



**Bank ICBC (Joint-Stock Company)
(Bank ICBC (JSC))**

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Board of Bank ICBC
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**THE PRINCIPLES
OF ICBC BANK (JSC) OF TRADE DEALS FOR CUSTOMERS
WITHIN BROKER ACTIVITY**

Moscow

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Chapter 1 Basic provisions

1.1. This document “Principles of ICBC Bank (JSC) of trade operations for customers account within to implement broker activity” (further – the Principles) is developed according to the Basic standard (“The Basic standard by the broker of deals in the financial market” approved by Central Bank of the Russian Federation 19.01.2018) and the Standard of self-regulatory organization (National financial association self-regulatory organization-NFA) which member is ICBC Bank (JSC) (further – Bank).

1.2. This Principles defines the principles of commission by Bank of Trade operations (Customer transactions according to Regulations of broker service of ICBC Bank (JSC) on securities market and the Agreement on broker service in stock market (further - the Agreement)) within implementation of broker activity by Bank.

1.3. This Principles has the name in English: The Principles of ICBC Bank (JSC) of trade deals for customers within broker activity.

1.4. Provisions of this Principles are applied at execution of orders of Clients for transactions with securities at the expense of the customer.

1.5. Action of this Principles extends to execution of orders of Clients at the stock market or OTC, including at execution of the order by the conclusion of the deal with other Client.

1.6. This Principles is obligatory for application by authorized employees of Bank at the conclusion and execution of transactions on orders of Clients.

1.7. The bank constantly controls execution of provisions of this Principles.

1.8. The bank makes changes and/or additions to this Principles unilaterally according to the requirement of the legislation of the Russian Federation, the Basic standard and standards of National financial association self-regulatory organization which member is the Bank.

1.9. The terms which are not defined within this Principles are understood in the value defined according to the requirement of the legislation of the Russian Federation, Regulations of broker service of ICBC Bank (JSC) on securities market, the Basic standard and standards of self-regulatory organization which member is the Bank.

1.10. The bank posts this Principles on the official website of Bank (www.icbcmoscow.ru). When entering changes/additions into this Principles the Bank places the complete text of this Principles in the new edition.

Chapter 2 Essential criteria

2.1. The bank at execution of orders of the Client is guided by the legislation of the Russian Federation, the Basic Standard, Standards of self-regulatory organization which member is the Bank.

2.2. Bank on the basis of information, stipulated in Item 3.2. this Principles, and being guided by the criteria specified in point 3.4 of this Principles (in the presence) takes all reasonable measures for Trade deals at the expense of the customer, including when closing positions of the Client, on the best conditions in accordance with the terms of Order of the Client and the Agreement.

2.3. The Bank does not allow discrimination between one client and another. All Instructions are accepted by Bank as priority of their receipt from Clients.

2.4. The deals performed at the request of Clients in all cases are subject to priority execution in comparison with own deals of Bank at combination of broker and dealer activity

by it.

2.5. At determination of priority of execution of transactions time of registration of order by Bank is considered time of receipt of Order of the Client.

Chapter 3 Conditions and order of execution of orders of Clients on the best conditions of Trade deal

3.1. The bank performs Order of the Client at observance at the same time following condition:

- Order is served in the method established by the Agreement;
- Order contains all essential conditions established by the Agreement and also contains obligatory details and/or corresponds to the established form if such details and/or form are provided by the Agreement;
- there has come the term and/or condition of execution of the order if Order contains the term and/or condition of its execution;
- there are no bases for refusal in acceptance and/or execution of the order if such bases are established by the legislation of the Russian Federation, including regulations of the Bank of Russia, the Basic standard and/or the Agreement.

3.2. At execution of Orders of the Client on the best conditions the Bank proceeds from the following factors:

- minimum risks of non-execution of the transaction, and also recognition of the transaction invalid;
- volume of the transaction and possibility of execution of the order in full;
- the minimum completion date of Order;
- the price of execution of the transaction (taking into account the volume of transactions);
- the minimum expenses connected with transaction and implementation of calculations for it;
- time period in which the transaction has to be made;
- other information, important for the Client.

3.3. Action of point 3.2 does not extend to execution of the order:

- the Issuer of the securities connected with placement and/or the redemption of own securities;
- the person which is the qualified investor by law or the foreign organization if the specified person acts on own account and the agreement providing broker service with the specified person, directly exempts Bank from duty to perform orders of such Client on the best conditions;
- given the Client to trade system independently;
- The Client to make the third party the proposal on commission of Trade deal with indication of the price and/or other conditions which Bank in accordance with the terms Agreements have no right to change, or to accept specific proposal of the third party on transaction on the price specified in it and/or on other conditions specified in it;
- conditions of execution which are defined by the Client in Order or are provided by the Agreement.

3.4. The Bank at determination of the best conditions of commission of Trade operation is guided by the following criteria:

- terms of the contract and others customer agreements;
- categories of the Client (the qualified investor by law, the investor recognized qualified or the unskilled investor);

- a being of Order, including special instructions if such contain in Order;
- the characteristic of financial instrument concerning which Assignment is given;
- trade characteristics of the place of execution of the order or the partner through whom Order is performed;
- established practices and restrictions for transactions in the financial market and the specific circumstances which have developed at the time of giving of Order.

3.5. The Bank has the right to define independently priority of information specified in point 3.4 of this Principles, acting for the benefit of the Client and proceeding from the developed circumstances. The Bank takes the specified factors into account as it should be which considers the specific different circumstances connected with execution of the order on the best conditions of commission of Trade deal.

3.6. The requirement for execution of the order of the Client on the best conditions of commission of Trade deal is considered the observed Bank if:

- Order is performed at biddings of the organizer of trade on the basis of requests for purchase and requests for sale of securities and/or requests for the conclusion of the agreement which is derivative on the best of specified in them to the prices while requests have been addressed to all bidders and information allowing to identify the bidders who have submitted applications did not reveal during trading to other participants;
- the obligation of Bank to perform this order precisely at biddings of the specified organizer of trade followed from being of order, the Agreement or characteristics of financial instrument concerning which Assignment has been given.

Any parameter of the transaction or instruction specified in Order of the Client cannot allow Bank to take the measures provided by this Principles for the purpose of achievement of the best possible result for the Client at execution of the transaction (group of transactions). The Client has to specify accurate instructions in Order if wants that execution of its Order was carried out by certain method. If in Order of the Client of the instruction are not specified in an explicit form, the Bank will determine the absent parameters according to this Principles.

3.7. The Bank does not accept to execution the Lasting Order (the Order providing possibility of its numerous execution at approach of the conditions provided by order).not containing specific instructions of the Client and which are actually directed to implementation of property management of the Client by Bank.

Chapter 4 Final provisions

4.1 This Principles becomes effective from the moment of her statement.

4.2 If regulations of this Principles conflict to regulations of the legislation of the Russian Federation, then regulations of the current legislation have priority.

President

Li Wencong