

General Terms and Conditions

EFEKTA CONSULTING, a.s.

1. GENERAL PART

These General Terms and Conditions (hereinafter also referred to only as "GTC") provide a framework for providing investment services and regulate the rights and obligations arising from the contractual relations between the securities trader, EFEKTA CONSULTING, a.s., Company ID Number (IČ): 60 71 70 68, with registered office at: Brno, Křenová 478/72, 602 00, (hereinafter also referred to only as "Trader" or "ST") and their clients (hereinafter also referred to as a singular form "Client" or "Customer") based on the Consignment Contract on Procuring the Sale and Purchase of Securities (hereinafter referred to as "Contract") or other similar contracts and agreements where the contracting parties expressly agree that these GTC shall constitute their part.

These GTC shall form an integral part of the Contract and govern validly and enforceably all the rights and obligations and duties of the contracting parties not expressly stipulated in the Contract. Shall the Contract or other written contract or agreement concluded between the trader and the Client contain agreements in conflict with or different from these GTC, then such agreements stipulated in the Contract or in other agreement between the Trader and the Client are deemed to be valid unless the contracting parties agree otherwise in writing.

Dear client, due to changes in the General Terms and Conditions, the currently valid General Terms and Conditions may differ from those that were provided to you as information about the contents of the contractual relation prior to the conclusion of the contract. Please study these currently valid General Terms and Conditions carefully.

1.1. General Provisions

Trader:

EFEKTA CONSULTING, a.s., Company ID Number: 60 71 70 68, with registered office at: Brno, Křenová 478/72, 602 00, registered in the Commercial Register with the Municipal Court, Section B, Insert 1388.

More contact information about the Trader shall be provided to the Client in the form of an appendix to the Contract or on the Trader's website below.

This website is a website of the ST company and it is accessible via the Internet on www.efekta.cz

The supervisory authority of the Trader is the Czech National Bank with registered office at Na Příkopě 28, Prague, URL address www.cnb.cz, or a different institution supervising directly or indirectly the capital market in the Czech Republic.

Investment services:

EFEKTA CONSULTING, a.s., Company ID Number: 60 717068 holds a license to perform activities as a securities trader to this extent (pursuant to Section 3 et seq of the Act No. 25/6256 Coll. on Business Activities on the Capital Market, as amended / hereinafter also referred to only as "ABCM").

1. The ST provides the following investment services and investment activities (collectively as investment services):

- accepting and submitting Client's order related to one of more financial instruments;
- executing the order of the Client of their account;
- investment consultancy.

2. The ST provides the following secondary services:

- providing a credit or a loan to the investor to enable the execution of a trade with one or more financial instruments, if the credit or loan provider is involved in this trade;

The ST is authorized to provide the above mentioned services and activities in relation to these financial instruments (hereinafter also referred to only as "securities"), namely shares, bonds, participation certificates and investment certificates; the individual terms mean the following:

- A share is a security the ownership of which establishes the shareholder's rights as an associate to participate in the management of the joint stock company, its profit and the liquidation balance in the event of its liquidation.
- A bond is a security to which is attached the right to redeem the amount owed and the issuer's obligation to satisfy that right.

- A participation certificate is a security which represents the unit holder's proportionate share of the assets of the mutual fund and to which are attached other rights arising from legal regulations or the status of the fund.
- An investment certificate is a security of debt the value or yield of which is derived from a certain underlying asset (e.g. stock index).

Shall the ST provide the Client with an investment service which they are not licensed to provide, providing the service does not void the Contract which was concluded upon the provision of such service.

When providing services, the ST is authorized to use services of another authorized person of their will to meet their obligations, unless expressly agreed otherwise; if necessary, the ST is authorized to conclude a contract on the Client's account.

1.2. Basic Rights and Obligations

- 1) The Trader provides services in compliance with legal regulations governing the activities of a Trader or are related thereto, based on the nature of the services, in compliance with international regulations, rules, technical specifications and trading practices of financial markets, depositories, registration and settlement centers, and the terms and conditions of the agents the Trader uses to meet their commitments, and in compliance with the Contract, the GTC, the Price list of EFEKTA CONSULTING, a.s., (hereinafter only "Price list").
- 2) In pursuing the subject matter of the contract, the Trader shall proceed with due diligence and seek to execute the orders of the Customer.
- 3) The Customer acknowledges that in connection with investing into investment instruments it is forbidden to use inside information and violate the transparency of the financial market (market manipulation). If the Trader has reasonable grounds for believing that due to the provision of services based on the Client's order the transparency of the financial market was violated, he shall draw Customer's attention to this fact and request explanation of the purpose of such order, and may propose another way of reaching the same effect without violating the transparency of the financial market. If the Trader continues to have reasonable grounds for believing that the provision of services based on the order might violate the transparency of the financial market despite the Customer's explanation, they shall not execute the order and shall inform about this the Customer by phone, in writing or via Customer's electronic mail.
- 4) When meeting their commitments under the Contract, the Trader does not provide any legal, tax, accounting or similar consultancy. In case the Customer is interested in such consultancy, the Trader recommends the Customer contacts a qualified person authorized to provide respective consultant services.
- 5) All investment services are provided by the Trader in their operating hours following the time schedule located on the website of the Trader.

1.3. Risk Warning

The Trader draws Customer's attention particularly to the following facts and warns them against risks associated with trading with investment instruments:

All trades in capital markets bear the risk of capital loss, where the investor (Client) by no means automatically achieves the expected yield and may not always get back the full amount invested. Expected and potential yields can never be guaranteed to the Client, and neither can be guaranteed the return on investment.

Investments into investment instruments must be assessed in terms of individual risks but also with regard to Client's potential in terms of finance, their investment objective, knowledge and experience. Each investor (Client) shall, when considering their investment objectives, determine the amount of risk they are willing to bear.

In deciding whether to trade in securities in general or particularly via a ST company, it is necessary to consider the risks posed not only by these instruments but also by services and strategies related thereto which might in some (relevant) cases bear the following risks or the combination of these risks:

- credit risk;
- market risk (including economic risk and political risk);
- liquidity risk;
- credit risk;
- unsystemic risk;
- business risk;
- issuer risk;
- interest rate risk;
- currency risk;

- trade risk, operational risk, insolvency (bankruptcy) risk;
- risk of contingent liabilities;
- intraday trading risk;
- regulatory and legal risk;
- settlement risk;
- risk of fraud;
- risk of various measures adopted by state authorities or courts.

The trader warns the Client that risks associated with various investment instruments increase with the use of credits, loans, short selling and some other investment strategies. Complex instruments or a combination of individual instruments might in some cases also increase the risk. We also inform that holding investment instruments through clearing houses, depositories or custodians may, in comparison to directly-held instruments, also increase the risks. The above mentioned risk may be even higher when trading in quickly developing markets (emerging markets), less developed markets and less regulated markets. The risk is also increased by purchasing investment instruments containing the leverage effect. The risk also increases with higher frequency of intraday trading due to high costs of these transactions which affect the total economic result of these transactions.

Limitations of risks

It is not possible to fully avoid risks when dealing in capital markets but it is possible to limit them by diversifying investments, i.e. distribution of portfolio, regular and active monitoring of the development of the investment, monitoring of the rates of investment instruments which can be done directly by the Client, purchase of investment instruments that have sufficient liquidity, investing only one's own available funds, sufficient experience, knowledge and financial background of the Client for trading in investment instruments and Client's option to place and automatic order to sell securities in the portfolio at a price higher than the minimum amount of assets in the account so that the beginning or deepening of a loss is stopped, or the option that a Client quickly purchases the same securities after having sold them.

