obligations to the Broker to a third party which has received the Broker's written power of attorney to recover these liabilities.

11.8 The Client agrees that the Broker may provide Confidential Information to third parties who are authorized by the Broker to fulfill its statutory or contractual duties as well as to third parties who have received the Broker's power of attorney to represent the Broker in lawsuit or in out-of-court settlement proceedings.

11.9 The Client agrees that the Broker may, for the purpose of administration of its registration records under a special regulation, hand over to a third party any documents on the Client's Broker Business including Agreements, documentation related to Agreements and recordings of communication between the Broker and the Client.

11.10 The Client consents to the fact that the Broker shall be entitled to hand over Confidential Information to third parties that are a beneficiary or principal in the execution of payments according to a specific regulation, or which provide the Broker services enabling it to perform services.

11.11 The Client agrees that a third party, which has received Confidential Information from the Broker, may disclose the Confidential Information to the necessary extent to third parties under following conditions:

a) if necessary for performing the purpose of such third party resulting from an agreement between the Broker and such third party and together

b) if such third party binds the recipients of the Confidential Information to protect the Confidential Information at least to the same extent as the third party provider of the Confidential Information is bound to do.

11.12 The Client is responsible for keeping information of confidential character which it obtained in relation to the contractual relationship between itself and the Broker. The Client may not pass such information to any third party without the prior written consent of the Broker.

12. Communication

12.1 The Client agrees that the Broker may record any communication between the Broker and the Client through any available technical means and may maintain all these recordings and copies of any information and documents which the Broker will receive from the Client or from third parties. The Client agrees that the Broker may record any communication with the Client even without prior notification thereof. The Client agrees that the Broker may use these recordings and copies as evidence in dispute.

12.2 The Broker may require that copies of an original document submitted by the Client are officially legalised.

12.3 The Broker may require that the Client submitting any document to the Broker in other than Slovak or Czech language shall submit the official Slovak translation of the aforementioned document bearing an expert's clause to the Broker. In this case the Broker uses only the relevant Slovak translation and is not obliged to examine whether or not this translation corresponds to the original language version.

12.4 The Client shall agree with the Broker on providing information also on another permanent media than the documentary form, especially in a form of CD, DVD media or another suitable media.

12.5 By concluding the Contract, the Client shall agree with any information being provided to him by the Broker also by means of the Internet website of the Broker. Both the Broker and the Client shall agree therewith by concluding the Contract that by means of the Internet website of the Broker the Client shall be informed of any changes and amendments of information already provided by the Broker to the Client regardless of any form the original information was announced to the Client.

12.6 Providing the Broker shall find out that there was a mistake in any confirmation, report or other certificate which the Broker sent to the Client, he shall inform the Client thereof without undue delay.

12.7 The Client shall be obliged to, after the acceptance, check confirmations, extracts, reports, notices and other documents which the Broker sent to the Client. The Client shall be also obliged to verify whether all Instructions which were submitted by the Client or on his behalf, were executed by the Broker. Shall the Client discover any mistake, he shall inform the Broker thereof without undue delay. The Broker shall remove such discovered mistakes without undue delay.

12.8 Information contained in any confirmations, statements, notices or other documents sent by the Broker to the Client, shall be considered as accepted, confirmed and approved in cases that the Client fails to inform the Broker in writing that he shall not agree with the contents within fourteen days of their delivery to the Client.

13. Delivery

13.1 The Broker's written documents are delivered

- a) in person,
b) By post,
c) by electronic communications media (fax, telex, e-mail or other electronic medium).

13.2 In personal delivery of documents (which also includes messenger delivery, pick up of a document by the Client in the Broker), a document is considered delivered upon handover, and the case when the addressee refuses to accept such a document is also considered as handover.

13.3 In document delivery by post, mail is regarded as delivered on the third day after dispatch to a destination in Slovakia and on the seventh day after dispatch abroad, even in a situation when the addressee fails to learn about this fact, or the shipment shall be returned as undeliverable. Unless agreed otherwise, the Broker shall send the documents by post in a form or a regular letter. In sending documents by fax or telex, documents are considered delivered at the moment the message on sending them is printed, in sending documents by e-mail, documents are considered delivered at the moment the message on delivering them is received.

