

### **Pre-sale information**

The main objective of MiFID II is to increase investor's protection. There is, among other things, an extension of the range of information that will be communicated to the customer prior to execution of the investment service. This includes, for example, information on all costs and associated charges, information on trade venues, and warnings about the risks associated with the investment. Detailed customer information prior to the provision of an investment service is established to enable the customer to make informed investment decisions based on an understanding of the nature and the risks of the investment service and investment instrument.

### **Detailed information of costs and associated charges**

MiFID II also brings the obligation to provide to the customer an ex-ante simulation of all costs and charges prior to the execution of an investment service and a detailed ex-post overview of all costs and charges on an annual basis. The customer will have a detailed and clear overview of all the costs and charges associated with the investment services concerned, including the information of inducements that are binded to the investment service or instrument.

### **The process of selecting and offering products**

The brand new matter regulated by MiFID II is a process called Product governance. The aim of this process is to prevent customers from offering investment instruments that clearly do not match their knowledge, experience, risk tolerance, goals and investment horizon. Simply said, for each product, there will be a set range of customers whom the product will be presented.

### **Pre-sale information for structured products – KID**

In order to enhance the protection of the customer on the financial market, the extent of the information communicated to the customer prior the sale of so-called structured retail investment products and insurancebased investment product also changes. This information will be provided to the customer in a standardized form (so-called KID - Key Information Document). This standardized form will allow customers to easily compare structured products to each other. The KID of each product will be available on the product manufacturer's website. The purpose of this key information is to ensure the clarity and completeness of the information provided on structured investment products and hence higher investor's protection.

### **Increased transparency of transactions**

All investors who carry out transactions in investment instruments and derivatives must have a unique identifier. Natural persons have a national identification number assigned by their nationality.

Other entities need to ask for a unique identifier, so-called Legal Entity Identifier (LEI). The obligation to have a LEI also applies to a natural person-entrepreneur. Without this unique code, the bank will not be able to provide an investment service to the customer.

The role of the local operator, which allocates LEI, is in Slovakia provided by Central Securities Depository, a.s. (hereinafter referred to as "CDCP"). For more information on the LEI allocation, including CDCP fees for LEI allocation and management, please refer to the CDCP website <https://www.cdcp.sk/lei/>.

Alternatively, you can also use your local operator abroad.

### **Regarding MiFID II the following documents were modified:**

- Investment services at UniCredit Bank Czech Republic and Slovakia, a.s., pobočka zahraničnej banky
- Information on categorisation
- Order Execution Policy
- Conflict of Interest Policy

These updated documents are available on the Bank's website under the MiFID section at <https://www.unicreditbank.sk/sk/ostatne/mifid.html>.