**Strategy of execution and placement of instructions**

pursuant to provisions §73o - §73r of act no. č. 566/2001 Coll. on securities and investment services as amended (hereinafter as the „**Securities Act**“)

**Wealth Effect Management o.c.p., a.s.**

Registered office: Prievozská 4C, 821 09 Bratislava,

Business identification number: 51 127 113

registered in the Commercial Register of the District Court Bratislava I,

section: Sa, insert number: 6652/B

The Company Wealth Effect Management o.c.p., a.s. (hereinafter as the „WEM“) makes every effort, to provide the best possible process of execution of client´s instructions. The goal of the WEM is to provide services related to acceptation, transmission or execution of client´s instructions effectively, taking into account preferences and profile of the client in a way, that the best possible result is achieved, and in accordance with the respective instruction and this Strategy of execution and placement of instructions (hereinafter as the „Strategy“).

This Strategy is related to acceptation, transmission and execution of the instructions concerning one or more financial instruments by providing investment services, investment activities or ancillary services of the WEM pursuant to the section 6 of the Securities Act for professional and retail clients of the WEM. If the client does not issue particular direction to the WEM concerning instruction or its specific character, the WEM executes the instruction pursuant to the terms of this Strategy.

Elements of the best process of execution of instructions

By execution of the client´s instructions, the WEM takes into account following criteria:

* characteristic of the client, including classification of the client to the category retail or professional client;
* nature of the instruction of the client;
* characteristic of the financial instruments, that are the subject of the instruction;
* characteristic of the venues of performance, where the instruction can be transmitted.

In order to secure the best possible result by execution of client´s instructions the WEM takes into account following factors and their relative importance:

* 30% price of the financial instrument;
* 20% costs of the execution of client´s instruction;
* 20% rapidity and probability of the execution of instruction;
* 20% settlement of the transaction;
* 10% capacity and nature of the instruction.

If executing client´s instruction by the WEM, the best possible result is determined from the point of view of the overall fulfilment representing the price of the financial instrument and all costs connected with the execution of instruction, by taking into account all criteria and factors influencing execution of the instruction.

In order to achieve the best possible result by execution of the instruction, is the WEM entitled, in accordance with observing due care principle and this Strategy, based on its sole judgment, in case of respective client, his instructions, financial instruments or venues of performance, to attribute higher priority to another criteria than the price and the costs. When assessing the achievement of the best possible result for the client, where more than one competitive venue of performance for the given financial instrument exists, commission and costs for execution of the instruction in each of the venues of performance set in this Strategy of execution and placement of instructions are taken into account, and venue of performance is available for execution of the given instruction.

Providing the WEM executes instruction of the client relating to the financial instruments trading only on the OTC markets, priority criterion, in this case, is probability of execution and settlement of the instruction. If circumstances arise, where by execution of client´s instructions other factors (e.g. venue of performance, counterparty and so on) are essential, is the WEM entitled, on its sole judgment, to execute the instructions by this factors, which, according to the WEM, will secure the best possible result for the client. When executing instructions or deciding to trade in OTC products, WEM checks that the price proposed to the client is fair by collecting market data used to estimate the price of such a product and, if possible, by comparing it with similar or comparable products. As a result of the execution of an order on the OTC market, there may be an increased risk for the client, e.g. counterparty risk. At the client's request, WEM will provide further information on the consequences of this way of executing the order.

In case of client´s breach of agreed obligations resulting from the contractual and attached documentation, the WEM is not responsible, when execution of the client´s instruction was not performed or when the maximum care to secure obligations resulting from this strategy was not provided.

Pursuant to this Strategy, for the assessment of the best possible result, comparing of the results, achieved by the WEM by following this Strategy, with the results, which could be potentially achieved for the client by another strategy of execution of instruction and/or by another financial institution, is not considered.

List of venues of performance

A venue of performance means a regulated market, a multilateral trading facility, a systematic internaliser, market maker, other liquidity provider or a person performing similar activities. Accurate list of venues of performance used by the WEM by execution and placement of the client´s instructions for individual financial Instruments is attachment no. 1 of this Strategy.

This List of venues of performance set in attachment no. 1 of this Strategy is not exhaustive, but includes those venues of performance, which permanently enable the WEM to achieve the best possible result for execution of client´s instructions. The List of venues of performance is monitored and updated according to the Strategy of execution and placement of instructions. In case when the WEM acts as a venue of performance, the WEM uses all available information from sources, which are considered for reliable and trustworthy, in order to achieve the best possible result for the execution of the instructions.

The WEM reserves the right to:

* use by execution of client´s instruction venues, other than venues set in the List of venues of performance, in case of the WEM´s judgment that this is in accordance with the Strategy, the purpose of achieving the best possible result for the client and in a case of client´s written consent.,
* remove or add any venue in the List of venues of performance.

In order to achieve the best possible recurrent outcome by the execution of the client´s instructions, by selection of the venue of performance and by selection of the subjects to which the WEM issues or transmits the instructions, the WEM takes into consideration following factors and their relative importance:

* 10% presumption of the stabile and long-term activity
* 10% regular amount of transactions
* 20% liquidity
* 10% effectivity of merging systems
* 20% speed
* 20% price costs
* 10% and general probability of execution of the instruction

The WEM considers the above mentioned factors as decisive and as a substantial component of all additional measures, in order to achieve the best possible outcome for the client by execution of the instruction.