The increased risk when trading with the use of credit can be reduced by not using the upper credit limit, that is the limit of the minimum required secured credit, by Client's readiness to promptly react to a margin call, i.e. Trader's call for the completion of the loan securing, which requires constant availability of the Client on the phone and quick access to cash or investment instruments for the purposes of loan security completion and regular monitoring of prices of securities owned by the Client on publicly accessible places (Internet, television, etc.).

Warning of the risks associated with customer assets management in nominee accounts

Financial funds and securities (assets) of the Client are internally always managed by the Trader separately from the assets of the Trader and their other clients. The Trader is, however, authorized to keep all assets and securities purchased or sold for the Client in nominee accounts maintained for the Trader by a third entity. The main reason for this is cost savings enabling the Trader to provide the stated services at specified prices or the creation of opportunities for investors (Clients) to trade in markets associated with high administrative burden as to the opening of an individual account or in markets where it is forbidden to open an individual account. The Client is entitled to expressly and in writing exclude the management of their assets in nominee accounts; some services shall, however, not be provided as a consequence. If the client does not negate or exclude the management of their assets in nominee accounts in writing, it is deemed that signature of the Contract gives the Trader Client's authorization to manage securities in such a manner.

The Trader warns the Client of the following risks arising from keeping assets of multiple clients in a nominee account:

- Clients' assets are kept by a third party collectively in an "account of clients" opened in the name of the Trader; this increases risks in case of bankruptcy or insolvency of the Trader. These assets may be indistinguishable from the assets of the third party,
- it is impossible to exclude totally the possibility of the Client's bearing the consequences of Trader's breaching their duty to act with due diligence in relation to another Client,
- decreased or totally excluded conditions of the individualization of Client's demands concerning their assets which are kept in an account opened in the name of the Trader,
- in case of unsettled deficit (loss) after a prospective failure of a third party, the Clients might collectively and proportionally share the loss;

If the Trader keeps the Clients assets in an account of a third party, the Trader is responsible for the acts of such party and for the prospective consequences the third party's insolvency could have on the assets kept in such account.

1.4. Categories of Customers – Classification of Customers

The Trader is under obligation to act in compliance with respective provisions of the ABCM and classify customers and potential customers into given categories; each category stipulates a different level of customer protection, particularly focusing on the scope of information provided and collected by the Trader.

The above legislation requires security traders to classify their customers into three defined categories: "Non-professional Customer", "Professional Customer" and "Eligible Counterparty".

These three categories are further defined in these GTC.

The ST shall notify the Customer about their classification into the appropriate category based on the assessment of information provided by the Client to the Trader in the Investment Questionnaire.

Professional clients are under obligation to notify the ST of any changes that could affect their categorization as described below: In case the ST does not obtain such information from the Customer, it is deemed that the Customer is eligible to be classified into the category of Professional Client. In case the ST learns the Client no longer meets the conditions entitling them to be classified into the category of Professional Client, the Client is reclassified into a different category.

Client's classification into any of the categories below does not affect the scope or content of the investment services provided.

1. Non-professional Client

A Non-professional Client is a ST's Client who has not been classified as a Professional Client nor as an Eligible Counterparty, i.e. all entities (potential customer, or ST's customer) who does not meet the conditions for inclusion among Professional Clients and is not an Eligible Counterparty as specified below, or the ST does not grant such entity's request to be included among Professional Clients or Eligible Counterparties.

ST's Non-professional Clients are provided with the highest level of protection, as mentioned above, when meeting the basic conditions for the classification into any category of the ST and when using investment services.

2. Professional Client

A Professional Client is a Client with experience, knowledge and expertise to make their own investment decisions and to duly assess the risks involved.

Clients classified as ST's Professional Clients are provided with a lower level of protection than clients classified as Non-professional Clients, particularly concerning the scope of ST's obligations in terms providing information about the execution of trades. Professional Clients may not be entitled to compensation from foreign compensation schemes for investors similar to the Securities Traders Guarantee Fund.

The ST distinguishes between two types of Professional Clients: Professional Clients by law and Professional Clients by request.

A Professional Client by law is an entity meeting the conditions stipulated in Section 2a et seq of the ABCM.

A Professional Client by request means:

A Trader's Professional Client may also be a client that does not meet the above conditions, a client that requests the Trader to treat them as a professional client and the Trader accepts such request, a Client that meets at least two of the three following criteria:

1. have executed in each of the past four consecutive quarters a significant trade (over 6,000 -- EURO) in a respective market (particularly in a regulated market with registered office in an EU member state or in a respective multilateral trading facility operated by an entity with registered office in an EU member state) with an investment instrument to which the request relates and such trade has been executed at least 10 times on average in a quarter (significant trade),
2. the total amount of assets consisting of financial instruments and monetary deposits surmounts 500,000 EURO, or
3. the Client was or has been for a minimum period of one year in a position or had a job in the area of financial market which requires expertise in trading or investment services with which the request is concerned.

The Client's request to be classified as a Professional Client shall be written and it shall be annexed with Client's statement specifying that the Client:

- requests to be treated as a Professional Client in the scope of specifically specified services and investment instruments,
- is aware that such change may result in losing the right for compensation from foreign schemes similar to the Securities Traders Guarantee Fund and
- reporting duties of the Trader towards a Professional Client may be limited when compared to those towards a Non-professional Client.

The Trader gives their consent for classification into the Professional Client category only after having assured that the Client meets the given criteria and has the necessary experience and expertise in trading or trading with investment instruments or in investment services to which the request is related and that the Client is able to make their own investment decisions and understands the risks involved.

The Trader is under obligation to continuously verify and regularly assess whether the Client has not ceased to meet the above conditions.

A Professional Client by request can become a Non-professional Client at any time by request; the Trader shall always grant such request.

3. Eligible Counterparty

The Trader can regard a Professional Client as an Eligible Counterparty. When dealing with such entity the Traders acts in compliance with the rules for dealing with customers having the status of an Eligible Counterparty pursuant to the ABCM.

A Professional Client (except a Professional Client by request) may request the Trader in writing to be treated as an Eligible Counterparty.

An Eligible Counterparty may become a Professional Client again upon written request with the Trader. The Trader shall always grant such request. An Eligible Counterparty by request may require to be treated as a Non-professional Client, in this process of transition rules apply as in the case of a Professional Client becoming a Non-professional Client pursuant to above provisions.

1.5. Liability, Privacy

The Client is liable for meeting their obligations under the Contract, i.e. obligations arisen by the Trader's acting on the Client's account.

The Trader is not liable for any damages caused to the Client or a third party arising from not executing an order for its shortcomings, incapability to execute the Client's order, actions or default of the Client or the party whom the Trader has contracted upon the Client's instructions, or arising from the efforts to prevent damage.

The Client acknowledges that in connection to provision of services under the Contract, the Trader collects, processes and stores personal information to the extent necessary for exercising the rights and meeting the obligations under the Contract and that they do so throughout the duration of the Contract, or, in other words, throughout the duration of legal relations under the Contract or related to it and further throughout out the period of the filing duty stipulated by law.

The Trader is authorized to insert Client's address and email address into the Client database and send to these addresses information on trading activities of the Trader.

The Client is under obligation to provide the Trader with true personal data. The Client is under obligation to promptly notify the Trader of changes in any personal data they have ever provided. The Trader is authorized to verify the truthfulness and accuracy of the personal data provided by the Client to the Trader and the Client shall provide all necessary assistance in that process.

1.6. Measures against Money Laundering

The client represents and warrants that during the course of implementation of the Contract, they proceed in compliance with applicable legislation governing anti-money laundering (AML). The Trader is under obligation to comply with applicable AML legislation, particularly the identification of the Client. The Trader reserves the right (it is therefore their right) to terminate the contractual relation with the Client, eventually not to perform acts are under this Contract, unless the Client has been sufficiently identified.