13.4 The Client shall advise the Broker of his/her address, phone, fax and telex number or the number of other electronic equipment to which the Broker will send him/her all notifications and documents. The Client shall immediately notify the Broker of any change in these data. If the Client fails to notify the Broker of such a change, a delivery to the last address known to the Broker or to the last number of telecommunication equipment known to the Broker is regarded as duly executed.

13.5 Non-delivery of expected documents of any kind, notably documents confirming the execution of Instructions must be reported immediately by the Client to the Broker after the time of expected delivery has elapsed. The Broker shall not be liable for damage caused by the non-delivery of documents.

14. Instructions

14.1. Shall the Business Conditions not provide for otherwise, or if not agreed in the Agreement otherwise, the Client shall issue his Instructions in writing.

14.2. The Client shall issue the Instructions for services in writing on a particular form issued by the Broker. The Broker shall have the right to refuse the Instruction which is not issued on a form of the Broker. The Broker shall not be responsible for damage caused by failure of performing Services due to the reason.

14.3. The Instructions shall be readable, clear and understandable; they may not be crossed-out, overwritten, changed in any way or otherwise modified.

14.4. The Client shall add to the Instruction documents stipulated by the Securities Act, other legal regulations, Business Conditions, or Contract, which shall be as originals or the authenticated copies. The Broker shall have the right to provide all documents necessary for the activity performance, otherwise he shall be entitled to refuse the providing of services.

14.5. The Broker shall accept Instructions of the Client or the entitled person acting on behalf of the Client or another person which shall be entitled according to the generally binding legal regulation to submit such Instruction if they do not have doubts about their identity. Other person than the Client or entitled person shall be entitled to act solely on the basis of power of attorney with officially certified signature within the extent and under the conditions accepted for the Broker.

14.6. The Client shall ensure that an Instruction given to the Broker is:

- a) clear, understandable, correct and accurate,
b) delivered to the Broker (or by a confirmed manner agreed by the Broker and the Client),
c) in compliance with the provisions of applicable generally binding legal regulations,
d) in compliance with the fair trade principles or good manners.

14.7. The Broker shall perform Instructions in the order as they were delivered with the exception of the Instruction change and cancellations which are performed as a preference.

The Broker is not obliged to verify the correctness, accuracy and completeness of data stated by the Client in the Instruction.

14.8. The Broker executes Instructions in due time reflecting their character and complexity, in accordance with relevant business practice and generally binding legal regulations and depending on the functionality of the Broker's technical system, regulated markets and other markets. The Broker may determine special conditions for the delivery and execution of Instructions before the end of a calendar year. The Broker shall inform of these special conditions by Publication.

14.9. The Broker shall not be liable for the consequences of the execution of an Instruction. The Client shall compensate the Broker for any damage or costs related to this Instruction or failure to execute the Instruction or which shall be incurred by the Broker in a different way in relation to such Instruction or in relation with such Instruction not being executed in compliance with the business conditions.

14.10. Unless not agreed otherwise in writing, the Instruction shall end:

- a) By expiration of the period of its validity,
b) by the obligation satisfaction of the Broker from the Instruction,
c) by Contract termination.

In case of an Instruction related to the Agreement on Portfolio management the Instruction shall terminate on the first Business day following the delivery of notice of the Client on the Instruction cancellation, unless the Broker has not started with the Instruction execution.

14.11. Due to the obligation of the Broker to do business cautiously in order not to endanger the stability of the financial market, as well as due to the obligation of the Broker resulting from the legal regulations in order to prevent the legalisation of income from crimes, the Broker shall be entitled to refuse the execution of the Instruction on which fails to meet the requirements stated in the Business conditions the execution of which could disrupt the financial market stability or it could be contradictory to legal regulations for avoiding the legalisation of income from crimes. The Broker shall be entitled to refuse the Instruction also in situation that the funds being part of the Portfolio shall not be sufficient for covering the costs related to the Instruction execution and the Broker's fee which he is entitled to in accordance with the business condition or the Agreement on portfolio management, or the Broker is prevented from the Instruction by a fact worth of special consideration.

14.12. Providing that due to unclear legal relations or other reasons the Broker shall have doubts whether the person giving the Instruction shall be entitled to such act, the Broker shall be entitled to refuse the Instruction execution until such entitlement shall be proved to the Broker in an acceptable way.

