Best Execution Policy
Supplement Applicable to Internet Trader Regulations

This Supplement is applicable to services covered by the Internet Trader Regulations. Unless this Supplement provides otherwise, the terms and conditions of the Best Execution Policy of the Company shall not apply to those services.

The Internet Trader Regulations of these General Terms of Business provide that the execution of orders in Internet Trader shall be governed pursuant to the execution policy of the Financial Service Provider (hereinafter: *Execution Policy*) as laid out below:

1 Introduction

1.1 This policy is issued pursuant to, and in compliance with, EU Directive 2004/39/EC of 21 April 2004 on Markets in Financial Instruments ("MiFID") and the relevant Danish legislation implementing MiFID (the "Rules") that applies to the Financial Service Provider.
The Financial Service Provider does not intend to create any third party rights or obligations that would not exist but for this Execution Policy, and which are not a part of any of the agreements concluded between Customers, potential customers and the Financial Service Provider.

1.2 This policy provides an overview of how the Financial Service Provider executes orders on behalf of customers, the factors that can affect the timing of execution and the way in which market volatility plays a part in handling orders when buying or selling a financial instrument.

1.3 Upon acceptance of a customer order and when there is no specific customer instruction regarding the execution method, the Financial Service Provider will execute an order in accordance with this policy.

1.4 Whenever there is a specific or express instruction from or on behalf of a customer to the Financial Service Provider, the Financial Service Provider will execute the order in accordance with the specific instruction. In effect, a specific instruction from a customer may prevent the Financial Service Provider from taking the steps that it has described in and applies under this policy to obtain the best possible result for the execution of orders in respect of each component involved in the specific instruction.

1.5 Upon request, the Financial Service Provider furnishes its Customers with the Execution Policy and makes its current version accessible at its website [http://www.saxobank. com]. The Financial Service Provider reserves the right to amend or supplement the Execution Policy at any time.

2 Financial instruments to which this Execution Policy applies

2.1 This policy applies to financial instruments and products as defined by the Rules, including Stocks, Bonds, Exchange Traded Funds ("ETFs"), Futures Transactions, Currency Forwards, Currency Options, and OTC transactions (such as CFDs). Spot FX is outside the scope of this Execution Policy.

2.2 The trading conditions for the above products are available on the Financial Service Provider's website (See 1.5)

3 The Financial Service Provider's approach to this Execution Policy

3.1 When executing orders, the Financial Service Provider will take all reasonable steps to find and to obtain the best possible conditions reasonably attainable for the customer.

3.2 To ensure that, the Financial Service Provider relies on three fundamental components:
(i) advanced technology for routing, monitoring and executing orders; (ii) careful consideration of the elements of order execution; (iii) regular and serious control of overall execution quality.

3.3 When executing purchase or sale orders, the Financial Service Provider takes into account:
- the classification of the customer as retail or professional investor;
- the characteristics of the customer order;
- the characteristics of the financial instruments that are subject to that order
- the characteristics of the execution venues to which that order can be directed;

4. The role of technology in executing customer orders

4.1 The Financial Service Provider uses automated systems for routing and executing customer orders. When a customer order is received by the Financial Service Provider, it is routed to the execution venue that the Financial

Service Provider considers to provide the best execution in general or kept in house for products which the Financial Service Provider trades on own account (e.g. some OTC products).

4.1.1 The Financial Service Provider always routes orders for stock exchange listed securities (such as Cash Stocks and Futures) to a stock exchange or to a third party for execution.

4.1.2 The Financial Service Provider trades OTC products on own account or routes such orders to other market makers for execution. The Financial Service Provider routes orders to market makers who comply with the rules of displaying limit orders and the Manning rule of limit order protection, several of whom also provide automated order execution services.

4.1.3 Customer orders for Currency Forward and Option transactions are automatically routed to the Financial Service Provider for execution on own account in its capacity as market maker.

5 The elements of the Financial Service Provider's Best Execution Policy

5.1 The procedure for routing determinations is mainly based on four criteria and is regularly reviewed by the Financial Service Provider. Hence to determine the best way to execute an order for a customer the Financial Service Provider takes into consideration:

5.1.1 ***Speed and Likelihood of the Execution:*** Due to the levels of volatility affecting both price and volume, the Financial Service Provider seeks to provide customer orders with the fastest execution reasonably possible.

