

## Pre-contractual information before providing investment services to non-professional clients

Business company U.P. o.c.p., a.s. (hereinafter also the "Trader") is pursuant to Act No. 566/2001 Coll. on Securities and Investment Services and on amendments to certain acts, as amended (hereinafter the "Securities Act"), pursuant to the National Bank of Slovakia Decree published in the Collection of Laws no. 378/2007 and Delegated Commission Regulation (EU) 2017/565 of 25th April 2016 supplementing Directive 2014/65 EU of the European Parliament and the Council regarding organizational requirements and conditions for the conduct of business of investment companies, as well as defined terms for the purposes of the Directive (hereinafter the "Regulation") obliged, in accordance with and in accordance with § 73d of the Securities Act and the Regulation, to provide clients or potential clients general information necessary to enable the client or potential client to properly understand the nature and risks investment service and a specific type of financial instrument, and then make responsible investment decisions.

### 1. Article Basic information on securities dealer

Business name: **U.P. o.c.p., a.s.**

Registered office: **Pribinova 20, Bratislava city district Staré Mesto 811 09, Slovak republic**

ID no.: **52 506 452**

Registered in **the Commercial Register of the District Court Bratislava I., Section: Sa, insert no. : 6970/B**

Contact for clients or potential clients:

Telephone: **+421 910 653 315**

Contact e-mail: [info@up.sk](mailto:info@up.sk)

website: [www.up.sk](http://www.up.sk)

### 2. Article Communication language

1. The Trader primarily uses the Slovak language in business relations, and at the same time the client can obtain all necessary business documentation in the Slovak language. When carrying out investment services, investment activities and ancillary services in another Member State under the freedom to provide services without or with the establishment of a branch, it may use the language of a Member State and provide commercial documentation in the language of that State.

### 3. Article

#### Forms of communication

1. The trader uses the following forms of communication in business relations with clients:
  - a. personal interview,,
  - b. the service of documents by post,;
  - c. communication by e-mail;
  - d. telephone communication
  - e. electronic communications services.
  
2. The use of a specific form of communication for sending and receiving orders, sending and receiving confirmation of completed trade and, where applicable, other business documentation is regulated in the relevant contract or in the General Business Terms and Conditions, or other contractual documentation, that governs rights and duties of contracting parties in the provision of investment activities and ancillary services between the Trader and the client.

### 4. Article

#### Appropriate authorization of Trader to provide investment services

1. The Trader carries out its activities on the basis of resolution issued by the National Bank of Slovakia, with its registered office at ul. Imricha Karvaša 1, 813 25 Bratislava (hereinafter "NBS") on the license for the activity of Securities broker company file no. NBS1-000-028-701, reg. no. : 100-000-175-579 of 14th June 2019, which entered into force on 18.06.2019 and in terms of any subsequent decisions. The detailed scope of investment services, investment activities and ancillary activities which is the Trader authorized to provide to its clients pursuant to the above resolution is published on the website [www.up.sk](http://www.up.sk) in the document License or on the website [www.orsr.sk](http://www.orsr.sk) at the registration of the Trader.

### 5. Article

#### Information on the use of tied investment agents

1. The trader informs its clients or potential clients that it may, in accordance with applicable law, at provision of investment services such as portfolio management as well as other investment services and investment activities for provision of which it is authorized and at provision of investment advisory in relation to financial instruments, in respect of which it provides investment services and investment activities and for the promotion of such financial instruments, use tied investment agents registered in the relevant register and a sub-register held by the NBS in the Slovak Republic, or a similar register held in another Member State.

