

**MiFID INFORMATION BROCHURE
IPOPEMA SECURITIES S.A.****GENERAL INFORMATION ON MiFID**

MiFID is an abbreviation of the English name of the Directive on Markets in Financial Instruments, i.e. a set of legal acts governing the market in financial instruments and products in the Member States of the European Union.

The purpose of MiFID is to provide the highest possible protection of the investor in the capital market, fair competition in the financial sector, a guarantee of transparency of investment firm operations and to ensure that the investment firm acts in the best interests of the Client.

MiFID applies to brokerage services and financial instruments, including equities, bonds, money market instruments, investment certificates, units in collective investment undertakings, and investment advice.

INFORMATION ON IPOPEMA SECURITIES S.A. AND ITS SERVICES

The following Information on IPOPEMA Securities S.A. and its services is provided to the client pursuant to the Regulation of the Minister of Finance of 24 September 2012 on the procedures and conditions to be followed by investment firms, banks referred to in Art. 70(2) of the Act on Trading in Financial Instruments, and custodian banks (consolidated text: Journal of Laws of 2015, , item 878, hereinafter referred to as the "Regulation"), issued on the basis of the Act on Trading in Financial Instruments of 29 July 2015 (consolidated text: Journal of Laws of 2014, item 94, as amended, hereinafter referred to as the "Act on Trading in Financial Instruments"):

1. NAME OF THE INVESTMENT FIRM AND DETAILS ENABLING THE CLIENT TO DIRECTLY CONTACT THE INVESTMENT FIRM

IPOPEMA Securities S.A.
ul. Próżna 9 00-107 Warsaw
tel. +48 (22) 236-92-00
e-mail: ipopema@ipopema.pl

IPOPEMA Securities S.A. is entered in the Register of Entrepreneurs of the National Court Register kept by the District Court for the Capital City of Warsaw in Warsaw, 12th Commercial Division of the National Court Register under number KRS 0000230737.

2. LANGUAGES IN WHICH THE BROKERAGE HOUSE PROVIDES ITS SERVICES

The official language of communication in IPOPEMA Securities S.A. is Polish. All documents and information provided shall be prepared in that language. Upon an express request of the Client or a potential Client documents and information may be prepared in English. .

3. METHODS OF COMMUNICATION BETWEEN THE CLIENT AND THE INVESTMENT FIRM

The client may contact IPOPEMA Securities S.A.:

- by mail – at the above specified address,
- by phone – at +48 (22) 236-92-00, and
- by email – ipopema@ipopema.pl

With respect to services referred to in Art. 69.2.1 or 69.2.2 of the Act on Trading in Financial Instruments, orders may be transmitted to IPOPEMA Securities S.A. in writing or by phone, fax, electronic order submission system, email or using other technical means, as provided for in the agreement with the Client or the Terms and Conditions of Provision of Brokerage Services constituting a part of that agreement.

4. BROKERAGE LICENCE

IPOPEMA Securities S.A. (hereinafter also referred to as the "Brokerage House") represents that it was granted brokerage licence No. DDM-M-4020-60-1/2005, dated 30 June 2005, by the Polish

Securities and Exchange Commission (currently the Polish Financial Supervision Authority), authorising it to conduct brokerage activities consisting in:

1. acceptance and transmission of orders to buy or sell financial instruments,
2. execution, acceptance and transmission of orders for the account of the client placing the order,
3. purchase or sale of financial instruments for own account,
4. investment advice,
5. offering of financial instruments,
6. provision of services under standby underwriting agreements and firm commitment underwriting agreements or execution and performance of other similar agreements concerning financial instruments,
7. holding or registration of financial instruments, including keeping of securities accounts and keeping of cash accounts,
8. corporate advice in the area of a capital structure, corporate strategy or other issues related to such structure or strategy,
9. preparation of investment research, financial analyses or other recommendations of a general nature concerning transactions in financial instruments.

and a brokerage licence number DRK/WL/4020/7/11/14/60/1 dated 8 April 2014 authorising it to conduct brokerage activities with regard to:

10. foreign exchange if such activities are related to the brokerage activities within the scope specified in Article 69.2 of the Act on Trading in Financial Instruments.

