

## **Freedom Finance Armenia**

### **Order Execution Policy**

This document describes the Company's order execution policy and best efforts for the execution, which the Company applies in accordance with the laws of the Republic of Armenia, the regulations of the Central Bank of the Republic of Armenia, in particular, "Requirements for the activities of persons providing investment services" defined by Regulation 4/07 in accordance with the provisions of mandatory execution.

We will take all reasonable steps to obtain the best result for our Clients, taking into account the price, costs, speed, probability of execution, other material terms of orders. This document stipulates that the Company's responsibility is to fulfill the Client's orders on the best possible terms.

#### **1. Application and scope**

1.1 This document applies to operations with financial instruments for professional and non-professional clients, which are described in clause 32.6 of the General Terms of business. We use our best efforts when accepting orders on your behalf or passing them on to other entities to fulfill your order.

1.2 When we transmit market quotes and inform you of prices, your decision in the form of an order obligates us to fulfill it on the best terms.

#### **2. Performance factors**

2.1 When we execute your orders for financial instruments, we take all reasonable steps to execute the orders on the best terms. We have a set of actions designed to achieve the best execution result, taking into account the nature of the financial instrument and the priorities you indicated in the order.

2.2 We focus on a number of factors in order to achieve the best possible result, including price, timely execution, availability of a better price, market liquidity (which can make order execution difficult), possible price effects, order size, financial instrument transfer location (including OTC), costs, quality, etc.

2.3 Depending on the circumstances, some of the above factors may be more important than others. When we process your orders, we consider the following factors for importance:

- To the client (professional or non-professional),
- The nature of the order,
- The nature of the financial instrument,
- Place of execution.

2.4 The main factors of order fulfillment are:

- Price: price refers to the price of order execution, including costs. Often this is the most important factor. Speed of execution and other similar factors are often inferior to price.
- Market impact: Market impact involves identifying threats to the regular operations of a financial organization, including the reliability and transparency of their pricing, process, and combating any behavior that may ultimately lead to price abuse. In formulating an execution strategy, we always maintain the standard of behavior normally expected in the market where you place your order. Under no circumstances do we take any action that may distort the market or create a misleading impression of trading volume or price of any financial instrument.
- Speed: If your order requires speed, we use our tools to fulfill that order as quickly as possible.
- Realism of performance: We use our tools to make your order more likely to be fulfilled. this applies especially to those Financial instruments that are illiquid.
- Execution of transfers: We also carry out transfers of transactions made to order on time.
- Costs: We take all possible steps to minimize all execution costs, including commissions, transfer costs, third party fees, etc.

2.5 Upon acceptance of your orders and the special instructions mentioned in the orders, we take appropriate steps according to the importance of the above factors.

### **3. Places of performance**

3.1 The execution of orders with the financial instruments described in this document implies the use of best efforts, regardless of the class of other financial instrument and the place of execution. Execution venues include regulated markets, multilateral trading venues, organized trading venues, market-making and other liquidity-injecting venues or trading venues for similar operations. When choosing the place of execution, the Company takes into account such factors as liquidity, offered price, credit and transmission risk, communication security, market structure, reliability, etc.

3.2 In some cases, we may execute your orders or part of your orders outside regulated or regular markets, the transfers of which may not be automatic. In these cases, the Company makes every effort to obtain the best result for the Client, protecting also the interests of other Clients who will be involved in these transactions.

3.3 The Company may execute the order through another broker, in which case the requirements of the place of execution will also be important for us.

3.4 We pay attention to the possibility of access (directly or through another broker) when choosing places of execution of orders.

We consider the following factors when selecting performance locations:

- Price, costs and liquidity (importance: high)
- Credit and transmission risk (importance: high)
- Market infrastructure/model (importance: medium)

- Access speed, probability of execution (importance: medium)

3.5 When accepting an order and choosing between two or more fulfillment locations, we are guided by the following principles:

- If the order does not have a limit price, we decide which market offers a better price, which will also be executed faster and the probability of execution is high.
- If the order has a limit price, the priority for us when choosing the place of execution is the costs related to the execution, the probability of execution, the speed.

#### **4. Types of orders**

The Company offers the following types of orders in order to conclude transactions and control certain risks. Please note that not all order types are available for some financial instruments.

- "Market Order". A buy (sell) order with immediate activation, which can be satisfied immediately after its entry at the best sale (buy) price, and the satisfaction price can be changed in connection with the change of the best price after the order is entered.
- "Limited ("Limited") Order". An Order given by the Client to the Company, which provides for the execution of the Order under the condition of buying (selling) at a price not higher (nor lower) than the price fixed in the Order.
- "Stop Market Order". An Order given by the Client to the Company, which envisages the execution of the Order (buy/sell) in case of a transaction with the given security at the specified price on the stock exchange or outside the stock exchange at the price specified in the Order, and is activated as a Market Order.
- "Stop Limit Order". An Order given by the Client to the Company, which simultaneously includes a Buy (Sell) Limit Order at one price and a Buy (Sell) Stop Order at another price, which means that the Broker is obliged to buy (sell) at the time when a transaction will be concluded in the market with this security, whose price will be greater than or equal to (less than or equal to) the stop price, but not higher (nor lower) than the limit price.
- "Floating stop market (limit) order". A Stop Market (Limit) Order given by the Client to the Company, where the set price is determined based on the parameters entered by the Client. The decrease (increase) of the price with a specified percentage ratio from the maximum price can be used to determine the price, in which case the Market (limit) order will be activated.
- Algorithmic order: A Limit or Market Order given by the Client to the Company, which is activated upon the occurrence of certain parameters or conditions entered by the Client.

#### **5. Special instructions**

5.1 If the Customer provides special instructions in the order, we take them into account if possible. However, by giving special instructions, the Client should be aware that the arrangement of important factors considered by default by us may change. However, special instructions do not imply that we renounce our obligation to perform on the best terms.