1.7. Rules for Best Execution of Orders

The Trader shall diligently pursue the execution of Client orders on the most advantageous execution terms.

The rules of executing orders include a general overview of Trader's practices in pursuing the execution of Client orders and a description of the execution venues in which the Client orders are executed including all facts that affected or could have affected the Trader's selection of these transfer locations.

The trader may depart from the rules for execution of orders only within the limits given expressly by the Client. In this respect, the client acknowledges and agrees that in that case they lose the protection associated with the application of rules for execution of orders.

In pursuing the execution of orders, the Trader accounts for various factors influencing the execution of Client orders, in particular the price, cost, speed, probability of execution, terms of settlement and size.

In considering the above factors, the Trader always takes into account the particular capabilities of the Client, in particular their classification into the respective category, their investment strategy, the nature of the Client order, the characteristics of the investment instruments the order concerns and last but not least the nature of the transfer location in which the order may be executed.

With Professional and Non-professional Clients, the Trader always assesses best execution with respect to the costs of the whole transaction for the Client (other than remuneration of the Trader). With Professional and Non-professional Clients (investors), other factors apart from price and costs may play an important role. In determining the most significant used execution venues, the Trader takes into account the following factors:

- market liquidity and the probability of order execution,
- the speed of order execution,
- the terms of settlement,
- the regulatory environment in the state where the execution venue, the securities trader and the respective settlement scheme have their registered office, and their rating and longstanding experience of the Trader with these entities,
- the Traders capability to secure a loan for the Client so they may finance their trading.

With regard to the traded securities, the Trader determines the execution venues in which they allow the execution of their Clients orders with the best possible result with regard to the combination of the above factors.

The Trader mainly uses the following execution venues:

- regulated markets,
- multilateral trading facilities,
- systematic internalisers,
- market creators.

The Trader provides access to the individual execution venues typically through other securities traders which are their members or are in similar relation to them. Further information on execution venues is stipulated in Article 2.6. of these GTC.

Unless agreed otherwise, the Trader is authorized to execute the Client order only partially which the Client acknowledges and agrees with.

The Trader shall continuously monitor the effectiveness of their rules for the implementation of best execution policy, including the functionality of the execution venues. In case the Trader changes the above rules significantly, he shall notify their Clients about such change through changes in the General Terms and Conditions.

The Client is entitled to require the Trader to provide them with evidence that they were or have been executing orders in compliance with rules for execution of orders.

1.8. Conflict of Interest

When providing investment services, the Trader identifies and manages conflicts of interest between themselves and their Clients or between the individual Clients in compliance with the principles laid down by legal regulations.

The Trader has introduced necessary measures to ensure that eventual conflicts of interest between the Trader and their Clients and between the individual Clients shall not affect negatively the interests of Clients, namely, the Trader shall implement the "Chinese wall" (i.e. physical and electronic barrier) to separate and isolate their employees and cooperating entities to prevent the exchange of information between relevant parties which are engaged in activities potentially leading to a conflict of interest; the Trader has introduced independent audits and reporting lines for relevant parties which are engaged in activities containing potential risks of conflict of interest, etc.

The trader agrees to act under conditions set by applicable legal regulations and to notify the Client before the activation of their account about the system of applicable incentives and about the Client's right to more information.

1.9. Representatives

The Trader informs the Client that the promotion of investment services provided by the Trader, the provision of investment service of accepting and submitting orders concerning investment instruments, the provision of the investment service of investment consultation concerning investment instrument may be entirely or individually provided to the Trader by a contracted third party, such contract is concluded either in their name and on their responsibility (other securities traders, investment brokers) or in the name of the Trader and on their responsibility (tied agents) (hereinafter collectively referred to only as "Trader's representatives"). Trader's representatives do not accept monetary means and/or investment instruments of Clients.

Trader's representatives provide Trader's Clients with above investment services and promote Trader's services in the Czech Republic, in the member countries of the EU or in other countries.

Trader's representatives perform activities described in Paragraph 1 of these GTC regulations entirely or individually based on the registration with a respective state supervisory authority of the state in which they operate (investment broker), based on entry in the list of authorized entities, registered with a respective state supervisory authority of the state in which they operate (tied agent) or based on the license to provide investment services issued by a respective state supervisory authority of the state in which they operate (other securities trader).

Trader's representatives provide, in relation to the provision of investment services of accepting and submitting orders concerning investment instruments, the Client with all information, activities and services which would be otherwise provided by the Trader; in this respect, the Trader is not under obligation to provide the Client with the above information, activities and services. The provisions of this paragraph shall also apply inversely to the information, activities and services provided to the Client by the Trader instead of the Trader's representative to the extent of their legal reporting duties to the Client.

Representatives are in a contractual relation with the Trader (or with the investment broker who is in a contractual relation with the Trader) and they are remunerated for the activities of accepting orders from the Clients and the submission of the orders to the Trader or the investment broker by way of commission from the Trader's fees depending on the size of the trade the orders are related to, to the extent of 100 % of the fees collected by the Trader from the trade. The trader agrees to act under conditions set by applicable legal regulations and to notify the Client before the activation of their account about the system of applicable incentives and about the Client's right to more information.

1.10. Securities Traders Guarantee Fund

The Securities Traders Guarantee Fund, registered in the Commercial Register, is a legal entity securing a guarantee system used to reimburse clients whose securities trader is not capable to fulfill their commitments to their clients. The Guarantee Fund secures verification of compensation claims from the Guarantee Fund and the payments of compensation from the Guarantee Fund.

Every securities trader is under obligation to pay a contribution into the Guarantee Fund.

CNB will notify the Guarantee Fund without delay that:

- a) the trader is due to his financial situation not capable of fulfilling his obligations in terms of delivering assets to his customers and it is not likely that he will do so within 1 year, or
- b) the court has declared the trader bankrupt or has issued some other decision which would result in customer's incapability to claim the delivery of his assets from the trader.

The Guarantee Fund shall, in agreement with the CNB, immediately and appropriately publish a notification containing:

- a) the fact that the securities trader is not capable of fulfilling their obligations,
- b) the place, means and time frame for registering compensation claims and the commencement of compensation payments from the Guarantee Fund, and
- c) if applicable, other facts related to the claim registration.

The time period for registration shall not be less than 5 months from the date of publication of the notification under the above provisions. The fact that this period has expired is not a ground for claiming a denial of compensation payment from the Guarantee Fund.

To calculate the compensation from the Guarantee Fund as of the date of the Fund's receiving notification from the CNB, the value of all asset components of the customer including his ownership share of the assets jointly owned with other customers, excluding the value of finance entrusted to the trader who is a bank or a foreign bank subsidiary and maintained in accounts insured pursuant to a special act on regulating activities of banks, to the delivery of which the Customer is entitled and which could not be delivered due to reasons directly related to the financial situation of the Trader shall be summed. The value of Customer's obligations to the Trader due to the date on which the Fund received notification from the CNB shall be deducted from the final amount.

For these purposes, the customer assets are monetary means and investment instruments of the Client which the Trader has collected to provide investment services and monetary means and investment instruments acquired for these values with which the securities trader may operate.

The fair value of investment instruments valid as of the date on which the Guarantee Fund received notification from the CNB is the determining factor for the calculation of compensation. To calculate the compensation, the Fund may consider the contractual arrangements between the trader and the customer, if these are customary, particularly to the interests and other yield which can be claimed as of the date the Guarantee Fund received notification from CNB.

The compensation provided to the customer shall be equal to 90% of the sum calculated pursuant to Article 14 and 15; however, the maximum sum to be paid shall not exceed the amount in CZK equivalent to 20,000 EURO per customer of one trader .

