

## Rules for Executing Orders

Pursuant to Act No. 256/2004 Coll., on business activities on the capital market, as amended, Citfin – FT is obligated to provide its clients information about the rules for executing orders. These rules are to ensure that the client's orders are executed under the most favourable conditions. The aim of the rules for executing orders is to set rules for Citfin – FT and its employees to ensure that clients' orders regarding investment services are executed under prearranged conditions and, above all, to ensure the most favourable conditions for their execution.

The rules for executing orders encompass:

- Rules for executing orders under the most favourable conditions
- Rules for processing orders
- Notification of clients about executed orders and about rules for executing orders

## Rules for Executing Orders under the Most Favourable Conditions

Citfin – FT executes the client's orders in accordance with the company's rules and procedures for executing orders involving investment instruments, with the goal of achieving the best possible result for the client relative to the situation on the market. In its internal regulations and procedures for executing orders, Citfin – FT has established individual steps for processing the orders of clients for purchasing or selling investment instruments, particularly with respect to the client category and type of investment instrument.

### Authorised employees:

- are obligated to receive the client's agreement to the rules for executing orders before making a trade,
- execute the client's orders regarding investment instruments and provided investment services under the most favourable conditions,
- do not, in accordance with the rules set by an internal regulation, renounce their commensurate degree of flexibility and independence based on the particularities of individual types of investment instruments and in relation to the specific needs of individual clients.

### When executing client's orders, the authorised employee takes into account:

- the nature and properties of the investment instruments involved in the trade,
- the nature of the client, particularly the client's classification into one of the defined categories,
- the nature of the client's order.

### Factors affecting the method of executing orders:

When performing a trade, Citfin – FT takes into account the relative importance of these factors:

- price that can be negotiated at the point of transfer
- total volume of fees the client is charged
- speed with which the order can be executed
- likelihood of the order's execution
- volume of the requested trade
- settlement terms
- type of transaction
- other factors having an importance on the execution of the client's order under the best conditions.

Citfin – FT has established a rule of maintaining an individual approach to the execution of each order for both professional and non-professional clients based on evaluation of the significance of the above factors that may affect the execution of the client's order.

The authorised employee of Citfin – FT proceeds within the rules set by the company's internal regulation. Where these rules allow space for deciding on how to execute the client's order, the authorised employee shall make such a decision with professional diligence, using their professional experience with financial markets and respective of the basic principles set by the internal regulation. If

a special arrangement is made about the method of executing the order between the client and the authorised employee of Citfin – FT, this arrangement takes precedence over the rules set by the internal regulation.

Authorised employees are not allowed to urge, incentivise or motivate the client to assign instructions or set other limiting conditions that would prevent employees from proceeding in accordance with rules for executing orders established by the internal regulation of the company.

### **Rules for Processing Orders**

Employees of Citfin – FT involved in providing investment services must not use information regarding unexecuted client orders, and must not, in particular, use the knowledge of the client's order, obtain or appropriate the investment instrument involved in the unexecuted order or obtain or appropriate another investment instrument the value of which is related to the investment instrument involved in the unexecuted order.

The authorised employee processes client's orders relative to orders of other clients or orders on their own account fairly and without undue delay.

Clients' orders do not have to be processed immediately if arranged otherwise with the client in that specific case or if such a course of action was decided on by the head of the dealings department in accordance with valid regulations, or in accordance with the General Contract and General Terms and Conditions; neither do orders have to be processed immediately in case of orders which show signs of conduct damaging the transparency of financial markets, as well as orders that could be a part of conduct leading to the legalisation of profits arising from illegal activities, funding terrorism, etc.

Clients' orders are realised in the order they were received in, unless doing so is in conflict with the client's specific instructions or the nature of the client's order or the predominant conditions on the market make such a course of action impossible or impractical, or the interests of the client require a different course of action.

If a trader in securities executes an order from a client who is not considered a professional customer, he/she shall determine the best conditions with respect to the total costs, which include the investment instrument price and the costs associated with the execution of the order.

### **Notification of Clients about Executed Orders and about Rules for Executing Orders**

Upon the client's request, the authorised employee is obligated to provide the client with information about the relevant executed order, in particular, whether the order was executed in accordance with the rules for the execution of orders.