

**POLICY FOR THE REMUNERATIONS
OF THE EMPLOYEES WORKING FOR
INVESTMENT INTERMEDIARY “TRADING 212” LTD**
**(Title amended with resolutions of the sole owner of the capital from 10.07.2017 and from
16.10.2017)**

GENERAL PROVISIONS

Article 1. (1) (Amendment – adopted with resolution of the General Meeting (GM) from 26.05.2016) Subject of the policy are the salaries and other financial and material incentives for the following categories of personnel:

1. The senior management personnel;
2. Employees whose activity is connected with undertaking risks;
3. Employees performing control functions; and
4. All employees whose remunerations are proportionate to the remunerations of the employees under Items 1 and 2 and whose activity has a substantial impact on the risk profile of the investment intermediary.

(2) (Amendment and supplement – adopted with resolution of the GM from 26.05.2016) The goals and principles of this policy are to establish clear, objective and lawful criteria for the formation of the remunerations in the company, including to:

1. Ensure reliable and effective risk management and non-encouragement of risk taking that exceeds the levels acceptable to the investment intermediary;
2. Ensure compliance with the investment intermediary’s strategy, objectives, values, and long-term interests, and to implement measures to avoid conflicts of interest.

(3) (Amendment – adopted with resolution of the GM from 26.05.2016) This policy was prepared by the Managers and it was adopted by the General Meeting of the Company.

(4) (Amendment – adopted with resolution of the GM from 26.05.2016) This policy was adopted and applied by the company based on Article 24, Paragraph 1, Item 14 of the Financial Instruments Markets Act (FIMA) and Chapter III, Section IV of Ordinance No 50 from 19.06.2015 for the capital adequacy, the liquidity of the investment intermediaries, and the supervision of their compliance (Ordinance No. 50) in relation to Article 1, Paragraph 2, Item 4 of Ordinance No. 50.

Article 2. (1) (Amendment – adopted with resolution of the GM from 26.05.2016) The Managers of the investment intermediary shall periodically review the basic principles of the policy, update it at least once a year by the 31st of December, and present it to the General Meeting along with the activity report.

(2) (Amendment – adopted with resolution of the GM from 26.05.2016) If necessary, the review under the preceding paragraph shall be carried out more frequently.

(3) (Amendment – adopted with resolution of the GM from 26.05.2016) The implementation of the remuneration policy is subject to periodic and independent internal reviews at least once a year by the Internal Audit Department.

(4) (Amendment – adopted with resolution of the GM from 26.05.2016) In the event of material weaknesses identified by the review, the Internal Audit Department shall promptly submit to the Managers recommendations for the need of changes and it shall monitor the actions to address the weaknesses.

(5) (Amendment – adopted with resolution of the GM from 26.05.2016) The Managers of the investment intermediary shall carry out direct supervision of the remunerations under this policy.

(6) (New – adopted with resolution of the GM from 26.05.2016) The investment intermediary shall disclose publicly at least, immediately after the approval by the management body, the information under Article 450 of Regulation (EU) No 575/2013 in connection with this policy.

BASIC RULES FOR THE FORMATION OF THE REMUNERATIONS

Article 3. (1) (Amendment – adopted with resolution of the GM from 26.05.2016) In the application of this policy, the following rules shall be observed by the company in view of the nature, scale and complexity of the activity, the internal organization and the scope of the investment services and activities performed:

1. (Amendment – adopted with resolution of the GM from 26.05.2016) Ensuring reliable and effective risk management and non-encouragement of risk taking that exceeds the levels acceptable to the investment intermediary;

1a. (New – adopted with resolution of the Managers from 02.04.2014) For each of the transactions made in the execution of a client's order through the electronic trading platform (explained in detail in a special section of the General Terms and Conditions), the company shall act as a counterparty regardless of the type of the client's order – purchase or sale;

2. Compliance with the investment intermediary's strategy, objectives, values and long-term interests, and implementation of measures to avoid conflicts of interests;

3. The remuneration formation shall motivate employees to perform their functions in a manner that corresponds with the company's goals and strategy and its long-term interests;

4. No discrimination or unequal treatment of the persons under Article 1, Paragraph 1 in determination and negotiation of their remuneration;

5. Ensuring the policy transparency in the company through:

5.1. Providing employees with information on the process of development or revision of this policy;

5.2. Disclosing and informing all employees about this policy, respectively, its amendments.

(2) (Amendment and supplement – adopted with resolution of the GM from 26.05.2016) Pursuant to this policy, the company shall not determine and apply variable remunerations in any form and other financial and material incentives to form the remunerations in the Company within the meaning of Chapter III, Section IV of Ordinance No. 50. Pursuant to this policy, the company shall determine and pay only a fixed remuneration under Article 18, Paragraph 3 of Ordinance No 50.

(3) (Amendment – adopted with resolution of the GM from 26.05.2016) Pursuant to this policy, the company does not intend to apply benefits related to retirement within the meaning of Chapter III, Section IV of Ordinance No 50.

(4) (New – adopted with resolution of the GM from 26.05.2016) Employees exercising supervisory functions shall receive remunerations consistent with the degree of achievement of the objectives related to their functions, regardless of the results achieved by the structural departments they supervise.

