

On the basis of Article 227 of the Financial Instruments Market Act (Zakon o trgu finančnih instrumentov; Official Gazette of the Republic of Slovenia, no. 67/2007 as amended; hereinafter referred to as ZTFI) the two Executive Directors of ALTA Invest, investicijske storitve, d.d., Železna cesta 18, Ljubljana (hereinafter referred to as BPD), hereby adopt the:

ORDER EXECUTION POLICY
(hereinafter referred to as the Policy)

Article 1

With this Policy, BPD regulates the rules which define the system and procedures that enable the implementation of all reasonable measures for the execution of client's orders or the rules for the transmission of orders for execution by the correspondents under the most favourable conditions.

The Policy does not represent a guarantee that the best outcome for the client will be achieved with the execution of each separate order, but rather regulates the procedures and measures which, if taken into account, will ensure that, in most cases, the order will be executed under the most favourable conditions for clients.

The Policy applies to all BPD clients except the clients classified as eligible counterparties. The application of the Policy may also be excluded in a contract between BPD and its professional client.

Article 2

When executing client's orders, BPD shall perform all reasonable measures to execute the client's order under conditions which are most favourable for the client, taking into account the factors set out in this Article of the Policy which are relevant to the execution of the order, and taking into account their proportionate importance, as specified in this Policy.

When executing client's orders, BPD shall take into account the following factors:

- the price of the financial instrument which is the subject of the order,
- probability (reliability) of conclusion and settlement of transaction,
- speed of execution of client's order,
- costs, incurred in connection with execution of client's order,
- and other circumstances relevant to the execution of the order.

Furthermore, when executing orders, BPD shall also take into account the following criteria:

- the value and characteristics of the client's order,
- the characteristics of the financial instrument which is the subject of the client's order, and
- the characteristics of the potential venue for the execution of the clients' orders.

When executing orders, BPD typically takes into account the factors according to their level of importance, from the most important to the least important, as listed in the second paragraph of this Article of the Policy. BPD reserves the right to adjust the relative importance of a certain factor if it estimates that a different order of priority is more favourable for the client, in view of the criteria from the third paragraph of this Article of the Policy, market information available to BPD and /or at BPD's discretion and/or on BPD's experience. When executing the clients' orders, BPD treats all clients (both professional and non-professional) equally, except insofar as the application of this Policy is excluded by contract between BPD and its professional client.

Article 3

This Policy shall apply to all financial instruments stated in Article 7 of the ZTFI in relation to which BPD executes the clients' orders.

Article 3a

BPD executes client's orders for a purchase or sale of financial instruments, which are traded in Slovenia on following execution venues:

- regulated market,
- multilateral trading facility (MTF),
- outside regulated market with client's consent,

wherein BPD executes client's orders for a purchase or sale of financial instruments, which are traded in Slovenia, by itself.

BPD transmits client's orders for a purchase or sale of financial instruments, which are traded in other EU member state or in third country, in execution to following execution venues:

- regulated markets,
- OTC markets,
- multilateral trading facility (MTF),
- systematic internalisers,
- other markets, comparable with MTF or systematic internalisers,

wherein BPD transmits client's orders for a purchase or sale of financial instruments, which are traded in other EU member state or in third country, in execution to correspondents, which meet the conditions set out in Article 5 of this Policy and which list is published in accordance with Article 8 of this Policy.

BPD may, with the explicit consent of its client, execute orders outside of regulated markets, or MTF. The client may give consent either generally with regard to all orders, or as a specific consent with regard to the execution of a single order.

In the case of double quotation of certain financial instruments, the client with the indication of ticker of financial instrument determines the market and consequently the correspondent, chosen for trading on present market. If the client does not indicate the full ticker of financial instrument in his/her order or the client does not choose the market of execution, the BPD's broker may ask the client about that or the BPD's broker decides on its own by taking into account factors set out in Article 2 of this Policy.

Article 4

Should the client's order contain specific instructions regarding the execution of the order, either regarding any factor from Article 2 of this Policy, or an instruction regarding the execution of an order at/outside a regulated market or a MTF, or regarding the correspondent to whom the order should be transmitted for execution, BPD will execute the client's order in accordance with the client's instructions and is not obliged to comply with the measures from Article 2 of this Policy. Any specific instruction may prevent the implementation of any or all measures that BPD has included in this Policy in order to achieve the best possible outcome for the clients. BPD shall, despite instructions received, perform all reasonable measures to execute the order, taking into account the instructions received from the client, under the conditions which are most favourable for the client.

For the clients who submit orders via electronic trade platforms, such as, trading platform TradePort, web application e-Trading and alike, it shall be considered that they have submitted to BPD a specific

instruction with regard to the execution of the order, namely regarding the venue, or the correspondent via which the order should be executed.

This Policy shall not be applied in the case of very volatile market in financial instruments, and in cases of business disruption (force majeure or unforeseeable events, such as, a disruption in communication systems). In such cases, BPD's principal guideline in terms of the execution of orders, or the transmission of clients' orders, is the execution of the order itself, or a timely execution of a client's order.