The compensation from the Guarantee Fund must be paid within 3 months as of the date the registered claim was verified and the amount of compensation was calculated. Upon the Fund's request, the CNB may in exceptional cases extend the time limit under the first sentence by the maximum of 3 months.

The following are not entitled to compensation from the Guarantee Fund:

- a) Czech Consolidation Agency
- b) a territorial self-governing unit
- c) an individual who in the course of 3 years prior to the notification to the CNB:
 - i. conducted an audit or participated in the conduction of an audit of a securities trader whose customers are paid compensation from the Guarantee Fund, ii. was a leading securities trader whose customers are paid compensation from the Guarantee Fund, iii. was an individual with qualified participation in a securities trader whose customers are paid compensation from the Guarantee Fund, iv. was, pursuant to Commercial Code, a next-of-kin of an individual defined in clauses i. to iii., v. was an individual belonging to the same business group as a securities trader whose customers are paid compensation from the Guarantee Fund, vi. conducted an audit or participated in the conduction of an audit of a person belonging to the same business group as a securities trader whose customers are paid compensation from the Guarantee Fund, vii. was a superior of an individual belonging to the same business group as a securities trader whose customers are paid compensation from the Guarantee Fund,
- d) a person in which were or have been in the period of last 12 months immediately prior to the date of issuance of the CNB notification more than 50% of shares of registered capital or rights to vote of a trader whose customers are paid compensation from the Guarantee Fund or of a person with qualified participation in this trader,
- e) an individual who, in connection with the legalization of proceeds from criminal activities, entrusted funds gained from criminal activity to a securities trader whose customers are paid compensation from the Guarantee Fund,
- f) a person who have committed a criminal act resulting in incapability of a trader whose customers are paid compensation from the Guarantee Fund to fulfill his obligations to customers.

The customer's right to be paid compensation from the Guarantee Fund becomes expired 5 years after the due date for compensation payment from the Guarantee Fund to the customer.

Further information about the Securities Traders Guarantee Fund is to be found in the ABCM.

2. ACCEPTING AND SUBMITTING ORDERS, PAYMENTS, SETTLEMENT

2.1. Order

The Trader procures the purchase or sale of securities and related investment services based on Client's orders.

By placing an order, the Client confirms that all conditions are met, i.e. that such order is in the range of and corresponds to the authorization of the Client to dispose of securities affected by his order.

The Client's order under this article of the GTC shall be absolutely clear and unmistakable.

A trading order (order to purchase/sell securities) shall contain at least the following:

- a) identification of the Client (and if applicable their agent), (full name/ company name);
- b) the name of the security to be purchased or sold and if applicable the ISIN or BIC or other identification number/designation of the security;
- c) the direction of trade (whether the security shall be purchased or sold);
- d) number of units of securities to be purchased or sold;
- e) the price limit above which no securities may be purchased or the price limit under which the securities may no longer be sold; if such limit is not established or it is established as "**best**" it is deemed that the Trader places this order in the public market without giving the limit price;
- f) determination of the market in which the order should be executed, if not given, it is deemed that the market is Burza cenných papírů Praha, a.s. (Prague Stock Exchange), in case of foreign securities it is the corresponding market of the country where the security was accepted for trading;
- g) expiration of the order; if such expiration is not given, the order is valid only on the business day it was accepted by the Trader; business day is a workday on which the supply and demand of securities in a market specified in letter f) of this article takes place;
- h) specification whether the order may be executed also only partially; if the order does not contain such specification, it is deemed that the Client agrees with partial execution of the order;
- i) the maximum amount to be used for the purchase of securities or the minimum amount to be gained through the sale of securities; if this amount is not specified, it is deemed that the amount equals to the product of number of units of securities pursuant to letter d) of this article and the price limit pursuant to letter e) of this article;
- j) the password set by the Client in the Contract in case of telephonic communication and upon Trader's request;
- k) specification of a financial account and securities account maintained by the Trader where the settlement of a trade should take place in case the Trader maintains more than one account of similar nature for the Client or if clear specification of

- the settlement account is not apparent from the specification of the market in which the trade takes place (account in the same currency as the currency that used for trading in the market pursuant to letter f) of this clause);
- l) other conditions under which the order shall be executed.

The Trader may refuse to accept the order if it contains conditions that make the order unexecutable or meeting them would result in excessive difficulties or costs; it is the Trader who shall assess the excessiveness and notify the Client about the refusal of the order.

The Trader is not under obligation to accept, execute and be bound by the order, if its contents are in contradiction with or circumvent applicable legal norms or Contract provisions, if the order is unclear, incomplete, incomprehensible, if it is not signed by an authorized person in case of written placement, if its execution could be even only potentially in contradiction with the Trader's due diligence, or if there is a reason to believe that it is connected to a criminal act or if its acceptance could result in a conflict of interest between the Trader and the Client and between the individual Trader's Clients or its execution could lead to a violation of financial market transparency; in such cases, the Trader is not liable for damages resulting from the failure to execute such order.

2.2. Order Placement

A Client who is a natural person is entitled to give orders to the Trader in person or through their agent - a third person whose authorization is proven to the Trader by a valid power of attorney issued by the Client for this purpose.

A Client who is a legal entity places their orders through their statutory representatives to the extent of their authorization or through entities authorized to do so. The authorization /power of attorney/ of entities different from a statutory representative of the Client shall also contain the signature of the agent which is deemed to be the specimen signature of the agent. In case the agent's signature on the order that was placed in writing (if the possibility of placement in writing has been agreed upon) does not correspond (when studied by an ordinary citizen) to the specimen signature on the authorization, the Trader may ask the Client's agent who places the order to provide further information sufficient for the identification and/or to submit a certified signature of the Client. The Trader is not under obligation to execute an order if they do not find the information for identification of the entity placing the order and their authorization to place such and order satisfactory.

The Client - a legal entity - is under obligation to provide the Trader with an original or a certified copy of the extract of the Commercial Register of the Client at least every six months and always when a change in the inscription in the Commercial Register takes place. In case the Client fails to meet this obligation even upon Trader's request, the Trader is authorized to refuse the acceptance of Client's orders until the Client submits the current extract of the Commercial Register.

The Client places orders with the Trader in a way stipulated in the Contract or in a way the Trader selects from the following options:

- written orders placed in person to entities authorized to accept the orders on behalf of the Trader, via post offices on addresses explicitly and specifically specified by the Trader for the acceptance of orders,
- oral orders placed by the Client with the Trader on designated telephone lines,
- other way agreed upon between the Trader and the Client.

Unless the Contract or other agreements specify otherwise, the Client places orders with the Trader by phone on telephone lines expressly designated for that purpose by the Trader. When placing orders by phone, the Trader is authorized to require the Client to provide personal data under the Contract to identify the Client and to provide password if it is was set in the Contract with the Client. The Trader is authorized to refuse the acceptance of an order if this information is not provided . If somebody places a trading order from a telephone number specified upon the conclusion of the Contract and uses the password set by the Client under the Contract, this order is always placed on behalf and on the account of the Client and the person placing such account is authorized to do so by the Client.

The Client agrees to the recording of all telephone lines by the Trader. In case of a dispute between the Trader and the Client these recordings may be used as evidence of existence or non-existence and contents of the contested obligation, event or fact. The Contracting Parties agree that these recordings may be used at any time as evidence during any administrative, judicial or other proceedings.

The Trader inserts, executes or submits the Client's order to purchase securities in the relevant market if there are sufficient funds based on the limit price in Client's relevant account maintained by the Trader and in relevant currency - with orders with unspecified limit price - based on the last publicly known price of the security on the market, plus the traders remuneration and fees and expenses for the execution of the trade with securities, plus loans and credit interests, + the accrued interest of the securities as to the expiration of the order in case the securities bear interest. In case the Client disposes of insufficient funds, the Trader may execute such and order but they are not under obligation to do so.