The Brokerage House is regulated by the Polish Financial Supervision Authority.
Polish Financial Supervision Authority
00-950 Warsaw,
Plac Powstańców Warszawy 1

5. PROTECTION OF CLIENT ASSETS

IPOPEMA Securities S.A. is a member of the compulsory scheme operated by the National Depository for Securities (Krajowy Depozyt Papierów Wartościowych, NDS) ("NDS Compensation Scheme") the aim of which is to protect the assets of Clients.

Client assets deposited in securities accounts are protected as part of the NDS Compensation Scheme up to the equivalent of EUR 3,000 in 100% and 90% of the excess over the amount of EUR 3,000, however not more than the equivalent of EUR 22,000.

The Client is entitled to receive the abovementioned amount from the compensation scheme if:

- Bankruptcy of the Brokerage House is declared,
- A bankruptcy petition is validly dismissed due to the fact that assets of the Brokerage House are insufficient to cover costs of proceedings,
- The Polish Financial Supervision Authority concludes that due to reasons purely related to the financial standing the Brokerage House is not able to fulfill its obligations arising from Clients' claims and such obligations cannot be fulfilled in the nearest future.

The Brokerage House cooperates with other investment firms conducting investment activities and providing investment services abroad ("Foreign Broker") and with foreign depository banks ("Foreign Depository") which provide to the Brokerage House, respectively, services related to handling orders concerning financial instruments listed in foreign execution venues, and related to safekeeping of those financial instruments. The abovementioned cooperation involves the business continuity risk of the above institutions — the risk of declaring bankruptcy or liquidation of those institutions.

The Brokerage House informs that when selecting a Foreign Broker and a Foreign Depository whose services it uses it exercised due diligence in order to ensure the protection of Client's interests. The Brokerage House shall be liable in respect of the selection of the Foreign Broker and the Foreign Depository, unless such selection was made by the Client.

The Brokerage House may keep retail Client's financial instruments in a collective account (such as Omnibus Account), maintained by the Brokerage House or other investment firm. The above situation does not give rise to the risk of inability to segregate those financial instruments from own instruments of the investment firm or the Brokerage House in connection with the register of rights to foreign

financial instruments and the register of foreign financial instruments kept by the Brokerage House. The Omnibus Account kept by the Foreign Broker contains solely financial instruments of Brokerage House's Clients. If own financial instruments of the Brokerage House must be kept in the account maintained by the Foreign Broker, the Brokerage House shall open a separate account for those financial instruments.

If due to the provisions of the law applicable in the country in which Client's financial instruments or cash are to be held it is not possible to keep or register Client's assets separately from the assets of the Brokerage House, Foreign Broker or Foreign Depositary, the Brokerage House shall notify Clients of the same. Financial instruments or cash of the Client may be entrusted to such entity for safekeeping if the Client gives its written consent to entrusting.

The principles of the provision of services by the Foreign Broker and the Foreign Depositary, including the maintenance of accounts where Clients' financial instruments are recorded, may be subject to the laws of the country where the Foreign Broker or the Foreign Depositary carry out their activities. This means that the rights of the Client of the Brokerage House may be subject to regulations different than those applicable in Poland.

6. OPERATIONS CONDUCTED THROUGH AN AGENT

In the case of services, referred to in Article 1(2) items 1, 2 or 5 of the Act on Trading in Financial Instruments brokerage services may be provided with the mediation of Investment Firm's Agents.

In the case of the regulated market operated by the Stock Exchange in Budapest, Prague and Bucharest, brokerage services are provided through Investment Firm Agents.

7. DETAILED TERMS AND CONDITIONS FOR THE PROVISION OF SERVICES

Detailed terms and conditions for the provision of services are set forth in the terms and conditions governing the provision of brokerage services¹.

8. BASIC RULES GOVERNING THE RESOLUTION BY THE INVESTMENT FIRM OF CLIENTS' COMPLAINTS RELATED TO BROKERAGE SERVICES

Rules for resolving client's complaints are contained in the terms and conditions governing the provision of brokerage services.

