MODEL COST SCENARIOS

Introduction

(a) This document presents examples of how the costs charged by the Bank affect the return on investment ("**Costs**"). The model examples constitute simplified hypothetical situations that are intended to show the impact of costs on the overall return on investment. The costs do not take into account any tax aspects of the investment, either paid as part of settlement with the Bank (e.g., financial transaction tax or stamp duty) or subsequent payments (e.g., income tax). These tax aspects may pro-long the return on investment.

(b) Unless otherwise stated, the model examples are based on the Price List for individuals – non-entrepreneurs effective from 5 January 2024, published on the website of the Bank. The cost of a specific investment may vary depending on any individual pricing agreement between the Client and the Bank.

(c) The model examples are prepared in the currency of the Investment Instrument and their conversion to another currency may have a positive or negative effect on the investment return. Rounding and certain simplification is used in the examples, which is necessary to clearly show the logic of the calculation and for the sale of illustration.

Example No. 1 – Purchase of a corporate bond and holding it until maturity

1.1.

(a) Starting situation: The Client buys a bond with the nominal value of EUR 1,000 at a price of 100%. This purchase is made through a buy order via internet banking.

(b) Financial instrument:
- (i) Type: Corporate bond
- (ii) Remaining time to maturity: 1 year
- (iii) Currency: EUR
- (iv) Fixed coupon: 6.50% p.a., paid semi-annually
- (v) The Bank keeps the Client's securities in the Holder's Account

(c) Investment development: The price of the bond remains unchanged.

(d) Final situation: On 1 October 2023, the bond is fully repaid by the issuer.

(e) Impact on costs:

Cost/gain	Type	Value	Base for calculation	Frequency	Absolute value	Annual % value (of original investment)
Cost	Arrangement (purchase)	0.60%	EUR 1,000.00	one-time	6.00	0.60%
Cost	Settlement (purchase)	not charged				
Gain	Bond coupon	6.50% p. a.	EUR 1,000.00	semi-annually	65.00 (2x 32.50)	6.50%
Cost	Management	not charged				
Cost	Arrangement (sale)	not charged	EUR 1,000.00	one-time		0.00%
Cost	Settlement (sale)	not charged				
Cost	Total				6.00	0.60%
Gain	Net return				59.00	5.90%

1.2.

(a) Starting situation: On 1 October 2022, the Client buys a bond with the nominal value of EUR 1,000 at a price of 100%. This purchase is made through am Instruction via Internet Banking.

(b) Financial instrument:
- (i) Type: Corporate bond
- (ii) Remaining time to maturity: 1 year
- (iii) Currency: EUR
- (iv) Fixed coupon: 6.50% p.a., paid semi-annually
- (v) The Client holds the Bond in an individual asset account with the Central Securities Depository.

(c) Investment development: The price of the bond remains unchanged.

(d) Final situation: On 1 October 2023, the bond is fully repaid by the issuer.

(e) Impact on costs:

Cost/gain	Type	Value	Base for calculation	Frequency	Absolute value	Annual % value (of original investment)
Cost	Arrangement (purchase)	0.60%	EUR 1,000.00	one-time	6.00	0.60%
Cost	Settlement (purchase)	not charged				
Gain	Bond coupon	6.50% p. a.	EUR 1,000.00	semi-annually	65.00 (2x 32.50)	6.50%
Cost	Management	10.00 p.a. + VAT		one-time	12.00	1.20%
Cost	Arrangement (sale)	not charged	EUR 1,000.00	one-time		0.00%
Cost	Settlement (sale)	not charged				
Cost	Total				18.00	1.80%
Gain	Net return				47.00	4.70%

Note:
The costs of selling the bond (arrangement and settlement) are not charged because the bond is passively redeemed. If the trade is executed within a primary offering, the Bank will receive a one-time inducement for placing the bonds at a model rate of 1% of the invested amount. This inducement is paid to the Bank by the bond issuer and it is not paid by the Client.

Example No. 2 - Purchase of mutual fund shares and their sale 3 years later

(a) Starting situation: On 1 October 2020, the Client purchases mutual fund shares for EUR 25,000 (including the fee). The purchase is made by the Instruction to Purchase Financial Instruments through the Bank. The Client's securities are kept by the Bank in the Holder's Account. The results of the Trades are calculated on a pre-tax basis.