The Trader inserts, executes or submits the Client's order to sell securities in the relevant market if there is at least an equal number of securities in the relevant Client's account maintained by the Trader for the relevant capital market to the number of securities specified in the order. In case the number of securities managed in the securities account of the Client is insufficient, the Trader is not under obligation to execute such order.

2.3. Aggregation of Orders

The Trader is authorized to aggregate their Clients' orders, i.e. to execute Client's orders together with orders of other clients, always in a way that it is not disadvantageous for Clients whose orders are to be aggregated, or the Client whose order is to be aggregated shall be notified that the aggregation of such order might be to their detriment should such disadvantage occur. Possible aggregation of orders does not effect the fees the Client is charged in relation to the provision of services by the Trader.

In case the orders are aggregated, the Trader hereby informs the Client that the aggregation of their order might be under certain circumstances less advantageous than if executed separately. The Trader has set the rules of distribution of executions and obligations so that they are fair, sufficiently accurate and preferring the interests of the Client.

2.4. Execution of Orders

The Trader is under obligation to execute Client's orders if the conditions set forth in the GTC and the Contract are met, unless a significant technical, organizational, legislative or personal impediment occurs that prevents the Trader from executing the order despite all their efforts and that they could not have foreseen when accepting the order. The Trader is under obligation to notify the Client about such fact immediately. The Trader is not liable for any damages resulting from the failure to execute Client's order due to legislative and governmental restrictions, changes in the market or legislative rules, war, terrorist attack, strike, Contract provisions or technical impediment.

The Client is authorized to change or cancel their order under specified conditions. Only an order which has not been yet fully executed or is not being executed at the moment can be changed or canceled if it is not in conflict with legal regulations, practices on the relevant market and if it is technically, contractually and legally feasible. If the order has been already partially executed, only its executed part can be canceled.

2.5. Payments

The Client sends a deposit for the purchase of securities of the full amount of the price for which the securities are to be purchased according to their order, plus remuneration, costs and fees related to the purchase of securities pursuant to the Trader's Price list, plus applicable interests to the account assigned by the Trader for Client monetary funds (hereinafter also referred to as "Client money account" sufficiently in advance of the date of trade.

The Client acknowledges that the account used for the management of financial means is, pursuant to the Banking Act, a special-regime account. The Client receives interest from their idle funds based on the interest rate provided by the respective bank but may be also exposed to the credit risk of this institution. Pursuant to the Banking Act, the deposits in this account are insured by the Deposit Insurance Fund.

The trader is not liable for any delays in foreign or national bank transfers caused by the participating banks.

When transferring monetary means and lodging the deposit for the purchase of securities, the Client shall always put as the variable symbol of the transaction their birth number if they are a natural person, or their Company ID Number if they are a legal entity. Otherwise, the Trader is not liable for the identification of payments and for the settling of Client's matters on time.

If the Client does not lodge the deposit for the purchase of securities, or they lodge only a part of it or the supposed price of securities does not correspond to the amount of the deposit lodged by the Client or the Trader is not given the confirmation of the blockage of securities or the Trader is not given physical securities, the Trader is authorized at their discretion:

- a) to execute the Client's order so that if the Trader does not procure the financial means for its execution otherwise, such order becomes automatically an order of the Client for obtaining a loan or credit pursuant to respective provision of these GTC or for securities borrowing and the specifications of such order then correspond to the missing amount of financial means or securities and to the conditions stipulated in these GTC; or
- b) to execute the order partially, or
- c) to execute only some of the Clients orders if more are placed, or
- d) not to execute the order at all.

The financial means from the Client Money Account that is managed for them by the Trader shall be paid to the Client based on their orders by being sent to the personal bank account of the Client given in the Contract or otherwise if specified in the Client's order.

The Trader is authorized to use financial means from the Client's account to carry out payment (encashments) of Trader's claims with the Client, especially remuneration, interests, fees and expenses, or other monetary claims the Trader is entitled to in relation with activities for the Client under the Contract.

Transfers between two Client accounts in different currencies made by Client's choice can be only executed by withdrawing money from one bank account and then depositing them to the other bank account in the desirable currency. For any monetary transfers from other reasons, the Trader shall use the exchange rate announced for that day by the bank that manages the Trader's accounts for individual Client accounts pursuant to Article 2.6 of these GTC.

2.6. Client Assets Management (Account Numbers)

The Trader manages Client's accounts according to the currency in which the security is traded in the capital market where the Client seeks to purchase or sell.

The Trader shall without any delay activate the account/accounts the Client has selected based on their investment plan after the Client's first login to iBOX. The Trader may during the contractual relation cancel the respective account at any time upon Client's request, or they may open one of the following accounts the Client does not have yet.

Securities Trader's bank details for individual Client accounts: Ceskoslovenska obchodni banka, a.s., Praha 5, Radlicka 333/150, 150 57, Company ID Number: 000 01 350, BIC (SWIFT): CEKOCZPP

Types of accounts the Trader opens and manages for their Clients:

Account in USD (hereinafter referred to only as "dollar account") having always the nature of a nominee account which serves for the settlement and the asset management related to the execution of Client traders without using loans and credit for the purchase or sales of securities. Traders in these accounts are executed via other securities traders with registered office in the USA. The execution venues for these accounts are usually The New York Stock Exchange, USA; The NASDAQ Stock Market, USA; The American Exchange, USA; The Pink Sheets, USA; The OTC Bulletin Board, USA; resp. ECN (Electronic Connections Networks). Trader's bank account for Client deposits on a dollar account is: 239 348 535 / 0300, IBAN: CZ39 0300 0000 0002 3934 8535.

Account in CZK for trading with investment instruments traded in markets in the Czech Republic with the possibility of using a loan. Trades in this account are executed via other securities traders which participate in the Czech markets (usually The Prague Stock Exchange, The Czech Stock Exchange). Investment instruments traded in these markets are managed for the Client in the central register for keeping records of the Centrální depozitář cenných papírů, a.s (Central Securities Depository Prague), Rybna 22, Praha 1. Trader's bank account for Client deposits on a CZK account is : 129 965 970 / 0300, IBAN: CZ73 0300 0000 0001 2996 5970.

Each account based on the currency it is in covers two types of memorandum sub-accounts (referred to as "accounts" and collectively as the "Client account"). The first sub-account is a securities and investment instruments account (referred to also as the "securities account") and the second sub-account is a financial account (referred to also as the "financial account"). The securities account serves for keeping records of listed and physical securities of the Client, transferred to a respective depository. The financial account serves for keeping records of the Client's monetary means and their motion entrusted to the Trader for the purpose of purchase and sale of securities via the Trader, or, where applicable, for the purpose of use of other services offered by the Trader. The financial account also serves for keeping records of fees to the market and other compulsory payments related to the Trader's activities for the Client, remuneration of the Trader pursuant to the Price list and payments to the Trader and costs, or, where applicable also asset claims of the Client.

The Trader credits all yields and dividends from Client's securities to the Client account. If these yields and dividends are smaller than the fees charged by the Trader for their crediting to the Client' account pursuant to the current Price list, the Client is informed that such yields and dividends shall not be credited and that they represent in the total amount of such yield or dividend the fee of the Trader.

The assets of the Client are managed separately from the assets of the Trader, unless relations third entities imply otherwise. The Trader is authorized to manage all securities purchased or sold for the Client in nominee accounts maintained for the Trader or for third parties the Trader has contracted upon request of the Client. The Client is authorized to expressly in writing exclude this fact, however, as a result, they might not be provided with some services or the provision of such services will be more expensive or more time consuming.

The Trader informs the Client that there are further risks associated with the aggregation of securities of more Clients in a nominee account, these are described in detail in part 1.3 of these GTC.