Article 5

In certain cases, BPD does not execute orders by itself, but transmits them to be executed by correspondents, namely in cases when BPD itself is not a member of a stock exchange, or a MTF, at which the order can be executed. In such cases, BPD will as a rule engage correspondents who act in accordance with the Markets in Financial Instruments Directive (MiFID), and are therefore obliged to ensure the execution of orders under the most favourable conditions for the client. But, in the main, for markets outside EU member states, BPD is not restricted to select such correspondents. BPD shall strive, to the best of its ability, to select correspondents in the markets outside the EU in such way that their trading terms and conditions will enable the latter to take into consideration and follow the rules for the execution of orders under the most favourable conditions for the clients.

BPD shall select the correspondents on the basis of achieved high-quality order execution, and their HR, technical and organisational suitability. BPD shall perform an audit of the execution of orders transmitted to the correspondents together with an audit of its own policy, as specified in Article 7 of this Policy. Insofar as BPD, upon audit, or at any other time, establishes that a certain correspondent no longer ensures the most favourable conditions for the execution of orders, it shall, when possible, replace such correspondents.

BPD may use one or more correspondents for the execution of orders in certain regulated markets. In the event of there being more than one correspondent, BPD shall, in its selection of the correspondent to whom it will transmit the order, take into consideration the factors from Article 2 of this Policy, which are within its sphere of influence. Important factors in the selection of correspondents are also high-quality execution of orders in the past, probability of conclusion and settlement and/or timely settlement of concluded transactions (particularly in the case of larger orders or particular type of financial instruments (eg. ETF)).

BPD has opened trading lines for the execution of larger orders (volume and value) within the portfolio management services also through correspondents, which enabling the possibility of execution larger orders, which execution would otherwise have resulted in a significant impact on the market price and/or the execution of order would not have been possible. When transmitting individual order in the execution within the portfolio management services, Portfolio Manager at BPD shall at his/her discretion determines the appropriate correspondent for execution of specific order.

Article 6

BPD may execute several discretion orders, or several orders for a purchase or sale of financial instruments under the same conditions, which it receives from clients, simultaneously (trading for a joint account) taking into consideration the factors for assessing the best execution of an order, and their proportional share, defined by this Policy. BPD shall not conclude transactions for its own account, or for company employee account, except in exceptional cases, such as, bond rate tenders,

and when trading in its own products, where it is considered that all orders are received simultaneously.

In the case of executing orders of the same type, which were received at the same time and consist the order for joint account, the purchased and/or sold financial instruments shall be allocated to the clients proportional to the amount of the order. In the division of eventual residual amount, the quantity of the order is taken into account, wherein the residual amount is distributed from the largest quantity in the order to the lowest. If BPD in the time of allocation disposes with information about individual transactions and about corresponding rates for these transactions, executed in the order for joint account, BPD shall allocate quantities proportional, wherein the quantities are allocated according to the corresponding rates. The objective in terms of the allocation is that all orders which are included in the allocation achieve the same weighted average price of the financial instrument that is the subject of allocation. In the case that BPD disposes with information of executed transaction in the form of total purchased and/or sold quantity and the indication of average rate, BPD shall allocate quantities proportional, wherein orders, which consist the joint order, are executed at average rate. Orders for the joint account in portfolio management, which are received at the same time are allocated in the same way as described above.

The clients' orders for a purchase, or sale of financial instruments outside a regulated market shall be executed by concluding an adequate agreement between BPD, acting on its own behalf and for the account of its client, and a third party, whereby BPD shall not book the clients' financial instruments over to the third party, and shall not transfer finances to the third party until the latter settles the purchase consideration, or books the financial instruments over to the client.

Article 7

BPD shall, at least once yearly, review the functioning of the system and of the procedures which it implements to ensure the execution of orders under the most favourable conditions for the client, with the purpose of assessing whether these systems and procedures are still adequate, and if they represent all reasonable measures to ensure the execution of orders under the most favourable conditions for the client. BPD shall also review the correspondents' activities.

Events, which would extraordinary led to the reconsideration of the appropriateness of Policy are in particular any change in business stability of selected correspondents, limited possibilities of access to financial markets, the speed of execution of orders, the potential increase in errors in the execution of orders and/or delays and/or inability of settlement of concluded transactions through individual correspondents.

BPD shall do all possible to timely implement changes that would enable BPD to execute the orders under the most favourable conditions for the client. In case of changes to this Policy, clients will be informed in a timely fashion, and through appropriate channels.

Article 8

The list of regulated markets or MTF in which BPD executes orders, is published on the BPD website, www.alta.si. Moreover, the list of BPD's Correspondents and execution venues by types of financial instruments to whom BPD transmits orders to be executed, and regulated markets and MTF at which the latter execute clients' orders is published on the same website. Both lists are deemed to be an integral part of Policy and BPD may unilaterally modify them without prior notice to clients. In addition to correspondents, stated on the above mentioned list, BPD may use also other correspondents, if it is necessary in a particular case (eg. in case of temporary failure of correspondent, for execution of specific orders, etc.).

Article 9

This Policy shall enter into force as of 1st January 2016. As of that date, the Order Execution Policy of 19th January 2015 shall cease to be valid.

The Policy shall be modified or amended following the same procedure as when adopted.

ALTA Invest, investicijske storitve, d.d.
Executive Directors

Ljubljana, on 23th December 2015

This English version is an informative translation. Please note that only Slovene version of this document is official and applicable for interpretation.