14.13. The Broker shall not be liable for prospective damage suffered due to

- a) Refusal of Instruction execution if refused in compliance with the provisions of the Business conditions,
b) Execution of Instruction which did not meet the conditions stated in the Business conditions,
c) Failure to execute the Instruction or partial failure to execute the Instruction providing its non-execution or partial non-execution happened due to even a partial failure of the technical system of any of these entities: Foreign depository, regulated market, multilateral business system, Broker, other person which shall participate or participates at the Instruction execution,
d) Failure to provide services or partial failure to provide services on condition the provision or partial provision happened in compliance with the Business Conditions,
e) Failure to provide services or partial failure to provide services, on condition the provision or partial provision happened as a result of even a partial failure of the technical system of any person/entity: Foreign depository, regulated market, mul-

tilateral business system, Broker, other person which shall participate or participates at the service providing.

14.14. The Client shall reimburse the Broker for any damage, applied title or costs, including costs of legal help which may be incurred by the Broker based on wrong Instruction.

14.15. Unless these Business conditions provide for otherwise, or the Broker and the Client fail to agree in writing, the Client shall not be entitled to change or cancel the Instruction delivered to the Broker.

15. Obligations of the Client

The Client shall be obliged to, prior to the providing of any service and at any time upon request of the Broker throughout the duration of

15.1. the business relationship, provide the Broker a document on his establishment and legal existence and prove their identity.

15.2. The Client shall be obliged to inform the Broker without undue delay on all changes which occurred in documents submitted to the Broker.

15.3. The Client incorporated into the Companies Register shall be obliged to, immediately after making changes of the facts which are subject to the incorporation into the Companies Register, perform the activities to bring the entry in the Companies Register in line with the actual legal state and submit the current Companies Register to the Broker immediately after the incorporation of required changes in to the Companies Register. This provision shall be applied accordingly for the changes made in a trading license or other business license.

15.4. The Client shall be obliged to provide the Broker with all information required by the Broker in relation to the providing of services, especially information necessary for the performance of Client's categorisation, execution of the test of suitability and adequacy (Section 73f and 73g of the Securities Act), as well as other obligations resulting for the Broker based on the legal regulations within the periods agreed by the Client and the Broker, stipulated by the legal regulations or determined by the Broker. The Client declares that all data submitted to the Broker in connection with the contractual relationships between the Broker and the Client, especially in relation to the categorisation of the Client in accordance with the Securities Act, execution of the test of suitability and adequacy (Section 73f and 73g of the Securities Act) shall be true and complete. The Client shall be obliged to inform the Broker without undue delay of any changes in data or information submitted to the Broker in relation to the contractual relationships between the Broker and the Client, especially but not exclusively (i) data related to the categorisation of the Client in accordance with the Securities Act, (ii) information provided by the Client to the Broker in accordance with point 15.9. of these GBCs, and submit the documents to the Broker proving the changes at the Broker's own discretion in a sufficient level, these changes and other information which the Broker required in relation thereto. The changes shall become effective to the Broker and obligatory on the Business Day following the delivery date of the notice to the Broker. The Broker shall not be obliged to accept any Client's notice not supported by sufficiently provable documents and supplemented with the data required by the Broker.

15.5. Shall the Client fail to inform the Broker in writing otherwise, he declares by signing the Contract that he is not the relevant person in accordance with the Securities Act, whereas the Client shall be obliged to inform the Broker of any changes decisive for assessment whether or not he shall be considered the relevant person. Shall the Client be considered the relevant person, he shall be bound to follow all obligations of the relevant persons regulated by the Securities Act.

15.6. The Client declares that he is not the resident of the countries determined by the Broker in the Publication, and he shall be bound to inform the Broker without undue delay on becoming a resident of the state determined by the Broker in the Publication or he shall discover that the person for which the S, FS or other investment Instruments are held in relation to the Contract, he shall become the resident determined by the Broker in the Publication.

15.7. The Client declares that he is not a VAT payer pursuant to the generally binding legal regulations, whereas if he is a VAT payer or he shall become one, he shall inform the Broker of this fact without undue delay.