## 6. Article

### Information on provided investment services

1. The Trader shall provide the Client with adequate reports on the investment services provided, which shall include, in particular, information on the total costs associated with the transaction and on the services performed on behalf of the Client.
2. In the case of investment services where the Trader accepts the Client's orders, the Client is generally informed about the executed order without undue delay after the transaction (or after the Trader received information from the third party on the execution of the transaction). In the case of other services, the Trader shall provide the Client with regular statements in accordance with the relevant legal regulations. Range, frequency and deadlines, respectively their possible variations are set by the relevant legislation and the Trader shall agree in accordance with them the specific terms and conditions with the Client in the contract, if the relevant legislation allows so, according to its preferences.
3. The Trader shall provide its clients with adequate reports on the investment services provided, which shall include, in particular, information on services performed on behalf of the Client and on the total costs associated with the transaction. In connection with the assignment of orders to be executed on behalf of the client that do not relate to the provision of the portfolio management investment service, the Trader shall:
  - a. as soon as possible, and latest on the first working day following receipt of information from a third party, provide the client with a durable medium with basic information regarding the execution of the order,
  - b. as soon as possible and latest on the first working day following receipt of the confirmation from the third party, send a notice to the client on a durable medium confirming the execution of the order.
4. Upon request, the Trader shall also provide the Client with information on the status of its order. In the case of clients' instructions relating to units or shares of a collective investment undertaking and which are executed regularly after the instruction has been submitted, the Trader shall either take the measure set out in paragraph 6.3 letter b) or provides to the client at least every six months the information referred to in paragraph 6.5 of this Article regarding such transactions.
5. The notification referred to in paragraph 6.3. letter b) of this Article shall include the following information, where relevant:
  - a. identification of the Trader,
  - b. the name or other designation of the client,
  - c. trading day,
  - d. trading time,
  - e. the type of order,
  - f. identification of the place of realisation,
  - g. identification of the instrument,
  - h. buy / sell indicator,

- i. the nature of the order, unless it is a buy / sell order,
  - j. quantity,
  - k. the unit price; when the order is executed in tranches, the Trader may provide the client with information on the price of each tranche or the average price; when the average price information is provided, the Trader shall provide the client with information on the price of each tranche upon request;
  - l. total performance,
  - m. the total amount of commissions and expenses charged and, on the Client's request, a breakdown containing individual items, including, where applicable, the amount of the mark-up or deduction imposed when the transaction was executed by the Trader on its own account,
  - n. exchange rate when the transaction involves currency conversion,
  - o. the Client's obligations relating to the settlement of the transaction, including the time limit for payment or delivery, as well as the relevant account information, unless such information and obligations have been previously communicated to the Client,
  - p. where the counterparty of the Client was the Trader itself or any other person in the group or another Client of the Trader, information on this fact except if the order was executed through a trading system that facilitates anonymous trading.
6. The trader may provide the client with the information referred to in paragraph 6.5 of this article using standard codes, provided he also provides an explanation of the used codes.
7. In providing an investment service of portfolio management is the Trader required to obtain the necessary information regarding the client's knowledge and experience in the field of investment relating to a particular type of financial instrument, investment service or ancillary service, its financial situation including its ability to bear loss and its investment objectives; on the basis of the information thus obtained, recommend to the client or potential client the investment services and financial instruments that are appropriate for him, taking into account the level of his knowledge and experience ascertained. In order to fulfil the above obligation, the client's investment profile is evaluated. Providing accurate, truthful and up-to-date all necessary information from the client will enable the Trader to act in the best interests of the client in providing investment services and offering financial instruments. At the same time, the information provided to the Trader serve to assess the compatibility of financial instrument or investment service (or financial instrument) with the needs, characteristics and objectives of the client.
8. In the provision of investment services other than those referred to in 6.7, the Trader shall ask the client or potential client to provide information regarding their investment knowledge and experience regarding the particular type of financial instrument, investment service or ancillary service offered or required so that Securities broker company could determine whether they are sufficient to make the client aware of the risks associated with the type of financial instrument being offered or requested or the investment service or ancillary services and whether are appropriate for client. If the Trader provides a package of services or products

pursuant to § 73b par. 4 of Securities Act, the total package must be suitable for the client. If the Securities Broker considers that the financial instrument or investment service or ancillary service is not adequate for the client or potential client, the Securities Broker shall notify them thereof. This notice may be provided in a standardized form. If a client or potential client decides not to provide information under this clause or does not provide sufficient information regarding their knowledge and experience, the Trader shall notify the client or potential client that such decision will not allow him to determine whether the investment service or ancillary service or financial instrument is appropriate for him. This notice may be provided in a standardized form.

9. If the investment strategy within providing portfolio management investment services allows the purchase of shares of money, real estate and bond funds and shares of funds representing the development of indices, sectors, commodities, bonds, the Trader hereby informs that said financial instruments are managed by the respective investment managers of the funds .
10. If the Trader provides the portfolio management investment service, it is obliged to send a quarterly statement on durable media or through electronic communication services to the Client a statement of portfolio management activities performed on behalf of that Client, unless such statement is provided by another person.

