

Best Execution Policy Disclosure Statement



The world's local bank

1. Purpose and Scope

This Execution Policy sets out HSBC Bank plc (jointly referred to as “HSBC”, “we”, “our”) service for our (“Customers”) when executing a Customer trading instruction on behalf of a Customer (“Customer Order”) in taking all reasonable steps to provide the best possible result (“Best Execution”) as described in the Markets in Financial Instruments Directive (“MiFID”), where the HSBC internal procedures (“Execution Policy”) set out the operational details of providing this service.

HSBC will provide Best Execution if the transaction for its Customer is in respect of a financial instrument listed in MiFID Annex I (“Financial Instrument”) and where our Customer is relying on us to act on their behalf and protect their interests in relation to their trading instruction.

2. Best Execution Factors and Criteria

When executing a Customer Order, we will take all reasonable steps to achieve the best possible execution result on a consistent basis. Ordinarily, the best possible result for Customers shall be determined in terms of total consideration, representing the price of the financial instrument and the costs related to execution. We may use our commercial experience and judgement to give precedence to other factors such as speed, likelihood of execution and settlement, size, nature of the order, market impact and implicit transaction costs, but only insofar as they are instrumental in providing you with Best Execution in terms of the

total consideration.

Notwithstanding the above, we will also take into account other criteria such as the type of Customer Order, the financial instruments that are the subject of that Customer Order and the execution venues to which that order may be directed.

3. Specific Instruction Warning

Where you provide us with a specific instruction as to how to execute your order we shall, where possible, endeavour to carry out your instruction. However, please note that by acting on your specific instruction, we may be prevented from executing your order in accordance with our Execution Policy. To the extent that a Customer provides us with a specific instruction, we will be treated as having satisfied our obligation to take all reasonable steps to obtain the Best Execution for the Customer but in respect of those aspects of execution which are not covered by the specific instruction, we will process the order in accordance with our Execution Policy.

4. Monitoring

We will monitor the effectiveness of our execution arrangements on a regular basis to ensure that we achieve Best Execution for Customer Orders on a consistent basis but should a Customer have any concerns about HSBC’s execution arrangements the Customer should use contact details that can be found in cover letter and at the first page of this document.

5. Amendments to the Policy

We reserve the right to amend this policy as necessary. We will review this policy at least annually. Where a material change has occurred in the policy, including changes to the list of execution venues we place significant reliance upon, we will inform you by publishing these on the following website www.hsbc.cz/mifid and www.hsbcnet.com/bestexecution.

6. Execution Venue Selection

Detailed below is a list of the execution venues that we place significant reliance on, as we believe they offer the best prospects for affording you the best possible result on a consistent basis. This list is not exhaustive, we may use other execution venues from time to time, and if the Customer has given its prior express consent, HSBC will execute orders outside a regulated market or Multilateral Trading Facility.

HSBC entities

HSBC Bank plc - Prague Branch
HSBC Bank plc branch of foreign bank in Bratislava
HSBC Bank plc London
HSBC Securities (USA) Inc
HSBC Bank Middle East
HSBC Bank Hong Kong
HSBC Bank Japan
HSBC México S.A.
HSBC Bank Brazil

HSBC Bank Singapore
HSBC Bank Korea
HSBC Bank India
HSBC Trinkaus & Burkhardt
HSBC France
HSBC Greece
HSBC South Africa

Asia

Hong Kong Stock Exchange
Japan Tokyo Stock Exchange
Korea Korean Stock Exchange
Singapore Singapore Stock Exchange
Taiwan Taiwan Stock Exchange

North American Exchanges

Canada Toronto Stock Exchange
U.S.A. NASDAQ
U.S.A. New York Stock Exchange

Europe Middle East and Africa

Austria Wiener Borse
Belgium Euronext
Denmark Copenhagen Stock Exchange
Dubai Dubai International Financial Exchange
Finland Helsinki Stock Exchange
France Euronext
Germany Xetra
Greece Athens Stock Exchange
Italy Borsa Italiana
Netherlands Euronext

Norway Oslo Bors
Poland Warsaw Stock Exchange
Portugal Euronext
South Africa Johannesburg Stock Exchange
Sweden OMX - Stockholmborsen
Switzerland Virt-X
Turkey Istanbul Stock Exchange
UK London Stock Exchange
Tokyo Financial Futures Exchange (TIFFE)
Osaka Securities Exchange (OSE)
International Petroleum Exchange (IPE)

Fixed Income and FX Trading Platforms

Brokertec
ESpeed

MTS and affiliates
Creditex
GFI Creditmatch

Futures Exchanges

Euronext Liffe
Euronext Paris
Euronext Amsterdam
EUREX
Chicago Board of Trade (CBOT -eCBOT)
Chicago Mercantile Exchange (Globex)
Singapore Exchange Limited (SGX - SGX ETS)
Sydney Futures Exchange (SFE -Sycom)
Hong Kong Stock Exchange (HKEX)
Tokyo Stock Exchange (TSE)

Contact details for your questions:

Tel.: **+420 597 227 505**

E-mail: **cz.mifid@hsbc.com**

Address: **HSBC Bank plc - pobočka Praha, Millennium Plaza, V Celnici 10, 117 21 Praha 1**

This document is also available on **www.hsbc.cz/mifid**

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