15.8. The Client shall be obliged to compensate the Broker for damage arising as a result of the fact that (i) the Client fails to meet any obligation resulting from the Contract or the GBCs duly and timely, (ii) any of the Client's statements against the Broker shall prove to be false or incomplete or (iii) any information provided by the Client to the Broker in connection with the providing of Services shall prove to be false, especially information provided to the Broker in accordance with point 15.9. of the GBCs.

15.9. The Client shall take due note of the fact that in accordance with and under the conditions stipulated by the Securities Act, the Broker shall be obliged to require from the Client providing of the legally stipulated data and information related to the Client's knowledge and experience in the area of investment, his financial situation and his investment goals, to process this information, assess them and consider when providing of services.

a) Providing of other Service than the Investment guidance or Portfolio management:

Providing the conditions stipulated by the Securities Act are met, it is the obligation of the Broker when providing other services than the investment guidance and portfolio management, to assess whether the Client's knowledge and experience are sufficient for the Client to realize the risks related to the financial Instruments or service, and whether the financial instrument is suitable for the Client.

aa) Shall the Client (i) fail to provide the Broker with all requested information or any of them, or (ii) provide the Broker with false information, or (iii) in any other way obstruct or disable the Broker to assess the Client's knowledge and experience in accordance with the Securities Act, the Broker shall be entitled to request from the Client written statement in a form and content determined by the Broker that the Client was warned on all consequences related to the facts stated in (i), (ii) and (iii) thereof, especially that the Broker shall not be able to determine whether the service or financial instrument is suitable for the Client. Shall any of the cases stated in the previous statement under point (i), (ii) or (iii), the Broker shall be obliged to refuse the execution of the Client's Instruction. Shall any of the circumstances stated in (i), (ii) and (iii) of the first statement of this letter aa) happen and the Broker executes Client's Instruction, the Broker shall not be liable for the damage to the Client as a consequence thereof.

ab) Shall the Client provide the Broker with requested information and the Broker after their assessment shall state that a certain service, or financial instrument are not suitable for the Client, (i) the Broker shall be obliged to request from the Client written statement in a form and with consent determined by the Broker that the Client was warned on the unsuitability of certain service or financial instrument for the Client and also (ii) the Broker shall be entitled to refuse the execution of any Client's Instruction. Shall the Client refuse to provide the Broker with written statement in accordance with the previous statement, the Broker shall be entitled to refuse the Client's Instruction execution.

b) Providing of the service Investment guidance or Portfolio management: Providing the conditions stipulated by the Securities Act are met, it is the obligation of the Broker when providing services of Investment guidance or Portfolio management, to assess the Client's knowledge and experience in the field of investment, his financial situation and investment goals and provide the Client with a service based on such information.

ba) Shall the Client (i) fail to provide the Broker with all requested information or any of them, or (ii) provide the Broker with false information, or (iii) in any other way obstruct or disable the Broker to assess the Client's knowledge and experience in accordance with the Securities Act, the Broker shall be entitled to refuse the service for the Client.

15.10. Upon conclusion and during the contractual relationship duration, the Client shall be obliged to inform the Broker in writing on facts which might cause the Client to be considered as politically exposed person pursuant to the Act on Protection against Money Laundering and on Protection against Terrorist Financing and on Amendments and Supplements of Certain Acts. Shall the Client fail to inform the Broker of the facts in accordance with this point, the Broker shall consider the Client not being a politically exposed person.

