

Cumulative Effect of Costs on Return When Providing Investment Services

In order to help our clients understand the mechanism of trading, Patria Finance, a.s. has prepared this document with the primary aim and objective of providing a transparent and structured illustration of the costs which are usually connected with an investment in the individual investment instruments. The following pages offer a description of model situations concerning the costs connected with buying and holding securities; these costs may have effect on the yield from or return on investments.

- ♦ The costs in the model examples below are illustrated for varying periods of holding an investment instrument (1 year, 3 years and 5 years).
- ♦ The execution venue is a very important factor liable to influence the costs of the investment; the document therefore provides model examples for different exchanges [especially Prague Stock Exchange (BCPP), Xetra, US markets, etc.].
- ♦ The below model situations cover the overwhelming majority of the asset classes which may be traded through Patria Finance, a.s.
- ♦ For the sake of simplicity, the document does not factor in any yield generated by the investment throughout the years and the costs take no account of any tax aspects of the investment which may be very individual.
- ♦ Considering the fact that the overwhelming majority of orders in Patria Finance, a.s. are placed online, the structure of fees envisaged in the examples applies to orders placed online through our trading applications. Fees relating to trading via our call centre or with your personal broker may differ from the examples below.
- ♦ The List of Fees has no linear structure and, consequently, the examples are provided for several bands of the investment volume which may differ from each other in the relative costs structure.
- ♦ The actual fees may, in very specific cases, slightly differ from the model situations, especially in unusual situations which may occur on the market (partial execution, etc.).
- ♦ The calculated cumulative effect expressed as a percentage was rounded to two decimal places. The costs expressed cumulative were rounded to whole numbers.

The below situations are only a hypothetical example; each individual calculation of costs performed by Patria Finance, a.s. shall always be based on the currently applicable List of Fees available [here](#).

This document has been prepared on the basis of Directive 2014/65/EU on markets in financial instruments (MiFID II).

1. Equity (shares/stock), ETF, Certificates, Warrants

1.1 Czech Republic stock (Prague Stock Exchange/BCPP)

The example is based on the premise of a share/stock purchased using the online application at Prague Stock Exchange (BCPP) where Patria acts as a market maker, and an invested amount of 50,000 CZK.

Costs relating to the financial instrument	In percent	In CZK for 50,000 CZK
Brokerage fee (one-off charge)	0.45%	225 CZK
BCPP fee* (one-off charge)	0.02%	10 CZK
Custody fee (annual)	0.05%	25 CZK
Total	0.52%	260 CZK

*The BCPP fee according to the List of Fees amounts to 0.01% and the minimum fee is 10 CZK. The BCPP fee corresponding to the invested amount of 50,000 CZK is 0.02%.

The cumulative effect of total costs on return of your investment where the share/stock is held for 1 year, 3 years or 5 years

Share/stock held for	1 year	3 years	5 years
Total effect on return cumulative	0.52%	0.62%	0.72%
Total effect on return for 50,000 CZK cumulative	260 CZK	310 CZK	360 CZK

The example is based on the premise of a share/stock purchased using the online application at Prague Stock Exchange (BCPP) where Patria acts as a market maker, and an invested amount of 100,000 CZK.

Costs relating to the financial instrument	100,000 CZK investment	
Brokerage fee (one-off charge)	200 CZK + 0.3%	500 CZK
BCPP fee (one-off charge)	0.01%	10 CZK
Custody fee (annual)	0.05%	50 CZK
Total	0.56%	560 CZK

The cumulative effect of total costs on return of your investment where the share/stock is held for 1 year, 3 years or 5 years

Share/stock held for	1 year	3 years	5 years
Total effect on return cumulative	0.56%	0.66%	0.76%
Total effect on return for 100,000 CZK cumulative	560 CZK	660 CZK	760 CZK

The example is based on the premise of a share/stock purchased using the online application at Prague Stock Exchange (BCPP) where Patria acts as a market maker, and an invested amount of 300,000 CZK.

Costs relating to the financial instrument	300,000 CZK investment	
Brokerage fee (one-off charge)	400 CZK + 0.25%	1,150 CZK
BCPP fee (one-off charge)	0.01%	30 CZK
Custody fee (annual)	0.05%	150 CZK
Total	0.44%	1,330 CZK

The cumulative effect of total costs on return of your investment where the share/stock is held for 1 year, 3 years or 5 years

Share/stock held for	1 year	3 years	5 years
Total effect on return cumulative	0.44%	0.54%	0.64%
Total effect on return for 300,000 CZK cumulative	1,330 CZK	1,630 CZK	1,930 CZK

1.2 Equity (shares/stock), ETF USA (Nasdaq, NYSE)

The example involves a share/stock purchased using the online application at Nasdaq or NYSE and an invested amount of 10,000 USD.

Costs relating to the financial instrument	10,000 USD investment	
Brokerage fee (one-off charge)	14.90 USD	14.90 USD
Custody fee (annual)	0.12%	12.00 USD
Total	0.269%	26.90 USD

The cumulative effect of total costs on return of your investment where the share/stock is held for 1 year, 3 years or 5 years

Share/stock held for	1 year	3 years	5 years
Total effect on return cumulative	0.27%	0.51%	0.75%
Total effect on return for 10,000 USD cumulative	27 USD	51 USD	75 USD

The example involves a share/stock purchased using the online application at Nasdaq or NYSE and an invested amount of 20,000 USD.

