



POLICY FOR BEST EXECUTION OF CLIENTS' ORDERS OF INVESTMENT FIRM EMIRATES WEALTH EAD

I. PURPOSE OF THE RULES

Art. 1. The Board of directors of Investment firm Emirates Wealth EAD (Investment firm) adopted this Policy pursuant to Art. 30, Para 2 of the Markets of Financial Instruments Act (MFIA) at a board's meeting.

Art. 2. (1) The purpose of this Policy is to provide clients with information about the terms of execution of their orders and to ensure best execution of clients' orders in the best interest of clients when the Investment firm:

2.1. executes orders on client's account:

2.2. accepts and transfers orders concerning one or more financial instruments, including intermediation for transactions execution with financial instruments on client's account;

2.3. places orders for execution of transactions on client's account regarding a client's portfolio managed by the Investment firm.

II. DEFINITIONS

Art. 3. The definitions below shall carry the meaning stated in this Policy unless they contradict a legal definition. In such case the legal definition shall have a priority:

3.1. "Client" is an individual or a legal entity which uses the services provided by an Investment firm (including additional services).

3.2. "Professional client" is a client who has the experience, knowledge and expertise to make its own investment decisions and properly assesses the risks connected with the investment. In order to be considered a "professional client", the client must comply with the criteria in the attached herein Appendix.

3.3. "Retail client" is a client who does not meet the criteria for professional client.

3.4. "Eligible counterparty" is an Investment firm, credit institution, insurance company, collective investment scheme, management company, pension fund, pension insurance fund, other financial institutions, the entities under Art. 4, Para. 1, items 11 and 12 of MFIA, governments, state institutions which manage state debt, central banks and international institutions, as well as such entities registered in third countries if they have volunteered to be treated as such.

III. EXCEPTIONS

Art. 4. This Policy does not apply in the following cases:

4.1. eligible counterparties – if the client is categorized by the Investment firm as an eligible counterparty, the client cannot benefit from the protection for best execution under this Policy. Every client defined as an eligible counterparty can choose to waive that option completely or for a particular transaction.

4.2. special client's instructions – in case the client provides specific instructions regarding the entire order or some aspect of the order including requirement for execution of the order at a specific location, the Investment firm executes the order in compliance with such instructions. Thus the Investment firm is considered to have taken all reasonable and necessary steps for best possible execution results regarding the entire order or some aspects of the order, which is contained in the instruction of the client.

When placing an order using the Client Order-Book Online System (COBOS and others), the client chooses all parameters of the order and the latter is categorized as submitted with special instructions. In that case, the Investment firm acting on behalf of the client, by giving access to the system of the client, is considered to have made the necessary effort for achieving the best result for the client. In case the electronic system allows the exemption of some parameters of the order the Investment firm makes effort for best execution in compliance with this Policy

III. ORDER EXECUTION BASIC PRINCIPLES

Art. 5. (1) The Investment firm executes a client's orders in the best interest of the client in compliance with the Policy adopted by the Investment firm.

(2) The Investment firm makes reasonable efforts to establish the best price for the client in line with the terms of the order, expenditure amount, possibility for execution and all other circumstances connected with the execution of the order as per Art. 6 below.

(3) The Investment firm cannot execute orders on clients account if they have not approved this Policy beforehand.

(4) In case the client has given specific instructions to the Investment firm the latter shall execute the order in accordance with these instructions and taking into consideration the factors, which define the best execution in the best interest of the client, for which there are no specific instructions, the Investment firm makes a respective judgment. All special instructions of the client can prevent the firm from taking the necessary actions to achieve the best result in executing clients' orders in compliance with the policy, for the part of the order concerning the special instructions.

IV. FACTORS EVALUATED AND ASSESSED BY THE INVESTMENT FIRM WHEN EXECUTES CLIENT ORDERS

Art. 6. (1) The Investment firm achieves best execution for the client on the grounds of assessment of the following facts:

(i). Price: The price of the financial instruments is an important factor considered by the Investment firm when executing clients' orders. This factor estimated together with the expenditures for execution has the highest priority to the Investment firm regarding its retail clients. This factor together with the expenditures is also considered most important in the choice of place for execution of clients' orders.

