



**Upozornění:** Obsahem této zásilky jsou dokumenty, týkající se Směrnice o trzích finančních nástrojů (Markets in Financial Instruments Directive – „MiFID“). Veškeré součásti této zásilky **v českém jazyce** naleznete na [www.hsbc.cz/mifid](http://www.hsbc.cz/mifid).

**Notice:** This package contains documents regarding Markets in Financial Instruments Directive (“MiFID”). All parts of this package **in Czech** are available to you on [www.hsbc.cz/mifid](http://www.hsbc.cz/mifid).

Dear Customer,

Please find enclosed **MiFID Documentation Pack**.

This pack is being sent to you by HSBC Bank plc, with its registered seat at 8 Canada Square, London E14 5HQ, United Kingdom of Great Britain and Northern Ireland, Reg. No. 14259, registered at Register of Companies for England and Wales, acting through its branch HSBC Bank plc – pobočka Praha, with its registered seat at Millenium Plaza, V Celnici 10, 117 21 Praha 1, Czech Republic, registered in the Commercial Register, kept by the Municipal Court in Prague, Section A, Insert A 20030, ID No. 65997212, operating in the Czech Republic (“**HSBC**”) in respect of its corporate banking and related investment services as required by MiFID and Czech legislation.

## WHAT IS MiFID?

Markets in Financial Instruments Directive<sup>1</sup> (“**MiFID**”) is a new body of regulation mandated by the European Commission intended to provide additional protection to investors and consumers of investment services. It establishes a consistent regulatory framework across the European Economic Area (“**EEA**”), and changes the way the capital markets operate across Europe in terms of both individual participants and the market infrastructure.

## HSBC MiFID DOCUMENTATION

Under MiFID, relevant Financial Service Authority (“**FSA**”)<sup>2</sup> rules, the rules of the Czech National Bank (“**CNB**”) being the Czech regulatory authority and local legislation and regulations, investment firms are required to disclose certain additional information to Customers. This information is included in the enclosed documentation pack. In the Czech Republic the implementation of MiFID has been carried out mainly by an amendment no. 230/2008 Coll. to the act no. 256/2004 Coll., “Capital Markets Act” (“zákon o podnikání na kapitálovém trhu”) (“**Act**”), which came into legal force on 1 July 2008. On the same date, several implementing decrees to the Act were amended or newly adopted by CNB. HSBC is required in connection with the before mentioned to adapt all its activities pursuant to the Act (as amended after 1 July 2008, i.e. to the implementation of MiFID) within five months, i.e. by 30 November 2008.

Further information about MiFID or the implementation of MiFID is available from CNB on <http://www.cnb.cz/>, or the FSA on <http://www.fsa.gov.uk/>, alternatively. All parts of MiFID Documentation Pack are also available to you on [www.hsbc.cz/mifid](http://www.hsbc.cz/mifid).

<sup>1</sup> Directive of European Parliament and Commission No. 2004/39/ES from April 2004 on Markets in Financial Instruments

<sup>2</sup> FSA is regulator of HSBC Bank plc. and her branches within EU included the Czech Republic. However there are certain obligations imposed by the Czech National Bank as the Czech regulatory authority.

### HSBC Bank plc - pobočka Praha

Millennium Plaza, V Celnici 10, 117 21 Praha 1, Česká republika

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## CUSTOMER'S CATEGORISATION – RETAIL CUSTOMER

In accordance with FSA rules and Czech legislation and regulations, all customers undertaking investment business must be classified in one of two categories:

- ▶ **Customers that are not professional** (In Czech: "zákazníci, kteří nejsou profesionálními zákazníky") ("**Retail Customers**"),
- ▶ **Professional Customers ("Professional Customers", or individually a "Professional Customer")** (In Czech: "profesionální klienti", or individually as "profesionální klient"). This category also includes the sub-category of Eligible Counterparty (In Czech: způsobilá protistrana).

In relation to the services that require you to be categorised, based on the information available to HSBC you will be categorised as a **Retail Customer** for the purposes of the Czech legislation and FSA rules as amended by MiFID.

If you have a query regarding how we have categorised you, or you would like to exercise your right to request a different categorisation, we kindly ask you to make such requests in writing to HSBC. The decision with regard to recategorisation is at the discretion of HSBC and is subject to you being able to meet the categorisation criteria specified in the Czech legislation and FSA rules. Further information on the re-classification procedure is available upon request.

If you request categorisation as Professional Customer and HSBC agrees to such categorisation under certain conditions stipulated by law, protections afforded by certain of the legislation and FSA rules relevant to Retail Customers will not apply to you. Unless HSBC hears from you to the contrary, HSBC will provide the services where you can be categorised as a **Retail Customer**.

Please, note you are responsible for notifying HSBC of any change that could affect your current categorisation.

While there are changes to the level of protection afforded to particular types of customers of investment firms under MiFID, HSBC's commitment to the high quality of service it provides to its customers is unchanged.

We value our relationship with all of our customers, and we strive in all cases to act fairly and reasonably in dealing with our customers. Additionally, in certain cases where we are providing order execution services to our customers, we are required under MiFID to establish and comply with a policy on best execution. The purpose of Best Execution Policy is to fulfil that obligation in a clear and concise manner.

### Your MiFID Documentation Pack Contents:

- ▶ **Best Execution Policy Disclosure Statement;**
- ▶ **Conflict of Interest Policy;**
- ▶ **Notice in Relation to Investment Instruments and Associated Risk.**

We kindly ask you to assure that you understand all provisions of enclosed documents. HSBC is ready to answer your questions in case of any uncertainty. All documents are also available to you on [www.hsbc.cz/mifid](http://www.hsbc.cz/mifid)

### IF YOU HAVE A QUESTION:

If you have any questions about this letter and the materials to which it refers, or about any other aspect of the bank's implementation of MiFID, please do not hesitate to contact us. In case of any queries regarding the enclosed documentation contact HSBC on **+420 597 227 505** or on email address **cz.mifid@hsbc.com**. Written queries regarding a change in Customer Categorisation or requests for further information should be mailed in hard copy to:

#### **HSBC Bank plc - pobočka Praha**

Millennium Plaza  
V Celnici 10  
117 21 Prague 1

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