The periodic statement shall be provided to the Client on a durable medium once every twelve months, in cases where the Client decides to receive information about individual transactions executed immediately after the portfolio manager has executed the transaction. The statement also contains information on the status of the Client's financial instruments or funds held by the Trader in accordance with and to the extent stipulated by the Regulation. At the client's request, the Trader will provide a statement more often for a reasonable price.

If the Trader provides the leveraged portfolio management investment service, the Trader shall send the portfolio statement to the Client once a month on durable media or via electronic communications services. In cases stipulated by legal regulations, the Trader also provides the Client with reports on the status and movement in the portfolio more often.

11. The statement of portfolio management activities shall provide a clear and balanced overview of the activities performed and the portfolio's performance during the reporting period and shall include, as appropriate, the following information:
  - a. the name of the Trader,
  - b. name or other designation of the client's account,
  - c. a statement on the composition and valuation of the portfolio, including details of each financial instrument held, its market value or fair value, if market value is not available, the cash balance at the beginning and end of the reporting period and portfolio performance during the reporting period,
  - d. the total amount of the fees and rates incurred during the reporting period, with a breakdown of each item containing at least total management fees and total implementation costs, including, where appropriate, a statement that a more

detailed statement will be provided on request,

- e. comparison of performance during the period stated in the declaration with the investment performance benchmark (if any) agreed between the Trader and the client,
- f. the total amount of dividends, interest and other payments received during the reporting period in respect of the client's portfolio,
- g. information on other corporate events giving rise to rights in respect of financial instruments held in the portfolio,
- h. where applicable, for each transaction carried out during that period, the information referred to in Article 6 par. 6.5 letter c) to i), unless the client decides to receive information on individual transactions executed; in such a case, when the client decides to receive information about each transaction executed, as soon as the portfolio manager executes the transaction, the client shall be provided with basic information about the transaction on durable media.

## 7. Article

### Information on the costs associated with provision of investment services

1. All fees related to the provision of investment services, investment activities and ancillary services to the Trader's clients are listed in the Price List of Services, which are available on the Internet address in the Documents section. On this page, in the Sample Fee Calculation section, the Trader also publishes preliminary information on costs and fees, respectively examples of the calculation of relevant charges related to the investment service. Specifically, the total costs and fees as well as the amount of commission paid by another person, respectively provided to another person is accessible after logging into the client account on the Trader's website, resp the Trader sends it to the client on request. The Price List will be sent to the Client upon request in electronic form.
2. Before providing the relevant investment service or ancillary services, the Trader must clearly, exhaustively, accurately and comprehensibly inform the Client of the existence, nature and amount of the fee, commission or non-monetary benefit of the Client or, if it is not possible to ascertain the amount, the method of calculation. If, in connection with the provision of an investment service or ancillary service to the Client, fees, commissions and non-monetary benefits are transferred to the Client, the Trader shall also inform the Client on the methods of such transfer.
3. The Trader may provide fees, commissions, non-monetary benefits (hereinafter referred to as the "Performance") in connection with the provision of investment services to the Client, but only to the extent and under the conditions set forth in the Securities Act, Regulations and other relevant legislation, the Trader may provide or receive Performance that is intended to improve the quality of the Client's Service and does not prevent the Trader's obligation to act in accordance with the principles of fair business and professional care. Such Performance shall include all standard remuneration to third parties, such as custody fees, trade settlement fees, fees for the operators of the regulated market and any other, notably official, court and administrative fees. The Trader may also grant or receive small in-kind benefits from

third parties in relation to the conduct of the trades. The Trader shall also provide the Performance in connection with the remuneration of the tied investment agents who perform financial intermediation for the Trader in accordance with the relevant legal regulations. The Trader will inform clients about the Performance in accordance with the Securities Act.

