

Principles of Personal Data Processing at 42 Financial Services

We always treat all personal data in full compliance with all applicable laws. Please read these Principles of Personal Data Processing at 42 Financial Services ("Principles") to find out what principles we observe in order to ensure the confidentiality and security of your personal data.

What will you find out about personal data in this material?

- What personal data we are gathering;
- How we process this data;
- What sources this data originates from;
- What purposes we use it for;
- To whom we may disclose such data;
- Where you can find out more about your personal data being processed by us;
- What are the available options for everyone on the field of data security and protection.

The Principles of Personal Data Processing at 42 Financial Services concern the protection and processing of personal data of natural persons (known as "data subjects") in general. The specific issues and concerns which arise with respect to the personal data of job seekers, of employees of 42 Financial Services and of external contractors and service providers of 42 Financial Services, are addressed by a separate Personal Data Processing Policy.

Important contact details of 42 Financial Services concerning the protection of personal data

Information about the data controller

Business name: 42 Financial Services, a.s.
Identification number: 284 92 722
VAT ID: CZ28492722
Registered seat: 110 02 Prague 1, Klimentská 46

If you have any question or query concerning personal data, please send an e-mail to compliance@42fs.com or in writing to the above given address.

You may turn to 42 Financial Services to exercise your rights, via the above given contacts. Requests concerning the exercise of your rights will be answered promptly, within a time period of 30 days from receipt. However, this time period may be extended by another two months if the circumstances so require. We will always inform you if we are forced to respond on such an extended schedule, and state the reasons. We will communicate with you through your preferred channel (e-mail or letters).

Purposes for which we process your personal data at 42 Financial Services, and the legal basis for such processing

We will process your personal data to the extent that this is necessary to provide you with the financial services which you ordered from us. In the interest of data protection, personal data processing at 42 Financial Services follows the principle of minimalizing the scope of the personal data being processed meaning we will process only those personal data which are absolutely required for the given purpose of our business. Unless where stated otherwise, 42 Financial Services works with personal data which we are allowed to process under the law without requiring special consent from you.

Your decision to give consent with the processing of personal data for a specific purpose is always voluntary and in case, we would require it for the purpose of processing your personal data, you would always be properly informed about the objective and details of such processing.

You may decide to give consent of your own free will, and you may at any time revoke such consent, wholly or in part. After you've withdrawn your consent, we will cease to process your personal data for the purpose for which the consent was given. However, we will still be allowed to process your personal data as laid out in these Principles for purposes which do not require your consent under the law. You can learn about these purposes in the Principles as well.

Categories of personal data processing for which we do not require your consent:

- Discharge of our contractual obligations under the agreements into which we've entered with you;
- Compliance with our obligations under provisions of law;
- Protection of our rights and exercising our legitimate interests (i.e. for pursuing claims in court or vis-a-vis insurance companies), whereas the scope of personal data disclosed to us which we may use is limited to what is necessary for the successful enforcement of the given claim or exercising of our respective legitimate interests;
- Performance of tasks in the public interest.

If you refuse to provide us with personal data which is needed for one or another of the above-mentioned purposes, we may not be able to provide you with the relevant product or service or render other performances for which such personal data is indispensable.

We will process your personal data for compliance with the following laws in particular:

- The Czech Banking Act (Act No. 21/1992 Coll.) (this law sets forth the conditions for operating as a bank, and requires banks to inform each other about facts concerning their clients with the aim to prevent and discover illegal conduct),
- The Czech Capital Markets Act (Act No. 256/2004 Coll.) (this law sets forth the conditions under which investment firms may provide investment services),
- Act No. 15/1998 Coll., on Capital Market Supervision and on Amendments to Other Acts;
- Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("MiFID");
- Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 ("MiFIR");

- Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency (“REMIT”);
- Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (“MAR”)
- The Czech Act on International Cooperation in Tax Matters (Act No. 164/2013 Coll.) (this law requires financial institutions to exchange information on persons who are subject to tax obligations in another country),
- The Czech AML Act (Act No. 253/2008 Coll., on certain measures against the legitimization of proceeds from crime and the financing of terrorism) (this law requires us to identify and screen our clients);
- The Czech Act on the Implementation of International Sanctions (Act No. 69/2006 Coll.) (this law requires us to review whether a given client is subject to international sanctions);
- Other acts of law; and
- The implementing regulations for the above acts.