**RULES AND CRITERIA FOR DETERMINING THE REMUNERATIONS OF
THE MANAGERS, THE PROCURATOR AND PERSONS OF THE SENIOR
MANAGEMENT PERSONNEL, INCLUDING THE SUPERVISORY BODY OF THE
INVESTMENT INTERMEDIARY UNDER THE MEANING OF § 1, ITEM 1 OF THE
SUPPLEMENTARY PROVISIONS OF ORDINANCE No. 50**

(Amended title – adopted with resolution of the GM from 26.05.2016)

Article 4. (Supplement – adopted with resolution of the GM from 26.05.2016) Pursuant to this policy, the rules and criteria that apply to the formation of the remunerations of the Managers, the procurator (if appointed) and the senior management personnel, incl. the supervisory body of the investment intermediary within the meaning of § 1, Item 1 of the Supplementary Provisions of Ordinance No 50, are:

1. The remuneration of the managers shall be determined by the General Meeting of the shareholders according to the provisions of Article 137, Paragraph 1, Item 5 of the Commerce Act;

2. The provision of Item 1 shall also apply to the procurator of the company (if appointed), as the managers shall execute the powers of the General Meeting under Item 1 to determine the remuneration;

2a. (New – adopted with resolution of the GM from 26.05.2016) The provision under Item 1 shall also apply to the supervisory body of the investment intermediary within the meaning of § 1, Item 1 of the Supplementary Provisions of Ordinance No 50;

3. The managers can be relieved of responsibility for the relevant year at a regular annual meeting of the shareholders if an audited annual financial statement for the preceding year is presented;

4. (New – adopted with resolution of the GM from 26.05.2016) The remuneration shall be formed based on the professional experience and the functional responsibilities of the position as defined in the employee's job description as part of the conditions of the employment contract, respectively of the conditions of the management contract.

**PRINCIPLES AND CRITERIA FOR DETERMINING THE REMUNERATIONS
OF THE EMPLOYEES OF THE COMPANY, INCLUDING THE EMPLOYEES
REFERRED TO IN ARTICLE 1, PARAGRAPH 1, ITEMS 2-4 OF THIS POLICY**

(Supplemented title – adopted with resolution of the GM from 26.05.2016)

Article 5. (Supplement – adopted with resolution of the GM from 26.05.2016) This policy

defines the following principles and criteria that apply to the remunerations of the employees who work under a contract for the company:

1. Correct implementation of the Labour Code and the secondary statutory instruments in the regulation of the labour remuneration, respectively statutory instruments regulating non-labour remunerations;

2. (Supplement – adopted with resolution of the GM from 26.05.2016) Ensuring levels of the remuneration corresponding to the position, contribution and quality of the employee concerned and depending on the professional experience and the functional responsibilities of the position specified in the employee’s job description as part of the terms of the employment contract;

3. Setting clear and objective rules for determining the individual remuneration of each employee;

4. Prevention of any form of discrimination and unequal treatment of employees in the determination and formation of their remuneration;

5. Application of Article 3, Paragraph 2 of this policy in order to avoid incentives for excessive risk-taking;

6. Individual remuneration is determined both by the duration of the job and based on evaluation and ranking of the company’s positions, taking into account the individual qualities and contributions of each employee, subject to the minimum rates laid down for each position;

7. (Amendment – adopted with resolution of the GM from 26.05.2016) The remunerations of the Heads of the Risk Management Department and the Compliance Department shall be directly supervised by the Remuneration Committee.

8. Ensuring internal transparency of the manner and procedures for determination of remunerations in order to create conditions for motivation of the personnel for quality performance of the job functions and tasks.

9. Upon termination of an employment relationship, employees are paid indemnities in the cases, sizes, and procedures prescribed in the Labour Code.

SPECIALIZED BODY FOR THIS POLICY

(New title – adopted with resolution of the GM from 26.05.2016)

Article 6. (New – adopted with resolution of the GM from 26.05.2016) In accordance with the present policy, the company shall create and maintain a Remuneration Committee.

Article 7. (New – adopted with resolution of the GM from 26.05.2016) (1) The chairperson and the members of the Remuneration Committee shall be representatives of the supervisory body of the relevant institution.

(2) The panel of the Remuneration Committee referred to in the preceding paragraph shall be so defined as to enable it to make decisions regarding this policy competently and independently as well as regarding the incentives created by the investment intermediary for risk management, capital, and liquidity.

(3) The body under Article 6 shall be responsible for making decisions on remunerations, including those that have impact on the risk and risk management of the investment

intermediary and which are made by the management and supervisory body.

FINAL PROVISIONS

§ 1. The present policy was provided for information to all employees and senior management personnel of the company.

§ 2. The present policy was adopted by a resolution of the Managers from 25.11.2013, supplemented with resolution of the Managers from 02.04.2014, amended and prepared by the Managers and adopted by the General Meeting with a resolution from 26.05.2016, amended and prepared by the Managers and adopted by a resolution of the sole owner of the capital from 10.07.2017, title modified and adopted by a resolution of the sole owner of the capital from 16.10.2017.