4. In providing investment services and ancillary services, the Trader does not accept or retain any fees, commissions or other monetary benefits and non-monetary benefits paid or provided by any third party or person acting on behalf of a third party in connection with the provision of services to clients. However, the Trader may accept minor non-monetary benefits that may enhance the quality of the services provided to clients and, by reason of their scale and nature, are not considered to compromise the Trader's obligation to act in the best interests of the clients. If the Trader receives the fees, commissions or other monetary payments paid or provided to the Trader, the Trader is obliged to immediately transfer them in full to the Client upon receipt and at the same time inform him about this fact.

## 8. Article

### Protection of clients' financial instruments and funds

#### 8.1 Information on the protection of client's financial instruments or funds.

1. The Trader is entitled to deposit the financial instruments or funds of its clients in the account or accounts opened in the Trader's name with a third party, while at selecting and appointing these third parties the Trader takes professional care and takes further measures (more information and details below in the section Description of measures to ensure protection of client financial instruments and funds).
2. These are third parties which must be used for the proper performance of the investment service, in particular to ensure the following:
  - a. arranging and settling transactions in financial instruments (i.e. typically transfers, financial instruments and funds);
  - b. maintaining appropriate records of financial instruments, or securities,
  - c. safekeeping of financial instruments (i.e. mainly in terms of physical entrustment of the financial instrument),
  - d. management (i.e. in particular in terms of entitlement to exercise rights from the financial instrument in question, but not necessarily physical entrustment),
  - e. keeping accounts with client funds (hereinafter referred to as "Custodian" or collectively, "Custodians").

Examples of Custodian are the Central Securities Depository, the banks holding the investment service provider's client accounts, the custodian banks, the settlement centers, or the members of the financial instrument markets.

3. In the case of using Custodians services, they manage financial instruments or clients' funds on behalf of the Trader (or also on behalf of the Client) and that is separately from the Trader's assets and Custodian's assets. The Trader and the Custodian are responsible for legal action and, in particular, for complying with their

obligations in accordance with applicable law and negotiated contractual relations. The Trader warns the Client that Custodian's actions, omissions, or defaults may result in the loss of the Client's financial instruments and other losses. To the extent stipulated by applicable law, the Trader is liable to its clients for returning all financial instruments and funds held for them (by Custodians) and to the extent specified by applicable law for the consequences of Custodian's insolvency.

4. The trader primarily uses the services of those Custodians who are subject to European Union regulatory and legal regulations that guarantee high standards of protection for the holdings of clients' financial instruments and funds. To the extent necessary for the realization of investment services for its clients, the Trader also uses Custodians, who are subject to different regulation and legislation other than the Member States of the European Union. This means that if the accounts on which the client's financial instruments are held are subject to the law of a jurisdiction other than that of a Member State of the European Union, the client's rights in respect of the financial instruments may vary accordingly to regulations of this jurisdiction.
5. The Trader hereby warns the Client that the legislation to which Custodian / third parties are subject may and usually allows that the entrusted financial instruments and funds are recorded in a collective (summary) account.
6. If the Client's financial instruments or funds are held in a summary account with a third party, the Trader warns clients of the following risks:
  - a. Possibility of insufficient internal separation of individual positions of the client with positions of other clients in the same title (e.g. the same ISIN). The Trader minimizes this risk based on internal regulations and a functioning internal control system (for more information see the section Description of measures to ensure the protection of the client's financial instruments and funds)
  - b. Another risk is the possibility of not taking into account the tax advantage in the case of a client's residence other than in the Slovak Republic.
  - c. At the same time, it is not possible to directly identify the client and the relevant financial instruments to third parties, e.g. to issuers, but only indirectly through the Trader.
7. The Trader shall take appropriate measures to ensure that the Client's financial instruments deposited with third parties are identifiable separately from the third party's financial instruments or from the Trader's financial instruments (the Trader keeps records of the owners of these financial instruments / funds), this applies also to third party insolvency. In the event that it is not possible under national law to provide such identifiable separation of financial instruments, the Trader shall inform the Client accordingly.
8. If the Client's financial instruments are located in a third-country jurisdiction, applicable law of that jurisdiction may prevent the Trader from complying with the requirements set out in the Securities Act, the Regulation and other applicable legislation to ensure that all Client's financial instruments deposited in a third country are identifiable separated from financial instruments belonging to other clients or the relevant third party. As a result, such financial instruments may be available to creditors in the event of a third party bankruptcy.