9. BASIC RULES OF PROCEDURE TO BE APPLIED BY THE INVESTMENT FIRM IN THE EVENT OF A CONFLICT OF INTEREST

Rules of procedure to be applied by IPOPEMA Securities S.A. in the event of a conflict of interest are set forth in the "Policy for the management of conflicts of interest at IPOPEMA Securities S.A."

10. SCOPE, FREQUENCY AND RELEASE DATES OF REPORTS ON THE PROVISION OF A BROKERAGE SERVICE PROVIDED TO THE CLIENT BY THE INVESTMENT FIRM

The scope, frequency and release dates of reports on the provision of brokerage services provided to the client by IPOPEMA Securities S.A. are contained in the terms and conditions governing the provision of brokerage services.

11. COSTS AND FEES RELATED TO BROKERAGE SERVICES

For the provision of brokerage services, the Client will pay a fee to IPOPEMA Securities S.A. pursuant to the terms and conditions set forth in the agreement on the provision of the said services executed with the Client, including in the relevant Table of Fees and Commissions.

The Client may incur the costs of the maintenance by third parties of a securities account and the auxiliary cash account, as well as costs of the execution of transactions through the agency of the abovementioned third parties. In addition to the costs specified in the agreement, the Client may also incur additional costs for using services not provided for in the brokerage agreement.

INFORMATION ON FINANCIAL INSTRUMENTS AND RISKS ASSOCIATED WITH INVESTMENTS IN THESE FINANCIAL

¹ Terms and conditions governing the provision of brokerage services refer to the terms and conditions for respective types of brokerage services.

INSTRUMENTS

Investments involve a risk whose level depends on the type of the underlying financial instrument.

Prior to making an investment decision the Client should carefully read the information on various financial instruments and associated risks. General information on individual financial instruments and the related risks is presented below. Detailed information will be made available by their issuers in prospectuses, information memoranda, terms and conditions of trading and issues, information prospectuses and key information for investors. The information in this document does not contain a description of all risks. In addition, the price of financial instruments is affected by many various factors which may be beyond the control of issuers and independent of results of their operations, e.g. changing economic, legal, political and tax conditions.

The information about historical rates of return on a given instrument or service does not constitute a guarantee of achieving them in the future and should not be treated as the promise of achieving such results. Investments in financial instruments involve the risk of a loss of a part or all of the invested funds and even the need to incur additional costs. The use of credit products or the limit of receivables is related to the financial leverage, which creates a possibility of achieving a higher rate of return but also may lead to greater losses.

EQUITIES

Equity securities issued by a joint-stock company or a partnership limited by shares, which incorporate all rights of a shareholder with respect to the company or the partnership, including the right to profit distributions in the form of the dividend, right to vote at a general shareholders meeting, and the right to a share in assets in the event of liquidation. In the case of public joint-stock companies, only dematerialized shares in the electronic book-entry form, registered in a securities account, may be traded on an organised market. Equities involve a significant price volatility, especially in a short term. IPOPEMA Securities S.A. provides brokerage services for shares in the organised trading and shares not admitted to trading on the organised market.

ALLOTMENT CERTIFICATES

Securities held by investors who have acquired new shares. Allotment certificates are created following the allotment of new shares by the issuer and may be traded already a few days after the allotment and prior to the registration of new issue shares by the relevant district court.

The purpose of allotment certificates is to shorten the waiting time of investors between the allocation of shares of a new issue and their first listing on a regulated market. The ownership of allotment certificates does not give the same rights as the ownership of shares of the same company. Issuers of shares are not required to introduce each time unregistered shares of a new issue in the form of allotment certificates. Allotment certificates involve a relatively high price volatility, which means that in many cases the price of allotment certificates is greater or lower than the prices of shares of the same company. Upon the registration of the new issue shares by the district court, allotment certificates are converted into shares.