The WEM reviews at least once a year, whether the venues of performance listed in the List of venues of performance secure the best possible result for the client or whether there is need to perform changes in execution processes.

Execution of the client´s instruction

The WEM executes the instruction in accordance with this Strategy based on one of these methods or on the combination of them:

* The client´s instruction can be executed directly on the regulated marked or on the MTF. In case the WEM is not a member of the relevant regulated market or the MTF, it is entitled to assign the client´s instruction for execution to the third party, by which the WEM exercises mechanisms for execution of client´s instructions on this regulated market or the MTF.
* Execution of the instruction may be assigned to the third party, who has valid mechanisms enabling the WEM to follow its own Strategy of execution of instructions.
* Instruction with financial instruments is possible to execute outside of the regulated market or the MTF, in case that the WEM itself is the venue of performance. Client expressly agrees with such a process.

In case a client issued specific direction, the WEM and the client agreed, that these principles, or their part, will be observed accordingly.

Specific direction

If client issues a specific direction for execution of instruction, e. g. client specifies venue of performance and/or counterparty of the transaction, the WEM executes the instruction in accordance with the client´s direction. The WEM takes into account all adopted measures for achieving the best possible result by execution of client´s instructions accordingly to this specific direction. Execution of instruction in accordance with the specific direction is considered as fulfilment of the obligation to achieve the best possible result for the client.

*Warning:*

The company hereby reminds the client, that by issuing specific direction, client may barn the WEM to adopt, in relation to the specific direction, measures that the WEM exercises in accordance with this Strategy, in order to achieve the best possible result by execution of instructions.

Allocation of the client´s instructions

Processes and measures enabling immediate and fair execution of client´s instructions in relation to instructions of other clients are stipulated in this Strategy.

Client´s instructions are executed when following conditions are fulfilled:

* Instructions executed on client´s behalf are immediately recorded and allocated.
* The WEM executes comparable instructions of the clients gradually, according to time of its acceptation and immediately, except the cases, where the nature of instruction or conditions on the market do not enable it, or if it is not in the client´s interest.
* Client must be informed about impediments regarding proper execution of his instructions, about which has the WEM knowledge.

The WEM connects client´s instruction with instructions of another client, if it is not probable, that it will not be disadvantageous in whole for one of the clients. In spite of mentioned above, effect of this connection can be a disadvantage for a client. In case of the partial execution of the allocated instruction, the client´s instruction is executed according to its percentage share on an overall allocated instruction.

Process of execution by the class of financial instruments

The WEM takes into account whether the most liquid market provides the best possible conditions for execution of transaction and therefore it can place instructions also on the OTC market or it executes the instruction on the venue of performance, which is the WEM. If the WEM evaluates, that the most liquid market is the regulated market and the WEM will not have direct access to it, it will assign the instruction for execution to the investment firm that has this access.

Principles of execution of instructions of the WEM by the classes of financial instruments are accordingly exercised for all kinds of financial instrument, to which may the WEM provide investment services:

* shares, bonds or another transferable securities;
* financial market instruments;
* participation certificates or securities emitted by a foreign entities of collective investment;
* warrants, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or revenues or other derivative instruments, financial indexes or financial measures, which can be settled upon delivery or in cash.

Time of serving of instruction

Business hours for accepting client´s instructions are every working day in the Slovak republic from 10:00 till 15:00. The WEM reserves the right to change the business hours.

Client is aware of the restrictions of the WEM by accepting and execution of instructions regarding business hours on individual regulated markets, public holidays in the Slovak republic and similar facts.

Monitoring and updating

The WEM constantly follows the effectivity of the mechanisms for execution of instructions defined by this Strategy, in order to identify and amend any shortcomings.

Confirmation of the best process of execution of instructions

Client is entitled to claim from the WEM confirmation, that his instruction was executed accordingly to this Strategy.

Summary

When executing client instructions, WEM proceeds in accordance with this Strategy in order to achieve the best result for the client. This means, in particular, but not limited to, the best price of the financial instrument and the lowest costs for the execution of the investment service, including fees for execution venues, clearing and settlement fees and any fees paid to third parties involved in executing the order. However, WEM also takes into account other criteria and factors, taking into account the circumstances of the specific instruction, so that it always acts in the best interests of the client.

In order to obtain the best result for the client, WEM will execute or forward the order to the execution venues specified in this Strategy, the place and manner of execution of the order being chosen with a view to achieving the best result for the client. WEM may also execute an order outside a regulated market or an MTF, but only with the client's consent.

WEM uses procedures and processes to analyze the quality of the execution of the order, using information that is required to be made available free of charge to the public at the relevant place at least once a year to assess the quality of the execution site. Execution of a specific instruction of the client is considered to be the fulfillment of the obligation to obtain the best possible result for the client.

This Strategy is valid and effective from 22.12.2020.

In Bratislava, on 22.12.2020

This document is executed in Slovak ang English languages. In case of any discrepancy between the Slovak and English wording the Slovak wording prevails.