ALPHA BANK

ABL BEST EXECUTION FOR CLIENT DEALS POLICY

Purpose and the Best Execution Obligation

The purpose of this document is to set out a summary of how Alpha Bank London Ltd (ABL) ensures Best Execution when executing client deals. Please ensure that you read this document so that you have an understanding of how we will execute any transactions.

Under the Markets in Financial Instruments Directive II ("MiFID 2") Best Execution rules, as implemented in the FCA's Conduct of Business Sourcebook, ABL is required to take all reasonable steps to obtain the best possible result for their clients when executing orders. This Best Execution Policy ('the policy') sets out ABL's approach and requirements.

For the purposes of this Policy and in relation to the best execution rules more generally, the term "client order" should be understood to mean all orders in financial instruments, whether they are executed directly in the market or transmitted to another firm to execute on ABLs behalf that are conducted on behalf of a client.

ABL is committed to obtaining the best possible result for its clients when executing client orders, this will be achieved through a consistent order execution process. This process will be reviewed on a regular basis.

Clients are provided with information in respect of this policy in ABLs Terms of Business (a copy of which is available on our website at www.AlphabankLondon.co.uk), and accordingly clients consent to:

- ABL arranging execution of orders in line with this policy.
- Orders being executed outside of a regulated market or multi-lateral trading facility, and (where appropriate)
- Limit orders on a regulated market not being made public.

Scope and application

This policy will apply to all retail and professional clients of ABL who carry out investment transactions in financial instruments covered by MiFID 2 regulation on an execution only basis.

Order Execution Considerations

ABL will organise, manage and oversee the placement and execution of client deals in accordance with the following operating principles and in particular to ensure that:

- Deals are fairly allocated to appropriately authorised brokers.
- Deals are placed with a broker through a standard deal placement process, either via a platform or online communication tool, by phone, or other appropriate method for that transaction.
- ABL does not unfairly favour one broker in preference to another without due consideration of the reasons for directing flow.
- ABL will ensure it avoids a conflict of interest.
- ABL acts in the client's best interests and in allocating deal flow does not unfairly act against that customer's interest.
- ABL will clarify and follow a consistent order execution process, any exceptions, where it is in the client's best interest to not follow this process, will be documented in order to clarify the reasons.

Other Considerations

ABL will also take into account:

- client status as a retail client, or where applicable a professional client, together with the nature of the order, the characteristics of the instrument to which the order relates and the execution venues to which the order can be directed.
- the general and specific instructions given to us by you, the client, which may prioritise how the Bank fills orders. Such specific instructions may include a specific execution venue, a specific time or time period regardless of the available price, or other specific factors**.** If the Bank follows specific instructions from the client, then the Bank will not have the ability to ensure compliance with our core execution policy as set out above.

For other occasions where the bank does not follow its order execution process because it has decided that Best Execution is achieved through other means, the decision process is documented and checked after execution, examples where the bank may not follow it's order execution process include;

- Specific client instructions to place an order on a particular venue.
- No availability of a security through a particular broker.
- Lack of access/availability to a particular broker/venue.

Execution Methods

- Bloomberg Terminal
- Telephone
- Fundsettle/Fundsplace (online access)
- KBL Online
- Other Trading methods may be required from time to time on an infrequent ad hoc basis as required by the product

Execution Products

ABL distinguish between three types of product.

- Bonds - Issue of government or corporate debt
- Equities - Units of shares of ownership in a company
- Funds - Units of a mutual fund

Execution Venues/Counterparties

When in a specific case it is apparent that it is possible to achieve Best Execution in a trading venue that the Bank does not regularly use, the Bank will at its discretion use such a trading venue for the execution of the specific order only and document the reasons for this. In the case where the execution of the order is only possible through one trading venue, it is deemed that Best Execution is achieved with the execution of that order in that venue.

