



Best Interest and Order Execution Policy

Version 2
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Best Interest and Order Execution Policy

1. Introduction

Best Interest and Order Execution Policy (“the Policy”) is provided to our Client or prospective Client (“Client”) in accordance with the Law 87(Ι)/2017, which replaces Law 144(Ι)/2007, as regards to the Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and Other Related Matters, also known as the Investment Services and Activities and Regulated Markets Law of 2017 (“the Law”), particularly Article 28 and 29, together with Regulation (EU) 2017/565 as regards organisational requirements and operating conditions for investment firms (“Regulation”), particularly Article 64, 65 and 66, ESMA Questions and Answers Relating to the provision of CFDs and other speculative products to retail investors under MiFID, Section 9, Question 1 & 2, and ESMA Questions and Answers on MiFID II and MiFIR investor protection and intermediaries topics, Section 1, Question 1 & 2 & 3, as all subsequently amended from time to time.

Pursuant to the applicable legislation, GBE Brokers Ltd. (“the Company”, “we”) is required to take all sufficient steps to act in the best interest of its Clients when receiving, executing or transmitting Clients’ Orders and to aim at achieving the best execution results, through providing prompt and fair execution of Clients’ Orders on the terms most favorable to the Client.

2. Scope

This Policy applies:

to both Retail and Professional Clients (as defined in the Company’s Client Classification Policy). If the Company classifies a Client as an Eligible Counterparty, this Policy does not apply to such Client;

when receiving and transmitting Clients’ Orders or executing Clients’ Orders for the Client and for all the types of Contracts for Difference (“CFDs”), offered by the Company to the Client.

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3. Client's Consent

By entering into a Client Agreement with the Company for the provision of Investment Services, the Client acknowledges and consents to an application of this Policy on him and to the fact that his orders will be executed outside Regulated Market (e.g. Licensed European Stock Exchange) or a Multilateral Trading Facility (e.g. European Financial Trading System).

4. Best Execution Factors

The Company shall take all sufficient steps to obtain the best possible results for its Clients taking into account the following factors when executing Clients' Orders.

It is to be noted the Best Execution Factors listed below are applied identically to all types of accounts we offer. Irrelevant on the type of account you have with the Company, either the Company or a third party financial institution(s) will be the Execution Venue of the Client's trades.

Under the 'Dealing Desk' Execution Model, the Company acts as an execution venue or so-called dealer and is the sole counterparty to any trades Client undertakes (i.e. principal to principal). In this model, the Company's interests may be in direct conflict with yours. Additionally, the Company faces market risk as a result of entering into trades with you.

Under the 'No Dealing Desk' Execution Model, also known as STP, the Company passes on the Clients' trades to a Liquidity Provider, who is the Execution Venue in this model. In this model, the Company does not act as a market maker and is reliant on external providers execution. Under this model the Company does not face any market risk and solely generates revenues through mark-ups on Commissions, Spreads and Financing Fees for each financial product. Listed below in section Execution

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Venues you can find third party liquidity providers we cooperate with.

GBE brokers further entered a Risk Sharing Agreement with one or more of its Liquidity Providers. This means that the Liquidity Provider operates a 'Dealing Desk' Execution Model and enters market risk for GBE brokers and shares up to 50% of the potential profits generated by the market risk. This is done to enhance the market depth available to GBE brokers clients, to enhance the risk management by reports and tools provided by the Liquidity Provider as well as to reduce the risk of GBE brokers books.

The Company defined a set of Execution Factors, as explained below, which stay unaffected in relation to the execution model. In both models the Company relies on third party price sources for the execution of trades with its Clients and will not "make the market" by providing the Companies own quotes to its Clients. The Company operates a hybrid model of execution and it is in its sole discretion to apply the Dealing Desk Execution Model or the No Dealing Desk Execution Model. Further, the Company developed measures to manage conflicts of interests with its clients effectively. More information about Conflicts of Interest can be found on the Company's website in section 'Legal Documentation'.