9. The Trader before entering into financing transactions through securities with respect to financial instruments that it holds on behalf of a client, or before otherwise using such financial instruments for its own account or the account of another client, it provides the client on a durable medium a specific information required in accordance with generally binding legal regulations.
10. The Trader shall separately inform the Client of the existence and terms of any pledges or rights on the Client's financial instruments or of any right of netting in respect of such financial instruments that the Trader may have.
11. In accordance with legal regulations, the Trader may exercise a lien, netting, collateral, final settlement or other similar right in respect of the held financial instruments or funds in order to secure / repay the Client's obligations or liabilities investment services provided to clients. The specific conditions and possibilities of exercising these rights are governed by the relevant investment services contract with the client. Securing of obligations shall not affect the obligation of the Trader to issue to Client the financial instruments or funds entrusted to it by the client, regardless of the possible exercise of such Custodian rights against the Trader to the Client's property, taking into account possible legal claims of the Trader himself against the Client.
12. Custodians in the Member States of the European Union may also exercise certain security rights in accordance with the law and specific contractual provisions (in the case of non-member countries only if the relevant legislation of that State requires so or it is established to recover debts relating to Traders clients or provision of services to clients). If the Client's financial instruments are held in countries where such use of pledge is required, there is a risk that if the Trader fails or is unable to fulfil an existing third party obligation, the Client's financial instruments may be used to meet the Trader's obligations to the extent required by applicable law third country.

## 8.2 Description of measures to ensure the protection of the client's financial instruments and funds

1. In connection with the protection of Client's financial instruments and funds, the Trader has adopted and implemented measures designed to ensure the protection of Client's funds entrusted to the Trader.  
Pursuant to the Securities Act and in order to provide the above protection to clients and their funds, the Trader:
  - a. keeps appropriate records, in particular in terms of accounting records, which consistently ensure that assets held for one client are distinguished from those held for other clients, as well as from its own assets,
  - b. maintains and makes entries in the statutory records of financial instruments (separate and related records),
  - c. performs regular reconciliation of accounting and other obligatory records relating to client's financial instruments and funds,
  - d. provides the client with regular statements of the obligatory kept records of the client's financial instruments and funds held by the Trader, and the client is entitled to request any explanations or corrections in the records,

- e. The Trader is a participant in the compensation scheme of the Investment Guarantee Fund in accordance with its legal obligation. More information on this compensation system is provided by the Trader through its website [www.up.sk](http://www.up.sk) in the Documents section in the document "Information for clients about the Investment Guarantee Fund",
  - f. has an adjusted organizational structure and management system to ensure the sound and safe performance of authorized investment activities,
  - g. allocated and adjusted the powers and responsibilities in the Trader's organizational structure for the creation, implementation, monitoring and control of the Trader's business plans,
  - h. has an internal control system in place, including an employee responsible for performing the compliance function (compliance officer),
  - i. has implemented a system for identifying, tracking, managing the risks to which it is exposed, in particular managing credit risk, market risk,
  - j. has an adequate information system,
  - k. undertake activities to protect against money laundering and terrorist financing.
2. In addition to the above measures the Trader executes trades with its clients exclusively on a contractual basis and proceeds with caution at execution of these trades, especially executes trades in a way that takes into account and minimizes risks in a way that carries out business operations under favourable economic and legal conditions for traders and for their clients in their transactions on behalf of the client and in the exercise of professional care. The trader shall not engage in transactions with persons who have a special relationship with him that, due to its nature, purpose or risk, would not otherwise be performed with other clients
  3. In respect of compliance with rules of prudential business, the Trader has processes in place to ensure compliance with the limits on the adequacy of own funds of for financing of Securities broker, equity indicators in accordance with the requirements of the Securities Act and related regulations.
  4. The Trader has effective measures in place to maintain confidentiality, prohibit misuse of information and observance under the Securities Act, which covers all information and documents on matters relating to the Trader's client that are not publicly accessible, in particular information on trades, stocks on securities accounts.
  5. Trader secures and protects this information against disclosure, misuse, damage, destruction, loss or theft. The Trader may disclose information and documents on matters protected under the Securities Act and related regulations to third parties only with the prior written consent of the Client concerned or upon its written instruction, unless otherwise stipulated by the Act. In processing personal data, the Trader proceeds in accordance with Act no. 18/2018 on the protection of personal data, as amended, in accordance with Regulation (EU) 2016/679 of the European Parliament and the Council on the protection of individuals with regard to the processing of personal data and on the free movement of such data and under the Trader's Anti-Money Laundering Program activities and against the financing of terrorism in accordance with the legislation in force. Further details regarding the protection of personal data, including the rights of data subjects, can be found on the Trader's

website at [www.up.sk](http://www.up.sk) in the documents section, in a document entitled Privacy Policy.

