

Real Estate Transactions Code of Conduct

For the Company of Broker Consulting, a. s., Jiráskovo nám. 2, 326 00 Plzeň (Pilsen), Company ID: 252 21 736, registered in the Commercial Register at the Regional Court in Plzeň, Section B, File 1121 (hereinafter referred to as "the Company").

Preamble

The Company provides services in the field of financial services and real estate.

Adhering to ethical guidelines is a basic requirement for every Company to run smoothly. Their personal interpretation may, however, differ from an individual to an individual.

The main objective of this Real Estate Transactions Code of Conduct (hereinafter referred to as the "CC Associated with Real Estate Transactions") is to define the basic ethical principles and values the Company shall adhere to while providing real estate transactions and related services.

This is a result of our effort to raise the standards of intermediation, real estate transactions and related services (hereinafter referred to as the "real estate transactions", improve the reputation of this field of business, and improve the relationship among the parties involved and enhance the level of certainty of Company Clients.

The area of financial services is governed by a separate Financial Services Code of Conduct.

Within the field of real estate services, the Company intermediates the transfer, lease or sub-lease of immovable properties (hereinafter referred as the "immovable properties"). In addition, the Company also provides the purchase of immovable properties.

Therefore, it is imperative to adhere to the CC Associated with Real Estate Services both in letter and spirit.

Clause I

Definition of Basic Terms

1. **Company** refers to the business Company of Broker Consulting, a.s., Company ID: 25221736, with registered office at Plzeň, Jiráskovo náměstí 2, postal code: 326 00.
2. **Company Co-Operator** refers to a person cooperating with BC, by virtue of other than employment contract, and adequately also an employee engaged with a person cooperating with BC, and a person who has concluded a franchise agreement.
3. **Company Employee** refers to a physical person who is in an employment relationship with the Company by virtue of an employment contract or contracts for services performed beyond employment.
4. **Client** refers to a physical or a legal person who is receiving intermediary services in the field of real estate transaction. If in doubt, a Client is considered to mean any person who is in contact with a Company Employee or Co-Operator in connection with the subject of the Company's business activity.

Clause II

General Conduct Guidelines for Company Employees and Co-Operators

These guidelines shall apply to any and all negotiations and relationships related to Company activity in the area of real estate transactions and related services.

Company Employees and Co-Operators shall:

- a) While performing their work, follow all generally binding legal regulations, rules of economic competition, commonly observed business practices, good manners, professional standards, the CC Associated with Real Estate Transactions and other internal Company regulations;
- b) Respect all basic human rights, shall not tolerate discrimination or harassment;
- c) Strive to minimize negative environmental impact;

- d) Respect the right to the protection of personal rights;
- e) In compliance with the internal safety regulations of their employer they adhere to the guidelines for occupational safety and health and the protection of property;
- f) Refrain from the use of false, misrepresented or defamatory statements;
- g) In their activity strictly avoid any actions that may lead to breaking the Clients' trust and creating a distorted impression of the provided services either relative to the Company, other companies conducting business in the same sector of the market or real estate market, and always proceed with their work in a manner ensuring no damage to the Company and its good reputation;
- h) In compliance with valid legal regulations, respect the protection of trade secrets and confidentiality, even after their work for the Company has ended;
- i) Not misuse Company information and material resources for their own personal benefit;
- j) Refrain from any and all activities that present a conflict of their own interests with the interests of the Company and intermediation of real estate transactions as a profession;
- k) Ensure constant expansion and increase of their professional know-how and consistently care for their continued education;
- l) Represent the Company and its mission with dignity, even in their personal life.

Clause III

Conduct Guidelines for Client Relations

In relation to Clients in the field of real estate transactions, Company Employees and Co-Operators shall adhere to the following principles:

- a) They shall apply polite, correct and impartial approach to all Clients;
- b) They shall observe the rules of confidentiality with respect to any and all facts related to Clients;
- c) They shall respect the Client's right to privacy and refrain from excessive bothering of the Client;
- d) They shall always conduct negotiations with the Client consistent with the interests of the parties involved without prejudice, and shall not give preference to their own interests or the interests of the Company over the Client's interests;
- e) In the course of their activities, they shall always act with professional care, honestly – following the accepted principles of morality, adhering to the Statutes of the Czech Association of Real Estate Companies and applicable Czech legal regulations;
- f) In principle, they shall provide complete, true, distortion-free and comprehensible information;
- g) Always, with regard to the individual conditions and requirements of each Client and in a manner that enables the Client to understand the presented information, be conscious of the decisive facts and be capable of making potential §;
- h) With respect to the specific situation they shall choose suitable language, in justified situations they will refrain from using terminology that may be perceived as too complicated;
- i) They shall ensure that the Client understand any and all consequences ensuing from their suggested act (be it positive or negative ones), and that the Client be advised of such consequences;
- j) They shall refrain from deceitful description of products and deceitful advertising;
- k) When providing information, they shall not apply aggressive manners, nor shall they put pressure on the Client;
- l) They shall cooperate with other entities active on the market, if this is in the interest of the Client. In the course of such cooperation they do shall not cause any harm to each other respecting the principles of good cooperation, comity and collegiality;
- m) In the event an Employee or a Company Co-Operator is asked or otherwise influenced to act contrary to legal regulations, internal Company regulations or this Code, he/she shall strongly and unequivocally refuse such actions and without undue delay he/she shall notify the Company Ethical Committee of said fact and provide specific details (this does not affect any other obligations set out by legal regulations), or shall potentially report any wrongdoing (WHISTLEBLOWING) pursuant to an applicable internal regulation;
- n) They shall advise the Client of differences between facts, personal opinions and prognoses;
- o) They shall only provide services that fall within the framework of their licence and qualification;

p) They shall build their customer base in a manner that will allow them to always provide their Clients with continuous quality care within the required periodicity.