Costs relating to the financial instrument	20,000 USD investment	
Brokerage fee (one-off charge)	4.90 USD + 0.10%	24.90 USD
Custody fee (annual)	0.12%	24.00 USD
Total	0.24%	48.90 USD

The cumulative effect of total costs on return of your investment where the share/stock is held for 1 year, 3 years or 5 years

Share/stock held for	1 year	3 years	5 years
Total effect on return cumulative	0.24%	0.48%	0.72%
Total effect on return for 20,000 USD cumulative	49 USD	97 USD	145 USD

1.3 Equity (shares/stock), certificates, warrants, ETF, ETC Germany (Xetra 2, Stuttgart)

The example involves the purchase of a financial instrument (share/stock, certificate, warrant) using the online application on the Xetra 2 or Stuttgart market and an invested amount of 5,000 EUR.

Costs relating to the financial instrument	5,000 EUR investment	
Brokerage fee (one-off charge)	21.9 EUR	21.90 EUR
Custody fee (annual)	0.12%	6.00 EUR
Total	0.56%	27.90 EUR

Cumulative effect of total costs on return of your investment if the financial instrument (share/stock, certificate or warrant) traded on the Xetra 2 or Stuttgart market is held for 1 year, 3 years or 5 years

Share/stock held for	1 year	3 years	5 years
Total effect on return cumulative	0.56%	0.80%	1.04%
Total effect on return for 5,000 EUR cumulative	28 EUR	40 EUR	52 EUR

The example involves the purchase of a financial instrument (share/stock, certificate, warrant) using the online application on the Xetra 2 or Stuttgart market and an invested amount of 20,000 EUR.

Costs relating to the financial instrument	20,000 EUR investment	
Brokerage fee (one-off charge)	9.90 EUR + 0.25%	60.00 EUR
Custody fee (annual)	0.12%	24.00 EUR
Total	0.42%	84.00 EUR

Cumulative effect of total costs on return of your investment if the financial instrument (share/stock, certificate or warrant) traded on the Xetra 2 or Stuttgart market is held for 1 year, 3 years or 5 years

Share/stock held for	1 year	3 years	5 years
Total effect on return cumulative	0.42%	0.66%	0.90%
Total effect on return for 20,000 EUR cumulative	84 EUR	132 EUR	180 EUR

2. Funds

2.1 Mixed funds

The example below involves the purchase of a mixed fund, 100,000 CZK value, using the online application.

Costs relating to the financial instrument	100,000 CZK investment	
Brokerage fee (one-off charge)	2.40%	2,400 CZK
Asset management fee (annual)	2.00%	2,000 CZK
Total	4.40%	4,400 CZK

Cumulative effect of total costs on return of your investment where the mixed fund is held for 1 year, 3 years or 5 years

Fund held for	1 year	3 years	5 years
Total effect on return cumulative	4.40%	8.40%	12.40%
Total effect on return for 100,000 CZK cumulative	4,400 CZK	8,400 CZK	12,400 CZK

The example below involves the purchase of a mixed fund, 600,000 CZK value, using the online application.

Costs relating to the financial instrument	600,000 CZK investment	
Brokerage fee (one-off charge)	2.00%	12,000 CZK
Asset management fee (annual)	2.00%	12,000 CZK
Total	4.00%	24,000 CZK

Cumulative effect of total costs on return of your investment where the mixed fund is held for 1 year, 3 years or 5 years

Fund held for	1 year	3 years	5 years
Total effect on return cumulative	4.00%	8.00%	12.00%
Total effect on return for 600,000 CZK cumulative	24,000 CZK	48,000 CZK	72,000 CZK

2.2 Equity funds

The example below indicates the purchase of an equity fund, 100,000 CZK value, using the online application.

Costs relating to the financial instrument	100,000 CZK investment	
Brokerage fee (one-off charge)	2.60%	2,600 CZK
Asset management fee (annual)	2.00%	2,000 CZK
Total	4.60%	4,600 CZK

Cumulative effect of total costs on return of your investment where the equity fund is held for 1 year, 3 years or 5 years

Fund held for	1 year	3 years	5 years
Total effect on return cumulative	4.60%	8.60%	12.60%
Total effect on return for 100,000 CZK cumulative	4,600 CZK	8,600 CZK	12,600 CZK

The example below indicates the purchase of an equity fund, 600,000 CZK value, using the online application.

Costs relating to the financial instrument	600,000 CZK investment	
Brokerage fee (one-off charge)	2.20%	13,200 CZK
Asset management fee (annual)	2.00%	12,000 CZK
Total	4.20%	25,200 CZK

Cumulative effect of total costs on return of your investment where the equity fund is held for 1 year, 3 years or 5 years

Fund held for	1 year	3 years	5 years
Total effect on return cumulative	4.20%	8.20%	12.20%
Total effect on return for 600,000 CZK cumulative	25,200 CZK	49,200 CZK	73,200 CZK

3. Bonds (Debentures)

The example below involves a bond, 1,000,000 CZK value, purchased using the online application.

Costs relating to the financial instrument	1,000,000 CZK investment	
Brokerage fee (one-off charge)	0.30%	3,000 CZK
Asset management fee (annual)	0.007%	70 CZK
Total	0.307%	3,070 CZK

Cumulative effect of total costs on return of your investment where the bond is held for 1 year, 3 years or 5 years

Bond held for	1 year	3 years	5 years
Total effect on return cumulative	0.31%	0.32%	0.34%
Total effect on return for 1,000,000 CZK cumulative	3,070 CZK	3,210 CZK	3,350 CZK