



Informational brochure of DB Securities S.A.

Below we present the key information on DB Securities S.A.

Mailing address:
DB Securities S.A.
Al. Armii Ludowej 26
00-609 Warsaw, Poland

Additional information:
District Court in Warsaw, 12th Commercial Division,
KRS 0000066290,
NIP 637-01-18-719,
REGON: 271956257
Share Capital PLN 15.000.000 – fully paid .

The supervisory authority of DB Securities S.A. is:
Polish Financial Supervision Authority
Plac Powstańców Warszawy 1
00-950 Warsaw, Poland

CAPITAL GROUP

DB Securities S.A. (hereinafter also as: "DBS") with its registered office in Warsaw at al. Armii Ludowej 26, is a subsidiary of Deutsche Bank Polska S.A. with its registered office in Warsaw.

COMMUNICATION METHODS

Clients may contact DB Securities S.A. in the DB Securities S.A. centre in Warsaw, via mail to the above specified address of the DB Securities S.A. centre, via telephone, telephone number: 22 579-87-00, via electronic mail to the address: db.securities@db.com or via our website: www.dbsecurities.pl, or via Deutsche Bank PBC S.A., the agent of DB Securities S.A., personally (by visiting one of the Bank's branches in the entire country) as well as via electronic channels: Tele-service: 0 801 18 18 18, e-mail: info.dbpbc@list.db.com

The current addresses of Deutsche Bank Polska S.A. branches are listed at the following website: www.deutschebank.pl.

SERVICE LANGUAGES USED BY DB SECURITIES S.A.

Clients may contact DB Securities S.A. in Polish and – at the explicit request of the client – in English.

The documents and information addressed to clients will be provided in Polish.

CERTIFICATION

DB Securities S.A. is licensed to conduct stockbroking activities pursuant to the certificate of the Securities and Exchange Commission granted by the decision no. KPWiG-4021-24/2001 of 7 August 2001. DB Securities S.A. is subject to supervision of the Polish Financial Supervision Authority with registered office in Warsaw, Pl. Powstańców Warszawy 1. www.knf.gov.pl

SCOPE OF PROVIDED SERVICES

DB Securities S.A. provides the following stockbroking services:

1. accepting and transferring orders of acquisition and disposal of stockbroking financial instruments
2. processing orders specified in section 1 above, on the account of the ordering party
3. acquisition and disposal of financial instruments on its own account,
4. offering financial instruments ,
5. executing concluded agreements for the investment and service underwritings or concluding and executing other agreements of similar nature, provided that their object includes financial instruments
6. keeping or registering financial instruments, including keeping accounts for securities and cash, consultancy services for companies in the scope of the capital structure, company's strategy or other
- 7.

8. notions related to this structure or strategy
8. consultancy and other services in the scope of mergers, divisions and acquisition of companies
9. currency exchange, in cases where it is related to the stockbroking activities conducted by DB Securities in the scope specified in sections 1-5,
10. provision of additional services related to service or investment underwriting.

Detailed information on the principles of offering particular services to retail Clients and professional Clients are specified in regulations and agreements which apply for particular services or products.

ACTING VIA AGENT

DB Securities S.A. conducts its activities via an agent of the investment company, which is Deutsche Bank Polska S.A. with registered office in Warsaw at Al. Armii Ludowej 26.

CLIENT CATEGORIES

DB Securities S.A. has implemented a procedure to specify the principles of classification of Clients in accordance with the Regulation of the Minister of Finances of 28 September 2012 on the method and conditions of procedure of investment companies, banks, specified in Article 70 par. 2 of the Act on the turnover of financial instruments and trust banks (Polish Journal of Laws of 2012; Dz. U. item 1078).

The clients of DB Securities S.A. are classified in order to guarantee the proper level of protection comprising in provision of the proper scope of information to the clients, depending on the given category. The clients are classified as follows:

- Retail clients
- Professional clients,
- Recognised business partners.

