

CONFLICT OF INTERESTS POLICY OF INVESTMENT BROKER INTERCAPITAL MARKETS AD

I. GENERAL PROVISIONS

1. The policy for the treatment of conflicts of interests of the investment broker (IB) INTERCAPITAL MARKETS AD ("Policy") has been adopted on the basis of the Markets in Financial Instruments Act (MFIA) and Art. 34, para. 1 of EC Delegated Regulation 2017/565.

2. This Policy shall be adopted in order to minimize the risk of harm to the interests of clients in cases of conflicts of interests arising. Conflicts of interests should be regulated only where an investment service or additional service is provided by the investment broker. The status of the client to whom the service is provided, a professional, non-professional or eligible counterparty, is irrelevant to that end.

II. CONFLICT OF INTERESTS POLICY

3. When performing investment services and activities, the investment broker shall take the necessary measures to prevent, identify and manage potential conflicts of interests between:

1. the investment broker, including the persons who manage the investment broker, the persons working under a contract for it, the tied agents or any person, is directly or indirectly linked to the investment broker through a control relationship on the one hand and its clients on the other;

2. its individual clients.

4. When providing investment and additional services under Art. 6, para. 2 and 3 of the MFIA could lead to potential conflicts of interest if the investment intermediary or a related person, directly or indirectly related to the intermediary through control, falls into one of the following situations, whether it arises as a result of the provision of investment or ancillary services, or another way:

1. the investment intermediary or that person may make a financial profit or avoid financial loss at the expense of the client;

2. the investment intermediary or this person has an interest in the result of the provided service to the client or in the transaction carried out at his own expense, which is different from the client's interest in that result;

3. the investment intermediary or that person has a financial or other incentive to prefer the interest of another client or group of clients to the interests of the client; the investment intermediary or that person carries out the same economic activity as the client;

4. the investment intermediary or that person receives or will receive from a person other than the client an incentive in connection with the service provided to the client in the form of monetary or non-monetary benefits or services.

5. Examples of situations that could present a conflict of interest in connection with the services provided by IB Intercapital Markets AD:

1. The IB must have a contractual relationship for the provision of financial and investment advisory services to an issuer whose shares are subject to a transaction under a client's order or subject to an investment research prepared by IB Intercapital Markets AD,

2. persons who work under a contract with IB or persons related to the IB, to be a party to a transaction when executing a client's order for the purchase or sale of securities;

3. concluding a cross-transaction with another client of the IB;

4. client accounts managed by IB Intercapital Markets AD under a contract for the trust management of an individual investment portfolio to hold securities or related securities that are the subject of a transaction under a client order or subject of investment research prepared by IB Intercapital Markets AD;

5. persons who work under a contract for the IB or related to the IB persons to hold securities or related securities, which are the subject of a client's order or the subject of investment research, prepared by IB Intercapital Markets AD;

6. The IB is to be a bidder for a new issue of securities or related securities, which are the subject of a client order or the subject of an investment research prepared by IB Intercapital Markets AD;

7. The IB shall receive monetary remuneration, commissions or other non-monetary benefits for submitting client orders for execution of a third party;

8. The IB must be a related party to an issuer whose shares are subject to a client order or subject to an investment survey prepared by IB Intercapital Markets AD.

6. IB Intercapital Markets AD adopts and implements the following measures for the treatment of conflicts of interest that may arise in the provision of investment and / or additional services:

1. Disclosure of conflicts of interest to IB clients

a) When submitting an order from a client and / or when providing investment advice, the IB shall notify the client of all possible situations that may present a conflict of interest under Article 2. The information that the IB provides to the client must be clear, accurate and comprehensive so that the client is able to make an informed decision;

b) If on the basis of the information provided, the client cannot make an informed decision and the IB considers that there is a risk to the interests of the client, IB Intercapital Markets AD refuses to execute the client's order or provide the investment advice;

c) The IB may not conduct transactions on behalf of clients in volume or frequency, at prices or with a specific counterparty, which may, in the circumstances, be considered to be exclusively in the interest of the investment broker;

d) members of the management and control bodies of the IB; the persons managing his business, as well as for all persons working under a contract for him, and related persons, cannot buy on his own account financial instruments for which an IB client has submitted a purchase order and sell them to the customer at a price higher than the price at which they were purchased;

e) The IB informs the client in all cases when the counterparty to the transaction with him is another client of the investment intermediary, except when the order is executed through a trading system that allows anonymous trading.

2. Disclosure of conflicts of interest to the IB - all persons working under an investment intermediary contract shall promptly disclose to the IB the circumstances that may present a conflict of interests in the performance of their official duties, including:

(a) the holding in person or through related parties of securities or related securities which are the subject of exchange trading or initial public offering;

b) occupation of a management position or position which presupposes access to inside information in an issuer whose securities are subject to exchange trading or initial public offering;

c) participation in the management or access to inside information through related parties in an issuer whose securities are subject to exchange trading or initial public offering.

3. Transaction priority

a) When executing transactions, persons working under the IB contract and related parties may not be in a privileged position over the clients of the IB. Employee transactions may not conflict with the interests of clients. In the event of a conflict of interest, priority must be given to customers;

b) The number and size of transactions of IB employees should not take too much time, workload, or affect the employees' work responsibilities.

c) The rules for the personal transactions of securities of the members of the Board of Directors, the employees and related persons of IB Intercapital Markets AD are directly related to the Policy for the

treatment of conflicts of interests of the IB and the observance by the II for the observance of the former, is part of the rules for regulating conflicts of interest for the intermediary.

4. Measures to ensure independence between the persons who work under the contract for IB Intercapital Markets in performing their main functions:

(a) the IB shall control the exchange of information between persons engaged in activities involving a conflict of interest, where the exchange of this information may prejudice the interests of one or more clients of the IB;

b) The IB shall ensure that situations where there is a direct correlation between the remuneration of the persons carrying out essentially one activity and the remuneration of the persons carrying out mainly another activity for the investment broker or the income realized by the latter, if possible, can be avoided. a conflict of interest arises in connection with these activities;

c) The IB shall ensure that any person is prevented or restricted from exercising inappropriate influence on the manner in which a person working under an investment broker contract provides investment and / or ancillary services.

d) The IB shall ensure that, in order to control, at the same time, the simultaneous or consistent participation of an investment broker individual in the performance of separate investment or ancillary services or activities, where such participation may prejudice the proper management of the investment broker; conflicts of interest.

5. Disclosure of information on fees and commissions that the IB receives from or pays to third parties in connection with the provision of investment and / or additional services to a client

a) In providing investment and / or ancillary services, the II shall disclose to the client the circumstances of the remuneration, commissions or non-cash benefits paid or provided by or to a third party or its representative in connection with the provision of the above services.

b) The IB shall disclose to the clients the existence, nature and amount of the remuneration, commission or non-cash benefit in a clear, accessible, accurate and understandable manner before providing the investment or ancillary service concerned, and when the amount cannot be determined, indicate the manner of its calculation;

c) The IB shall not be entitled to pay, or to provide and receive, remuneration, commission or non-monetary benefits to or from a third party, unless the payment, respectively provision, of the remuneration, commission or non-monetary benefits is for the purpose of improving the quality of service, provided to the client and does not violate the obligation of the investment intermediary to act in the best interests of the client.

7. In cases where IB Intercapital Markets AD prepares or organizes the preparation of investment studies intended for distribution or is likely to be subsequently disseminated publicly or to clients of the II under its responsibility, the latter shall apply the following measures for the treatment of conflicts of interest:

1. All persons who work under an investment contract and are involved in the preparation of investment recommendations on behalf of the investment broker shall be obliged to disclose any links and circumstances that might violate the objectivity of the recommendation, as having significant financial interests in the investment intermediary. one or more financial instruments that are the subject of the recommendation or of a conflict of interest regarding the issuer to which the recommendation relates;

2. The financial analyst and other persons working under an investment broker contract may not enter into personal transactions or transactions for the account of another person with the financial instruments to which the investment research relates, or related financial instruments, with knowledge of the likely timing of the disclosure or the content of the investment study; the first sentence shall apply where investment research is not accessible to the public or to clients and cannot easily be made on the basis of information available to the public or clients; the prohibition under sentence one shall first apply until a reasonable opportunity is provided for the addressees of the investment research to act in accordance with it; the prohibition under sentence one does not first apply to the execution of customer orders given on their own initiative;

3. Except for the cases under item 1, IB Intercapital Markets AD ensures that the financial analyst and other persons who work under the contract for the investment intermediary and participate in the preparation of the investment survey do not carry out personal transactions with financial instruments until concerning investment research or related financial instruments, contrary to recommendations made during the period for which they are valid, except in exceptional circumstances and with the prior approval of a person by the internal control unit or the investment broker's legal department ;

4. The IB, the financial analyst and the other persons who work under the contract for the investment intermediary and participate in the preparation of the investment survey, may not receive remuneration, commissions or non-monetary benefits in violation of Art. 14 of Ordinance No. 38 on the requirements for the activity of the investment intermediaries, by persons having a substantial interest in the subject of the investment research;

5. The IB, the financial analyst and the other persons who work under the contract for the investment intermediary and participate in the preparation of the investment research may not promise to the issuers to whom it relates, their favorable presentation in the research;

6. Issuers, all persons working under an investment broker contract other than the financial analyst, as well as all other persons, shall not have the right to review his project before the distribution of the investment research in order to establish the truth of the facts presented in the research or with other purpose than to verify the fulfillment of the statutory obligations of the investment broker, if the project involves a recommendation or an expected price.

8. IB Intercapital Markets AD ensures that the information it gives to its clients, including in its advertising materials and public statements to the members of the Board of Directors and to the persons working under a contract for it, is understandable, true, clear and not misleading in order to prevent conflicts of interest regarding its spread.

9. IB Intercapital Markets AD maintains and regularly updates a register of the types of investment or ancillary services or investment activities performed by it or on its behalf, in which a conflict of interest may arise or in the case of continuing provision of a service or activity. leading to a significant risk of harm to one or more than one customer interest.

III. FINAL PROVISIONS

§ 1. The Board of Directors of the investment broker shall, annually by 31 January each year, review and evaluate the compliance of this Policy with the services and activities provided by the investment broker, and in the event of incompleteness and/or need to improve the internal organization, adopt amendments and additions to the Policy. Notwithstanding the requirement of the preceding sentence, the management body shall adopt amendments to this Policy upon finding that there is a need to do so.

§ 2. This Policy has been adopted on a Board of Directors meetings of INTERCAPITAL MARKETS AD on 31.03.2020.

§ 3. This policy is also applicable to tied agents who are appointed by the investment broker.