PRE-EMPTIVE RIGHTS

Securities that give existing shareholders priority in subscribing for new issue shares. Pre-emptive rights may be traded on a regulated market. The objective behind pre-emptive rights is to preserve the existing shareholding structure, i.e. prevent dilution of the share capital. By exercising pre-emptive rights existing shareholders have the opportunity to maintain their equity interest in the joint-stock company. If this instrument is allocated when there is no strictly determined issue price of new shares yet, its valuation is based on expectations of individual market participants as to the level of the issue price. Due to the fact that the principal feature of this financial instrument is a short time of functioning in the organised trading, in order to exercise rights arising from pre-emptive rights the existing shareholder should place a relevant subscription order for shares of the new issue by exercising pre-emptive rights or sell them no later than on the last day of listing of pre-emptive rights or otherwise it will not receive any payment upon their expiry.

SUBSCRIPTION WARRANTS

Securities issued by joint-stock companies, convertible into shares or incorporating the right to subscribe for shares. Holders of warrants receive the right to acquire shares in the increased capital on a specific date and at a specific price. Subscription warrants may be traded on a regulated market.

MAIN RISK FACTORS RELATED TO INVESTMENTS IN THE ABOVE EQUITY INSTRUMENTS:

Macroeconomic risk – reflects the sensitivity of the capital market to macroeconomic data from Poland and abroad, including: economic growth rate, level of macroeconomic imbalance (budgetary, trade and current account deficits) consumer demand, scale of investments, interest rate level, inflation level, level of raw material prices or s. Capital markets are also affected by the expectations regarding future levels of economic indicators.

Industry-related risk (micro-economic risk), i.e. a risk related to the impact of the situation in a given industry on the performance and prospects of companies that operate in that industry. Shares of companies operating in a given sector are likely to be exposed to the risk of changing demand for such companies' products and services, risk of changes in their competitive position, or risk of major technological developments.

Company-specific risk – a risk related to an individual business, including: management quality, strategy changes, business model changes, changes in the quality of corporate governance, conflicts between shareholders, dividend policy or other specific advantages or weaknesses of the company, as well as random events with a bearing on the company.

Apart from the above risk factors, the abovementioned financial instruments are subject to general risks related to investments on the capital market, such as the liquidity risk, volatility of the price of a particular financial instrument or a risk that trading in particular shares will be suspended or the shares will be delisted from an organised market.

DERIVATIVES

Financial instruments whose market price depends directly or indirectly on the market price of the underlying asset, i.e. another financial instrument, foreign currency unit, interest rate or stock exchange index (e.g. WIG20). Derivatives are used to hedge against changes in the valuation of the underlying asset that are different from those assumed without the need to purchase underlying instruments. They are based on the financial leverage mechanism which allows to conclude transactions with the value exceeding the value of the capital invested. There are standardised derivatives, i.e. financial instruments available to a wide group of investors, offered on a regulated market, with predetermined same terms for buying and selling those instruments (e.g. index, bond or currency derivatives) and non-standardised derivatives, i.e. created and negotiated between parties to the transaction in order to satisfy specific needs of investors.

FUTURES

Futures contracts are derivative instruments which represent an agreement obligating the parties to, respectively, buy or sell a given underlying instrument at a specific future date and price determined at the time of the contract execution. Underlying instruments may be equities, currencies, stock market indices, etc. Contracts are traded in so-called series, covering all contracts with the same expiration date. There are two types of derivative contracts: forwards and futures. Forwards are non-standardised financial instruments. They are traded only over the counter. Terms of the forward, including its size, price, settlement method, date, type of transaction collateral are agreed between the parties to the transaction on each occasion. Futures are standardised financial instruments which means that the type and quality of commodity, contract size, contract execution date, place of delivery, settlement method are predetermined. The price of the futures contract is determined on a regulated market.

The Client who bought or sold a contract is said to be respectively a long position holder and a short position holder. He/she may keep it until the day of contract execution or may withdraw from the market at any time (close the position). If he/she bought the contract (is a long position holder) he/she must sell the contract with the same execution date in order to close the position. If he/she sold the contract (is a short position holder) he/she must buy it in order to close the position.