3. LOAN FOR THE PURCHASE OF SECURITIES (MARGIN)

The Trader is authorized but not obliged to provide the Client a loan to enable a trade with investment instruments when the conditions below are met. The provided loan enables the Client to trade with securities in cases where there are insufficient monetary means in their financial account to execute orders. The Client agrees with the fact that the Trader may grant the Client credit in such cases and in cases envisaged by the Contract or these GTC. The maximum loan duration is 30 days.

The general prerequisite for providing a loan or credit is sufficient financial means and investment tools managed in the assets account of the Client managed by the Trader so that the market value of securities purchased by them and consequently serving to secure the loan or credit is at a certain percentage rate in proportion to the financial means of the Client managed by the Trader in the financial account of the Client and in proportion to the value of the securities in the securities account of the Client. Financial means in the financial account of the Client with the current market value of the securities in the securities account (i.e. the net asset value of the Client's assets) should account for at least 30% for the market values of securities (at the moment of purchase) which are used to secure the loan or credit (hereinafter referred to only as "collateral"), the Trader may change (determine) the value of the collateral prior to the provision of the credit (loan) at their own discretion and/or under conditions given by the Client and/or according to situation in capital market and/or according to the individual securities.

The loan for the purchase of securities is, unless otherwise agreed, granted primarily by the registration of suspension of rights to dispose of securities purchased on credit with the respective central depository or other equivalent entity (SC). Client's securities may be used as a collateral for a different loan or credit for the purchase of such provided or secured securities. In relation to securities securing a loan or credit and in relation to financial means of the Client managed in the securities account of the Client and in the financial account of the Client, the Trader is entitled to the set-off of the due claims arisen from the provision of a loan or credit (including securities borrowing) in a form of direct withdrawal from such Client's financial account or Client's securities account.

The Client is under obligation to monitor and secure that the current value of assets in their financial accounts and securities accounts with the Trader when summed up, this applies to each account separately (collectively then according to currencies of the financial means and corresponding traded securities), never decreases during the loan or credit in such a way so that the amount representing the difference of the amount of the current market value of the registered securities (positive value) on the one hand and the amount of registered debts (negative balance in the financial account) of the Client on the other hand equals to less than 20% of such current market value of the Client's securities currently managed in each of the individual Client's securities accounts (this difference hereinafter also referred to only as "Value of Security").

In case that despite the provision of the preceding sentence the Value of Security should decrease any time during the loan or credit period under such 20%, the Client shall on their own initiative but always upon Trader's request should they make such request in which case no later than by the due time specified by the Trader, promptly supply substitutable securities traded in a regulated market (unless agreed with the Trader otherwise) or a corresponding amount in cash (to a financial account) so that the Value of Security reaches at least 25% of the current market value of all securities managed on each particular Client's securities accounts at that time. Unless the due time is specified otherwise, it is deemed to be one day.

If the Client fails to obey Trader's request under the previous paragraph (if such request has been made) or if they could not be reached by the Trader for any reasons, or if the decrease in the market value of Client's securities continues and the securities in question continue to lose their value after the Value of Security has reached 20%, the Trader is at their discretion authorized to promptly and unilaterally terminate the loan contract with the Client, immediately sell Client's securities, use the sale proceeds to satisfy the Trader's claims and require the Client to pay for any loss or damages caused or, if applicable, to balance the loan or credit account. The Client is under obligation to pay or, in other words, to satisfy the loss and damage caused or, in other words, to balance the loan or credit. The Trader has the same similar right to sell Client's securities and use the sale proceeds to satisfy their claims and they are authorized to do so by the Client in case the Client terminates the contractual relation between the Trader and the Client or in case the entity primarily providing financial means for the sale of securities under Client's orders to purchase securities terminates legally the loan contract secured by the Client's securities purchased by using financial means gained from such a loan. To terminate a loan contract means to close open positions of stocks purchased on credit, the validity of the Contract is not affected.

In case the Value of Security for any reasons decreases during the loan or credit below 10% of the current market value of all securities managed in each individual Client's securities account, the Trader is authorized to act without prior notice and sell Client's securities, prematurely terminate the loan contract, use the proceeds from the sale of Client's securities to satisfy their claims and require the Client to pay for any loss or damages caused or, if applicable, to balance the loan or credit account. The Client is under obligation to pay for the loss and damage caused or, in other words, to balance the loan or credit.

The Client is authorized to repay the loan provided by the Trader to trade with investment instruments fully or partially any time. The Trader is authorized, without giving a reason, to demand a full repayment of the loan, repayment within 10 workdays as of the dispatch of the request.

The Trader informs the Client that apart from the general risks associated with the trading in securities, there is also a range of other specific risks resulting from trading in securities on credit and the clients need to considerer upon their decision whether to margin trade:

- the risk of leverage effect. We speak of leverage effect when the change in the exchange rate of the investment instrument by 1% may result in a radical change of the net value of the Client's assets, i.e. radical gain or loss including the loss of the whole amount invested or a loss higher than the original amount invested,
- **the Client may lose more money than they deposited in their margin account (Client's financial account) at the very beginning.** Decrease of exchange rate for securities purchased on credit may result in the necessity to give the Trader more

financial means in case the Client wants to keep the option of not having to witness forced sale of their securities from their securities account.

- the risks of failure of the Trader or a third party which affect the availability of the Client's securities used to secure a loan where these securities may be included in an eventual bankruptcy,
- the risks of failure of the Client, Trader, or a third party under which Client's securities used to secure the loan will not be sold in case of a radical decrease of their market value which would result in a further claim towards the Client due to insufficient market value of Client's securities used to secure the loan, where their value would not be sufficient to cover the loan, nor the fees and costs associated with these trades which could radically affect the result of these trades and shall be charged upon every trade.

4. CONSULTANCY SERVICES

The Trader provides the investment service if investment consultancy pursuant to the Investment Consultancy Agreement concluded with the Client. In case the Investment Consultancy Agreement is not concluded, this article 4. does not apply.

The Client acknowledges that if they decide to use the investment consultancy provided by the Trader or their tied agents, this decision is based solely on their own discretion bearing in mind that the advice provided by the Trader may prove to be erroneous, that investments made on its basis may be loss-making, and that the Trader is authorized to change or revoke their advice any time following further development. The Trader provides only advice, the investment decisions themselves lies with the Client who is fully reliable for them.

4.1. Remuneration for Consultancy Services

The Trader's remuneration for providing consultancy services is to be determined in an agreement of participants to 20% of net profits realized by the Client in accounts managed by the Trader for every completed calendar quarter (to the last day of a calendar quarter). The remuneration is determined separately for each of the Client accounts.

The Trader determines the level of their remuneration under this article before the 20th day and always after the last day of a calendar quarter or after the date of termination of the Agreement or after the date of withdrawal of more than 80% of Customer's assets from one of their accounts. The Customer is notified of the level of remuneration electronically in compliance with Article 5.3 of these GTC. If the client does not submit a written objection within 10 days after the receipt of the information about the level of remuneration, the Trader deems that the Client agrees with such level of remuneration. The remuneration is payable on the 30th day after the termination of the calendar period for which it is charged.

Net profit or loss from trading with investment tools realized by the Client is determined and calculated on each Client account separately as a sum of net financial revenues acquired from the purchase and subsequent sale of an investment tool in a given calendar quarter to the last days of calendar quarters or to the date of termination of the Agreement or to the date of withdrawal of more than 80% of Client's assets. In case remuneration is calculated at the termination of the Consultancy Agreement, financial revenues acquired from subsequent sale of investment tools purchased under a valid Consultancy Agreement shall be credited to such remuneration.