(ii). Expenditures: The expenditures concerning the execution of clients' orders is the second most important factor considered by the Investment firm together with the price of the financial instruments. The expenditures, concerning the execution include all expenses directly related to the execution of the order including fees at the place of execution, clearing and settlement fees as well as other fees and commissions payable to third parties connected with the execution of the order. The expenditures are essential for the choice of place for execution of client's orders.

(iii). Volume/number of financial instruments: The volume or the number of financial instruments in a client's order is directly related to the price of the financial instruments and the transaction expenditures. Different places for execution of the order can be selected depending on the volume of the order.

(iv). Speed of execution: The price of financial instruments depends also on the speed of order execution. The Investment firm considers this factor in the selection of places for execution of a client's orders.

(v). Likelihood of execution and settlement: The Investment firm decides for each particular case the likelihood for execution of a client's order and chooses the place for execution accordingly.

(vi). Order type and content: The Investment firm assesses what would be the best result for the client and estimates all factors depending on the content and type of the order: sale, purchase, exchange, and etc.; limited order, market order, and etc.

(vii). Time of order placement: Time of order placement is very important mostly in CFD over currency, currency pairs, currency rates transactions. In these transactions the speed of the change of the price of the instruments is within seconds.

(viii). Current liquidity of the relevant markets whereon the financial instrument or underlying asset is traded

(ix). Other factors relevant for the execution of clients' orders and achievement of best result.

(2) Upon the execution of clients' orders the Investment firm considers the relative importance of the factors for execution under Art. 1 above in compliance with the following criteria:

(i). Client's features, including their categorization as professional or retail clients;

(ii). Features of client's order;

(iii). Features of financial instruments subject to the order;

(iv). Characteristics of the places for execution, where the order can be executed.

V. ESTIMATION OF THE FACTORS CONCERNING CATEGORISATION OF CLIENTS

Art. 7. (1) Retail clients:

(i) when executing orders submitted by retail clients best execution is defined by the total value of the transaction including the price of the financial instrument and fees concerning the execution;

(ii) the brokerage fee and the expenses for execution of an order at any of the possible places for execution shall be taken into account in cases when there is more than one competing places for execution of the respective transaction of financial instruments. Estimation and comparison of the results which can be achieved for retail clients in the fulfillment of an order at any of the places for execution mentioned in the Policy shall be taken into account.

(2) Professional clients – the price and transaction expenses will have a priority for achievement of best results for the client in most of the occasions for execution of orders placed by professional clients. However, the Investment firm will have to estimate the importance of factors in each particular case (e.g.

the speed of execution and settlement can be more important for a hedge fund compared to the other factors, and etc.).

VI. PLACES FOR EXECUTION OF A CLIENTS' ORDERS AND FINANCIAL INSTRUMENTS

Art. 8. (1) Places for execution of clients' orders can be: regulated market, multilateral trade system; regular participant; market maker, or other provider of liquidity or a person, which has similar to these functions in a third country or another system outside the European Union with functions as a regulated market or multilateral trade system. The investment firm can not specify best execution place when it executes the transactions OTC.

(2) At the moment of drafting and approval of this Policy, the Investment firm executes clients' orders at the following places which enable the Investment firm constantly to achieve the best results in the execution of clients' orders:

(i) "Bulgarian Stock Exchange – Sofia"– executes clients' orders for transactions of shares, bonds, units, compensatory instruments and other financial instruments listed on this market;

(II) OTC – in this case best execution place can not be specified

(3) The list under art. 2 with places for execution is not final. The Investment firm can use other places for execution which it renders conforming to the current Policy. The Investment firm shall regularly assess and analyze the possible new places for execution and will update art. 2 above. For that reason the clients are advised to check regularly for updates the list of places for execution published on the website of the Investment firm.