16. Obligations of the Broker

16.1. The Broker's responsibility against the Client who

- a) is the consumer pursuant to special legal regulations – the Broker and the Client shall be responsible for damage they cause as a result of breaching the obligations stipulated in the law, in the Contract and in the General Business Conditions, apart from cases in which they shall prove that they did not cause damage or the breach of obligation was caused by circumstances excluding their liability, unless the Contract and the GBC shall stipulate otherwise; in case of the occurrence of the Broker's or Client's obligation to pay damages to the other party, the Broker and the Client shall not be obliged to pay for the lost profit.
- b) is not a consumer pursuant to special legal regulations – the Broker shall be liable for damages he has caused. Due to the relations between the Broker and the Client the principle of objective liability is hereby excluded for the Broker. In case of obligation of the Broker to compensate the Client for damage the Broker shall not be obliged to compensate for lost profit.
- 16.2. The Broker shall not be liable for damages and other consequences related to counterfeiting or incorrect filling out of the Instruction and other documents.
- 16.3. The Broker shall investigate whether the documents he shall be obliged to accept based on the Contract or the Instruction with the Client correspond to the contents of the Contract or the Instruction. He shall not be liable for its authenticity, validity and transaction of such documents.
- 16.4. The Broker shall not be liable for damages arising due to proceedings of domestic or foreign authorities or courts, refusal or late granting of necessary permits by the authorities, due to force majeure, uprising, revolution, civic unrest, war or natural disasters or as a result of events outside the Broker's control. The Broker shall not be liable for damages as a result of failure of the telecommunications services provided to the Broker by third parties.
- 16.5. The Broker shall not be liable for damages originating as a result of events under the control of the Client or events for which the Client shall be liable or damage incurred as a result of breach or delay of any obligation of the Client to the Broker.

17. Setting off

- 17.1 Due to the legal obligation of the Broker to proceed carefully when acting as a stock broker in order to avoid potential risk to the financial market, the Broker shall be entitled to set off any of its receivables from the Client against any of this Client's receivables from the Broker irrespective of whether they are now existing, hereafter arising, due now, due later, subject to realization of pledge, time barred or not time barred.
- 17.2 The Broker shall be entitled to set off also receivables denominated in different currencies, even if the currencies are not convertible, at a rate of exchange determined by the Bank in a usual manner and in accordance with normal market practice.
- 17.3 Unless agreed otherwise, the Client who is not a consumer pursuant to special legal regulations shall not be entitled to unilaterally set off his receivables from the Broker against any of the Broker's receivables from the Client. The Broker shall not refuse to consent to a set off without cause.
- 17.4 The Broker shall notify the Client of a set off in advance and shall exercise all reasonable care not to cause damage to the Client and not to cause disproportional problems to the Client, this shall not damage or threaten the Broker's rights and interests or make the set off impossible or threaten to make it impossible.

18. Charges, compensation, costs

- 18.1. The Client shall compensate the Broker for services provided by the Broker by paying Charges determined in the Service Charge List in effect on the day the service is executed or the charges agreed upon in the agreement.
- 18.2. The Broker shall not be obliged to provide any services unless the Client pays the Fee for the Service. The Broker shall not be liable for damage caused by not providing the service to the Client as a result thereof.
- 18.3. Unless otherwise agreed between the Client and the Broker, Charges are payable on the day stated in the Service Charge List, and if such a Charge is missing in the Service Charge List, then the Charges are payable on the day the paid service is performed. The Broker's Receivables resulting from the Charges are payable on the said date.
- 18.4. The Broker may change the Service Charge List at any time to reflect changes in the Broker's business policy, development on the money and capital market and changes in legal regulations. The Broker shall make a change in the Service Charge List by Publication. A change in the Service Charge List shall take effect on the date of Publication of the changed part of the Service Charge List or of the full text of the Service Charge List.
- 18.5. A Client, that is a consumer as defined in a special regulation, may withdraw the Agreement in writing within 15 days of the effective date of a change in the Service Charge List. If the Client does not withdraw the Agreement within the said time, then it shall be understood that the Client accepts the change in the Service Charge List. After the withdrawal the Agreement, the parties thereto shall not return to each other amounts paid prior to the withdrawal of the Agreement. However, either party to the Agreement shall pay to the other party, within 15 days of the date the withdrawal is delivered to the Broker, all outstanding receivables which arose prior to the withdrawal of the Agreement.
- 18.6. Unless otherwise agreed by the Client and the Broker, the charges are calculated in EUR currency.
- 18.7. Apart from the fee for the Broker in a form of charges, the Client shall be obliged to pay the Broker all incurred expenses and costs related to the providing of service and execution of obligations based on the Contract. The costs and expenses of the Bro-

ker shall not be part of the charges for the Broker unless stipulated otherwise in the Service Charge List or the Contract.