Net profit is expressed by the following formula: **Net profit/loss** = $\sum(\text{NSp} - \text{NPp})$, where

NSp ... net sale price of an investment tool

NPp ... net purchase price of an investment tool

If the value under the preceding paragraph is positive than it represents net profit, if negative, it represents net loss.

If net loss is realized in the last calendar quarter, the remuneration is not determined.

The remuneration for a calendar quarter is determined as 20% of positive difference of net profit realized in the last calendar quarter and net loss realized in all preceding calendar quarters since the calendar quarter when last net profit was realized. The remuneration is then expressed by the following formula: **Remuneration** = 20% $(\text{NP}_1 - \sum \text{NL}_{-n+1})$, where

NP_1 ...net profit realized in the last calendar quarter

$\sum \text{NL}_{-n+1}$...the sum of all net losses realized in preceding $-n+1$ calendar quarters since the calendar quarter when last net profit was realized.

It is Client's responsibility to ensure that there are available financial means in the respective account on the due date to pay such remuneration. Should there not be sufficient financial means for the payment of remuneration for Consultancy services, the Trader is entitled to sell some of the client's securities to satisfy their compensation claims.

5. JOINT AND FINAL PROVISIONS

5.1. Fees, expenses and taxes

The Client is under the Contract obliged to pay the Trader remuneration and expenses for the provision of investment services according to the current Price list of services. The agreed remuneration does not include VAT or local taxes which shall be, if applicable, added respectively.

Other expenses associated with the provision of investment services or with trading in securities may arise to the Client, including taxes which the Trader does not pay and does not charge them to the Client.

The contractual remuneration of the Trader for the provision of investment services to the Client is determined pursuant to the current Price list for the day of the placement of order or for the day of performance of other activities by the Client resulting in the provision of a service by the Trader. The current Price list for the day of order placement is the Price list the Client signed within the conclusion of contractual documentation and the copy of which was sent to their iBOX by the Trader under Article IV, Paragraph 2 of these GTC, as amended.

The Trader reserves the right to change the Price list unilaterally without Client's consent. The Client acknowledges and by signing the Contract agrees, that the Trader is authorized to change the Price list of the Trader unilaterally without their consent. All changes to the Price list shall be made by the Trader so that the Client is informed about them at least 7 days prior to their effective date via their iBOX established pursuant to Article IV, Paragraph 2 of the Contract and Article 5.3. of these GTC. The period of 7 days under the preceding sentence may not be respected in case changes in the Price list are in favor of the Client. The effective date of the changes is determined by the Trader. In case the Client does not agree with the changes in the Price list of the Trader, they are authorized to terminate the contract in the agreed manner. The change in Price list means also sending its new full wording with a notification that such Price list completely replaces the previous Price list, i.e. the Price list valid before the effective change in the Price list.

5.2. Claims and Complaints

The Client may lodge claims and complaints related to the investment services provided by the Trader or related to any other facts covered by the subject matter of the contractual commitment between the Client and the Trader at any time without a time limit. In the interest of expeditious settlement of each claim or complaint, the Trader recommends that each claim or complaint is lodged within 30 days as of the provision of investment service in question or as of the receipt of information or other notification delivered by the Trader to the Client.

Identically, the Client may lodge a complaint against the procedures of a concrete employee handling their complaint.

Both the claim and the complaint shall be lodged **in writing with the registered office of the Trader, located at Křenová 478/72, Brno**, and delivered either by mail or in person. With oral lodging of a claim or complaint, a front office worker or an employee responsible for Compliance shall make a report of such complaint; the Client receives one copy of the report of lodging a claim/complaint.

All written claims and reports of oral claims are forwarded to an employee responsible for Compliance who keeps records of such complaints and assigns a concrete person to handle the claim based with respect to its contents. In case of complaint against the procedures of handling the complaint by an assigned employee, the complaint shall be handled in person by an employee responsible for Compliance.

The Client is under obligation to cooperate with the Trader and provided them with all information necessary for a proper decision concerning their claim or complaint.

Each claim or complaint shall be usually handled by the Trader within 30 days as of the date of its receipt; this period may be extended in special cases, especially if is necessary for a proper decision about the claim or complaint to be made; the employee responsible for handling the claim/complaint is under obligation to inform the Client about such extended period informing also about the steps taken and the time of final decision.

A client shall be sent a written decision to every written claim or complaint of the Client. The decision of an employee responsible for Compliance is final. This does not affect the complainant's right to address the Czech National Bank or the Prague Stock Exchange.

5.3. Communication and Provision of Information

The Trader and the Client shall under this Contract mutually communicate primarily by phone and the Client is under obligation to use for such communication the telephone number given for this purpose in the heading of the Contract. In exceptionally cases envisaged in the Contract or in the GTC, the Trader and the Client may also communicate personally or via written mail.

Unless agreed otherwise between the Trader and the Client, the Trader shall pursuant to Article IV. of the Contract provide the Client all information, messages and other data via a data carrier enabling remote access (iBOX) established for the Client on the Trader's website <https://mailbox.efekta.cz>.

The Client is under obligation to protect their access rights and passwords to iBOX against misuse. The Client takes into account possible risks associated with remote access to all information the Trader keeps about the Client and agrees to such access.

Upon the establishment of iBOX, the Trader shall give the Client basic information concerning the commencement of Client's trading and provision of investment services under the Contract, current GTC, a copy of Price list signed by the Client, Client's categorization, assessment of their investment profile, contact details of the Trader or other persons, and other information, if applicable.

The Client is under obligation to activate their access to iBOX without delay upon the receipt of access rights and passwords and to read the received messages. The Client is under obligation to change their password upon their first login to iBOX.

iBOX established under the Contract and these GTC shall be used by the Trader for fulfilling all their reporting duties a for other communication with the Client initiated by the Trader.

A notification of all messages sent by Trader into iBOX in form of a short text message is usually sent by the Trader from a SMS center to the Client's telephone number for authorized communication given in the heading of the Contract. The SMS always contains a text string "iBOX ...", the Trader cannot guarantee that the message is sent or delivered.

The Client is under obligation to monitor their iBOX and read the information, messages and other data the Trader sends there. If the Client does not notify the Trader that they did not receive in their iBOX information, a message or other data which they may or may not expect in relation to the Trader's obligations under the Contract or these GTC within one week after the expiration of a period during which the Trader is obliged to send the information under these GTC or the Contract, the Traders considers the information delivered. The Client who notifies the Trader that they did not receive expected information will be sent such information in their iBOX again even after the expiration of this period.

The information standardly sent by the Trader to the Client's iBOX is namely the following:

- information about the execution of an order which shall be sent no later than the next business day after the day of execution of such order, or, if the Traders receives confirmation about the execution of a trading order from a third party, sent no later than on the first business day after the receipt of confirmation from the third party. In case of problems with the processing of a trading order, the Trader informs the Client immediately after learning about the problem; they inform the Client in the manner provided in the preceding paragraph. The Trader shall upon Clients request promptly inform the Client about the status of the unexecuted order.
- quarterly information about the status of Client accounts managed pursuant to Article 2.6 of these GTC provided to the end of the month followint the respective quarter.

When communicating with the Trader, the Client is under obligation to use identification information agreed for a given mean of communication. The Client is under obligation to promptly report to the Trader in writing (or in other expressly agreed manner) all changes in the Client's identification information which they provided in relation to the Contract; this duty also applies to changes in identification information of Client's agents acting on behalf of the Client under the power of attorney. All changes in information about the Client or their agents which serve as the basis for the investment services provided by the Trader become effective the next day after their delivery to the Trader.

The Client acknowledges that in case of mobile communication or electronic communication, data transfered might get lost, get destroyed, be delivered only partially or with delay, or be acquired, used or misused by an unauthorized entity. The Trader and the Client agree to always act in a way so that the risk of such loss of data is minimized to the fullest possible extent.

