Information regarding general principles of the conflict of interests’ management in XTB Ltd.

I. Information regarding general principles of the conflict of interests management

XTB Ltd. ("XTB") conducts brokerage activity in a reliable and professional manner with respect to the best interests of the client and abiding by fair dealing principles. Having regard to the best interest of the client and the fact that the provision of the brokerage service of acquiring and disposing of financial instruments for one's own account entails a conflict of interests between XTB and the client arising from the fact that XTB is always the other party to the transaction made by the client on CFD, as well as due to the fact that X-Trade Brokers Dom Maklerski S.A.'s (Parent Company) gives investment recommendations on financial instruments offered by XTB Ltd. XTB Ltd. as part of its brokerage activity, has prepared an internal regulation – Policy of Conflict of Interests Management which specifies the principles and methods of management and prevention of conflict of interests. Basic principles of counteracting the effects of the conflict of interests in XTB Group are presented below.

- In order to prevent the conflict of interests, X-Trade Brokers Dom Maklerski S.A.'s Trading Department has been separated from departments directly cooperating with clients, i.e. Sales Department and Client Service Department by means of so-called "Chinese Walls," so that the departments have full autonomy when offering XTB investment products to clients and when assessing the suitability of given products for particular clients. The purpose of the division described above is to make sure that the selection of the financial instrument offered to a given client is not related to the current open position of XTB whatsoever. The Trading Department does not have a direct contact with XTB clients. Additionally, the Analysis Department which draws up market analyses does not have any knowledge about the financial position of the XTB clients and about XTB own’s position in regard to the offered financial instruments;

- the incentive scheme for the employees of the Sales Department and Client Service Department was designed in a way which prevents its relation to the performance of portfolio of XTB financial instruments created when executing transactions with XTB clients;

- Departments having direct contact with clients and departments involved in the conflict of interest between us and the clients are not dependent on each other as regards their respective competencies;

- employees of the Trading Department are not allowed to speak in public about issues regarding the current market situation and participation in the preparation of reports and comments concerning market made public by XTB Group;

- the employees of the Trading Department never know the intentions of the client regarding the conclusion of a transaction. They are in all cases obliged to provide the clients at the same time with the purchase and selling price of a particular financial instrument, taking into account the spread consistent with the table of financial instrument specification and the rules and regulations of service rendering, which the client may use at his/her own discretion to open a new position or close the former one;

- XTB employees are not allowed to accept gifts in the form of pecuniary or non-pecuniary benefits from clients, potential clients or third parties. Accepting small gifts and gestures of social courtesy customarily adopted in relations of a given type does not constitute a breach of the ban mentioned in the previous sentence, unless it is inconsistent with the policy of conflict of interests' management in XTB Ltd. A small gift or a gesture of social courtesy mentioned above are construed as a non-pecuniary benefit the value of which does not exceed the amount of 50 GBP or its equivalent in a different currency.

- All XTB employees are required to notify their respective compliance department of any financial trading accounts in their name. On a quarterly basis all employees' trades are reviewed.

If the client wishes to obtain detailed information on the principles of XTB procedure in the case of conflict of interests, XTB will make such information available via a webpage or durable data medium, at the client's request. XTB adequately updates its policy of conflict of interests’ management, if required.