The Warsaw Stock Exchange posts futures standards on its website at www.gpw.pl. Liabilities under futures cleared on the stock exchange are cleared on a daily basis, while the security of exchange trading is monitored by a clearing house. To ensure the clearing of a transaction, every investor establishes a margin deposit.

OPTIONS

Options are derivative instruments which grant the buyer the right, but do not impose the obligation to buy (call option) or sell (put option) a specific underlying instrument at a pre-determined date and price, or make an appropriate settlement, i.e. to exercise the option.

In contrast to the buyer, the option writer is obligated to sell or buy the underlying instrument from the buyer should the latter exercise his right to buy or sell. In practice, an option is exercised if its pre-determined price exceeds the price offered on the free market at a given time. In such a case the buyer's profit equals the difference between the market price and the exercise price.

Options occur in the so-called series covering all options of a given type with the same exercise date. Options listed on the Warsaw Stock Exchange include options with WIG20 index being the underlying instrument. Liabilities under those options are settled solely in the form of cash settlement.

The Client who bought or sold an option is said to have an open position. He/she may keep it until the day of option exercise or may withdraw from the market at any time (close the position). If he/she bought the option to close the position, the Client must sell the option with the same exercise date and the same exercise price. If he/she sold the option, he/she must buy it in order to close the position.

WARRANTS

Warrants are cash market instruments (securities) with features of derivatives. Warrants are issued by an issuer and constitute an unconditional and irrevocable obligation on the part of the issuer to distribute the settlement amount to entitled warrant holders. Warrants have a similar structure and characteristics as subscription warrants and they differ only in the issuer. Subscription warrants are issued only by issuers of the underlying instrument, while warrants can be issued by banks and other financial institutions, for example brokerage houses, for instance for equities of other companies that are already traded in the organised market. Warrants are usually settled by cash settlement in the amount of the difference between the settlement price and the value of the underlying instrument on the settlement date. The underlying instrument of subscription warrants may be both traded financial instruments as well as economic indicators, in particular indices and interest rates.

KEY RISK FACTORS RELATED TO INVESTMENTS IN DERIVATIVES:

Derivatives are high-risk investments. Risk incurred by an investor in connection with investing in these financial instruments is directly related to the risk factors specific to the underlying instrument. Risk factors include also:

Risk related to the value of the underlying instrument – the value of a derivative is dependent upon the price movements of the underlying instrument.

Liquidity risk – risk related to potentially low liquidity of some derivative instruments, which may make it difficult to exit a transaction at a given date and price.

Leverage-related risk (futures) – the value of the underlying instrument of a futures contract is usually considerably higher than the value of the margin deposit, which means that the investor must be prepared to incur a loss in excess of the paid amount. The risk of unlimited losses applies also to option sellers.

BONDS

Debt securities issued in series, by which the issuer declares itself a debtor of the bondholder and undertakes to fulfil a certain obligation to the holder. Therefore, a sale of bonds means that the issuer takes out debt from buyers of the bonds. The debt is repaid as a cash receivable at a specified time together with interest which is calculated in the manner specified in the terms and conditions of bonds. The amount of the debt is the face value of bonds and the date of its repayment by the issuer is the bond redemption date. In contrast to equities, bonds do not give the holder the ownership right in the company. In terms of interest rate, bonds can be divided into fixed rate bonds (coupon bonds) and zero-coupon bonds.

Bonds are issued by governments (treasury bonds) and other entities, such as companies (corporate bonds) or local government institutions (municipality bonds). Bonds are issued for definite terms.

COVERED BONDS

Securities issued on the basis of mortgage-backed claims. The issuer (e.g. a mortgage bank) undertakes to make specific cash payments to the bondholders. Bank's liabilities under covered bonds are fully covered by banks' receivables secured by mortgages (mortgage bonds) or receivables for which a guarantee or surety was issued or granted to public and international institutions listed in the Act on Mortgage Bonds and Mortgage Banks (public mortgage bonds).