- 18.8. The Client shall be obliged to, without undue delay upon the Broker's request, to pay the Broker for all damage and expenses, including expenses for the Broker's legal representation arising to the Broker in connection with
- a) The breach of contractual obligation of the Client against the Broker or dispute solution between the Broker and the Client, especially in relation to the payable liabilities claim of the Broker against the Client, or
- b) The court proceedings or out-of-the-court settlement where the Broker shall participate in connection with the court proceeding or a dispute between the Client and third parties.
- 18.9. The Client shall be obliged to, without undue delay upon the Broker's request, pay the amount of the remaining reasonable costs to the Broker in relation to the Contract conclusion or performance, providing of services or in connection with financing the Broker's liabilities resulting from the Contract or Service arising as a result of
- a) Change in the situation on the market,
- b) In case of a Client, who shall not be a consumer pursuant to a special regulation, additional expenses arising due to changes or adoption of a new legal regulation binding for the Broker related to the Broker or the Service, or as a result of changes in the legal regulation interpretation,
- Providing such change or the adoption of a new legal regulation binding for the Broker, change in its interpretation or change in the market occurred after the Contract conclusion between the Client and the Broker or by the Service provision.

19. Arbitration clause

- 19.1 The Broker and the Client have agreed to make this arbitration agreement under section 3 of Arbitration Proceedings Act 244/2002 Coll. in the form of an arbitration clause to the Agreement which reads as follows:
- 19.2 The Broker and the Client have agreed that any disputes which have arisen or will arise out of Services provided by the Broker or in connection with them as well as disputes which have arisen or will arise out of Agreements and Instructions which specify the conditions of Service or in connection with them, including disputes about their validity, construction or termination shall be referred to and decided by an Arbitration Court.
- 19.3 The Broker and the Client have also agreed that they shall be subject to the internal legal regulations of the Arbitration Court, notably its Statutes and Negotiation Rules, valid and effective on the start date of the arbitration proceedings at the Arbitration Court.
- 19.4 The Broker and the Client have also agreed that they shall honour the ruling of the Arbitration Court and such ruling shall be binding on both parties to the agreement.
- 19.5 The Broker and the Client have also agreed that this arbitration clause shall be part of the Agreement concluded between the Broker and the Client in connection with relevant services. The Broker and the Client have agreed that the withdrawal from the Contract or termination of providing of Services shall not apply to the Arbitration Clause which is a part thereof.
- 19.6 The Broker and the Client have also agreed that this arbitration clause shall be binding on the successors of both parties to the agreement.
- 19.7 The Client may reject the arbitration clause within 30 days of the effective date of this provision or within 30 days of entering into the contractual relation with the Broker.

20. Miscellaneous provisions

- 20.1. The Client declares that all funds used by the Client in connection with the Service providing are his/her/its property and that he/she/it is doing the Service on his/her/its own account. This declaration is considered true and repeated each time a service is provided, unless the Client declares otherwise in writing. If the Client does not own the funds which he uses in relation to the Service, then the Client undertakes to deliver to the Broker a written declaration of the owner of the used funds, as well as the consent with its use.
- 20.2. The Broker shall have the right to refuse the Instruction execution and not to provide a service in case of suspicion of activities pursuant to Anti-Money Laundering and Counter-Terrorism Financing Act as amended. The Broker shall not be responsible for damage caused to the Client by failure to provide the service or failure to execute the Instruction as a consequence thereof.
- 20.3. If there is a situation on the financial market, substantial for the Service, due to political, economic or other reasons, which the Broker cannot have impact on and the Broker's execution of the Instruction has become more expensive than in the time when the Contract was concluded, the Service provided by the Broker or the execution shall become impossible, the Broker shall be entitled to pause or completely stop any Service against the Client.
- 20.4. By signing the Contract the Client expresses his consent with the use of funds and financial Instruments by Client's Publication to the Broker, to the Brokers at their own benefit and to the benefit of third parties. By concluding the Contract, the Client confirms that he was acquainted with the strategy of Instruction execution by the Broker and the strategy of proceeding the Instructions by the Broker, he has understood them and expresses his consent therewith. By concluding the Contract he shall also express his consent with the Instruction connection given to the Broker with the Instructions of third parties with regard to the fact that he was informed of a potential negative effect of the connection in relation to the Instruction execution.
- 20.5. The Broker may execute the Client's Instruction outside the regulated market or

multilateral business system whereas by concluding the Contract the Client expresses his consent to the Broker to execute all his Instruction or any of them outside the regulated market or multilateral business system.