4.1. Best Execution Factors explained

a) Price

For any given CFD, the Company will quote two prices: the higher price (ASK) at which the Client can buy (go long) that CFD, and the lower price (BID) at which the Client can sell (go short) that CFD. Collectively, the ASK and BID prices are referred to as the Company's price.

The difference between the lower and the higher price of a given CFD is the 'spread'.

If Client instructs Pending Orders, such as Buy Limit, Buy Stop and Stop Loss, Take Profit for opened short position are executed at ASK price. Client's specific orders such as Sell Limit, Sell Stop and Stop Loss, Take Profit for opened long position are executed at BID price.

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The Company's price for a given CFD is calculated by reference to the price of the relevant underlying asset, which the Company obtains from third party external reference sources. The Company's prices can be found on the Company's website, in section 'Trading Statistics' or on trading platforms. The Company updates its prices as frequently as the limitations of technology and communication links allow. The Company reviews its third party external reference sources from time to time to ensure the price data obtained are appropriate for the type of order and continue to remain competitive.

The Company will not quote any price outside the Company's operations time therefore no orders can be placed by the Client during that time.

If the price reaches a Client specific order instruction such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop, these orders are executed instantly.

Under certain trading conditions it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop) at the Client's requested price.

This may occur, for example, at times of rapid price fluctuations when price rises or falls in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted (circuit breakers, trading halts), or this may occur at the opening of trading sessions. In a case, where Client's order cannot be executed instantly due to current market conditions, the Company will execute the order at the next best available price, unless the Client instructs otherwise.

b) **Costs**

For opening a position in some types of CFDs the Client may be required to pay commission or spread, the amount of which is disclosed on the Company's website, section 'Product Specifications' / 'Price List'. Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amounts. Spreads are charged by a widening of the ask and bid price of a CFD, indicated in Pip value. For the maintenance of positions over night, the Client's position is subject to financing fees. In the case of financing fees, the value of opened positions in some types of CFDs is increased or reduced by a daily

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financing fee “swap rate” throughout the life of the contract. Financing fees are based on prevailing market interest rates, which may vary over time. Details of daily financing fees applied are available on the Company’s website, section ‘Products/Swap rates’.

For all types of CFDs that the Company offers, the commission and financing fees are not incorporated into the Company’s quoted price and are instead charged explicitly to the Client account, while spreads are incorporated in the quoted price and will not be charged explicitly to the Client Account. In addition, where the Company transmits orders for execution to another third party, the Client may be required to pay additional costs (whether Execution Venue fees or other fees paid to a third party involved in the transaction).

c) **Speed of Execution**

The Company places a significant importance when executing Client’s Orders and strives to offer high speed of execution within the limitations of technology and communications links.

It is to be noted that when the Company receives and transmits a Client Order for execution to a third party (another Execution Venue) and does not execute the order towards the Client at principal to principal model, then the speed of execution will also depend on that third party. In any case Company provides highly competitive speed of execution.

d) **Likelihood of Execution**

In some cases, it may not be possible to arrange an order for execution, for example, but not limited to, in the following cases: during news time, trading session start moments, volatile markets where prices may move significantly up or down and away from declared prices, where there is rapid price movement, where there is insufficient liquidity for the execution of the specific volume at the declared price, a force majeure event has occurred.

In the event that the Company is unable to proceed with an order with regard to price or size or other reason, the Order will not be executed. In addition, the Company is entitled, at any time and at its discretion, without giving any notice or explanation

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to the Client, to decline or refuse to transmit or arrange for the execution of any order or request or instruction of the Client in circumstances explained in the Client Agreement.