- **Multilateral Trading Facilities (MTF)**
  - Bloomberg MTF's (BMTF & BTFE)

- **Brokers/Counterparties**
  - Alpha Bank
  - Alpha Finance
  - Quintet
  - Fundsplace/Fundsettle

Best Execution Factors

ABL notes and adheres to the Best Execution factors which are defined in Annex 1 Section C of the MIFID 2 Directive.

In accordance with these ABL is obliged to seek the best possible result for its client in relation to each trade. What constitutes the best possible result however may vary depending on the situation; consequently, this may not always ensure obtaining the best price or lowest cost. The firm is therefore required to consider and assess the relative importance of the relevant 'execution factors' in respect of each class of financial instrument in which it trades. When determining a venue or counterparty to place an order with ABL will consider the following best execution factors in order to achieve the overall best result:

1. Price
2. Costs
3. Speed of Execution
4. Likelihood of Execution and Settlement
5. Size and nature of the order
6. Any other considerations

Other considerations will include the following:

- Client characteristics and classification – For example whether the client has been classified as a retail or professional client and whether they are a natural person or professional investor. The level of sophistication, trading frequency and size of portfolio may also be relevant; ABL will classify clients as either

retail or professional, but regardless of classification ABL will treat all clients as retail for the purposes of achieving Best Execution or getting the best possible results for you when carrying out trades
- The characteristics of the financial instruments that are the subject of the order.
- The characteristics of the execution venues to which that order can be directed.

Transmission of Orders (Direct and Indirect Execution)

The nature of the best execution obligations differs depending on whether the Firm is executing orders directly, or whether these orders are being transmitted to third parties (i.e. custodians) for execution.

Direct execution includes situations where the Firm interacts directly with other counterparties to the trade, without going through a broker, and in addition covers situations where the Firm uses its own membership of a Trading Venue, or otherwise places an order directly with an Execution Venue in order to execute the trade.

Indirect execution refers to the practice of transmitting orders to brokers, for which the broker is then responsible for execution. These orders may be transmitted to the custodian by a variety of methods, including by telephone, Bloomberg chat, email and electronic order entry.

ORDER HANDLING

General

ABL is committed to a prompt and fair treatment of all client orders.

ABL is required under MIFID 2 to promptly inform retail clients of any material difficulties that would prevent ABL from properly carrying out their order upon becoming aware of such difficulty. Whilst this obligation only applies to retail clients ABL will endeavour to similarly inform professional clients on a best efforts basis.

Aggregation of Client Orders

ABL may aggregate client orders with orders of another client or clients where it is determined that the aggregation of such orders and transactions will not work to the disadvantage of any client whose order is being aggregated. Alternatively, should it be advantageous to the clients concerned ABL may in this case aggregate client order to achieve the best overall result.

In the case of IPO's, or primary offers, orders may be aggregated in order to apply for an allocation which will then be distributed appropriately to clients.

Specific Client Instructions

Should ABL receive specific instruction from a client for an order or part of that order, including to execute on a particular execution venue, that may prevent ABL from obtaining the best possible result from the execution of that order ABL will follow the clients request even if it may be in contradiction of ABL's Best Execution process.

Adverse Conditions

There may be circumstance which are beyond ABL's control that impact on ABLs ability to provide Best Execution. Should these arise for any client order ABL will attempt to deliver the best possible result, ABL follows a consistent process as defined in their Order Execution Policy any events that result in ABL not following this process will be documented.

Commissions & Charges

Commission and any applicable charges are detailed in the ABL tariff which is reviewed annually and sent to clients. ABL will charge clients appropriate commission as detailed in the tariff. Any commission from the choice of brokers will not be passed on to clients, however costs such as exchange fee's which are inherent to the product and dependent on choice of broker will be passed on.

Monitoring & Execution Methodology

ABL will monitor and access the effectiveness of its execution policy and its execution arrangements on a regular basis, at least annually and any material changes will be approved by its governance committee and we will notify you of any material changes

ABL will also ensure that it monitors the effectiveness of its order execution arrangements and meets the requirements.

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