The highest level of protection is granted to retail Clients. Each client can submit a request to be reclassified to a different category. DB Securities S.A. can assign a different category to a Client provided that he/she meets the requirements regarding the frequency of transactions and their amounts, the value of the Client's assets specified in the regulation mentioned above. DB Securities S.A. can dismiss the request to change the category to a different one than a retail Client in order to guarantee the Client a higher level of protection.

INFORMATION ON FINANCIAL INSTRUMENTS AND RISK

DB Securities S.A. notes that before making an investment decision, the investor should get acquainted with the nature of the financial instruments which are to be the object of the investment as well as the risks related to such instruments. Investments on financial markets are inseparably related to risk. In this case, the rule stating that the higher rate of return expected by an investor, the higher the risk related to such an investment applies. Therefore, financial instruments which can give higher rates of return are encumbered with higher risk.

RISK

The risk related to investments on financial markets are usually defined as the probability to incur losses or the uncertainty related to obtaining a result which is in discordance with the expected result, in relation to making a specific investment decision.

The entire investment risk includes a series of various factors, which may be divided into two categories:
- systematic risk (also known as a market risk), which includes general factors, independent from the strategy and decisions of a single investor. These elements include, among others, the macroeconomic, social, political risks, which can include the following examples: business cycle stage, inflation level, legal

regulations, social and political environment, etc. It is absolutely necessary to take into account that the systematic risk cannot be eliminated by diversifying the investment portfolio:

- unsystematic risk (also known as a specific risk), which includes specific factors (individual factors) characteristics for specific financial instruments or asset classes. Such elements include, among others, the risk of insolvency of the issuer, the risk of liquidity, exchange rate risk and competition risk. Investments in specific financial instruments are related to a series of specific risks for each category of instruments. Specific risk can be limited by diversifying the investment portfolio, thus this type of risk is also known as the diversifiable risk.

Making any investment decision is related to, among other factors, the necessity to specify the future income and evaluate possibility of loss of the entirety or part of the invested assets. The risk can also be subject to the related risk. The risk of investing into financial instruments is related to the necessity to incur additional costs. The use of products offering financial leverage (credits or limit of receivables) can result in obtaining a higher rate of return but also in bigger losses.

The description of financial instruments and the related risk is presented in-depth in the MiFID Information Brochure document

REPORTING

The scope, frequency and dates of reports on services provided by DB Securities S.A. are specified in details in the agreements and regulations of particular services. At the end of each calendar year, the Clients are provided with their account statements, detailing its balance, in accordance with the principles of communication.

COMPLAINT HANDLING

DB Securities S.A. DB Securities S.A. accepts complaints from Clients regarding the provision of services, in the following forms: written form by submission of complaints to the mailing address of DB Securities S.A.

Furthermore, it is possible to submit such a complaint via DB Securities S.A.'s agent from Deutsche Bank Polska S.A. via mail to the mailing address of the Bank or in person in any division of the Bank.

The complaint should detail the Client's data, the date of occurrence and description of the reported restrictions or discrepancies, as well as clearly formulated claims

PROTECTION OF THE CLIENT'S FINANCIAL INSTRUMENTS OR FUNDS

DB Securities S.A. is a participant in the compensation program managed by 'Krajowy Depozyt Papierów Wartościowych S.A.' [National Securities Deposit Joint-Stock Company]. The aim of the compensation system is to guarantee the investors the payment of cash as well as compensation of the value of lost financial instruments gathered by them in brokerage houses, including their divisions outside of Poland. The payment is made to the amount specified in the Act on the turnover of financial instruments of 29 July 2005 (Polish Journal of Laws of 2005; Dz. U. No. 193 with further amendments), in the following cases:

1. declaration of bankruptcy of the brokerage house, or
2. valid dismissal of the bankruptcy petition due to the fact that the assets of the brokerage house are not sufficient to cover the costs of proceedings, or
3. statement of the Polish Financial Supervision Authority that the brokerage house is not able, due to reasons strictly related to the financial situation, to execute its obligations resulting from claims of investors and that it is not possible to execute them in the near future

The compensation system protects the payment of



assets to investors, decreased by the receivables of the brokerage house on the account of the provided services, up to the value of EUR 3000 – 100% of the value of assets embraced by the compensation system, as well as 90% of the excess amount, however the upper limit of assets embraced by the compensation system is equal to EUR 22 000.