5.1.2 ***Price Improvement and Overall Consideration of Costs***: Orders for OTC and stock exchange traded securities are routed to market makers and/or market centres where opportunities for price improvement exist. The criteria used by other market-makers and/or market centres include:

- automatically matching incoming market and limit orders to pending limit orders;
- crossing transactions where price improvement can be offered to one or both sides of the trade.

5.1.3 ***Size Advantages***: In routing orders, the Financial Service Provider seeks markets that provide the greatest liquidity and thus potential for execution of large orders. The Financial Service Provider also seeks opportunities for customer orders to benefit from order size commitments offered by other stock exchanges and brokers.

5.1.4 ***Overall Execution Quality***: When determining how and where to route or execute an order, the Financial Service Provider's traders draw on extensive day-to-day experience with various markets and market makers, focusing on prompt, continuous, high quality and reliable execution.

5.1.5 ***Specific customer instructions:*** The Financial Service Provider executes customer orders according to the instructions given by customer or customer's representative. Accordingly, when a customer intends to have a contemplated transaction executed in a specific manner rather than as provided in this Execution Policy of the Financial Service Provider, then customer has to clearly specify the manner of execution when the order is entered. To the extent that a customer instruction is not complete, the Financial Service Provider will determine any non-specified components of the execution in accordance with this Execution Policy.

5.2 The Financial Service Provider reminds customers that its duty to achieve the best execution does not only pertain to price, it also covers paying attention to other factors such as cost, speed and the likelihood of execution and settlement. Even if a trade is apparently not executed at the best possible price, it does not necessarily mean that this Execution Policy has been violated.

6 Regular review of execution quality and of execution venues

6.1 The Financial Service Provider regularly reviews the overall quality of its order executions. The Financial Service Provider examines the quality of executing orders involving stock exchange traded products and OTC retail markets.

6.2 The management of the Financial Service Provider regularly evaluates the quality of order execution and makes recommendations to improve the practice of order routing.

7 Execution venues currently used

7.1 The Financial Service Provider concludes transactions in regulated markets when those are selected as venues for trading stocks and CFDs. Each trade is related to the prices and the liquidity available at primary markets in respect of a selected company.

7.2 Orders are routed for placement to traders in stocks and orders may also be executed on own account or at venues other than regulated markets in certain cases, provided that the execution involves more favourable conditions than it would at a regulated market.

7.3 At present, selected venues include:

See the Annex 1. of this document.

The trades under the effect of Internet Trader Regulation are executed by the Financial Service Provider, the informative list of trading venues are in the above mentioned Annex 1. We would like to inform you that the actual list of trading venues are available via the way mentioned in 1.5 point of this document.

7.4 The Financial Service Provider uses the following organisations as order routing vendors:

• Goldman Sachs, Dresdner Kleinwort Wasserstein, Deutsche Bank, The Lehman Brothers, MAREX Financial and UBS.

8 Price Volatility

8.1. Price volatility is one factor that can affect order execution.
When customers place a high volume of orders with brokers, order imbalances and back logs can occur. This implies that more time is needed to execute the pending orders. Such delays are usually caused by the occurrence of different factors: (i) the number and size of orders to be processed, (ii) the speed at which current quotations (or last-sale information) are provided to the Financial Service Provider and other brokerage firms; and (iii) the system capacity constraints applicable to the given stock exchange, as well as to the Financial Service Provider and other firms.

8.2. The customer's orders may at the Financial Service Provider's discretion but in line with the principle of best execution be aggregated with the Financial Service Provider's own orders, the orders of any of the Financial Service Provider's affiliates and other persons (including associates and other customers). Furthermore, the Financial Service Provider may split or aggregate the customer's orders before execution. Although orders will only be aggregated or split where the Financial Service Provider reasonably believes that the aggregation or split generally will be in the best interest of the customer, aggregation and split may on occasion result in the customer obtaining a less favourable price that if the customer's orders had been executed separately or using its original size, as applicable.

In such cases the Financial Service Provider gives priority to factors affecting execution other than price, such as overall evaluation of costs, order size and character or the likelihood of execution and settlement.