KEY RISK FACTORS RELATED TO INVESTMENTS IN DEBT INSTRUMENTS INCLUDE:

Credit risk – a risk of insolvency of the issuer, guarantor or provider of surety for the security

Default risk – a risk that the issuer defaults on the obligation to repurchase bonds/covered bonds or pay interest.

Interest rate risk – reflects the impact of interest rates and their structure on bond prices.

Liquidity risk – risk related to potentially low liquidity of financial instruments, which may make it difficult to exit the investment at a given date.

UNITS

Financial instruments constituting the legal right to participate in an open-end investment fund or specialised open-end investment fund. Open-end investment funds or specialised open-end investment funds may sell an unlimited number of units and are obligated to redeem them at each request of the investor. The value of the unit depends on the value of all financial instruments held in the fund's investment portfolio, determined by the fund in a valuation performed usually on each business day. Units have a dematerialised form, i.e. they are an entry in the register of fund's unit holders. Units are not traded on the secondary market, however they may be redeemed at a request of the owner by the fund, which means that the owner is paid an amount equal to the value of redeemed units as of a given day. The risk related to the investment in units largely depends on the investment policy and strategy adopted by the fund.

INVESTMENT CERTIFICATES

Securities issued by closed-end investment funds that reflect the certificate-holder's share in the total assets of a given investment fund. The funds' objective is to invest the contributions of certificate-holders in the best possible way. The issuer regularly performs valuation of the certificates on the basis of the valuation of the fund's assets. If investment certificates are introduced to trading on a regulated market, they are also subject to market valuation on a daily basis. Investment certificates are redeemed by the investment fund or, if traded on a regulated market, may be sold by the holder.

UNITS IN ETF (EXCHANGE TRADED FUND)

Financial instruments which constitute the legal right of participation in an investment fund listed on the stock exchange whose objective is to reflect the performance of a given market index (equities, bonds, commodities index). Units of ETF may be redeemed every day. They are listed on the same conditions as equities.

KEY RISK FACTORS ASSOCIATED WITH INVESTMENTS IN UNITS AND INVESTMENT CERTIFICATES ARE AS FOLLOWS:

Risk related to the investment policy of the fund – the fund's manager may make wrong decisions while building an investment portfolio of the fund; the risk related to the selection of financial instruments is mitigated by diversification of the investment portfolio.

Capital market risk – limited trading in certificates may lead to a situation where their price on the secondary market differs considerably from the issue price or the valuation of the fund, or may make it difficult to close the position at a given time.

Liquidity risk — there is a risk of temporary suspension of redemption of units by the investment fund or collective investment undertaking.

Moreover, the value of investment certificates depends on specific risk factors related to the respective classes of assets held by the fund.

BANK SECURITIES

Bank Securities (BS) are issued on the basis of the Banking Law of 29 August 1997. The issuer undertakes against BS holders to fulfill a monetary obligation consisting in the payment of the redemption amount and a premium on the principles specified in documents governing the terms and conditions of issue of a given BS. BS are guaranteed by the Bank Guarantee Fund in accordance with the provisions of the Act on Bank Guarantee Fund of 14 December 1994. The issuer does not guarantee a profit on BS but only a return of a predetermined amount (face value) at maturity.

Key risks involved in investments in Bank Securities include: market risk, currency risk for BS denominated in foreign currencies, valuation risk, market liquidity risk, credit risk, settlement and operational risk, legal risk, accounting risk, tax risk and operational risk.

FOREIGN FINANCIAL INSTRUMENTS

Investments in the abovementioned financial instruments of foreign markets involve similar risk factors. In addition, investments in foreign markets involve additional risks: currency risk, risk of delays in the access to the information, risk of legal or tax changes in the countries where investments are made.

CLIENT CATEGORISATION

A Client using financial products and services must be assigned to one of the following categories:

- Retail Client — the provision of services to a retail client requires the investment firm to provide to this client the highest amount of information,
- Professional Client — MiFID directives assume that a professional client has the right tools, knowledge and experience that allow for self-assessment of investment risk, therefore the provision of services to such client does not require the investment firm to provide to this client the highest amount of information,
- eligible counterparty — the provision of services to such client requires the investment firm to provide to this client the lowest amount of information; eligible counterparties are assumed to have the highest knowledge on types of the investment risk and are aware of those risks.