GENERAL INFORMATION ON INTEREST CONFLICT MANAGEMENT IN DB SECURITIES S.A.

The activity of DB Securities S.A. as a brokerage house belonging to the global Deutsche Bank Group can include situations resulting in the occurrence of potential and actual conflicts of interests. The conflict of interest management policy in DB Securities S.A. assumes taking justifiable actions for the maintenance and functioning of effective processes aiming at the identification and management of particular conflicts

INFORMATION ON COSTS, FEES, COMMISSIONS AND NON-CASH BENEFITS

Fees, commissions and non-cash benefits specified in § 8 sec. 2 of the Regulation from the Minister of Finances of 24 September 2012 on the method and conditions of procedure of investment companies and banks, specified in Article 70 paragraph 2 of the Act on the turnover of financial instruments and trust banks (Polish Journal of Laws of 2012; Dz. U. item 1078).

The above means that DB Securities S.A. shall not accept and shall not transfer fees, commissions or non-monetary benefits, except for:

- 1) Fees, commissions and non-monetary benefits, received from a client or a person acting on its behalf or transferred to the client or a person acting on its behalf

All these fees and commissions are specified in the "List of brokerage fees and commissions in DB Securities S.A."

- 2) Fees or commissions necessary to provide a brokerage service to the client

Any related fees, in particular:

- a) Fees for trust (e.g. fees related to storing cash entrusted by clients in banks)
- b) Fees related to the settlement of transactions and exchange (e.g. fees to the National Securities Depository S.A., National Securities Depository CCP SA, Warsaw Stock Exchange)
- c) The regulatory burden (e.g. fees paid to the Polish Financial Supervision Authority for its supervision)
- d) Legal fees (e.g. the income tax on capital gains, value-added tax for the service)

have been already included in fees and commissions specified in the "List of brokerage fees and commissions in DB Securities S.A."

- 3) Fees, commissions and non-monetary benefits other than those specified in sec. 1) and 2), provided that: (i) information about these fees, commissions or benefits in kind, including their nature and the amount or method of determining their amount has been transferred to the client before entering into an agreement for brokerage services, and (ii) they are accepted or transferred to improve the quality of brokerage services provided by the investment company to the client.

As a part of provided brokerage services, DB Securities SA shall keep cash of its clients on separate bank accounts. These accounts are kept in favour of DB Securities S.A., but cash of the clients is separated from the own funds of DB Securities S.A.

Agreements on keeping bank accounts, concluded with the banks guarantee that:

- 1) in case of any enforcement proceedings against the investment company, the funds

entrusted by clients to DB Securities S.A. in connection with its brokerage services, shall not be subject to seizure,

- 2) in case of bankruptcy declared by DB Securities S.A., the funds entrusted by clients to DB Securities S.A. in connection with its brokerage services, shall be excluded from the bankruptcy estate of DB Securities S.A.,
- 3) funds entrusted by clients to DB Securities S.A. in connection with its brokerage services, will not be used by DB Securities S.A. for its own account.

Bank accounts kept for DB Securities S.A., where the funds of clients are kept, are subject to interest rate, the amount of which in 2013 was at the level of WIBOR 3M + 1.70% per annum (this information relates to Deutsche Bank Polska S.A., as the bank where DB Securities S.A., keeps the majority of funds entrusted by clients).

The benefits derived from this title shall be used by DB Securities SA for improving the quality of brokerage services. This occurs by assigning funds for the improvement and development of IT infrastructure, as well as by offering clients the possibility to submit orders to buy or sell financial instruments using modern electronic communication platforms.

At the request of the client, DB Securities S.A. shall present detailed information on the nature, amount or method of determining fees, commissions and non-monetary benefits received or transmitted by DB Securities S.A.

In order to avoid a situation in which DB Securities S.A., when offering client brokerage services, would put its own interests before the interests of the client, DB Securities S.A. has implemented appropriate procedures determining the policy of Securities S.A. for the reception and transmission of incentives, as well as for prevention of conflicts of interest.