(4) Aiming to achieve best result for the client, the orders can be executed outside a regulated market or multilateral trade system, on condition that the clients have been notified beforehand and have granted their explicit approval for that.

(5) Whenever is necessary the Investment firm may stipulate only one place for execution of the order. If the order is executed pursuant to the previous sentence it is considered that the Investment firm has achieved the best result for the client.

VII. PLACEMENT AND EXECUTION OF CLIENTS' ORDERS

Art. 9. (1) Upon signing a contract with the Investment firm the clients place orders with the following minimal information:

(i) names (title) and unique number of the client or its representative. If such numbers are not available - the respective identification data;

- (ii) type, issuer, ISIN or name of the instrument respectively characteristics of the derivative financial instrument and number of financial instruments in the order;
- (iii) type of order (limited, market etc.);
- (iv) nature of the order (purchase, sale, exchange etc.);
- (v) single price and total value of the order;
- (vi) validity term of the order;
- (vii) place for execution, if the client chooses such;
- (viii) quantity parameters of the execution (partially, fully);
- (ix) payment method;
- (x) date, time and place for order placement;
- (xi) other specific instructions by the client.

(2) the order contains a unique consecutive number.

(3) Proxies can place orders only with a notarized power of attorney authorizing representative powers for transactions with financial instruments and. They shall also submit a declaration stipulating that he/she does not professionally execute transactions with financial instruments and that he/she has not made such transactions for a year prior to the placement of the order. A verified copy of the personal identification documents of the client and its representative, which signs the contract for the Investment firm shall be kept in the Investment firm's archive. The verification is made by stating in written "true to the original", date and signature of the person which makes the verification.

(4) When the client submits his/her orders via telephone the Investment firm must record the conversation with the Client. If the order is submitted via any other manner the Investment firm must keep on electronic medium the data submitted by the Client in relation to the orders. Fax messages shall be kept on paper.

5) Paragraph 4 does not apply to orders placed by a representative, who has not proved his representing power or by a proxy who has not provided beforehand to the Investment firm the documents under art. 25 of Ordinance 38.

(6) Paragraph 4 is not applied in the transfer of dematerialized financial instruments from the personal account to a client sub-account with the Investment firm in the Central depository.

(7) The Investment firm can accept clients' orders under para. 1 through an electronic trade system, which guarantees compliance with Ordinance 38 and provides access of the client to a special place of execution. The access to the system under the preceding sentence and the placing of orders by the client is secured by an electronic certificate issued at the client's name.

(8) The person who accepts the order verifies the identity of the client or its representative.

(9) The Investment firm provides to the client a signed copy of the accepted order under para.1 unless it is submitted pursuant to para. 4 and 7.

(10) The Investment firm refuses to accept an order which does not conform to the requirements of para. 1 or has been submitted by a proxy in violation of the requirements of para. 3.

Art. 10. (1) Upon accepting an order the Investment firm requires from the client, or its representative to declare whether:

(i) It possesses inside information about the financial instruments in the order, and about their issuer if the financial instruments - subject of the order - or the underlying instrument of the financial instruments - subject of the order - are traded on a regulated market;

(ii) The financial instruments - subject of an order for sale or exchange - are blocked by the depository institution in which they are kept or whether a pledge or a restraint order has been levied on them;

(iii) The transaction – subject of the order, represents a hidden purchase or sale of financial instruments.

(2) The Investment firm checks with the depository institution whether the financial instruments subject of the sale order are available in the client sub-account, whether they are blocked or whether a pledge or a restraint order has been levied on them.

(3) In case the order is placed through an electronic trade system the verification in para.2 is not necessary if the electronic system permits the completion of transactions with blocked or pledged financial instruments or with financial instruments which are the object of a restraint order or are not available in the client sub-account.