PROFESSIONAL CLIENT

Pursuant to the Act on Trading in Financial Instruments, a Professional Client is:

- a) bank,

- b) investment firm,
- c) insurance company,
- d) investment fund or investment fund management company,
- e) pension fund or pension fund management company,
- f) commodity brokerage house,
- g) entity which as part of its business activities deals on own account on markets in forwards, options or other derivatives or on cash markets for the sole purpose of hedging positions on those markets or which deals for this purpose for the accounts of other members of those markets, if the responsibility for the performance of obligations under those transactions is assumed by clearing members of the same markets;
- h) financial institution other than the institution specified in items a-g,
- i) institutional investor other than the investor specified in items a-h conducting regulated activities on the financial market,
- j) entity conducting outside of the Republic of Poland activities which are equivalent to the activities carried out by the entities specified in items a-i,
- k) entrepreneur meeting at least two of the following requirements, save that the equivalent of the amounts specified in EUR shall be calculated with the use of the EUR average exchange rate determined by the National Bank of Poland as of the date of the entrepreneur's financial statements:
 - total assets of the entrepreneur amount to at least EUR 20,000,000,
 - revenues from sales achieved by the entrepreneur amount to at least EUR 40,000,000,
 - equity or own funds of the entrepreneur amount to at least EUR 2,000,000,
- l) national and regional government unit, public body that manages public debt, central bank, the World Bank, the International Monetary Fund, the European Central Bank, the European Investment Bank or other similar international organisation,
- m) other institutional investor whose principal activity is to invest in financial instruments, including entities dedicated to the securitisation of assets or other financing transactions,
- n) entity other than the entity specified in items a-m which at its request is recognised as a professional client by the investment firm, provided that it has the knowledge and experience allowing to make right investment decisions and to properly assess the risk associated with these decisions; this condition is deemed to be satisfied if the entity meets at least two of the following requirements:
 - conclusion of transactions with the value being a PLN equivalent of at least EUR 50,000 each, in the relevant market, at the average frequency of at least 10 transactions per quarter over the last four quarters,
 - the value of the entity's portfolio of financial instruments including cash in that portfolio is at least a PLN equivalent of EUR 500,000,
 - work in the financial sector for at least one year on the position which requires professional knowledge relating to transactions in financial instruments or brokerage services that will be provided under a management contract.

ELIGIBLE COUNTERPARTY

Eligible counterparty is a Professional Client referred to in letters a-j and l-m above with which the Brokerage House concludes transactions or mediates in their conclusion as part of:

- order execution service,
- order reception and transmission service,
- transactions to buy or sell financial instrument for own account.

RETAIL CLIENT

Retail Client is a Client who is not a Professional Client or eligible counterparty.

CHANGE OF CLIENT CATEGORY

A prerequisite for a change of the category from "Retail Client" to "Professional Client" is to request the Brokerage House in writing to be treated as a Professional Client.

IPOPEMA Securities S.A., striving to ensure to the Client a high level of security and protection of the

investment activity may refuse to change the category assigned to the Client to a higher category.

IPOPEMA Securities S.A. informs that in the case of certain brokerage services provided in particular with the mediation of the Agent of the Investment Company, it may treat all Clients as Retail Clients.

A Client categorised as a professional client may apply for change of the status into "Retail Client". Such status may be obtained if an appropriate request is made to the Brokerage House.

IPOPEMA Securities S.A. may change the Client category to a lower category on its own initiative, if it becomes aware that the Client no longer satisfies the conditions allowing to treat it as a Professional Client. The information about the change of the category is delivered to the Client.

The Client shall submit to IPOPEMA Securities S.A. all material information that could affect the category assigned.

A final decision to change the category of the Client shall be made by IPOPEMA Securities S.A.