INFORMATION ON FEES IN POLISH AND FOREIGN MARKETS

- 1) Fees to the Stock Exchange in Warsaw

In relation to the services provided following the orders to buy or sell financial instruments, in terms of costs associated with the participation in a regulated market and in alternative trading system organized by the Warsaw Stock Exchange, DBS shall pay the following fees:

1. fees for access to the IT systems of the Stock Exchange (one-off charges, monthly and quarterly fees); according to: sec. 1 of Annex 1 to the Stock Exchange Rules
2. fees for using the IT systems of the Stock Exchange (monthly and quarterly fees); according to: sec. 2 of Annex 1 to the Stock Exchange Rules
3. operating fee on the spot market; according to: sec. 3 of Annex 1 to the Stock Exchange Rules,
4. operating fee on the futures market; according to: sec. 3 of Annex 1 to the Stock Exchange Rules,
5. other fees, according to: sec. 6 of Annex 1 to the Stock Exchange Rules.

Full text of the Stock Exchange Rules with Annexes is available at: www.gpw.pl.

- 2) Fees to BondSpot S.A.

In relation to the services provided following the orders to buy or sell financial instruments, in terms of costs associated with the participation in a regulated market and in alternative trading system organized by BondSpot S.A., DBS shall pay the following fees:

1. fees for using the terminal (quarterly fees); according to sec. 1 of Annex 2 to the Rules for Regulated Trade at OTC market,
2. transaction fees; according to sec. 2 of Annex 2 to the Rules for Regulated Trade at OTC market,
3. other fees; according to sec. 3 of Annex 2 to the Rules for Regulated Trade at OTC market,

Full text of the Rules for Regulated Trade at OTC market with Annexes is available at: www.bondspot.pl.

- 3) Fees for the National Depository for Securities, KDPW CCP SA and KDPW RT

DBS, being a participant of KDPW, KDPW_CCP SA and KDPW_RT shall pay the following fees:

1. deposit fees (for opening a formal account, for keeping entity account, for keeping deposit cash market instruments); according to: section 1 subsections 1 - 3 of Annex No. 1 to NDS Regulations)
2. settlement fees; according to: sec. 1, subsec. 4 of Annex No. 1 to NDS Regulations,
3. fees for managing messages/instructions; according to: sec. 1, subsec. 5 of Annex No. 1 to NDS Regulations,
4. loan fees in the system of automatic securities lending and in the system of negotiated loans; according to: sec. 1 and subsections 6 - 6a of Annex No. 1 to NDS Regulations,
5. special fees; according to: sec. 1, subsec. 7 of Annex No. 1 to NDS Regulations,
6. fees for additional services; according to: sec. 1, subsec. 8 of Annex No. 1 to NDS Regulations,
7. participation fees; according to: sec. 1 of Annex No. 1 to the Rules for clearing transactions,
8. transaction settlement fees; according to: sec. 2 of Annex No. 1 to the Rules for clearing transactions,
9. fees related to derivative instruments; according to: sec. 3 of Annex No. 1 to the Rules for clearing transactions,
10. fees for managing and administering funds paid in respect of contributions to the clearing fund and appropriate security fund, as well as funds paid for the margins as a part of the system securing the liquidity of settling the transactions or within the system of securing the liquidity of clearing negotiated loans; according to sec. 4 of Annex No. 1 to the Rules for clearing transactions,
11. fees for additional services; according to: sec. 5 of Annex No. 1 to the Rules for clearing transactions,
12. fees for managing the compensation system; according to: § 20 of the Compensation System Rules,
13. participation fees; according to: sec. 2, subsec. 2.1 of Annex No. 1 to the Trade Repository Rules,
14. fees for reporting transactions to the Repository; according to: sec. 1, subsec. 1.2 of Annex No. 1 to the Trade Repository Rules,
15. fees for keeping information on transactions in the Repository; according to: sec. 1, subsec. 1.3 of Annex No. 1 to the Trade Repository Rules,
16. other fees; according to: sec. 3, subsec. 3.1 of Annex No. 1 to the Trade Repository Rules.