In addition to the above, where the Company transmits orders for execution to another third party, the likelihood of execution depends on the availability of prices by such other third party.

e) **Likelihood of settlement**

The Company will proceed to a settlement of all transactions upon transactions execution. The Financial Instruments of CFDs offered by the Company do not include the delivery of the underlying asset, so there is no such settlement as there would be for example if the Client had bought shares. All CFDs are cash settled.

f) **Size of order**

A lot is a unit measuring the transaction amount and it is different for each type of CFD. Please refer to the Company's website, section 'Product Specifications', for the nominal value of each lot for a given CFD Instrument, the minimum size of an order and the trading steps. All orders are placed in monetary values.

If the Client wishes to execute a large size order, in some cases the price may become less favourable. The Company makes every effort to fill each of Client's orders but reserves the right to decline an Order for a reason as explained in the Client Agreement available on the Company's Website. E.g. in case the size of the Order is too big and cannot be filled by the Company or its liquidity provider

The Client is able to place Order(s) as long as there is enough balance in their trading account.

g) **Market Impact**

Certain aspects may rapidly affect the price of an underlying financial instruments/products from which the Company's quoted price is derived and may also affect other factors listed above. Market impacting aspects are e.g. announcements of merger, of expansion, change in top management or shareholdership, publication of financial statements, revealed scandals or law suits,

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natural disasters, acts of terrorism, political events, but also market abuse in form of placement of large orders or of high number of small orders followed by prompt cancellation.

The Company will take all sufficient steps to obtain the best possible results for its Clients despite any market changes.

- 4.2. The Company does not consider the above list exhaustive and the order in which the above factors are presented here shall not be understood as prioritization of factors. Nevertheless, whenever there is a specific instruction from the Client, the Company will make sure the Client's order is to be executed following the specific order instruction.

5. Execution Practices in Financial Instruments

5.1. Slippage

You are warned that Slippage may occur when trading in CFDs. Slippage is the difference between a requested price and the price for which order is actually executed. In practice this situation arises when order is presented for execution, but the specific price showed to the Client and based on which Client has decided to place order is no longer available; therefore the Order will be executed on next best available price which might be a number of pips away from the Client's originally requested price.

Order is executed either with zero slippage, with positive slippage or with negative slippage.

Zero slippage – order is executed at the quoted/requested price.

Positive slippage - the executed price is better than the price quoted/requested by the Client due to the ask price decrease in a long trade or the bid price increase in a short trade.

Negative slippage - the executed price is worse than the price quoted/requested by the Client, due to the ask price increase in a long trade or the bid price decrease in a short trade.

Slippage is an inevitable element of trading in financial instruments and occurs more often during periods of illiquidity or higher volatility (e.g. due to news announcements, economic events, market openings and other factors), due to placement of large

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order or order in financial product which is not frequently traded consequentially reflected by a low volume at the market, making an Order at a specific price impossible to execute. In other words, your Orders may not be executed at declared prices. Slippage affects all types of accounts we offer and is fully handed on to a Client.

Slippage affects also orders with Client specific order instructions (e.g. Stop Loss, Take Profit). We cannot guarantee the execution of your Pending Order at the price you specified. Your Order will be executed at the next best available market price after the price you have specified for your pending Order.

5.2. Re-quotes

The Company does not provide any re-quotes to its Clients.

6. Types of Orders in Trading Financial Instruments

6.1. Market Order

A market order is a request by a Client to buy or sell a financial instrument at the best available price in the current market. Market Order in symbol traded in high trading volume is filled/executed faster than Market Order in symbol traded in low trading volume. Execution of an order results in opening of a trade position. Execution of a market order in a financial instrument happens when trader is willing to buy at asking price (ASK price) and sell at BID price. Stop Loss and Take Profit orders can be attached to a market order.

All types of orders offered by the Company are executed as market orders.

6.2. Pending Order

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The Company offers the following types of Pending Orders: Buy Stop, Sell Stop, Buy Limit, Sell Limit, Take Profit, or Stop Loss orders to all types of accounts.