Our clients are or may be only legal entities. Being our client or potential client you must provide us with the personal data::

- of your employees who are authorized to give us relevant instructions – orders to carry out transactions in the financial markets. This personal data usually comprises of the data from the category of identification data and contact data given below, e.g. the first and last name and the birth identification number (“*rodné číslo*”) or other unique identifier of the given employee (for the purpose of identification based on what is known as the national client identifier within the meaning of MiFID). We are obliged to report this data, along with information on the relevant transactions, to the Czech National Bank (ČNB) and the European supervisory authorities (ESMA). For this reason, we will be unable to offer you certain services unless you provide us with this data;
- Natural persons acting on your behalf, in particular members of statutory bodies who are authorized to enter a business relationship with us on your behalf. For these persons, we require in particular personal data from the category of identification and contact data below, such as name, surname, birth number, place of birth, sex, permanent residence address, in order to fulfill the AML obligations;
- Natural persons who are beneficial owner of your company in the sense of art. 4 paragraph 4 of Act No. 253/2008 Coll., On certain measures against the legalization of proceeds from crime and terrorist financing. For these persons, we require in particular personal data from the category of identification and contact data below, such as name, surname, birth number, place of birth, sex, permanent residence address, in order to fulfill the AML obligations.

You, as the controller of the personal data of your employees, members of statutory bodies and other persons whose personal data you share with us, are responsible for the correctness and completeness of such personal data and for your authorization to process and share such personal data with 42 Financial

Services. You are also responsible for informing the respective data subjects on the processing of their personal data by 42 Financial Services.

Legitimate interests of 42 Financial Services in processing your personal data

In certain cases, we will process your personal data or personal data provided by you so as to ensure the protection of the rights and legitimate interests of 42 Financial Services and, as the case may be, of third parties. We may do so even without your consent, but the scope of legal grounds which allow us to engage in this kind of data processing is restricted. We will always carefully consider the existence of legitimate interest.

Categories of personal data which are processed at 42 Financial Services

Identification data

First and last name, academic titles, birth identification number ("*rodné číslo*") or date of birth, place of birth, sex, place of permanent or temporary residence, number of your identification papers (ID card, passport, or similar document), citizenship, photography and signature.

Contact data

I.e., primarily, contact addresses, phone numbers, e-mail addresses, and other similar information. This personal data allows us to get in touch with you.

Creditworthiness data

Personal data which 42 Financial Services needs – with a view to its duty under the law to proceed with professional prudence and due care – so that financial transactions are only intermediated if the exposure to legal and factual risks is acceptable. The character and scope of the relevant personal data will depend on the nature of the financial transaction in which we are asked to engage, or of the service which we are asked to provide.

Service usage data

Data on the kind of services on which you agreed with 42 Financial Services and the manner in which you used them (this includes e.g. transactional data, recordings of phone conversations with 42 Financial Services, and records of other communication with 42 Financial Services).

Recipients and processors of personal data

Processing and storage of the personal data which you provided will occur within 42 Financial Services. If the processing of personal data is requested for fulfilling legal obligations or obligations given by agreements concluded between you and 42 Financial Services, your personal data may be processed by our external partners and suppliers of 42 Financial Services. The entities with whom we collaborate are hand-picked, based on a careful consideration of the warranties which they offer in terms of ensuring the

technical and organizational protection of the personal data which we disclose to them. Only proper data processors may process personal data for 42 Financial Services, and then only on the basis of agreements on the processing of personal data.

Within this context, 42 Financial Services may disclose personal data for legitimate purposes to the following recipients:

- banks within the extent set out in the Czech Banking Act (Act No. 21/1992 Coll.),
- external partners and suppliers of 42 Financial Services, for the purpose of performance under the agreements with them,
- stock exchanges, central counterparties, and other clearing houses,
- providers of postal and communications services and electronic communication services,
- debt enforcement officers (bailiffs and organizers of forced sales), courts and other state authorities, and attorneys for the purpose of enforcing related claims,
- the regulatory and competent authority, for the purpose of supervision over the activities of 42 Financial Services under special laws.