SCOPE OF PROTECTION AVAILABLE TO INDIVIDUAL CATEGORIES OF CLIENTS

Scope of protection and information provided	Retail Client	Professional client	Eligible counterparty
Development of Terms and Conditions of the Provision of Brokerage Services	■	-	-
Delivery of the MiFID Information Brochure containing, among other things, detailed information on the Brokerage House and services provided as well as description of instruments and related investment risks	■	■	-
Assessment of suitability	■	■	-
Provision of the information on principles of management of conflicts of interest applied	■	■	■
Provision of the information on the occurrence of a conflict of interest	■	■	■
Provision of the information on inducements	■	■	-
Delivery of a confirmation of conclusion of the transaction by the Client, after the transaction	■	■	-
Delivery on Client's request of the information on the status of order execution	■	■	-

FEES, COMMISSIONS AND BENEFITS IN KIND

In relation to the provision of brokerage services IPOPEMA Securities S.A. is not paid and does not pay any fee or commission and is provided with or provides any non-monetary benefit, other than the following:

- those received from the Client or a person acting on behalf of the Client or paid or provided to the Client or a person acting on behalf of the Client (e.g. standard fees and commissions to the Brokerage House),
- those necessary for the provision of services to the Client (e.g. custody costs, settlement and exchange fees, regulatory levies or legal fees),
- fees, commissions and non-monetary benefits other than those mentioned above, provided that they are received or submitted in order to improve the quality of brokerage services provided by IPOPEMA Securities S.A. to Clients.

Small gifts or minor hospitality are excluded from the scope of the above mentioned regulation. In accordance with the procedure applicable in the Brokerage House in this respect, subject to its other provisions, gifts may be accepted in business relations if they do not exceed the amount of EUR 250 on one occasion and EUR 500 in total during a particular calendar year as part of a relation with one client/person. Acceptance or provision of a gift whose value exceeds this limit shall require the prior consent of the line manager of a given employee and immediate notification to the Compliance Officer.

IPOPEMA Securities S.A. may accept or transfer payments with the participation of a third party for activities related to brokerage services, in particular in the following cases.

The Brokerage House as a distributor of units or investment certificates of investment funds receives from

management companies which manage those funds:

- remuneration equal to 100% of the administration fee charged for a sale of units or the fee for the issuance of investment certificates,
- remuneration equal to 50-80% of the remuneration of investment fund management companies for the management of a given fund.

The Brokerage House may receive from investment fund management companies other non-monetary benefits provided in order to improve the quality of brokerage services which include for instance access to the transfer agent's system allowing to receive and transmit orders and instructions, trainings for employees of the Brokerage House and agents of the investment firm acting for and on behalf of the Brokerage House, teaching and training materials etc. These benefits are paid for with the funds of investment fund management companies and do not result in an increase of fees charged to fund unit holders in connection with a purchase of units or investment certificates or participation in the fund.

Employees of the Brokerage House may be included in additional promotional activities, e.g. competitions concerning the reception and transmission of orders covering units or investment certificates of funds or competitions concerning the execution of orders related to individual financial instruments offered by the Brokerage House.

In connection with the provision of the service of offering financial instruments and receiving subscriptions for financial instruments offered in a public or private offering, the Brokerage House receives or may receive remuneration from third parties. If the Brokerage House acts as the offering agent, it is the remuneration received from the issuer or the entity selling financial instruments (seller). If a prospectus is prepared and published for the purposes of a given offering, the information on costs related to the offering, including the amount of remuneration for issuer's/seller's advisors, is published in the prospectus. If the Brokerage House is a member of a distribution consortium for financial instruments offered in a public offering, the related remuneration is received from the investment firm acting as the offering agent or constitutes a brokerage commission on orders executed on the basis of subscriptions placed as part of a given offering.

The Client may request detailed information on the nature and amount or method of determining the amount of fees, commissions or on non-monetary benefits or the information whether a particular service or product involves any non-standard fees, commissions or non-monetary benefits. IPOPEMA Securities S.A. must provide to the Client detailed information on such matters.

The Brokerage House has implemented appropriate procedures specifying the internal policy on receiving and giving inducements in order to avoid a situation where the Brokerage House will favour its interest over the interest of the Client when offering to the Client a product or service.