- 20.6. The Client shall have no right to providing of a Service. If the Client was provided Service, he shall not be entitled to providing of any other Services.
- 20.7. Accounting and other records kept by the Broker in connection with the contractual relationship between the Broker and the Client shall always prevail in case of any discrepancies between the Broker and the Client in relation to all matters it shall affect.
- 20.8. Unless agreed otherwise in the Contract between the Broker and the Client, every Contract shall be concluded for indefinite period of time. Both the Client and the Broker may terminate any Contract without stating a reason. Unless agreed otherwise in writing, the notice period shall be three calendar months when the Contract is terminated by the Broker. Unless agreed otherwise in writing, the notice period shall be one calendar month when the Contract is terminated by the Client. Shall the Client, as of the day of the Contract termination by means of notice put in by the Client, fail to settle all liabilities against the Broker, the notice period shall be extended until complete settlement.
- 20.9. The Broker and the Client have agreed that all legal relationships related to the submission and dealing with claims and complaints by the Client related to the correctness and quality of services provided by the Broker not expressly regulated in the GBCs shall be governed by the Reclamation Rulebook which shall be set forth by the Broker by means of Publication.
- 20.10. If on the part of the Client are several participants as the parties to the contractual relationship between the Broker and the Client, the Client and these persons against the Broker shall be jointly and severally liable, unless the GBCs or the Contract provide for otherwise.
- 20.11. For any agreement or Contract between the Client and the Broker concluded in the Slovak language and another language, the Slovak version of the document shall prevail unless stipulated for otherwise in the Contract. The Slovak version of the GBCs shall always prevail.
- 20.12. Unless agreed otherwise between the Broker and the Client, all business relationships shall be governed by the laws of the Slovak Republic.
- 20.13. If any of the provisions of the GBCs or of any Agreement between the Client and the Broker become null and void or impossible to enforce, this shall not affect the validity and enforceability of the other provisions GBCs or of the agreement. In this case, the parties to the agreement undertake to replace the invalid or unenforceable provisions with valid and enforceable ones whose legal importance and effects will be as close as possible to the provisions to be replaced.
- 20.14. All Agreements, unless agreed between the Broker and the Client otherwise, which were concluded in writing between the Broker and the Client may be amended or supplemented only in writing and such amendments must be signed by both parties to the Agreement.
- 20.15. The Broker shall be entitled to modify and amend the General Business Conditions, and if agreed with the Client, the Contract's individual conditions, as well, due to
- a) changes in legal regulations, or
- b) development on the financial or capital market which may without prejudice have impact on the Service providing or its provision conditions, or
- c) changes in technical possibilities of providing the Service, or
- d) ensuring cautious Broker's business activity, or
- e) better quality and simplification of the service providing or extending the range of offered services.
- The Broker shall determine the current wording of the GBCs or the particular condition of an Agreement by Publication. The Client may express his disagreement with such a change by a written notice delivered to the Broker within 15 days of the determination of such a change by Publications; if on the part of the Client are several participants, then any of them may express his disagreement with such a change. Otherwise, the amendments and supplements take effect on the day specified in them, if, after the Publication of the GBCs, or the particular condition of an Agreement, the Client (i) takes any action in relation to the Broker, or continues (ii) to accept the Services from the Broker in such a way that from that situation it is obvious that he wishes to continue with the existing contractual relationship with the Broker, or (iii) confirms by his actions that he knows the wording of the amended or supplemented GBCs or the particular condition of an Agreement. If the Client expresses disagreement with such a change within the above time limit and if no agreement is reached, the Client may terminate his contractual relation with the Broker with immediate effect; if on the part of the Client are several participants, then any of them may terminate the contractual relation with the Broker with immediate effect and such termination applies to all participants. Likewise the Broker may terminate its contractual relation with the Client with immediate effect and declare the Broker's receivables from the Client immediately payable.
- 20.16. The GBCs shall remain effective even after the end of the contractual relationship between the Client and the Broker until the complete settlement of their mutual relationship.
- 20.17. The GBCs shall take effect on 01.02..2009. All contractual relations established between the Client and the Broker after the effectivity date of the GBCs shall be subject to the GBCs, unless otherwise stated in them.