

# Investment Questionnaire

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Dear Madam/Sir,

Thank you for the confidence you have expressed in us. We are totally committed to helping you choose the most appropriate investment. To make sure you are completely satisfied, we would therefore like to ask you for your kind cooperation. The more complete and accurate information you provide in the enclosed ČSOB Investment Questionnaire, the better the investment solution that we will find together will be.

We all know that the values of investments on capital markets fluctuate. This fluctuation (known as volatility) is influenced by market developments, economic factors, the behaviour of other investors, as well as by the type of securities (e.g. stocks are more volatile than bonds). It is essential that the investor, with the banker's assistance, can realistically evaluate these situations and therefore we strive to determine each investor's individual tolerance to risk as a guide for us in choosing the most appropriate strategy.

In the questionnaire you have received we first ask questions about your investment knowledge and experience and your financial position, followed by questions about your investment objectives, including your attitude to investment risk. Based on your answers, we will determine your investment profile reflecting what type of investor you are. The questionnaire will also show whether you have the knowledge and experience needed to assess the risks of various types of financial products.

By obtaining and subsequently evaluating the investment questionnaire's information, we also meet our statutory obligation in providing investment advisory services<sup>1)</sup>. The information helps us act in your best interest. For example, in practice this means that we will evaluate the appropriateness of transactions involving investment instruments in accordance with your investment profile and with regard to your investment knowledge and experience.

An investment profile usually changes over time. If you find that your attitudes and answers to the questions have changed please visit a ČSOB Private Banking branch, where we will determine your new profile, based on your current information.

Client (first name, surname, academic title) .....

Date of birth .....

Permanent address .....

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<sup>1)</sup> Act No. 256/2004 Coll., on Capital Market Undertakings, as amended (hereinafter the "ACMU") governs providing investment services on the capital market, protection of the capital market and investors, and offering securities to the public. The Act lays down, inter alia, that the provider of the primary investment service: "investment advisory concerning investment instruments" is obliged to obtain the necessary information from the customer to the extent that enables the provider to evaluate whether providing this primary investment service, which also involves providing advice about an investment instrument or executing an investment instrument transaction, is consistent with the customer's financial background, the investment objectives and the specialised knowledge and experience of the customer needed to understand the associated risks.

## 1. Do you know the investment instruments below?

### Have you had personal experience of them?

We are also interested in your knowledge and experience of products not offered by ČSOB. **Knowledge** means that you also know what influences their **return** and what **risks** are associated with them. **Experience** means that you have carried out **transactions** with these financial products to an **extent** that you consider significant with regard to your financial position.

Choose only one option

	I know the investment instrument and have also had practical <b>experience</b> of it. The average number of transactions I have carried out in the last 3 years is:		I know the investment instrument	I do not know the investment instrument <b>nor</b> have I had experience of it
	5 and more transactions a year	1 to 4 transactions a year		
a) <b>Ordinary investment funds (money market funds, bonds, equity and mixed funds etc.) and products that contain these funds (such as unit-linked life insurance, pension funds, etc.)</b> These are investment funds that invest according to a predefined investment strategy specified in the fund rules (prospectus). They invest in securities or other investment instruments. They have no maturity date. Their value fluctuates over time to various degrees.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) <b>Structured products – simple (such as capital guaranteed and structured funds, structured bonds, structured deposits, investment certificates with at least 90% guarantee) and products that contain them (such as unit-linked life insurance, etc.)</b> There is a fixed maturity date as of which the conditions for paying out the amount invested and return are predefined. Payment of <b>at least 90%</b> of the amount invested is guaranteed. The investment strategy combines investing in bonds and financial derivatives (such as options, swaps) linked to a predefined asset (such as stock, commodity, index, currency).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) <b>Bonds (government, corporate, municipal, etc.), promissory notes, treasuries and similar debt instruments</b> These are securities involving the right of the holder (creditor) to be repaid the principal and to receive interest from the issuer (debtor) on the amount provided. The repayment of the principal and the payment of interest depend on the issuer's ability to meet its obligations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) <b>Stocks</b> A stock is a security that represents an equity interest in a joint-stock company. Shareholders are entitled, inter alia, to share the company's profit (dividend). The stock value fluctuates greatly over time.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) <b>Structured products – complex (such as structured funds with conditional protection, investment certificates) and products whose investment component contains them</b> There is a fixed maturity date as of which the conditions for paying out the amount invested and return are predefined. The payment guarantee is <b>below 90%</b> of the amount invested and/or depends on predefined financial market developments, or the product does not include any payment guarantee of the amount invested. The investment strategy combines investing in bonds and financial derivatives (such as options, swaps) linked to a predefined asset (such as stock, commodity, index, currency).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## 2. Do you know the financial products below? Have you had personal experience of them?

