

BEST INTEREST AND ORDER EXECUTION POLICY

1. Introduction

This Summary of Best Interest and Order Execution Policy (“the Policy”) is provided to you (our Client or prospective Client) in accordance with the The Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”), the Markets in Financial Instruments Regulation (EU) No 600/2014 (“MiFIR”), and other relevant regulations and guidelines issued by the European Securities and Markets Authority (“ESMA”) and/or CySEC (hereinafter collectively referred to as the “MiFID II framework”). Pursuant to MiFID II framework, ZEMBLANCO INVESTMENTS LTD (“the Company”) is required to take all sufficient steps to act in the best interest of its Clients when receiving and transmitting Client Orders for execution and when executing client orders to achieve best execution results and to comply, in particular, with the principles set out in MiFID II framework when providing investment services.

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 a Client.

2.2. This Policy applies when receiving and transmitting Client Orders or executing orders for the Client in relation to the following financial instruments:

- (1) Transferable securities
- (2) Money-market instruments

3. Best Execution Factors

3.1. The Company shall take all sufficient steps to obtain the best possible results for its Clients taking into account the following factors when dealing with Client orders: the price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

The relative importance of the Execution Factors varies between different financial instruments. In most circumstances, price will be the most important Execution Factor; however, in some circumstances in particular with reference to the Execution Criteria (see Section 5), the Company may appropriately determine that other Execution Factors have greater importance in achieving the best possible result for the Client.

Where the Company executes an order, or takes decision to deal in OTC products, it shall check the fairness of the price proposed to the client, by gathering market data used in the estimation of the price of such product. Where possible the Company will compare the relevant OTC product with similar or comparable products.

4. Execution Practices in Financial Instruments

Slippage

You are warned that Slippage may occur when trading in Financial Instruments. This is the situation when at the time that an Order is presented for execution, the specific requested market price may not be available; therefore the Order will be executed close to (the next best available price) 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. Slippage may appear for all types of Financial Instruments we offer.

5. Best Execution Criteria

Under MiFID II framework, the Company will determine the relative importance of the above Best Execution Factors 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 including the categorization of the Client as retail or professional
- (b) The characteristics of the Client order.
- (c) The characteristics of the Financial Instruments that are the subject of that order.
- (d) 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 there is a specific instruction from the Client (see section 6 below), 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 execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order, as applicable.

6. Client's Specific Instruction

6.1. Whenever there is a specific instruction from or on behalf of a Client for the execution of an Order, the Company shall arrange – to the extent possible – for the execution of the Client order strictly in accordance with the Client's 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.

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

7. Execution of Client Orders

7.1. 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, conversely the Company may aggregate Clients' order subject to the conditions of section 7.2 below;
- (c) informs a retail Client about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

7.2 The Company may carry out a client order in aggregation with another client order only for achieving economies of scale for the purpose of securing lower prices for Company Clients and only if the following conditions are met:

- (a) it must be unlikely that the aggregation of orders and transactions will work overall to the disadvantage of any client whose order is to be aggregated;
- (b) it is disclosed to each client whose order is to be aggregated that the effect of aggregation may work to its disadvantage in relation to a particular order.

8. Execution Venues

8.1. An Execution Venue can include a regulated market, a multilateral trading facility, a systematic internaliser or a market maker or another liquidity provider. For the purposes of orders for the Financial Instruments, third financial institutions will be the Execution Venues and not the Company. In this respect, the Company usually executes orders through the following financial institutions acting as Execution Venues:

- (a) XNT Ltd (Malta)
- (b) RCB LTD (Cyprus)
- (c) MeritKapital Ltd (Cyprus)

The list may be changed at the Company's discretion by giving at least one business day prior notice to the Clients.

8.2. The Client also agrees/consents to the fact that his orders may not be undertaken on a Regulated Market (e.g. Licensed European Stock Exchange) or a Multilateral Trading Facility (e.g. European Financial Trading System), rather they may be undertaken over the counter (OTC) and as such may expose the Client to greater risks than transactions executed in a Regulated Market/Multilateral Trading Facility.

8.3. In certain instances the Company will not be executing Client orders itself but rather transmitting the respective orders to a third party entity for execution. In those instances the third party where the Company shall transmit client orders for execution is not acting as an Execution Venue. Instead, the third party entity will place the orders received by the Company for execution on an Execution Venue or execute the order with third party counterparty(ies) on an OTC basis. The third party entities where the Company shall transmit client orders for execution are listed in paragraph 8.1 above.

It is noted that the Company will act in the best interest of the client when receiving and transmitting its client orders for execution to third party entities. In this respect, the best execution factors and criteria described in Sections 3 and 5 above shall be followed.

9. Client's Consent

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.

10. Amendment of the Policy and Additional Information

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.

Should you require any further information and/or have any questions regarding this policy please direct your request and/or questions to: info@zemblanco.com

Client Signature: _____

Date: _____