

Summary and conclusions analysis related to ZPKT S 15n

Dear customers,

Act No. 256/2004 Coll., on Capital Business Activities on the Capital Market (known as “Capital Market Undertakings Act”, as amended means local “**MiFID2 law**” (hereinafter referred as “**ZPKT**”, available [here](#)) imposes, via S15 n (5) ¹ necessary specific information duty towards customers (in the text also referred as “*clients*”).

Investment service provider² :

Name of the company	LYNX B.V., Branch Czech Republic (hereinafter referred as „ LYNX “)
ID no:	02451778
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Legal form:	Branch
File no:	A 76398 kept by the Municipal Court in Prague

I. Information presented by LYNX

The information, we present via our webpages is provided solely to the **public and doesn't mean any investment advice or investment recommendation provided by LYNX to customers**, i.e. investors and prospective investors, customers or authorized representatives of investors or prospective investors, consumers etc. (hereinafter referred to as “*investors*” or “*clients*”). No legal advisory and no tax advisory is provided by LYNX.

The aim of this document is to inform LYNX clients and present summaries and conclusions of the analysis, prepared in line with the requirements of the **ZPKT, Section 15n**.

II. Target market

The target market is retail, private (non-professional customer), legal entity and corporate investor. Investors should be aware and should pay close attention to the risks associated with investments before making decision in investment products. **LYNX Branch Czech Republic provides also services also for customers coming from Poland and Slovakia; these clients are pre-accepted by the LYNX group and local, i.e. by group and local (Czech) rules.**

III. LYNX published info & their use

LYNX uses all possible efforts, care and trustworthy resources to design and update its webpages (e.g. **information issued by LYNX BV, Herengracht 527, 1017 BV, Amsterdam, the Netherlands**) nevertheless, we cannot guarantee the accuracy, completeness and timeliness of information.

If you use the information, we provide without any verification, or as an investment advice or investment recommendation, you do it so at your own discretion, your own expense and risk. If you do not know the specific investment product and its risks, do not make investment. **The above mentioned can be used “for information only” and no legal claims can be derived.**

¹ “(5) An investment firm that executes customer orders shall publish once a year for each type of investment instrument a) **5 trading venues** where he executed customer orders in the last calendar year and which are most important for him in terms of the volume of trades executed, and b) summaries and conclusions of the analysis resulting from the monitoring of the quality of the execution of transactions in investment instruments at trading venues where he executed customer orders in the last calendar year”.

² LYNX B.V. has been regulated by the Czech National Bank and has been listed as „Branch of foreign investment company (non-bank)” at [List of regulated and registered entities of financial market](#).

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IV. Summary and conclusion of the analysis

Below presented **Summary and conclusion of the analysis** resulted from the monitoring of the quality of execution of transactions via investment instruments at trading venues, where LYNX executed customers' (clients') instructions in the calendar year 2019.

1. LYNX performs customers' categorization in line with ZPKT:
 - a. Non-professional customers³;
 - b. Professional customers;
 - c. Professional customers upon request.

2. LYNX performed a quality assessment of orders execution; we took a particular emphasis on the price and costs of executing customer orders; on behalf of LYNX, this obligation is met primarily by systems and algorithms set up by **Interactive Brokers** (hereinafter referred to as "**IB**⁴"), which settles customer orders and maintains asset accounts; LYNX has the option to review the specific instructions given by the LYNX customers.