8.3. There may be delays in the execution of orders placed electronically: Some orders placed through online trading systems may be forwarded on the web to certain employees who may determine the venue of order execution. When high traffic in electronic orders causes a back log, the Financial Service Provider, as well as market makers to which orders are sent for execution, must sometimes discontinue normal automatic execution procedures and turn to manual execution, leading to possible delay in execution.

8.4. In order to minimize such a risk, the Financial Service Provider has in place procedures and arrangements which to the furthest extent possible provide for the prompt, fair and expeditious execution of customer orders.

9 Effects on order execution

9.1 Customers should be aware of the following risks associated with volatile markets, especially at or near the open or close of the standard trading session:

- Execution at a substantially different price from the quoted bid or offer or the last reported sale price at the time of order entry, as well as partial executions or execution of large orders in several transactions at different prices.
- Delays in executing orders for financial instruments that the Financial Service Provider must send to external market maker and manually routed or manually executed orders.
- Opening prices that may differ substantially from the previous day's close.
- Locked (the bid and ask prices are identical) and crossed (the bid is higher than the ask price) markets, which prevent the execution of customer transactions.

10 Alternative orders types

Given the risks that arise when trading in volatile markets, the customer may want to consider using different types of orders to limit risk and manage investment strategies.

10.1. Market order: With a market order, the customer instructs a broker to execute a trade of a certain size as promptly as possible at the prevailing market price. Financial institutions are required to execute market orders without regard to price changes. Therefore, if the market price moves significantly during the time it takes to execute a customer's order, the order will most likely be exposed to the risk of execution at a price substantially different from the price when the order was entered.

Certain stock exchanges* do not support market orders. If the customer places a market order in these markets, Saxo the Financial Service Provider will automatically convert the order to an aggressive limit order within a certain percentage limit** "in the money". It is the customers' own responsibility to check if the order has been executed after order entry. If the customer experiences or suspects any errors with his/her order the customer should contact the Financial Service Provider immediately.

*Stock exchange	**percentage limit
American Stock Exchange (AMEX)	2.50%
Australian Stock Exchange (ASX)	1%
Athens Stock Exchange (AT)	2%
Oslo Stock Exchange (OSE)	2.50%
OMX Copenhagen (CSE)	2.50%
OMX Helsinki (HSE)	2.50%
OMX Stockholm (SSE)	2.50%
Singapore Exchange (SGX-ST)	1%

Some of the Financial Service Provider's third party execution brokers may choose to convert market orders on various markets into aggressive limit orders. This is often a result of stock exchange rules applied to protect customers from "bad executions". The Financial Service Provider cannot be held responsible for such conversions if not all of the parameters of the order are filled out.

10.2. Limit order: With a limit order, the customer sets the maximum purchase price, or minimum sale price, at which the trade is to be executed. As a limit order may be entered away from the current market price, it may not be executed immediately. A customer that leaves a limit order must be aware that he/she is giving up the certainty of immediate execution in exchange for the expectation of getting an improved price in the future. Limit orders may be routed to a stock exchange without human intervention.

10.3. Stop order: Different from a limit order, a stop order allows selling or buying below the current market price if the stop price is reached or breached. A stop order is therefore a "sleeping" order until the stop price is reached or breached. When the price reaches or breaches the stop price, the stop order becomes a market order. See market orders in section 10.1.

10.4. Trailing stop order: The trailing stop order is a stop order as described in Section 10.3 but the trailing stop price moves according to parameters set by the customer. This way the trailing stop can be used to sell if the price drops more than a specified distance from the highest price traded or to buy if the price trades above a set level from the lowest traded price.

11 FINANCIAL SERVICE PROVIDER'S GENERAL BUSINESS TERMS

This Best Execution Policy is subject to the Financial Service Provider's General Business Terms. Accordingly, the Best Execution Policy should be interpreted in conjunction with the General Terms of Business.

Transactions covered by the Internet Trader Regulations are executed by the Financial Service Provider, whose Execution Policy is presented in this document in translation <u>for information purposes only</u>. Please note that the current version of the Execution Policy, as amended from time to time, is available at the web address mentioned in Section 1.5!

By signing the Internet Trader Framework Agreement specified in the Internet Trader Regulations, Customer gave express instructions to have orders executed via the Financial Service Provider, as execution venue. Erste Befektetési Zrt. shall not be held liable for the actions of the Financial Service Provider.