(b) Financial instrument:
- (i) Type: Share of an open-end, mixed mutual fund
- (ii) Currency: EUR
- (iii) Execution venue: Investment firm of the relevant fund

(c) Investment development:

The share price rose at an average rate of 4.50% p.a. over the investment period (average performance of the fund over the minimum investment horizon). The share price already includes all expenses incurred by the fund in connection with the Client's investment. These costs, although not paid by the Client, influence the final value of a share. These costs are expressed as the so-called Total Expense Ratio (TER), and in this particular case they come to 1.00% of the investment. The fund's costs also include an annual inducement paid by the fund to the Bank of 0.66% of the amount invested. Neither the TER nor the inducement is charged to or reimbursed by the customer.

(d) Final situation: On 2 October 2023, the Client sells the shares of the mixed mutual fund.

(e) Impact on costs:

Cost/gain	Type	Value	Base for calculation	Frequency	Absolute value	Annual % value (of original investment)
Gain	Increase in fund's price over 3Y	14.14%	EUR 24,850.89	one-time	EUR 3514.11	4.50%
Cost	Arrangement (purchase)	0.60%	EUR 25,000.00	one-time	EUR 149.11	0.60%
Cost	Settlement (purchase)	not charged				
Cost	Management	not charged				
Cost	Arrangement (sale)	0.60%	EUR 28,365.00	one-time	EUR 170.19	0.60%
Cost	Settlement (sale)	not charged				
Cost	Total				EUR 319.30	1.28%
Gain	Net return	12.86%			EUR 3,194.81	4.30%

Example No. 3 - Purchase of ETF and its sale 2 years later

(a) Starting situation: The Client purchases 1,000 shares of an exchange-traded fund (ETF) on 1 October 2021 by placing an Instruction via Internet Banking. On this day, the purchase price is EUR 20 per ETF share. The results of the Trades are calculated on a pre-tax basis.

(b) Financial instrument:

- (i) Type: ETF
- (ii) Currency: EUR
- (iii) Execution venue: Deutsche Börse Frankfurt (Germany)
- (iiii) International securities identification number (ISIN) starting with "DE".

(c) Investment development: The ETF price increased to EUR 25 per share on 3 October 2022 and remained at this level.

(d) Final situation: On 2 October 2023, the Client sells the entire position at a price of EUR 25 per ETF share. This sale is carried out through a sell Instruction via the Bank. The sale is executed on the Deutsche Börse Frankfurt.

(e) Impact on costs:

Cost/gain	Type	Value	Base for calculation	Frequency	Absolute value	Annual % value (of original investment)
Gain	Increase in ETF's price	25,000	EUR 20,000.00	one-time	EUR 5,000.00	12.50%
Cost	Arrangement (purchase)	0.30%	EUR 20,000.00	one-time	EUR 60.00	0.15%
Cost	Settlement (purchase)	not charged				
Cost	Management	0.08% + VAT	1st year EUR 20,000 2nd year EUR 25,000	yearly	EUR 45.00	0.11%
Cost	Arrangement (sale)	0.30%	EUR 25,000.00	one-time	EUR 75.00	0.15%
Cost	Settlement (sale)	not charged				
Cost	Total				EUR 180.00	0.41%
Gain	Net return				EUR 4,820.00	12.09%

Example No. 4 – Purchase of combined product J&T Investment Deposit/Term Deposit carrying a more favourable interest rate with investment in J&T BOND EUR o.p.f., at the ratio of 50:50

(a) Starting situation: The Client submits an order to the Bank to set up J&T Investment Deposit. Subsequently, on 1 March 2023, the Client purchases through the Bank the shares of J&T BOND EUR (that will be kept at the Client's Investment Account) for EUR 10,000 and at the same time the Client opens a one-year term deposit in the value of EUR 10,000.

(b) Financial instrument:
  (i) Type: Share of an open-end, mixed mutual fund
  (ii) Currency: EUR
  (iii) Execution venue: Investment firm of the relevant fund

(c) Investment development: The share price rose at an average rate of 3.70% p.a. (The average performance of the fund over the minimum investment horizon.

(d) Final situation: The term deposit expires on 1 March 2024 and the Client is credited interest income. The Client may sell the shares of the mixed mutual fund through the Bank by placing the Instruction to Sell Financial Instruments.