For any further transfer of personal data to third parties, we would, if necessary, request your express consent.

Transfer of personal data to third countries

The procurement of certain products and the implementation of certain (payment) services which we offer requires that we pass on your personal data for processing to locations outside the Czech Republic and outside the EU, i.e., a transfer of data to third countries outside the EU will occur. However, any such transfer will always be based on, and be carried out in strict compliance with, the legal requirements, and the protection of your personal data will in each case be guaranteed. We never transfer personal data to countries or institutions that do not provide adequate personal data protection comparable to our own standards.

Time period for which your personal data will be stored with 42 Financial Services

We will only store your personal data for as long as is absolutely necessary; the archiving of data is governed by the relevant statutory archiving periods, however usually 10 years after the end of our contractual relationship, in order to fulfill the obligations imposed by law, especially in accordance with the requirements of Act No. 253/2008 Coll., on certain measures against money laundering and terrorist financing and Act No. 256/2004 Coll., On doing business on the capital market, as amended.

We will process your personal data for as long as our contractual relationship (or other legal reason for the processing) exists. By this, we mean to say that we have strict internal rules in place to review the legality of our possession of your personal data, and that we will not hold on to your data for longer than we are

allowed to. As soon as the legal grounds for data storage are no longer present, we will proceed and erase the personal data.

Personal data which we are processing based on your consent will only be stored for as long as the purpose for which consent was given is still relevant, or until consent has been withdrawn.

Your rights in connection with the protection of personal data

We will process your personal data in a transparent manner, properly and in accordance with the statutory requirements. Having said that, you may always approach us to obtain information on the processing of your personal data, or in order to exercise your related rights which are set out below.

Right of access to personal data

You have the right to demand a copy of your personal data which is being processed at 42 Financial Services.

Right of rectification

If you believe that your personal data on our files is inaccurate or incomplete, you may demand that we update or supplement such data accordingly.

Right to erasure ("right to be forgotten")

You have the right to demand that we delete your personal data if it is no longer needed for the purpose for which it has been processed, or if you have withdrawn your consent with the processing of such data, or if the data was processed unlawfully, or if erasure is necessary for compliance with the law, or if the data was gathered in connection with the offer of information society services.

Right to restrict personal data processing

You may demand that we restrict the processing of data if you have contested the accuracy of your personal data, or if the data processing is unlawful but you do not wish the data to be erased. If you wish, we may process selected personal data even if it is no longer needed for the purpose for which you made said data available to 42 Financial Services (e.g. in connection with the litigation of a claim for which you need the data we process). Also, you may bring an objection to the data processing in which case we shall restrict the processing until it has become clear whether or not our legitimate interest prevails over yours.

Right to data portability

If your data is being processed using means of automated processing, based on a contract or on your notice of consent, then you are entitled to what is known as data portability, i.e., you may demand and receive a copy of your data in a structured, commonly used, machine-readable format.

Right to object to the processing of personal data

You may at any time object to the processing of personal data where such processing is done on the basis of our legitimate interest. In such a case, we will cease to process your personal data for this particular purpose.

Right to withdraw consent

If you gave us notice of consent with the processing of personal data for purposes which are conditional upon such consent, then you have the right to revoke such consent at any time. To the extent that personal data was processed before your withdrawal of consent, such processing is deemed to have been lawful.

Right to file a complaint with the supervisory authority

You may bring a complaint with the supervisory authority (i.e., in this case, the Czech Data Protection Office – *Úřad pro ochranu osobních údajů*) if you believe that your personal data has been processed in violation of data protection rules.

The contact details of the Data Protection Office are:

Úřad pro ochranu osobních údajů

Pplk. Sochora 27

170 00 Prague 7

phone No.: +420 234 665 111

The last revision of this document was conducted on 1st September 2020.