

## **BEST EXECUTION OF ORDERS POLICY**

Best execution policy is in accordance to the EU Markets in Financial Instruments Directive (2004/39/EU MiFID) and its transfer to Cyprus Law with the Law on Investment Services and Regulated Markets (144/2007) which regulates the provision of investment services, the execution of financial transactions, the functioning of regulated markets and other related matters. The law requires the company to take all the necessary measures in order to achieve the best possible result for its retail and professional clients during the execution of orders in financial instruments on their behalf, as well as during the receiving and transmission of their orders for execution by third parties. At the same time, it is necessary to apply procedures and mechanisms which ensure a fair and timely execution of the clients' orders.

The policy and the measures taken by the company in order to ensure the aforementioned on a regular basis, the need to be in accordance with the law, everything entailing the obligation of best execution and the necessity to be able to prove at any given time that the client's order was executed in accordance with the current policy are described below. The policy applied to all clients, both retail and professional, is not applied and the company is therefore not bound by its commitments in the case that the client gives specific personal instructions which oppose the company's policy.

### **1. Best execution factors**

- Price
- Speed of execution
- Costs of transaction
- Size of the order
- Possibility of execution
- Possibility of liquidation
- Ability of execution

### **2. Criteria determining order execution**

The relevant importance of the aforementioned factors is determined by the following criteria:

- The specific characteristics of each client (including his categorization as retail or professional).
- The characteristics of each order.
- The characteristics of the financial instrument which poses the object of the order.
- The characteristics of the place of negotiation where the order will be executed.

Furthermore, the best possible outcome is defined based on the total price that the client is asked to pay. This concerns and includes the price of the financial instrument as well as the charges relevant to the execution (commissions paid, fees of the negotiation place, liquidation and settlement fees, costs for order execution on the respective transaction platform, various

fees paid to third parties who are involved in the execution of the order). The company is also under the obligation not to configure or charge its commissions in ways that allow for distinction among ways of execution.

### 3. Mode of selection of Market Intermediates

The company executes the clients' orders in financial instruments according to the table below

Shares	Buying and Selling shares listed in the Cyprus Stock Exchange	Regulated Market of the Cyprus Stock exchange
Shares	Buying and Selling shares listed in the Athens Stock Exchange	Regulated Market of the Athens Stock exchange
Bonds	Sale of Government and Corporate Bonds listed in the Cyprus Stock Exchange	Regulated Market of the Cyprus Stock exchange

The company may transfer the order to a third party (who is approved by the respective supervisory authority of the country and who must be in accordance with the obligation of best execution as provided by law) whose company evaluates on a regular basis the quality of execution offered.

### 4. Field of application

Best execution policy concerns the financial instruments as are described by the law, whether they are traded in or out of regulated markets or multilateral trading facilities (MTF). When the company receives specific instructions from the client, they will be executed or they will be transferred for execution according to the client's instructions.

In case when an instruction concerns only one parameter of an order, the factors of best execution will automatically be put into effect for the remaining parameters of the order.

Furthermore, when a client gives specific instructions for the execution of an order on a specific transaction platform, the company will not be held responsible for this choice.

In addition, when the client instructs the execution of his order at a specific time or period (regardless of the available price), the company will on one hand put every effort towards the best possible execution of the order within the abovementioned time or period but, it will not be liable on the other hand for the selection of the appropriate time or for any consequences regarding the price or other factors which may result from the selected time of execution of the order.

## **5. Order execution policy**

As far as the order execution is concerned, the company will ensure the following in order to safeguard the client's interests (except in cases where this is not possible due to the details of the particular order or market conditions):

- The orders will be executed accurately and in an appropriate manner
- The orders will be executed immediately and in order of priority
- The clients will be notified immediately for any factors that may affect the execution of the order

The company will not group the clients' orders unless the following conditions are met:

- The financial regulations allow it
- The grouping of orders will not cumulatively damage the clients' interests
- The clients have been notified that their orders will be grouped

In the above case, the company follows effectively its policy for order allocation which involves:

- (a) The procedure according to which orders are grouped and allocated in a fair manner
- (b) The procedure according to which the volume and price of orders affect their allocation
- (c) The procedure according to which "partially executed" orders are dealt with

## **6. Selection of negotiation places for order execution**

According to law, the place of negotiation for the execution of an order can be either a regulated market or a multilateral trading facility (e.g. CSE), or it can be performed outside the regulated markets or multilateral trading facilities, i.e. through a broker, systematic internaliser or any other liquidity provider. The company uses specific ways of trading for every type of financial instrument as shown in the table above. In case that a financial instrument is traded in more than one place, the company chooses the most appropriate place based on the systemic achievement of the best possible outcome for the client. Therefore, in the evaluation of each place, the following are taken into consideration:

- Available prices
- Depth of liquidity
- Market fluctuation
- Speed of order execution
- Cost of order execution
- Reliability of counterparties or of central counterparty
- Quality and cost of set off and liquidation

When, in particular cases, it is obvious that best execution can be achieved in places of execution that the company does not use systematically, the company may use it depending on the case. Despite this, in case that the client's order is executed outside the regulated markets, the company must notify the client and ensure his consent before the execution. With constant vigilance, the company observes the effectiveness of the best execution policy, as well as whether the selected negotiation places in the policy achieves the best and desired outcome.

### **7. Supervision and review**

The company will frequently monitor the effectiveness of the abovementioned order execution policies and a revision is, therefore, possible. The clients will be notified concerning any material changes. Finally, any changes which affect the company's ability to ensure the best possible outcome for the client on a constant basis using the platforms/instruments mentioned in the current policy, will result in a mandatory review.

### **8. Record keeping**

According to the law and the supervisory authorities, the company is under obligation to keep sufficient records in steady mediums for, at least, the time period demanded by the law. Records will also be kept for all the corrections and any amendments, while the clients' orders will be kept in steady mediums. Finally, in case where the client gives specific instructions which override the company's policy, either in part or in its entirety, they will be kept in a steady medium and any notice given to the client will have to be noted in writing.