

Information on expected costs in relation to the  
portfolio management investment service

I. Expected costs in relation to the portfolio management investment service

Type of costs	Absolute value in euro (EUR)	Part of the Assets under management EUR 1 mil. (%)
<b>1. One-off charges related to the provision of the investment service</b>		
1.1. Costs for transferring of financial instruments <sup>1</sup>	0 - 100	0.00% - 0.01%
<b>2. Ongoing charges related to the provision of the investment service</b>		
2.1. Management fee <sup>2</sup>	5 250 – 25 200	0,53% - 2,52%
2.2. Depository/safekeeping fees <sup>3</sup>	0 - 1 000	0.00% - 0.10%
2.3. Annual fee for the Investors' compensation fund <sup>4</sup>	0 - 300	0.00% - 0,03%
<b>3. All costs related to transactions initiated in the course of the provision of the investment service</b>		
3.1. Broker commissions <sup>5</sup>	3 200 – 5 000	0.32% – 0.5%
3.2. One-off costs and charges – Financial transactions tax <sup>6</sup> /stamp duties <sup>7</sup>	100 - 500	0.01% - 0.05%
3.3. Currency exchange costs <sup>8</sup>	0 – 250	0.00% – 0.03%
<b>4. Incidental costs</b>		
4.1. Performance fee <sup>9</sup>	0 - 12 500	0.00% - 1.25%
<b>Total costs:</b>	8 550 – 44 850	0.86% - 4.49%

<sup>1</sup> Transfer costs are determined by the financial instrument type and the respective market under the Tariff of DSK Bank. The indicated cost is for transfer of 5 issues on major markets. There are no fees for transferring shares.

<sup>2</sup> The management fee is with VAT included and is 0,5% - 0.24% of the weighted average value of the portfolio for the month, which for example purposes is EUR 1 050 000.

<sup>3</sup> The foreign depository registry maintenance fee is calculated in euro, as follows: the relevant fee as % annually at convention 360 is applied over the market value of the financial instruments, kept at the register during the calendar month. When the currency of the financial instrument is other than euro (EUR), the values of the financial instruments in the register are recalculated on the rate, applied by the foreign depository. The due monthly fee should be paid by the 20th of the month following the reporting month.

<sup>4</sup> The calculation methodology of the monthly is under Ordinance № 23 of FSC on the terms and conditions of clients' assets valuation, effective as of 04.04.2006, when applying convention 30/360.

<sup>5</sup> Broker commissions, charged by the Bank and other investment intermediaries for execution of orders. The calculations are made on the basis of EUR 2'000'000 turnover and commissions at the rate of 0,16%-0,25%.

<sup>6</sup> Financial transactions tax – applicable only to transactions in some jurisdictions, for example 0.10% in Italy; 0.20% in Spain and 0.30% in France.

<sup>7</sup> When selling shares in the United Kingdom 0,5% of the value of the financial instruments is collected.

<sup>8</sup> Currency exchange costs – the value shown is indicative and represents variation of 0,05% from the market rate.

<sup>9</sup> Applicable only upon model portfolio management and represents 25% of the performance over the benchmark in case of EUR 50 000 after costs.

#### Description of the parameters for which the calculations were made:

- The client provides funds for portfolio management for a 12-month period;
- Assets under management: EUR 1 000 000;
- Overall turnover: EUR 2 000 000;
- Positive result above the benchmark after expenses: EUR 50 000.

The calculations of the expenses are based on average portfolio value (financial instruments and funds) in the amount of EUR 1 000 000. The broker commissions (on buying and selling financial instruments) are based on the assumption of rebalancing and active portfolio management, for which the turnover of the assets under management is from 3 to 6 times. The safekeeping costs are relatively constant, as the financial instruments value over time doesn't differ significantly from the initial amount of the assets under management. The performance fee is based on the positive portfolio performance above the selected benchmark after deducting brokerage and depository fees. In case of currency exchange, preferential rates apply.

The payment of expenses is carried out from the client's current account in the Bank. The transaction fees are deducted upon execution, the safekeeping fee and the management fee - monthly, and the performance fee - at the end of the one-year period.

The financial instruments, which are part of the portfolio, have market value at any moment, which may be positive or negative. In case of contract termination, the client will pay broker commissions for closing the positions, safekeeping fees for the relevant period, management fee, as well as any performance fee. In case of contract termination without closing the positions, the client will pay safekeeping fees for the relevant period, management fee and any performance fee.

## II. Cumulative effect of costs on the return when providing the portfolio management investment service

The effect on the result for the client is indicated as percentage respectively at the end of the first year of provision of the investment service. No sudden changes or fluctuations in the stated costs under pt. I are expected. The illustration below graphically presents indicative minimum and maximum expected cost values.