**Experience** means that you have already used the product in practice.

Choose only one option

	I know the financial product and have also had practical <b>experience</b> of it	I know the financial product	I do not know the financial product <b>nor</b> have I had experience of it
a) <b>Ordinary financial products (current account, time deposit, savings account, building savings)</b>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) <b>Pension products</b> Products directly related to an old-age pension, such as supplementary pension insurance, retirement savings and supplementary pension savings schemes.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. Do you know or have you had personal experience of the investment services below, which are related to investment instrument trading?

Do you know the differences between them? **Experience** means that you have already used the service in practice.

Choose only one option

	I know the investment service and have also had practical experience of it	I know the investment service	I do not know the investment service nor have I had experience of it
a) <b>Buying and selling investment instruments</b> The client places an order to trade in an investment instrument and the service provider executes the order, without providing investment advisory services.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) <b>Investment advisory</b> The provider of this service recommends appropriate investment instrument transactions to the client but always leaves the final decision up to the client.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) <b>Asset management</b> The provider of this service <b>individually</b> manages the entrusted assets of the client at the provider's discretion under a pre-agreed investment strategy.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

4. How have you acquired your investment knowledge (investment services and trading, investment instruments etc.)?

You can choose more than one answer.

a) I have no investment knowledge	<input type="checkbox"/>
b) When investing my own money and/or as a self-learner	<input type="checkbox"/>
c) By studying at a specialised school or specialised course which included investment studies	<input type="checkbox"/>
d) In my past or present job or occupation, where my professional duties were directly related to investing	<input type="checkbox"/>

5. What is your knowledge and experience of various product categories and complexities of hedging products?

(only fill in if you are interested in hedging transactions otherwise leave blank)

In other words, are you aware of how the various product categories work, what they are based on, what their characteristics are and what risks they involve? You can choose more than one product category; however, ticking a higher complexity level in a certain category also implies knowledge of the lower levels.

The list of products in the categories below may not be exhaustive and may change over time. More details on the financial instruments offered are included in the brochures available at [www.csob.cz/mifid](http://www.csob.cz/mifid) in the "Product brochures" section.

Choose only one option

	I know the hedging instrument and have also had practical experience of it. The average number of transactions I have carried out in the last 3 years is:		I know the hedging instrument	I do not know the hedging instrument nor have I had experience of it
	2 and more transactions a year	Less than 2 transactions a year		
a) <b>Forex products of complexity level 1</b> FX Swap, FX Forward.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) <b>Forex products of complexity level 2</b> FX Option (plain vanilla), Average Rate Forward (ARF), combined options that include simple (plain vanilla) FX Options – such as Risk Reversal or Seagull, structured products linked to FX Rate – such as Interest Bearing Promissory Note, Structured Deposit.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) <b>Forex products of complexity level 3</b> Option combinations (complex options structures), which include Barrier, Binary or other Exotic Options – such as European Forward Plus.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) <b>Interest rate products of complexity level 2</b> Repo and Buy/Sell Back Operations, Interest Rate Swap (IRS), Cross-Currency Interest Rate Swap (CCIRS), Cap/Floor (plain vanilla), Swaption.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

e) Interest rate products of complexity level 3 Interest Rate Swap – Exotic Variants, Exotic Interest Rate Options – such as Barrier Options.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) Other products of complexity level 2 Commodity Swap, Commodity Option (plain vanilla), Emission Allowance Forward.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Other products of complexity level 3 Commodity Barrier Option.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## 6. What is the approximate amount of your savings and investments after subtracting your reserve?