6. In connection with the execution of orders related to the provision of investment services on behalf of the Client, Client's financial instruments or Client's funds related, in particular, but not exclusively, to the execution of foreign securities transactions may be held on behalf of the Trader in a third party account.

In selecting, designating of third party to whom it will deposit the financial instruments of its clients and concluding contracts for the administration and safekeeping of these financial instruments, the Trader is obliged, in accordance with the Securities Act, to:

- a. proceed with due diligence and take into account and regularly verify the expertise and credibility of the third party on the market and the provisions of generally binding legislation or market practices relating to the holding of such financial instruments that could adversely affect clients' rights;
  - b. if the custody of financial instruments on behalf of a third party is subject to special regulation and supervision in the state in which the Trader intends to deposit the Client's financial instruments with a third party, the Trader is not entitled to deposit such financial instruments in that state with such party if it is not subject to such legal regulations and supervision,
  - c. The Trader may not deposit financial instruments held on behalf of clients with a third party in a non-member state where the law does not regulate the holding and safekeeping of financial instruments on behalf of a third party unless one of the following conditions is met:
    - i. the nature of financial instruments or investment services related to these instruments requires that these financial instruments will be deposited with a third party in a non-member state,
    - ii. if the financial instruments are held on behalf of a professional client and that client asks the Trader in writing to deposit these financial instruments with a third party in a non-member state.
  - d. take the necessary measures to ensure that the client's financial instruments deposited with a third party are identifiable separately from the Trader's financial instruments through differently identified accounts in the third party's records or by equivalent measures that achieve the same level of protection,
  - e. take the necessary measures to ensure that such financial instruments are kept separate from the accounts in which the Trader's funds are held.
7. In relation to the marketing, distribution and sale of portfolio management in relation to a financial instrument financial differential contracts, the Trader warns the client of the risk of losses in accordance with the Resolution of the National Bank of Slovakia on Intervention Measure in relation to financial differential contracts, the Trader in relation to this resolution of NBS warns the Client that:

*"Financial contracts for difference are complex instruments and are associated with a high risk of rapid financial losses due to leverage. Financial contracts for difference are subject to financial losses on non-professional investors accounts. You should consider whether you understand how financial contracts for difference work, and*

*whether you can afford to take the high risk of suffering financial loss. "*

The current percentage of non-professional client accounts managed by the Trader that incur losses are listed on the Trader's website at [www.up.sk](http://www.up.sk) in the Documents section in the document "Notice to Non-professional Clients".

8. In managing the portfolio in relation to a financial instrument and financial contracts for difference, the Trader proceeds in accordance with the Resolution of the National Bank of Slovakia on Intervention Measure in Relation to Financial Contracts for Difference (hereinafter "NBS Resolution") and in particular:
  - a. The Trader requires a non-professional client to pay the protective initial margin in accordance with the NBS Resolution;
  - b. The Trader provides protection to a non-professional client by closing at certain margin in accordance with the NBS Resolution;
  - c. The Trader provides the non-professional client with protection against a negative balance in accordance with the NBS Resolution;
  - d. the Trader does not provide, directly or indirectly, to the non-professional client a payment, monetary or excluded non-monetary advantage in relation to the marketing, distribution or sale of financial contracts for difference, except for the profits made on any provided financial contract for difference;
  - e. The Trader does not provide information directly or indirectly to non-professional client or does not disclose information to which the non-professional client has access regarding the marketing, distribution or sale of CFDs unless they contain the appropriate risk warning in accordance with the NBS Resolution;
  - f. In managing the portfolio in relation to a financial instrument of a financial contracts for difference, the Trader shall cooperate solely with those brokers who themselves adequately ensure compliance with the requirements under (a) to (e) of this point.