(e) Impact on costs:

Cost/gain	Type	Value	Base for calculation	Frequency	Absolute value	Annual % value (of original investment)
Gain	Increase in fund's price	3.70%	EUR 9,940.36	one-time	EUR 367.79	1.83%
Gain	Interest on term deposit	4.40%	EUR 10,000.00	one-time	EUR 440	2.20%
Cost	Arrangement (purchase)	0.60%	EUR 10,000.00	one-time	EUR 59.64	0.30%
Cost	Settlement (purchase)	not charged				
Cost	Management	not charged				
Cost	Arrangement (sale)	not charged				
Cost	Settlement (sale)	not charged				
Cost	Total				EUR 59.64	0.30%
Gain	Net return				EUR 748.15	3.74%

Comparison with separate investments in the Bank's products:

Separate investment in J&T BOND EUR o.p.f.:

Cost/gain	Type	Value	Base for calculation	Frequency	Absolute value	Annual % value (of original investment)
Gain	Increase in fund's price	3.70%	EUR 9,940.36	one-time	EUR 367.79	3.67%
Cost	Arrangement (purchase)	0.60%	EUR 10,000.00	one-time	EUR 59.64	0.60%
Cost	Settlement (purchase)	not charged				
Cost	Management	not charged				
Cost	Arrangement (sale)	not charged				
Cost	Settlement (sale)	not charged				
Cost	Total				EUR 59.64	0.60%
Gain	Net return				EUR 308.15	3.08%

Depositing of funds in Term Deposit:

Cost/gain	Type	Value	Base for calculation	Frequency	Absolute value	Annual % value (of original investment)
Gain	Interest on term deposit	4.00%	EUR 10,000.00	one-time	EUR 400.00	4.00%
Cost	Arrangement (purchase)	not charged				
Cost	Settlement (purchase)	not charged				
Cost	Management	not charged				
Cost	Arrangement (sale)	not charged				
Cost	Settlement (sale)	not charged				
Cost	Total					0.00%
Gain	Net return				EUR 400.00	4.00%
Total net return of separate components (fund + deposit)					EUR 708.15	3.55%

Example No. 5 - Purchase of promissory note/bill of exchange

(a) Starting situation: The Client purchases a promissory note/bill of exchange for a period of 1 year. The amount invested is EUR 300,000. The face amount of the promissory note/bill of exchange is EUR 315,793.

(b) Financial instrument:
- (i) Type: Promissory note/bill of exchange
- (ii) Currency: EUR
- (iii) Execution venue: Administrator of the promissory note/bill of exchange programme

(c) Investment development: The Client buys a promissory note/bill of exchange for EUR 300,000. On the maturity date, the Client receives the face amount of EUR 315,793 to the Current Account.

(d) Impact on costs: No fees are applied to promissory note/bill of exchange transactions. The custody and administration costs are borne by the relevant issuer of the promissory note/bill of exchange programme. Promissory notes/bills of exchange from promissory note/bill of exchange programmes where the Bank is the administrator are exempt from custody fees. The difference between the face amount and the amount invested constitutes the Client's return.

(e) In this model situation, the Bank could receive a placement fee of 1% of the amount invested. This fee is paid to the Bank by the issuer of the promissory note/bills of exchange programme and it is not borne by the Client.

Example No. 6 – Purchase of shares of company listed on the parallel market of the Bratislava Stock Exchange and their sale 12 months later

(a) Starting situation: On 1 October 2022, the Client purchases 1,000 shares of a company at EUR 26/share. The purchase is carried out by a written Instruction through the Bank. The Client's shares are kept by the Bank in the Holder's Account.

(b) Financial instrument:
- (i) Type: share
- (ii) Currency: EUR
- (iii) Execution venue: regulated market - Bratislava Stock Exchange

(c) Investment development: The share price did not change during the investment period. The company paid a dividend of EUR 1.50/share at mid-year.

(d) Final situation: On 1 October 2023, the Client sells the entire stock position at a price of EUR 26/share. This sale is carried out through a written Instruction to Sell Financial Instruments via the Bank.

(e) Impact on costs:

Cost/gain	Type	Value	Base for calculation	Frequency	Absolute value	Annual % value (of original investment)
Gain	Dividend	EUR 1.50	1,000 pcs	one-time	EUR 1,500.00	4.30%
Cost	Arrangement (purchase)	0.60%	EUR 35,000.00	one-time	EUR 210.00	0.60%
Cost	Settlement (purchase)	not charged				
Cost	Management	not charged				
Cost	Arrangement (sale)	0.60	EUR 35,000.00	one-time	EUR 210.00	0.60%
Cost	Settlement (sale)	not charged				
Cost	Total		EUR 35,000.00		EUR 420.00	1.20%
Gain	Net return				EUR 1,080.00	3.09%

This document was updated as of 28 March 2024.