Full text of NDS Regulations, Rules for clearing transactions in KDPW_CCP, Trade Repository Rules and Compensation System Rules with their annexes are available at: www.kdpw.pl and www.kdpwccp.pl.

- 4) Fees related to foreign markets

DBS shall bear the costs of activities related to execution of orders to buy or sell foreign financial instruments. These fees may vary depending on the market, as well as on the intermediary in the transaction and may be in the range of 0.010% to 0.30% of the transaction value.

Additional transaction costs include local fees and taxes that are required in some markets.

DBS may also bear the costs of currency transfer, costs receiving the transfer of financial instruments and costs of keeping deposited financial instruments, including any local charges.

INFORMATION ON TAX OBLIGATIONS OF THE CLIENTS

The following information regarding taxes is of a general nature. Tax obligations are dependent on the individual situation of the Client and the location of the investment, therefore in order to determine specific tax principles or obligations it is recommended to seek the guidance of a



tax consultant. The following information cannot be treated as a tax consulting service.

The principles of personal income tax are regulated by the Act of 26 July 1991 on personal income tax (i.e. Polish Journal of Laws of 2000; Dz. U. No. 14, item 176 with further amendments), hereinafter referred to as the "Personal Income Tax [PIT] Act".

In the case of Clients not residing or staying within the territory of the Republic of Poland (Non-residents), the tax principles specified in the PIT Act apply with consideration to double taxation agreements, in which the Republic of Poland is a party. However, the use of a tax rate resulting from the double taxation agreement or failure to pay tax in accordance with such an agreement is possible provided that the taxpayer provides a document confirming his/her place of residence, i.e. a residence certificate obtained by him for tax purposes.

Pursuant to Article 17 paragraph 1 of the PIT Act, income from capital gains especially includes: interest from savings deposits and assets on bank accounts or other forms of savings, storage or investment, except cash assets related to conducted business activity, interest (discount) from securities, dividends and other income from profits of legal persons, income from participation in capital funds, due, even if not actually received, income from charged disposal of shares in companies with legal personalities as well as securities, execution of rights from securities, income from charged disposal of pre-emptive right, including disposal of pre-emptive right to stock from a new issue from an employee pension fund on behalf of a fund member, income of members of an employee pension fund from the transfer of stocks stored in quantitative accounts to the assets of such funds, nominal value of shares (stocks) in a company with legal personality or contributions in cooperative societies embraced for a non-cash contribution, income from charged disposal of derivative financial instruments and execution of rights arising from them. In accordance with Article 9 of the PIT Act, income tax applies to all types of income, except income specified in the PIT Act as well as income exempted from tax collection pursuant to the regulations of the Tax Code. Revenue from the income source, provided that the PIT Act regulations do not specify otherwise, is the excess sum of income from that source, over tax deductible expenses, obtained during the taxation year. If tax deductible expenses exceed income sum, the difference is a loss from the income source. Revenue (income) is subject to taxation with a flat-rate income tax – in accordance with Article 30a of the PIT Act.

In accordance with Article 41 paragraph 4, the taxpayer shall pay a 19% flat-rate income tax from performed withdrawals or cash or monetary values made available to the taxpayer, especially from: interest and discounts from securities, interests or other income from cash resources gathered on the taxpayer's account or in other forms of savings, storage or investment, kept by the entity authorised pursuant to separate regulations, except cash resources related to the conducted business activity, dividends and other income from participation in profits of legal persons, income from participation in capital funds, income saved on an individual pension account from refunds or partial refunds, within the meaning of regulations on individual pension accounts and resources gathered on this account.

