

When executing an order in a Financial Instrument (hereinafter "Order") on behalf of its Customer, Credit Europe is obliged to take all reasonable steps to obtain the best possible result for the Customer. In this respect, Credit Europe has drawn up an Order Execution Policy (hereinafter "Policy"). This information sheet gives information on the Policy. The information in this sheet is updated on a regular basis. Please visit our website ([www.crediteuropebank.com](http://www.crediteuropebank.com)) for the latest version of this information sheet.

Unless defined otherwise, capitalised terms used in this information sheet shall have the meaning as described thereto in the 'Conditions for Services in Financial Instruments of Credit Europe'.

#### Applicability of the Policy

The Policy is applicable for any Order, except for:

- A highly structured Order. This is unique tailor-made Financial Instrument, which has no other Financial Instrument to compare it with;
- An Order based on a "request for quote" from a Customer categorized as professional investor. When Credit Europe provides a service in a Financial Instrument based on a quote requested by and provided to the Customer, Credit Europe acts as counterparty, i.e. "principal", and is not executing an Order on behalf of the Customer.

#### Order aggregation and allocation

Credit Europe only (1) aggregates Orders, or (2) aggregates a trade / deal for its own account with one or more Orders, provided that such aggregation is not likely to work to the disadvantage of any Customer whose Order is to be aggregated. After execution, the aggregated Order will be allocated according to the volume requested in the individual Orders.

#### Methods for Order execution

Credit Europe has no direct access to an execution venue, like a regulated market or multilateral trading facilities. Orders are executed 'over-the-counter' (OTC), whereby Credit Europe acts as a (riskless) principal. Credit Europe may also transmit an Order to a third party which will execute the Order on behalf of the Customer (Credit Europe acts as agent). For both cases the Policy describes the process by which the best possible result for the Customer should be obtained (best execution).

#### Credit Europe acting as principal

##### *Riskless principal*

When executing an Order as riskless principal, Credit Europe places the Order indirectly with a counterparty for actual execution. Therefore, Credit Europe may only consider a counterparty which enables Credit Europe to comply with the regulatory requirements on Order execution. Credit Europe has a selection of preferred counterparties for the most common kind of Orders to Credit Europe. This selection may be changes by Credit Europe from time to time. At the publication of this information sheet Credit Europe has Citigroup (London), UBS (Zurich and London), Goldman Sachs (London) and J.P.Morgan (London) as preferred counterparties. However an Order may be placed with a counterparty which is not a preferred counterparty, as long as it is executed in accordance with the Policy.

Where there is more than one competing counterparty available to Credit Europe to place an Order, Credit Europe will place the Order with the counterparty where the best possible result for the Customer can be obtained. The best possible result for the Customer shall be determined by taking into account all relevant factors such as price, costs, speed, likelihood of execution and settlement, size, nature or any other

consideration relevant for the execution of an Order. The relative importance of these factors depend on the characteristics of the Customer, the Order, the Financial Instrument that is the subject of that Order and the counterparty to which that Order can be directed.

For most of the Orders the factors of price and direct costs will be the most important factors. For an Order from a Customer classified as non-professional investor, the best possible result shall be determined by the "total consideration", i.e. the factors of price and direct costs only. The costs include Credit Europe's own commissions and costs to the Order. In exceptional cases other factors may be given precedence over "total consideration" only insofar as they are instrumental in obtaining the best possible result in terms of the total consideration to the Customer.

#### *Principal*

Credit Europe can only execute an Order against its own book when this will bring an equal or better result for the Customer compared to the situation where Credit Europe acts as riskless principal or agent.

#### Credit Europe acting as agent

When transmitting an Order for execution to a third party, Credit Europe shall act in accordance with the Policy. For this Credit Europe will (1) give the third party a specific instruction that is in accordance with the Policy, or (2) transmit the Order to a third party that has arrangements in place to enable Credit Europe to comply with the Policy.

#### Deviation from the Policy

An Order in a Financial Instrument will be executed in accordance with the Policy, except when:

- There is a specific instruction from the Customer. In this situation Credit Europe shall execute or transmit the Order following this specific instruction. By having a specific instruction the best possible result for the Customer may not be obtained if it would be executed according to the Policy. On those aspects of the Order which are not covered by the Customer's specific instruction, Credit Europe will provide execution in accordance with the Policy;
- There is a time of severe market turbulence, and / or internal or external system failure where the ability to execute Orders on a timely basis, or at all, will become the key factor. In the event of system failure Credit Europe may not be able to access all execution venues.

#### Review

The effectiveness of this Policy is reviewed and, where appropriate, updated on a regular basis, with a minimum review cycle of once a year. Please visit our website ([www.crediteuropebank.com](http://www.crediteuropebank.com)) for the latest version of this information sheet. In case of material changes, the Credit Europe will inform the Customer.

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Credit Europe Bank N.V. – Malta Branch is registered with the Maltese Registry of Companies under registration no. OC342. Credit Europe is subject to the supervision of and is registered with the Dutch Central Bank (De Nederlandsche Bank N.V.) and the Malta Financial Services Authority (MFSA).

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