The Client agrees to promptly inform the Trader about all cases of theft, misuse or loss of their identification data and access rights.

The Trader doest not guarantee non-stop operation of electronic communication media and other information systems and technologies and is entitled to limit or interrupt their operation (including accepting and executing Client orders) due to serious reasons (eg technical problems). In case of failure of telecommunication devices, the Client shall be informed about an alternative method of communication for emergencies (the number of an alternative phone line, but if also not possible, communication asi carried out via delivered mail) and should such situation occur, the Client is still obliged to confirm the orders given by phone in writing/by phone upon Trader's request. In case of failure of the information system used by the Trader and affecting the executability of Client's order, the Trader informs the Client about the situation by phone and suggests further proceeding.

The trader is not liable for any loss, damages or other Client's expenses resulting from the delay in the transfer of orders due to deficiencies of communication devices, software of hardware failures or any other reasons the Trader cannot influence.

In case of failure of Trader's information system, recording device and telecommunication system, the Trader is authorized to refuse to accept the Client's order. If failures of these systems affect the orders placed by the Client, the Trader shall inform the Client via alternative communication device to a communication device the Client has given in the Contract and shall adopt measures to prevent damages.

The address given in the heading of the Contract by each contracting party is the mailing address. The counterparty shall be notified in writing in case of change of mailing address of either contracting party. The current mailing address shall be deemed as the mailing address until provable delivery of notification to the other contracting party. A contracting party is also under obligation to notify the counterparty in case of changes of other information given in the heading of the Contract.

Written communication in cases stipulated in these GTC or the Contract shall take form of registered mail where the filled postal form or the advice of delivery (or other proof of the actual process of delivery) is deemed to be the proof of delivery. In case the Trader receives illegible, partial or incomplete documentation or documentation where the Trader doubts its authenticity or documentation that is not signed by authorized persons, the Trader shall notify the Client promptly. Until the delivery of a response or completion of documentation the Client is under obligation to deliver to the Trader promptly, the Trader shall not execute any orders based on such documentation with the fact that until the delivery of Client's response such documentation is not taken into consideration and the Trader is not liable for any potential loss caused to the Client in this context.

Mail is considered delivered even upon groundless denial of its acceptance that is on the third day as of the first delivery attempt unless the addressee picks it up sooner or as of return of the mail as undeliverable if it were sent to the mailing address.

The Trader hereby informs the Client that all communication between the Trader and the Client concerning the provision of investment services using telecommunication devices is recorded and the Trader archives it in compliance with respective provisions under the ABCM.

The Trader does, at their discretion, grant the Client remote access to certain information about the Client account via @EC application located at <https://account.efekta.cz>. This concerns mainly information about the Client's assets managed in Trader's accounts and information about Client's trading. The first login to the Internet application is enabled after entering the username and password (hereinafter the "access keys") assigned to the Client by the Trader via an SMS sent by the Trader to the Client's phone number given in the heading of the Contract. The Client is under obligation to protect their access rights and passwords to the mentioned Internet application against misuse. The Client takes into account possible risks associated with remote access to all information the Trader keeps about the Client and agrees to such access. The information made available to the Client in this way is of a non-binding and interim nature. Only information sent by the Trader to the Client's iBOX may be regarded as binding.

5.4. Contracts on Financial Services Concluded Remotely

If the Trader and the Client conclude a contract on financial services using remote means of communication which enable the conclusion of a contract without the Trader and the Client being present in the same time, the Trader is under obligation to act pursuant to Sections 54a et seq to 54d et seq of Act No. 40/1964 Coll. of the Civil Code, as amended.

In case the Trader and the Client conclude a contract on financial services remotely, the Trader hereby informs the Client sufficiently in advance of the conclusion of such contract about facts pursuant to Section 54 et seq of the Civil Code in the form of presenting sample contractual documentation including primarily the Contract, these General Terms and Conditions and the Price list of services which include all the information required by the Civil Code.

If the Trader does not provide the Client with information required by the law, the Client is authorized to terminate the contract on financial services concluded remotely within 3 months from the date the Client learns about the Trader's failure to fulfill the stated obligations. The Client also has the right to terminate the contract on financial services concluded remotely without justification and without any penalties within 14 days from the date of contract conclusion or the date they were given the information pursuant to Section 54b et seq, Article 8 or 9 of the Civil Code if this date occurred after the date of contract conclusion. The Client does not have the right to terminate the contract on financial instruments the price of which depends on the motion of prices on financial markets which the Trader cannot influence such as services related to exchange value and investment instruments. The Client executes their right to terminate the contract by a notification sent to the registered office of the Trader or to the address that was given to him in communication with the Trader in a provable manner; the period for the execution of right to terminate the contract remains unchanged if the written notification had been sent before such period expired. If the Client terminates the contract on financial services concluded remotely, the Trader may require immediate payment for services provided up to the date of such terminate. The Trader shall not require to be paid for a provided of service if they had without Client's consent started performing the contract concluded remotely before the period of expiration expired. or if they didn't inform the Client about the amount to be paid pursuant to the preceding sentence. Contracts on financial services concluded remotely between the Client and the Trader are governed by the law of the Czech Republic and the courts of Czech Republic are to be addressed in cases of eventual conflicts arising from them.

5.5. Language

A Client may communicate with the Trader in Czech language or in the official language of the country in which the Trader provides directly or via other securities trader, tied agent, investment broker or other cooperating entity their investment services to the Client.

A Client with permanent residence in the Slovak Republic or is of Slovak nationality acknowledges and agrees that all communication (including written, namely contractual documentation) may be carried out also in Czech language.

In concrete cases envisaged by the Contract, these GTC (concerning namely the placement of order with the Trader), the Client may upon their request communicate with the Trader also in English; in cases not expressly governed by the contractual documentation, the Client may use English to communicate with the Trader only upon a mutual agreement with the Trader.

This provision about the language in which the communication between the Trader and the Client is carried out is not applicable in cases where the Contract, these GTC and/or other agreement between the parties implicitly states otherwise.

The Trader is authorized to use English for simple written communication. Simple written communication means the usage of English expression in electronic messages, electronic applications, statements and other written documents informing the Client about facts related to their account if it can be assumed that such communication shall be sufficiently understandable with the use of a dictionary or an electronic translator.

5.6. Changes of the GTC

The Trader reserves the right these GTC unilaterally without Client's consent. The Client acknowledges and by signing the Contract agrees, that the Trader is authorized to change these GTC unilaterally without their consent. All changes to the GTC shall be made by the Trader so that the Client is informed about them at least 7 days prior to their effective date via their iBOX established pursuant to Article IV, Paragraph 2 of the Contract and Article 5.3. of these GTC. The effective date of the changes is determined by the Trader. In case the Client does not agree with the changes in the GTC of the Trader, they are authorized to terminate the contract in the agreed manner. The change in GTC means also sending their new and full wording with a notification that such GTC completely replace the previous GTC, i.e. the GTC valid before the effective change in the GTC.

5.7. Final provisions

In case any of the provisions of these GTC are or will be found in the future invalid, unreasonable or unenforceable, only that particular provision shall be invalid, unreasonable and unenforceable, the validity and enforceability of other provisions shall remain unaffected unless the nature of the contents or the circumstances in the provision in question was adopted suggest it is inseparable from other provisions of these GTC. The Trader shall without undue delay seek to replace the erroneous provision with a correct one which shall correspond to the content and purpose of the erroneous provision to the maximum extent.

Effectiveness

These General Terms and Conditions shall come into effect on October 1, 2011 and they shall fully replace the preceding directive EC_6_2011 effective as of July 1, 2010.

On behalf of EFEKTA CONSULTING, a.s.



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Ing. Jaroslav Sochor
Chairman of the Board