Revenue (income) specified in Article 30a of the PIT Act is not related to revenue from other sources. The aforementioned revenue is subject to flat-rate income tax, without decreasing income with tax deductible expenses, with restriction to regulations specified in the PIT Act, especially with consideration to exemptions from income tax specified in Article 52a. Revenue obtained from participation in capital funds is not decreased with losses from participation in capital gains and other losses of money capital and monetary rights incurred in the taxation year and previous years. The flat-rate income tax from the aforementioned revenue is calculated, collected and paid by the taxpayer to the account of the Tax Office with jurisdiction over the taxpayer's registered office (the taxpayer is the entity which performs withdrawal of resources from the obtained revenue from the income sources)

The flat-rate income tax from the aforementioned revenue is calculated, collected and paid by the taxpayer to the account of the Tax Office with jurisdiction over the taxpayer's registered office (the taxpayer is the entity which performs withdrawal of resources from the obtained revenue from the income sources)

Revenue from capital gains is subject to income tax – in accordance with Article 30b of the PIT Act

Revenue obtained from charged disposal of securities or derivative financial instruments and from the execution of rights resulting from them, as well as from charged disposal of shares in companies with a legal personality and from acquisition of shares (stocks) in companies with a legal personality or contributions in cooperative societies for non-cash contribution in a different form than a company or its organised part, is subject to income tax equal to 19% of the obtained income

Revenue is the difference between the sum of income obtained from capital gains and tax deductible expenses, determined in accordance with the regulations specified in the PIT Act, where tax deductible expenses are the expenses related to the acquisition of a specific financial instrument as well as all costs, fees, commissions related to the acquisition.

Revenue specified in Article 30b paragraph 1 of the PIT Act is not related to income taxed pursuant to general principles (from an employment relationship, among others) and obtained from conducted business activity.

Pursuant to Article 39 paragraph 3 of the PIT Act, DB Securities S.A., within the period before the end of February of the year after the taxation year, in which the Client (taxpayer) obtained the income, shall provide the taxpayer and the Tax Office with jurisdiction over the taxpayer, (whereas in the case of a taxpayer having the status of a Non-resident, the Tax Office with jurisdiction over matter related to taxation of foreign persons), with personal information (PIT-8C) on the amount of income and tax deductible expenses in relation to: (i) charged disposal of securities, (ii) execution of rights resulting from securities, (iii) charged disposal of derivative financial instruments and execution of rights resulting from them, (iv) charged disposal of shares in companies with legal personality, (v) acquisition of shares (stocks) in companies with legal personality or contributions in cooperative societies for a non-cash contribution in a

different form than a company or its organised part.

Information on obtained income, tax deductible expenses, revenue and possible losses included in the PIT-8C information will be the basis for submission by Clients until 30 April of the year following the year in which the income from taxed capitals was obtained pursuant to principles specified in Article 30b, regarding the annual statement PIT-38 (as well as payment by the Client of tax equal to 19% of the revenue demonstrated in the statement). In case of losses in the given settlement year, the Client can deduct the incurred loss from the revenue obtained from the given income source, in the next subsequent five tax years. However, this includes a restriction – one settlement year cannot include more than 50% of losses from the year in which such losses were incurred.

Within the scope of brokering services related to securities on foreign markets, DB Securities S.A. brokerage house collects taxes from transactions in accordance with the current legal regulations in particular markets.

NOTE: In addition to the information presented above, it has to be remembered that the situation is different in case of dividends from financial instruments listed on markets in the United States.

The manner of activities of DB Securities S.A. when concluding the transactions in the U.S. market results in the withholding tax of 30%.

The above provisions is not changed by the fact of signing the agreement on the avoidance of double taxation by Poland and the United States or by submitting W8-BEN form by the Customer.

THE RIGHT OF THE CUSTOMER AND MANNER OF WITHDRAWING FROM THE AGREEMENT FOR BROKERAGE SERVICES

Pursuant to art. 40 par. 6 item 2 of the Act on Consumer Rights, the consumer shall not be entitled to withdraw from the Agreement for brokerage services by applying the provisions of art. 40 par. 1 of the aforementioned Act.

ANNEXES TO THE INFORMATIONAL BROCHURE OF DB SECURITIES S.A.:

1. Policy of DB Securities S.A. for executing orders and acting in the best interest of the client
2. Policy of managing the conflict of interests in DB Securities S.A.