Clause IV

Specific Rules Applicable to the Purchase of Immovable Properties

In relation to the Clients in the event of any purchase of immovable properties, Company Employees and Co-Operators shall adhere to the following principles:

- a) They shall not abuse difficult life situations of the Client;
- b) The purchase of immovable property shall be at the price that most often corresponds to 80 % of specific property assessed value;
- c) The purchase shall be always proposed having in view the Client's overall situation, including his/her legal obligations.

Clause V

Conduct Guidelines for Company Employee and Co-Operator Interrelations

Company Employees and Co-Operators:

- a) In mutual internal communication within the Company, they shall apply similar guidelines for attitude and approach as for contact with Clients or another external entity;
- b) Consistent with good manners, the Company's corporate culture and generally accepted standards of social relations, they shall be loyal not only to the Company, but also to each other;
- c) Are aware that the corporate culture of every Company is most reflected in the culture of internal communication, therefore their actions and attitude shall support and strengthen good corporate relations within the Company they form a part of.
- d) Shall resolve any potential work-related or personal misunderstandings without introducing emotions, in a matter-of-fact fashion and always only within the scope of the specific situation, either by themselves or with the assistance of their superior;
- e) Shall apply the open door policy, where any suggestions or recommendations related to the work of a colleague or another Company Co-Operator shall be solved by direct communication, and shall not resort to spreading gossip, half-truths or ambiguous statements that may lead to harming the professional or personal reputation of another Company Employee or Co-Operator.
- f) Particularly by reaching the position of a manager or a director, they shall consciously become models of good conduct for other Company Employees and Co-Operators and, to the public eye they shall become representatives who live up to the Company vision, and shall act according to this position;
- g) Shall always act according to the principal mission of the Company, and their mutual co-operation shall be driven by their responsibility towards the shareholders and the growth of the Company.

Clause VI

Ethical Committee

a) The Company Ethical Committee monitors compliance with the generally accepted ethical principles in the real estate area of the market and adherence to the CC Associated with Real Estate Transactions. Consistent with the Real Estate Transactions Complaint Resolution Procedure, it reviews the Client's appeal of their complaint resolution in the first instance, and provides an opinion on the appeal to the Company management, which ultimately decides the appeal.

b) Members of the Ethical Committee are in this capacity independent, and as such are not allowed to accept instructions from any other workers or their superiors within the Company, nor can they be punished by the Company for their actions in the capacity of the Members of the Ethical Committee as part of their professional or similar responsibility.

- c) The Ethical Committee hears cases of violation of the CC Associated with Real Estate Transactions, and makes decisions about giving out warnings or remedy requirement notices. In case of a serious or repeat violation of the CC Associated with Real Estate Transactions, the Ethical Committee may submit a decision on compensation for damages to the Company Board of Directors; with respect to the Company Co-Operators, the Ethical Committee may suggest termination of co-operation, and with respect to the Employees, it may suggest termination of employment.
- d) In its capacity, the Ethical Committee is authorized to require the necessary co-operation of Company Employees and Co-Operators.
- e) The Ethical Committee's actions, membership, method of decision making and voting shall be governed by the Rules of Procedure for the Ethical Committee or other internal regulations.

Clause VII

Monitoring and Supervision of Compliance with the Real Estate Transactions Code of Conduct

- a) If in doubt concerning certain behaviour, in particular should such behaviour be contrary to the law or any special regulations, all Employees are obliged to turn to their superior or to the Compliance and Internal Audit Department for the issue at hand and the specific procedure to be investigated. A more detailed procedure for wrongdoing reporting (whistleblowing) is governed by a special internal regulation.
- b) Each Company Employee and Co-Operator is obliged to inform the Ethical Committee without undue delay of any violation of a stipulation of the CC Associated with Real Estate Transactions (by sending an email to eticka.komise@bcas.cz). This action shall be considered to be done in good faith and may not be to the detriment of the reporting person. Any such reports are considered confidential.
- c) A Client may report a violation of a stipulation of the CC Associated with Real Estate Transactions either by a Company Employee or a Co-Operator pursuant to the Real Estate Transactions Complaint Resolution Procedure, which can be found on the Company web site.

Clause VIII

Penalties for the Violation of the Real Estate Transactions Code of Conduct

- a) The CC Associated with Real Estate Transactions is an internal Company regulation. Its violation by a Company Co-Operator may be considered to constitute a breach of contract of co-operation (or any other contract with similar content), and shall be reviewed as such according to the given contract. A violation by an Employee may be, pursuant to the Labour Code, considered to constitute a breach of employment obligations arising from the employment relationship with any and all consequences resulting therefrom, including termination of the employment effective immediately.
- b) Pursuant to Clause VI of this internal regulation, penalties for the violation of a stipulation of the CC Associated with Real Estate Transactions shall be decided by the Ethical Committee, or potentially by the Board of Directors of the Company based on a recommendation by the Ethical Committee.

Clause IX

Final Provisions

1. This Real Estate Transactions Code of Conduct shall come into force on the day it is approved by the Board of Directors.
2. This Real Estate Transactions Code of Conduct shall become effective on 18. 12. 2018.
3. This Real Estate Transactions Code of Conduct shall be made public on the Company web site (at www.bcas.cz), and it may also be requested at the Company business premises.