Deposits at banks, building savings, pension products, investment instruments, etc. **Reserve** means easily accessible money to cover unexpected expenditures. The recommended reserve is approximately 6 times your usual monthly expenditure plus irregular expenditure planned within the next 12 months. Choose one answer.

- |                             |                       |
|-----------------------------|-----------------------|
| a) Up to CZK 10,000,000     | <input type="radio"/> |
| b) More than CZK 10,000,000 | <input type="radio"/> |

## 7. Do you own any real estate?

Ownership or co-ownership of a house, flat, land, etc. Choose one answer.

- |  |                       |
|--|-----------------------|
| a) No, I do not                          | <input type="radio"/> |
| b) Yes, worth no more than CZK 5,000,000 | <input type="radio"/> |
| c) Yes, worth more than CZK 5,000,000    | <input type="radio"/> |

## 8. What is the source of your regular monthly income?

You can choose more than one answer.

- |   |                          |
|---|--------------------------|
| a) Employment (employment income)   | <input type="checkbox"/> |
| b) Business activities  | <input type="checkbox"/> |
| c) Retirement pension, other pensions, allowances, social security benefits | <input type="checkbox"/> |
| d) Income from property tenure (real estate lease, etc.)                    | <input type="checkbox"/> |
| e) Other  | <input type="checkbox"/> |

## 9. What is the amount of your regular monthly income?

Choose one answer.

- |                             |                       |
|-----------------------------|-----------------------|
| a) Below CZK 50,000         | <input type="radio"/> |
| b) Above CZK 50,000         | <input type="radio"/> |
| c) I have no regular income | <input type="radio"/> |

## 10. What amount can you put aside a month after subtracting all your necessary regularly paid expenditures?

Necessary expenditures mean ordinary household expenditure and loan repayments, insurance premium payments, etc. Choose one answer.

- |   |                       |
|---|-----------------------|
| a) I can put aside a monthly amount of approximately (specify an amount in CZK) ..... | <input type="radio"/> |
| b) I can put aside some money   | <input type="radio"/> |
| c) Nothing  | <input type="radio"/> |

11. Which of the scenarios (see the appendix of the questionnaire) for the possible behaviour of an investment is closest to your preferences?

This question is to ascertain your attitude to risk in relation to the expected returns, investment horizon and the objective you want to achieve by investing.

The appendix to this questionnaire shows 4 model scenarios with various investment horizons. They were created based on real data from financial markets for the period of 1990 to 2014. The scenarios envisage an initial investment of CZK 10,000,000. They are not indicative of future returns.

Choose your preferred scenario that you are most comfortable with for investing to the extent that you consider significant for your financial position and life circumstances.

- |               |                       |
|---------------|-----------------------|
| a) Scenario A | <input type="radio"/> |
| b) Scenario B | <input type="radio"/> |
| c) Scenario C | <input type="radio"/> |
| d) Scenario D | <input type="radio"/> |

12. How would you react if the value of your investment according to the scenario chosen above unexpectedly fell more than expected?

Scenario A corresponds to a decline of 2.5 %, e.g. from CZK 1,000,000 to CZK 975,000.

Scenario B corresponds to a decline of 12 %, e.g. from CZK 1,000,000 to CZK 880,000.

Scenario C corresponds to a decline of 20 %, e.g. from CZK 1,000,000 to CZK 800,000.

Scenario D corresponds to a decline of 30 %, e.g. from CZK 1,000,000 to CZK 700,000.

Choose one answer.

- |   |                       |
|---|-----------------------|
| a) This drop is unacceptable for me; I would abandon the investment to prevent any further losses   | <input type="radio"/> |
| b) I am aware that these situations occur on financial markets but it is also reasonable to take into account that even such declines were mostly followed by a period of growth in the past. Therefore I would not make any hasty decision and would not abandon the investment. | <input type="radio"/> |
| c) I would see such a significant decline as an investment opportunity and buy an additional investment at the favourable price   | <input type="radio"/> |

I hereby confirm my consent that the information included in the Investment Questionnaire, including the questionnaire evaluation, can also be provided to ČSOB Asset Management, a. s., investiční společnost.

Date: ..... Client's signature: .....