## 9. Article Conflict of interest measures

1. Pursuant to the relevant provisions of special regulations, the Trader is obliged to take all reasonable measures necessary to identify, prevent or manage a conflict of interest between him, members of his top management, employees, tied investment agents, persons linked to the Trader by direct control or indirect and between its clients, or between clients, arising from the provision of investment services, ancillary services and the performance of investment activities or combinations thereof. The trader is obliged to implement, apply and comply with effective conflict of interest measures. These measures must be in writing and must be proportionate to the size and organization of the Trader and the nature, scale and complexity of its business.
2. If a conflict of interest cannot be avoided in the provision of investment services, ancillary services and in the execution of investment activities, the nature and source of the conflict must be communicated to the client before providing such service or performance; and in case of conflict of interests ensure equal and fair treatment of all

clients.

3. The Trader has implemented conflict of interest measures in its internal policies and procedures, through which it modifies the duties and working practices of employees to prevent conflicts of interest. Anti-conflict of interest measures has been implemented primarily through the implementation of standards that include the Traders Code of Ethics and the Traders Policy for Identifying and Managing Conflicts of Interest.

Effective conflict-of-interest measures deal in particular with:

- a. ensuring an independent attitude of employees towards clients or other contractors so as to avoid any risk of affecting or conflicting interests,
  - b. emphasis on professionalism and integrity of employees in all circumstances and at any time in relation to the Trader and in relation to investment intermediaries or counterparties;
  - c. separation of employees' personal relationships with clients or business partners of the Trader from work activities,
  - d. rules on the execution of transactions by employees on their personal account;
  - e. execution of speculative transactions by the Trader's employees outside the scope of their work,
  - f. compliance with internal regulations and procedures for each employee's transaction and their implementation through the usual distribution channels intended for non-business entities;
  - g. prohibition of the Trader's employees from acting on behalf of clients or acting on behalf of a third party on the basis of the power of attorney granted by them in relation to the Trader;
  - h. prohibiting employees from conducting financial operations on their own behalf, on behalf of their family members, on behalf of other Trader employees, including management or on behalf of a third party;
  - i. the obligations of employees to ensure that they are not engaged in dubious practices that could harm the reputation of the Trader;
  - j. preventing or limiting the ability of other persons to unduly influence the manner in which the relevant employees of the Trader provide investment services, ancillary services or perform investment activities;
  - k. a ban on accepting gifts or other benefits offered by clients or contractors that is outside normal commercial practice and which exceeds the statutory limit;
  - l. adherence to the legal, regulatory and ethical framework in all activities of the Trader's employees.
4. Upon the Client's request, the Trader shall provide further detailed information on its Conflict of Interest Policy.

## 10. Article

### Storage of telephone or electronic communications

1. In accordance with the Securities Act and the Regulation, the Trader is obliged to record or otherwise record communication (telephone and / or electronic) between the Trader and the Client concerning Client's orders related to receiving, sending and executing Client's orders. Such telephone conversations and electronic communications records shall also include those that are intended to result in the provision of services relating to client orders related to receiving, sending and executing client orders, even if such conversations or communications do not result in the provision of services related to client instructions.
2. The Trader shall keep records of the Client's communication with the Client for a period of five years from the date of the record, on the request of the National Bank of Slovakia for up to seven years. The Client has the right to ask the Trader to make available a copy of the stored records. The Trader reserves the right to reasonably charge the provision of records to clients. Preserved records are also accepted by clients by signing an investment service contract as evidence to the extent possible, as permitted by applicable legislation, as conclusive evidence of such recorded communication.

## 11. Article

### Final provisions

1. This document constitutes a basic document in terms of fulfilling the Trader's information duty pursuant to the provisions of §73d of the Securities Act and Article 47 of the Regulation. Other specific information is also provided by other specific documents of the Trader, in particular the Order Execution Strategy, Investment Strategies for Investment Portfolio Management Service, Client Information on the Investment Guarantee Fund, Complaints Procedure, Service Price List with Sample Calculation Principles, Clients categorisation Principles and Changes, Information on financial instruments and risks related to financial instruments, etc.
2. General information for clients was published on 15.07.2019 on the website of the Securities Broker [www.up.sk](http://www.up.sk) in the section Documents.