

Execution principles of the InvestmentBank AG

The following implementation principles (hereinafter referred to as "principles") define how the bank ensures the execution of a customer order consistently in the best possible interest of the Customer.

General

These principles apply to the execution of orders of all kinds relating to all types of financial instruments, both for orders issued by the customer and for those which ICM carries out in the context of asset management. Orders can be executed in any manner that ICM considers necessary in the interest of the customer, including by way of fixed-price business or financial transactions on commission basis. ICM is exempt from the limitations of § 181 of the Civil Code.

"Execution" means that a corresponding execution transaction is concluded on the basis of the customer order or the order of the asset management for the account of the customer with another party in a thereto suitable market.

If ICM cannot execute an order due to holiday regulations, trading events or technical restrictions at the time of placing the order in a stock exchange, commercial market or other execution place conforming to the best execution policy, the order can also be carried out at a different execution location, always respecting the customer's interests. If the execution places selected by the bank as suitable alternative locations are also not available, a customer instruction is required.

If an order is received outside the trading hours of the respective stock exchange, the commercial market or other execution place, the order will only be forwarded to the planned execution place on the next trading day.

Priority of instructions:

Within the framework of the investment advice and the consulting-free business, the customer can give ICM instructions on which execution locations an order is to be executed. Such instructions are in accordance with the following execution principles. If the client has given any instructions, ICM will not execute the order in accordance with these principles of the best possible execution.

Obligation of Best Execution

The following describes the possible execution methods and possible stock exchanges, commercial markets or other execution places for the relevant financial instruments, which, as a rule, are expected to have the best possible execution in the interest of the customer and at which ICM will therefore execute the customer's orders. The best possible result is measured primarily on the scale of the total remuneration, i.e. on the basis of the purchase or sale price of the respective financial instrument and the costs associated with the execution of the order. Other factors, such as speed and probability of order execution, will be taken into account if they help to achieve the best possible overall remuneration.

In order to determine the best possible execution of customer orders, the factors described below were used to verify the quality of the Execution.

- a) Price
For the price of a financial instrument, the pricing mechanism is particularly important.
- b) Costs
The costs are composed of the third-party costs and the bank's own fees and commissions. The third-party costs include fees and charges for the respective execution place, as well as costs for third parties involved in the execution
- c) The probability of execution
The probability of execution refers to the probability with which the order of the client will actually be executed at an exchange place. This depends significantly on supply and demand and the probability is highest at exchange places, where a leading broker guarantees the execution as a liquidity provider.
- d) Execution speed
The order execution speed is basically the time that elapses from the execution of a client order at the corresponding market places until the issuing of an execution confirmation by the executing place. In addition to the respective opening hours of the exchange, technical support is also decisive for the fastest possible execution of customer orders.
- e) Settlement security
The term "settlement security" refers to those factors which contribute to ensure maximum protection of the investor:
 - an independent trade monitoring for the place
 - information and consulting services of the respective stock exchange
 - mistrade rules of the respective stock exchange
 - further protection mechanisms in the regulations
 - system applications and their system security
- f) Other criteria
- g) In addition to the market situation, the trading time and the possibility of executing all order types are further criteria for the selection of execution locations.

When selecting stock exchange, commercial markets or other execution locations, ICM assumes that the customer wants to achieve the best possible price, taking into account all costs associated with the execution business. Since financial instruments are usually subject to price fluctuations and it can therefore not be excluded that a price development to the detriment of the customer takes place in the course of time after placing the order, in particular execution places are taken into account, where a complete execution is probable and timely possible.

The selection of execution locations is based on the probability and speed of the order execution. The calculation is based on the respective market liquidity prevailing in the trading place.

Weighting of influencing factors on execution quality in the context of asset management		
For	Shares	Bonds and other financial instruments
Price	30%	30%
Costs	20%	10%
Probability of execution	25%	40%
Execution speed	20%	5%
Safety of transactions	–	10%
Other criteria	5%	5%
Trading hours	–	–

Stand: 13.01.2020

Weighting of influencing factors on execution quality for investment advice and consulting-free business		
For	Shares	Bonds and other financial instruments
Price	30%	30%
Costs	20%	20%
Probability of execution	25%	30%
Execution speed	20%	5%
Safety of transactions	–	10%
Other criteria	5%	5%
Trading hours	–	–

Stand: 13.01.2020

Otherwise, the selection of stock exchange, commercial markets or other execution positions is at the discretion of ICM. ICM may execute orders against its own trading portfolio, provided that the award of the best possible execution price, including transaction prices and the free tradability of the respective financial instrument for the customer, will not be affected. ICM can also execute customer orders against other customer orders.