Pending order is an order that allows the Client to buy or sell a financial instrument at a pre-defined price in the future. These Pending Orders are executed once the market price reaches the requested price. However, it is to be noted that under certain trading conditions it may be impossible to execute these Orders at the Client's requested price. This may occur, for example, at times of rapid price fluctuations of the price, rises or falls in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted, or there is lack of liquidity, or this may occur at the opening of trading sessions. In such case, the Company has the right to execute the Order at the next best available price.

It is noted that Stop Loss and Take Profit may be attached to a Pending Order. Also, pending orders are good till cancel.

Buy Stop:

This is an Order to buy at a specified price ('the stop price') that is higher than the current market price. Once the market reaches the 'stop price', the 'stop order' is triggered and treated as a market Order.

Sell Stop:

This is an Order to sell at a specified price ('the stop price') that is lower than the current market price. Once the market reaches the 'stop price', the 'stop order' is triggered and treated as a market Order.

Buy Limit:

This is an order to buy at a specified price ('the limit price') that is lower than the current market price. Once the market reaches

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the 'limit price' the order is triggered and executed at the 'limit price' or better. The 'limit order' is treated as a market Order. 'Limit orders' can be placed as close to the current market price as possible; there is no restriction.

Sell Limit:

This is an order to sell at a specified price ('the limit price') that is higher than the current market price. Once the market reaches the 'limit price' the order is triggered and executed at the 'limit price' or better. The 'limit order' is treated as a market Order. 'Limit orders' can be placed as close to the current market price as possible; there is no restriction.

Take Profit:

Take Profit order is intended for gaining the profit when the financial instrument price has reached a certain level. Execution of this order results in complete closing of the whole position. It is always connected to an open position or a pending order. The order can be requested only together with a market or a pending order. Under this type of order, the Company's trading platform checks long positions with Bid price for meeting of this order provisions (the order is always set above the current Bid price), and it does with Ask price for short positions (the order is always set below the current Ask price).

Stop Loss:

This order is used for minimising of losses if the financial instrument price has started to move in an unprofitable direction. If the financial instrument price reaches this level, the whole position will be closed automatically. Such orders are always connected to an open position or a pending order. They can be requested only together with a market or a pending order. Under this type of orders, the Company's trading platform checks long positions with Bid price for meeting of this order provisions (the order is always set below the current Bid price), and it does with Ask price for short positions (the order is always set above the current Ask price).

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7. Types of Trading Accounts in CFDs:

The Company may offer different types of Trading Accounts in CFDs from time to time. In this respect, the initial minimum deposit, the spreads, costs, size commissions, if any etc. may differ according to each type of Trading Account. Further information regarding the different types of Trading Accounts offered can be found on the Company's website in section 'Accounts' or by contacting support at info@gbebrokers.com.

8. Best Execution Evaluation

8.1. The Company will determine the relative importance of the Best Execution Factors (section 4 above) by using its experienced business judgment and taking into consideration the information available on the market together with:

- a) The characteristics of the Client order, such as order size;
- b) The characteristics of the Financial Instruments that are the subject of that order, such as majors, minors and exotics;
- c) The characteristics of the Client including the categorization of the Client as retail or elective professional.

In order to assess and compare the likely results which would be achieved for the Client, where there is more than one competing Execution Venue capable to execute Client's Order, the Company's own commissions and costs for executing the order on each of the eligible execution venues will be taken into account in an evaluation.

