

BEST INTEREST AND ORDER EXECUTION POLICY

1. Introduction

1.1. This Summary Best Interest and Order Execution Policy (“the Policy”) is provided to you (our Client or prospective Client) in accordance with the Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and Other Related Matters Law 144(I)/2007, as subsequently amended from time to time (“the Law”). Pursuant to the Law, GBE brokers Ltd (“the Company”) is required to take all reasonable steps to act in the best interest of its Clients when receiving and transmitting Client Orders and to achieve the best execution results when executing Client Orders and to comply, in particular, with the principles set out in the Law when providing investment services.

Further to this, the Client also agrees/consents 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).

2. Scope

2.1. 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 an Eligible Counterparty.

2.2. This Policy applies when receiving and transmitting Client Orders or executing Client Orders for the Client for all the types of CFDs, as applicable, offered by the Company to the Client.

3. Best Execution Factors

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

It is clarified that the Best Execution Factors listed below may be applied differently to the different types of accounts we offer. Depending 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.

Particularly, under the Dealing Desk Execution Model, the Company acts as a dealer and is the sole counterparty to any trades that you undertake (i.e. principal to principal). Furthermore, in this model, the Company’s compensation may not be limited to our standard mark-up and our interests may be in direct conflict with yours. Additionally, we face market risk as a result of entering into trades with you.

Moreover, under our No Dealing Desk Execution Model, also known as STP, the Company passes on to its Clients the best prices that are provided by our liquidity providers, listed in Section Execution Venues below, with a fixed mark-up for each financial product. Furthermore, in this model, the Company does not act as a market maker and is reliant on external providers for the pricing and execution. Although this model promotes efficiency and competition for market pricing, there are certain limitations to liquidity that can affect the final execution of your Order.

3.1.1. For Clients requesting to trade in CFDs:

(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. Such orders as Buy Limit, Buy Stop and Stop Loss, Take profit for opened short position are executed at ASK price. Such orders as Sell Limit, Sell Stop and Stop Loss, Take profit for opened long position are executed at BID price. 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 or trading platforms. The Company updates its prices as frequently as the limitations of technology and communications links allow. The Company reviews its third party external reference sources from time to time to ensure that the data obtained continues to remain competitive. The Company will not quote any price outside the Company's operations time (see execution venue below) therefore no orders can be placed by the Client during that time.

If the price reaches an order such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop, these orders are instantly executed. However, 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. In this case, the Company has the right to execute the order at the first available price. This may occur, for example, at times of rapid price fluctuations if 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 this may occur at the opening of trading sessions. The minimum level for placing Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit and Sell Stop orders, for a given CFD, is specified under your Trading Agreement.

(b) Costs: For opening a position in some types of CFDs the Client may be required to pay commission or financing fees, the amount of which is disclosed on the Company's website. Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amounts. In the case of financing fees, the value of opened positions in some types of CFDs is increased or reduced by a daily 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. 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.

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), the amount of which is disclosed on the Company's website.

(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 clarified 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 as principal to principal, then the execution will also depend on that third party.

(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 times, 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 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 Financial Instruments of CFDs offered by the Company do not involve the delivery of the underlying asset, so there is no settlement as there would be for example if the Client had boughtshares.
- (f) Size of order:** The actual minimum size of an order may be different for each type of Client Account. 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 for the value of minimum size of an order and each lot for a given CFD type. The Company reserves the right to decline an order as explained in the agreement entered with the Client.
- (g) Market Impact:** Some factors may rapidly affect the price of the underlying instruments/products from which the Company's quoted price is derived and may also affect other factors listed herein. The Company will take all reasonable steps to obtain the best possible result for its Clients.

3.2. The Company does not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as priority factor. Nevertheless, whenever there is a specific instruction from the Client, the Company shall make sure that the Client's order shall be executed following the specific instruction.

4. Execution Practices in Financial Instruments

(a) Slippage

You are warned that Slippage may occur when trading in CFDs. This is the situation when at the time that an Order is presented for execution, the specific price showed to the Client may not be available; therefore the Order will be executed close to or a number of pips away from the Client's requested price. So, Slippage is the difference between the expected price of an Order, and the price the Order is actually executed at. If the execution price is better than the price requested by the Client, this is referred to as positive slippage. If the executed price is worse than the price requested by the Client, this is referred to as negative slippage. Please be advised that Slippage is a normal element when trading in financial instruments. Slippage more often occurs during periods of illiquidity or higher volatility (for example due to news announcements, economic events and market openings and other factors) making an Order at a specific price impossible to execute. In other words, your Orders may not be executed at declared prices.

It is noted that Slippage can occur also during Stop Loss, Take Profit and other types of Orders. We do not guarantee the execution of your Pending Orders at the price specified. However, we confirm that your Order will be executed at the next best available market price from the

price you have specified under your pending Order.

(b) Re-quotes

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

5. Types of Order(s) in Trading Financial Instruments

(a) Market Order(s)

A market order is an order to buy or sell a financial instrument at the current price. Execution of this order results in opening a trade position. Financial instruments are bought at ASK price and sold 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.

(b) Pending Order(s)

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

A Pending order is an order that allows the user to buy or sell a financial instrument at a pre-defined price in the future. These Pending Orders are executed once the price reaches the requested level. However, it is noted that under certain trading conditions it may be impossible to execute these Orders at the Client's requested price. In this case, the Company has the right to execute the Order at the first available 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.

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

(c) 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 Askprice).

(d) 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).

6. Best Execution Criteria

4.1 The Company will determine the relative importance of the above Best Execution Factors

(of paragraph 3 above) by using its commercial judgment and experience in the light of the information available on the market and taking into account:

- (a) The characteristics of the Client order.
- (b) The characteristics of the Financial Instruments that are the subject of that order.
- (c) The characteristics of the execution venue to which that order is directed.

For Retail Clients, 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 incurred by the Client which are directly related to the execution of the order, including any execution venue fees (as applicable).

7. Client's Specific Instruction

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

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

8. Execution on Client Orders

8.1. The Company shall 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.

9. Execution Venues

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

Depending 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.

A list of these financial institution(s) will be made known to Clients in a durable medium or may be publicized on the main website of the Company (www.gbebrokers.com). The list may be changed at the Company's discretion by giving at least one business day prior notice to the

Clients.

The Client acknowledges that the transactions entered in Financial Instruments 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.

9.2. Criteria of selecting third party financial institutions as Execution Venues

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 third party financial institutions:

- i. quality and scope of the services offered
- ii. quality of execution
- iii. technological equipment
- iv. third party's reputation in the market
- v. cost structure and pricing
- vi. ability to provide individual services according to the Company's wishes for achieving the best possible execution result of client orders.

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.

10. Client's Consent

10.1. By entering into a Client Agreement with the Company for the provision of Investment Services, the Client is consenting to an application of this Policy on him.

11. Amendment of the Policy and Additional Information

11.1. 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.

11.2. Should you require any further information and/or have any questions about conflicts of interest please direct your request and/or questions to info@gbebrokers.com.