Execution principles for the execution of orders with regard to financial instruments

It is possible that several sales orders are bundled and clustered. The above-stated principles also apply to this composed order (block order). Occasionally it can occur that, due to a partial execution or a non-execution of the collective order, the individual sales orders cannot or can only partially be executed. In such cases, each individual partial execution is allocated proportionately with the execution price to each associated sales order. This means that each sales order receives the same percentage share at the same price.

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Information on the execution, the execution place location and the execution type of a transaction with regard to financial instruments can be found on the settlement drawn up by the account holding and custodian bank.

The selection of stock exchanges, commercial markets and other execution places according to these principles is reviewed annually, or whenever there are any indications that the defined procedures have changed.

The Institute has set the following rankings in the execution places:

Financial instrument/ Financial derivate	Preferential place of execution	then	then
Shares Germany	XETRA	Frankfurt	Stuttgart
Shares abroad	Resp. nat. exchange	Frankfurt	Stuttgart
Investment fund	KAG	XETRA	Resp. nat. exchange
EXTRA Trade Funds (ETF)	XETRA	KAG	–
Bonds (in minimum denominations)	Proprietary trading	Interbank trading	Stuttgart
Bonds (minimum denominations not achieved))	Proprietary trading		
Derivatives national exchange	EUREX	–	–
Derivatives foreign exchange	Respect. nat. exchange	–	–
Derivatives free market	Euwax	Scoach	Free market
Currency cash /futures	Interbank trading		–
OTC participations	Mediation	Direct commerce trade	–

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In the case of transactions in which the minimum denomination is not reached and therefore no trading is possible at other execution locations, ICM can exclusively act as a trading partner.

It is explicitly pointed out that in the context of the bundling and clustering of orders, adverse price effects can arise compared to a single version.

A number of financial instruments can be bought and sold more favourably and reliably in the interbank trading in terms of market depth (volumes) and execution prices.

The customer agrees to carry out orders even outside regulated markets, multilateral and other trading platforms.

Special features of transactions in bonds not fulfilling the requirements of the minimum denominations

ICM also offers its customers **the purchase and sale of bonds that deviate from the (minimum) tradable denominations**. That way it is possible to invest in financial instruments (limited to bonds) which would otherwise be inaccessible due to the minimum denomination or to avoid cluster risks for the customer. Since a sale of such financial instruments fails because of the minimum denomination, ICM offers to act as a counterparty at any time at market prices plus or minus a maximum of 1% of the nominal value. At the acquisition, ICM assumes as well the risk of not being able to resell the relevant financial

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instrument and will have to keep it, if necessary, until the maturity. When selling to the customer, ICM has to take over-exceeding volumes up to the required

denomination on its own book. In such cases the rules for best execution are only applied in a limited way.

Note: some of the so purchased financial instruments (bonds) cannot be transferred from bank to bank in the denominations purchased by the customer. If the customer terminates the contractual relationship with ICM, he expressly authorizes ICM to sell these non-transferable denominations at market prices with the termination of the contractual relationship.

This also applies in the event that the customer revokes the authorization granted, since a revocation of the power of attorney pursuant to point 7.1 of the asset management contract is considered as termination of the asset management contract.

Note: in the case of capital measures, the risk exists that participation in these may be excluded for position sizes smaller than the tradable minimum denominations. In order to avoid disadvantages up to the potentially worthless deterioration of an affected financial instrument, the financial instrument concerned must be sold to ICM by the customer in good time before the end of the conversion period. In the case of asset management mandates, this is already included in the specifications of the obligations of the institute.

Special features in foreign exchange transactions

In principle, foreign exchange dealings are no exchange transactions. A brokerage is therefore not applicable. Foreign exchange dealings can be processed by ICM as a counterparty or ICM can pass them on to the account holding bank or custodian bank, which in turn acts as the counterparty towards the customer. The exchange rate position is based on a margin previously agreed with the customer. Otherwise, the price statement of the account holding bank and custodian bank applies.

Special features for shares in investment funds

The issuance of shares in investment funds at the issue price and their return to the redemption price is generally based on the provisions of the capital investment Code (KAGB) as well as the respective provisions of the individual investment funds and their Capital Management Companies.

Special features in financial derivatives

This includes, among other things, financial futures, which are traded on a stock exchange under standardized conditions or which are individually agreed upon for transactions over the counter between customer and the account holding and custodian bank. In the context of the asset management and investment contract, ICM only acts as a financial intermediary for OTC derivatives.