The Company does not structure or charge commissions in a way as to discriminate unfairly between Execution Venues.

| FACTOR | IMPORTANCE LEVEL | REMARKS |
|--------|------------------|---------|
|--------|------------------|---------|

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|--------------------------|--------|--|
| Price | High | We give strong emphasis on the quality and level of the price data received from external sources (i.e. Execution Venues) in order to provide our Clients with competitive price quotes. |
| Costs | High | We consider high quality of liquidity and market depth to maintain the costs of transactions as low and competitive, to the extent possible. |
| Speed of Execution | High | Execution speed and the opportunity for price improvement are critical to every trader and we continually monitor this factor to ensure we maintain high execution standards. |
| Likelihood of Execution | High | Even though we reserve the right to decline a Client order we aim to execute all Client Orders, to the maximum extent possible. |
| Likelihood of Settlement | Medium | See relevant description in Best Execution Factors (Section 4.1 for CFDs). |
| Size of Order | Medium | See relevant description in Best Execution Factors (Section 4.1 for CFDs). |
| Market Impact | Medium | See relevant description in Best Execution Factors (Section 4.1 for CFDs). |
| Nature of Order | Medium | See relevant description in Best Execution Factors (Section 4.1 for CFDs). |

For Retail Client, the best possible result shall be determined in terms of the total consideration (unless the objective of the execution of the order dictates otherwise), representing the price of the financial instrument and the costs related to execution, which shall include all expenses directly related to the execution of the order, including any execution venue fees (as applicable) incurred by the Client.

9. Client's Specific Order Instruction

9.1. Whenever there is a specific instruction from or on behalf of a Client (e.g. fills in the required parts on the Company's

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trading Platform when placing an Order), the Company shall arrange – to the extent possible – for the execution of the Client order strictly in accordance with the specific instruction.

WARNING: It is noted that the specific instruction may prevent the Company from taking the steps in the Policy to obtain the best possible result for the Client.

- 9.2. Trading rules for specific markets or market conditions may prevent the Company from following certain of the Client's instructions.

10. Execution of Client Orders

- 10.1. The Company aims to satisfy the following conditions when carrying out Client Orders:

- a) ensures that orders executed on behalf of Clients are promptly and accurately recorded and allocated;
- b) carries out otherwise comparable Client orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable; or the interests of the Client require otherwise;
- c) informs a retail Client about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

- 10.2. The most recent information regarding the Company's quality of execution of transactions, together with historical data, can be found on the Company's website in section 'Trading Statistics'.

11. Execution Venues

Execution Venues are the entities with which the Orders are placed and executed.

Depending on numerous different factors, either the Company on a principal to principal basis or a third party financial

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institution(s) (i.e. the Company acting as an agent) will be the Execution Venue. The Company works with following external execution venues: TradeTech Alpha Ltd, IS Prime Limited, LMAX Broker Ltd.

The Client acknowledges that the transactions entered in FX and CFDs with the Company are not undertaken on a recognized exchange, rather they are undertaken over the counter (OTC) and as such they may expose the Client to greater risks than regulated exchange transactions.

11.1. Criteria of selecting third party financial institution as Execution Venue

In order to achieve the best execution results when receiving and transmitting client orders for execution to third party financial institutions, the Company has the following criteria for the selection of the most suitable third party financial institution:

- a) quality and scope of the services offered
- b) quality of execution
- c) technological equipment
- d) third party's reputation in the market
- e) cost structure and pricing

The weighting of the criteria and thus the selection of the third parties for the transmission and the execution of clients' orders mainly aims at achieving a safe, cost-efficient and high-quality service and/or order execution to the Company's clients.

12. Additional Information and Complaint Procedure

Should you require any further clarification and/or information related to any aspect of performance of Best Interest and Order

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Execution by GBE brokers or possible conflict of interest please direct your request and/or questions to info@gbebrokers.com. Should you wish to place a complaint related to performed execution of your order(s) you can do so following procedure described in our Complaint Procedure located on the Company website in section 'Legal Documentation'.

13. Review and Amendment of the Policy

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate according to the terms of the Client Agreement between the Client and the Company. Continuous suitability/rightness of this policy is going to be reviewed at least annually.

Client acknowledges that a change which is made to reflect a change of applicable regulations may, if necessary, take effect immediately. Company will inform its Clients where a substantial change of this Policy affecting trading conditions provided to Client is performed. The latest version of this Policy together with latest versions of all other Client relevant legal documentation are freely available on our website.