

INFORMATION ON THE DIFFERENCE BETWEEN RETAIL AND PROFESSIONAL CLIENTS, AND ITS CONSEQUENCES

Based on Act CXXXVIII of 2007 on investment firms and commodity dealers, and on the regulations governing their activities (Investment Regulations Act) retail clients have broader rights to request information and more investor protection rights than professional clients.

The main differences and the consequences of such differences between the two client categories above are – having regard to that the below list applies only to the services provided by Commerzbank Zrt. (hereinafter: Bank) and is not an exhaustive presentation of the differences and the consequences of the differences between the two client categories – as follows:

- 1.) In the scope of their information obligation, investment firms must provide more frequent, detailed and broader information to retail clients.
- 2.) In terms of charges and costs for professional clients, the Bank may deviate from the information obligation stipulated by law – save for investment advice and trade transactions involving derivative elements, and without prejudice to the obligations set forth in Article 24(4) of Directive 2014/65/EU – and may agree on the limited application of legislative requirements if the parties agree on that in writing.
- 3.) The appropriateness test for professional clients must be considered fulfilled for financial instruments where the client is deemed a professional client.
- 4.) When completing the suitability test for professional clients there is no need to assess whether the client has appropriate knowledge and experience, or whether it can financially bear the risk associated with its investment goals.
- 5.) It is not obligatory to issue a suitability declaration when investment advice is provided to a professional client.
- 6.) By order execution for retail clients, the investment firm must reckon with all costs charged to the client when selecting the most favourable location.
- 7.) The investment firm must notify only retail clients without delay about circumstances hindering the execution.
- 8.) The investment firm informs retail clients in writing or on other durable medium about the execution of the order without delay upon the order execution, but not later than on the next trading day following the order execution's date.

The Bank may give a professional client rating to a retail client – at the retail client's express request – if the client meets the criteria specified in the Investment Regulations Act (Section 49). Clients may request the change of their rating only with respect to all financial instruments or transactions.

I, the undersigned hereby declare that I read, understood and acknowledged the information on the difference between regulations pertaining to retail and professional clients, and its consequences. I also received all information from Commerzbank Zrt. on the differences pertaining to retail and professional clients, and the consequences thereof.

Date _____

Client