Art. 11. (1) The Investment firm executes clients' orders under the following conditions:

(i) Immediate and accurate registration and allocation of the orders for execution;

(ii) Immediate execution of consecutive orders which are identical, unless the characteristics of the order or the general market conditions hinder the execution or the interests of the client are irrelevant;

(iii) The Investment firm informs the retail client about objective obstacles for the precise execution of the orders immediately after the firm has become aware of the obstacles.

(2) If an order for sale or exchange of a client's financial instruments, held by a custodian which delays the providing of information under art. 10 para. 2 above, is followed by an order with the same parameters from another client whose financial instruments can be verified under art. 10, para. 2 faster than the first order, the Investment firm does not classify the two orders as identical and executes first this order for which the firm receives the information under art. 10, para. 2 faster.

Art. 12. (1) The Investment firm has the right, but not the obligation, to execute client's orders combining them with other clients' orders on condition that the following terms are fulfilled:

(i) The combining of the orders and transactions will not be detrimental to any of the clients, whose orders are combined;

(ii) The Investment firm has clarified to each client, whose order has been combined, that the combining can be unprofitable to the client in connection to the specific order;

(iii) The Investment firm effectively applies the policy for separation of orders under para. 2 below.

(2) The Investment firm combines clients' orders in the following cases:

(i) in case there are clients' orders with a matching price and the best corresponding offer at the place for execution is for a higher quantity and a price, satisfying both orders. This enables the execution of both orders at the same price, but the earlier accepted order has a priority in the processing.

(ii) whenever the clients' orders bear different prices and the best corresponding offer at the place for execution is for a higher quantity and a price, satisfying both orders. Again the orders are executed at the same price and the earlier accepted order has a priority in the processing.

(iii) in case when at the time of placing the combined offer, the opposite offer is changed and the combined order is executed in several parts and different prices or even is executed partially, the earlier accepted order has a priority.

Art. 13. (1) The Investment firm may refuse to fulfill an order if the client, or its representative respectively, refuses to sign a declaration under art. 10, para. 1 above or declares that the transaction, subject to this order, represents a hidden purchase or sale of financial instruments. The refusal under the previous sentence is stated in a separate document, signed by the client.

(2) The Investment firm shall not execute orders if it has been declared or proven that the financial instruments, subject to the sale order, are not available in the client account or are blocked by a depository institution, as well as whether a pledge or a restraint order has been levied on them

(3) The restriction in para. 2 regarding the pledged financial instruments is not applied in the following cases:

(i) The party acquiring the financial instruments has been informed about the pledge and has explicitly agreed to acquire the pledged financial instruments, the secured creditor has given its consent pursuant to the Special Pledges Act;

(ii) the pledge is levied on a lot of assets pursuant to the Special Pledges Act.

VIII. ASSESSMENT AND UPDATE OF THE POLICY

Art. 13. (1) The Investment firm constantly monitors the efficiency of this Policy and the quality of order execution in their placing and transfer to another firm and whenever necessary takes measures to eliminate any detected faults.

(2) Once a year the Investment firm reviews the Policy for execution of a client's orders and the agreements for execution of orders.

(3) The review under para. 2 is made after the introduction of each major change that can affect the ability of the Investment firm to achieve best results for execution of clients orders using the places for execution which are included in the policy for execution of orders.

(4) the Investment firm will inform its clients about each change of the Policy by issuing notifications and updates the information on the webpage of the firm.

IX. FINAL PROVISIONS

§ 1. Whenever the firm encounters problems whose solving requires amendments or additions to this Policy, the Board of directors can duly amend it based on the legal framework.

§ 2. The executive directors can issue orders and instructions about the execution of this Policy.

§ 3. The current Policy is presented for information and execution to the members of the Board of directors of the Investment firm, to investment consultants, that are contract employees of the Investment firm, to brokers and other employees of the firm upon assuming duties and they submit declaration stating that they are acquainted with the Policy. The declaration is applied to the other documents concerning the accomplishment of their duties in the Investment firm.

§ 4. The current Policy is presented to every client that it concerns. The Policy is published on the website of the Investment firm.

Executive director:

Vice Chairman of the Board of directors:
