

## ORDER EXECUTION POLICY ON THE CAPITAL MARKETS

### 1. Introduction

This document is aimed at the customers and potential customers of BRD-GSG and presents the order execution policy, made in compliance with the provisions of Directive 2004/39/EC (MiFID), transposed in the national legislation through the NSC Regulations no. 2/2006, 31/2006 and 32/2006.

Through its Financial Markets Department, BRD-GSG takes and transmits orders on both regulated and not regulated markets.

### 2. Principles

Through its order execution policy, BRD-GSG undertakes to make all the necessary steps in order to obtain the best possible results in executing its customers' orders.

In compliance with the order execution principles, BRD-GSG considers the following elements:

- Price;
- Costs;
- Speed and probability of execution and settlement;
- Volume;
- Nature of transaction and any other characteristics for the execution of the order.

The order execution policy applies to the orders executed on behalf of the BRD-GSG customers classified, according to the NSC regulation no. 32/2006, in the retail or professional categories.

**Note:** The customers classified in the eligible counterparty category, as per the Regulation no. 32/2006, are not subject to this policy.

### 3. Order execution criteria

To ensure the best results for the customers' orders, according to the execution principles, BRD-GSG considers the following criteria:

- The customer's characteristics, including the customer's classification in the retail or professional customer categories;
- The characteristics of the customer's order;
- The characteristics of the financial instruments;
- The characteristics of the trading places to which the order may be directed.

### 4. Trading places

The trading places and the financial instruments accessible through the BRD-GSG services, subject to the order execution policy, are the following:

**Bucharest Stock Exchange** – shares, bonds, government bonds, structured products

**Sibex – Sibiu Stock Exchange** - futures contracts

**Foreign Capital Markets** (Euronext Paris, London Stock Exchange, Deutsche Borse Frankfurt, Swiss Exchange Zurich, Wiener Borse) – shares and ETFs

## 5. Managing the orders

The customers' orders are managed in accordance with the internal procedures of BRD-GSG, which comply with the regulation no. 32/2006. The internal rules and procedures for managing the orders are aimed at a prompt, correct and expeditious execution of the customers' orders against other orders of the customers or of BRD-GSG itself.

Drawn up so as to ensure an equitable and just execution of the orders, the internal order execution procedures meet the following conditions:

- Ensure that the customers' orders are registered and distributed promptly and accurately;
- Ensure that comparable orders are executed successively and promptly;
- Ensure that the orders are executed correctly, according to the customers' indications.

**Note:** In case of refusal to execute an order, BRD-GSG undertakes to communicate such refusal and its justification to the customer.

**Note:** BRD-GSG undertakes to inform the retail customer as soon as it is aware of any situation that could prevent the customer's orders from being executed.

## 6. Exceptions to the order execution policy

BRD-GSG does not apply the order execution policy, as per the MiFID regulations, in the following situations and for the following financial instruments:

- If the customer sends a specific instruction that is incompatible with the order execution policy;
- The financial instruments that are not included in the instruments regulated by the NSC Regulation no. 32/2006;
- The financial instruments and the products offered by the Treasury Department, where BRD-GSG is the customer's counterparty, and the financial instruments are negotiated and customized;
- The financial instruments traded over-the-counter and for which there is no reference price on a regulated market;
- Where the predominant market conditions make it impossible to apply the order execution policy.

## 7. Monitoring and review

The order execution policy and procedures are permanently monitored to ensure the best results. The order execution procedures and policy are reviewed annually or any time an important modification occurs in the trading system and process.