

## Execution Policy

This policy on the process for the execution of transactions has been set out by the Company in accordance with the Hungarian CXXXVIII Act of 2007 on investment firms and commodity exchange service providers and on the rules applicable to those activities which can be performed by them.

### THE SCOPE OF THIS POLICY

This policy is applicable to transactions of retail and professional clients. It does not apply to transactions, concluded with eligible counterparties.

#### 1. General provisions

The Company, in its execution policy, lists those execution venues, consistently ensuring the best result when fulfilling client orders, and allowing the Company to comply with its obligations under this policy.

Since the Client – following the transmission of his order – enters into transactions directly on the Online Trading Platform, such an act by him is regarded as a specific instruction within the meaning as defined in Art 62 (2) of the invoked Act, and thus the provisions on the execution of orders on terms, most favourable for clients - resulting from the nature of these transactions - shall not apply to such orders.

Where the order of the Client can be fulfilled on more than one possible execution venues, the choice as to the actual venue shall be made on the basis of the following criteria:

- the price of the financial instrument, subject to that order (net price),
- the characteristics of the financial instrument, subject to that order,
- the costs of the transaction,
- the time necessary for fulfilling that transaction,
- the likelihood of execution and fulfillment of order the size of the order,
- the nature of the transaction,
- the classification of the client, and
- the characteristics of the regulated market, multilateral trading facility, systematic internaliser, market maker or any other persons or organizations, established for providing liquidity or any persons or organizations in third countries, which perform similar activities, to which the order may be transmitted.

In the absence of a contradictory client order the execution venue is chosen primarily on the basis of the net price of the financial instrument, subject to the given order, with assessing - in the light of the net price - the above factors.

In the event of executing an order of a retail client, the Company considers the overall costs, which may be incurred by the client when selecting the execution option, most favourable for the client.

Where the order can be fulfilled on more than one execution venues, the Company takes its commissions and costs, incurred in connection with executing that order, into account, when making the above comparison, in such a way that does not result in unreasonable and unfair discrimination in respect of the execution venues concerned.

In the event that the order may be executed solely on one execution venue, that one is regarded as the venue for the best execution.

### **The order for executing client instructions**

The equivalent orders, given by the Client in respect of identical transactions are fulfilled and/or transmitted according to the time of receipt by the Company. The Company may – in compliance with the requirements on order execution on terms most favourable for clients – aggregate client orders.

In respect of diverse instructions- within the scope provided for by law - the order for execution is determined by the Company in such a way that gives regard to the time of receipt and at the same time allows the Company to serve as many of its clients as possible according to their orders.

### **Fulfilment of limit orders**

In the case of a limit order given by the Client, the Company transmits and/or strives to fulfill such an instruction – depending on its purport - with a view to either buying at, or above the limit price set by the Client, or selling at, or below such limit price, the financial instrument subject to that order.

### **Other provisions on managing client orders**

The Company, when fulfilling their orders, shall immediately inform retail clients if it becomes aware of any event that prevents the execution of a given instruction.

The Company is not obliged to provide immediate execution if:

- the client instruction is a limit order,
- the order can not be fulfilled under the actual market conditions, or
- it led to a detriment to the interests of the Client.

The Company is entitled to transmit orders to, and/or the employment of, third parties in the course of their execution.

The Company also facilitates the execution of orders outside regulated markets and/or multilateral trading facilities.

## **2. Provisions concerning online trading agreements**

### **Order acceptance**

In the course of the investment service, defined in Section 4.1 of the General Terms of Business, the Company accepts orders under the online trading agreement exclusively in relation to transactions that are to be concluded on the Online Trading Platform. The Client may place any orders on the Online Trading Platform solely in respect of instruments listed therein.

The Client may place any orders on the Online Trading Platform exclusively at the selling and/or buying rate respectively, which are published - for the purpose of concluding transactions - in respect of the given currency pair therein.

In the light of the above, the Client acknowledges that the execution venue for the orders, given under the online trading agreement, is the Online Trading Platform in each and every case.

### **Order transmission**

Orders by clients are transmitted through the Online Trading Platform.

## **3. REVIEW**

In order that the execution process, employed in accordance with this policy, continuously ensures the best execution for clients, the Company reviews this policy once a year. In the course of that, the Company – in line with the demand for increasing business capacity - endeavours to build up new, alternative channels for trading and execution so as to ensure the most effective implementation possible with respect to the principle of best fulfillment/execution.

#### 4. NOTIFICATION OF CLIENTS

The Company shall inform the Client of the provisions of this policy, and any substantial modifications, made to it.

The Company, before establishing a business relationship with them, informs its retail clients. of

- those factors that are to be considered when executing client orders and the method, by which these are prioritised by the Company;
- the execution venues, deemed favourable from the perspective of order execution; and
- draws attention to the fact that specific instructions by the client may prevent the Company from fulfilling orders with the best possible result as set out in this execution policy.

On their written request the Company shall demonstrate that the order by the Client has been executed in accordance with this execution policy.

To issues, not covered by this execution policy, the General Terms of Business of the Company applies, as effective at the relevant time.

**[REVISION CLAUSE:** This present policy was supervised by the company and remained in effect with this present content. Effective as of 1st of August 2013]

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**eBrókerház Ltd.**