3. LYNX:
 - a. performs ex-ante pre-acceptance of the customers and has implemented „4-eye“ control; LYNX maintains no asset accounts;
 - b. no conflict of interest revealed;
 - c. increased attention is paid to the consumer and investor's protection; provides everyone the same information and documents;
 - d. in case of any customers' inquiries, we have an effective mechanism in place to handle their requests effectively (e.g. by telephone, email, chat); the information and documents provided by LYNX are being continually revised and published via our webpages; LYNX treats all clients (i.e. customer categories according to ZPKT) identically, except for differences that are given by effective and valid legislation (e.g. increased consumer protection requirements); LYNX is being committed to avoid any discrimination against customers, record kept is all communication with customers, in line with the requirements of the Section 17 ZPKT.
 - e. has implemented efficient process of customers' claims and complaints handling;
 - f. has implemented efficient control management system (e.g. Compliance, Internal audit);
 - g. trading venues, customer orders conducted during the last calendar year, i.e. 2019, and which have been the most important in terms of the volume of executed orders, are identical to the IB transfer points, you can find them here.

³ **Non-professional customers** are mainly natural persons (i.e. retail and private clients) and legal entities whose amount of assets, capital or net annual turnover does not reach such amount, so that they can be classified according to the Section 2a ZPKT, as a **Professional customer** (e.g. bank, securities dealer, insurance company, reinsurance undertaking, etc.) and pursuant to § 2b ZPKT, as a **Professional customer on request** (e.g. customer who is a legal entity and meets at least 2 of the following 3 criteria: 1. Carried out for each of the last 4 consecutive quarter in the relevant financial market area, the transactions in the investment vehicle to which the application relates, in a significant volume and in the average number of at least 10 trades per quarter, 2. The volume of its assets consisting of funds and investment instruments is equivalent to at least EUR 500,000, 3. Has exercised, for a period of at least one year or in connection with the exercise of his employment, profession or function, activities in the field of financial markets which require knowledge of the transactions or services covered by the application. Application for inclusion in the category according to § 2b ZPKT Professional customer on request must be made in writing; the application must comply with the requirements of the ZPKT and shall include a written statement from the customer which complies with the requirements of § 2b para. 2 ZPKT. The LYNX shall assess and verify the information and the documents supplied and inform the customer whether or not the change of category has been agreed to the customer.

⁴ Customers have the option to choose whether to use a routing algorithm that considers the factors listed in the text above in real time, or whether the order itself is directed at a particular exchanges stock, when entering its instruction.
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4. LYNX conducts the continuous improvement of our products, services, webpages, and transparently publishes information and documents. LYNX provides educational materials and webinars, and moreover customers can ask us for the individual training.
5. Potential customers can also use the **Information package**, which is being sent electronic for free and contains detailed information related to LYNX services and educational materials (e.g. an investment e-book).

During the year 2019 LYNX performed:

- a. modified and improved „**Calculations of investment fees, cost**“, available [here](#);
- b. continuously were revised information related to the account protection, incl. fulfillment of the „**Information obligations**“ LYNX, available [here](#);
- c. updated Form related to the account opening process;
- d. educational campaign „**LYNX Way of Trader**“, available [here](#);
- e. published were updated or new information/documents for customers:
 - o Information memorandum to the CFDs business restrictions;
 - o ESMA restrictions related to binary options and CFDs;
 - o Information memorandum related to the application of measures against the legalization of the proceeds of crime and terrorist financing („**AML/CFT**“);
 - o Explanation of the term "Politically exposed person ";
 - o Updated the Investment service contract between LYNX and customer;
 - o Updated GDPR Declaration;
 - o Summary of the Complaint Handling policy;
 - o Conflicts of interest in the provision of investment services;
 - o Rules for using of asset account; and
 - o Information related to the AML 5th directive.

V. Final provisions

LYNX continually performs monitoring of customer's transactions, and the quality of trading in investment instruments, and concludes from the information listed above that clients' orders were handled under the best possible conditions.

There is no client's discrimination and everyone is kept informed of the legal obligations that LYNX must comply with. Customers are also transparently informed about the possible risks associated with investments. Customers can find all the necessary information via webpages LYNX, in the section "[Documents](#)".

The highest protection from LYNX is provided to so-called non-professional customers.

A printed version of this document is available at LYNX office.
LYNX B.V. reserves the right to continuously update this document.
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