

Execution Quality Summary Statement for the year 2019

Registered in the Commercial Register with the Registry Agency
of the Republic of Bulgaria under UIN 123560824

EBH
EUROPEAN BROKERAGE HOUSE

#	TABLE OF CONTENTS	Page
1.	Introduction	3
2.	Scope	3
3.	Applicable Regulations	3
4.	Definitions	3
5.	Relative Factor Importance	4
6.	Close links, conflict of interest, and common ownership	4
7.	Special arrangements with venues	4
8.	Venue changes	4
9.	Order execution differences according to client categorisation	5
10.	Other criteria, preferred to immediate price and cost of execution	5
11.	Data and tools used to assess the quality of execution	5

1. Introduction

The Execution Quality Summary Statement (hereinafter the EQSS or the Statement) is a summary of the analysis and conclusions that European Brokerage House OOD (hereinafter, the Company, or EBH, or we, or us) drew from its detailed monitoring of the execution quality obtained at venues where it executed all client orders during the year 2019, covering a full-year cycle (hereinafter the year in review).

2. Scope

EBH is required to take all sufficient steps to act in the best interest of its clients when receiving and transmitting orders, and to achieve the best execution to obtain the best possible result for its clients.

The EQSS contains information with regards to the execution venue(s) used by the Company in relation to the asset class of Contracts for Difference (CFD) as per Annex I of the Commission Delegated Regulation (EU) 2017/576.

The Statement, along with the accompanying tables, will be published and remain on EBH's website for at least two years after its publication.

3. Applicable Regulations

The Statement is issued pursuant to, and in compliance with, the requirements of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and Bulgarian legislation, including the Markets in Financial Instruments Act, effective from 16 February 2018.

The EQSS has been prepared in accordance with Article 65 (6) of the Commission Delegated Regulation (EU) 2017/565 and contains information on the requirements of Article 3 (3) of the Commission Delegated Regulation (EU) 2017/576 (RTS 28), as well as Section 9 of the Questions and Answers Document of the European Securities and Markets Authority (ESMA) issued on 11 October 2016 referencing ESMA/2016/1454 with respect to the provision of CFDs and other speculative products to retail investors.

4. Definitions

The definitions of passive, aggressive and directed orders for the purposes of the Commission Delegated Regulation (EU) 2017/576 are provided in Article 2 of the regulation, as follows:

- passive order means an order entered into the order book that provided liquidity,
- aggressive order means an order entered into the order book that took liquidity,
- directed order means an order where an execution venue was specified by the client prior to the execution of the order.

EBH operates under a receipt and transmission of orders only model, while directed orders are not supported. During the year in review, the Company executed all of its client orders at an execution entity and

not directly to an execution venue; therefore, information on whether the orders were passive or aggressive is not available and it will not be included in the Statement and the accompanying tables, as per Section 1 Best Execution, Question 14 of the Questions and Answers Document of the European Securities and Markets Authority (ESMA) last updated on 28 March 2019 referencing ESMA35-43-349 with respect to investor protection topics.

5. Relative Factor Importance

EBH, in accordance with its Order Execution Policy, considers the following factors of highest importance: price, execution costs, the probability of execution, execution quality - including the likelihood and the quantity of potential slippages, and speed of execution. These factors are listed in rank order of importance for the Company.

6. Close Links, Conflict Of Interest, And Common Ownership

There are no close links between multiple execution venues, within the meaning of Art. 4 of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.

There are no close links between EBH and the used execution entity. During the year in review, EBH registered that no conflict of interest exists between EBH and its clients, nor between EBH and its executions venues.

There is no common ownership of assets or companies between the execution venues or between EBH and its execution venues.

7. Special Arrangements With Venues

EBH and its execution venues conduct business on a contractual basis. The company is charged a volume-based commission or a fixed monthly amount, in case the minimum volume is not met. There are no special arrangements outside the main contract with regards to payments made or received, discounts, rebates, or non-monetary benefits received.

8. Venue Changes

During the year in review, EBH entered into agreement with one additional execution venue:

1. True Trade Ltd. (United Kingdom).

During the year in review, the Company's client orders were executed at three different execution entities, as presented in the accompanying tables.

9. Order Execution Differences According To Client Categorisation

EBH classifies its clients into three main categories:

1. Eligible Counterparty;
2. Professional Clients;
3. Retail Clients.

This classification is directly attributable to the European Directive 2004/39/EU of 21 April 2004 on Markets in Financial Instruments (MFI), to which EBH adheres.

During the year in review, EBH had contractual relations with Retail and Professional Clients, which were treated in accordance with the Order Execution Policy of the Company. According to which, EBH makes no difference between the different client categories with respect to the execution of their orders.

10. Other Criteria, Preferred To Immediate Price And Cost Of Execution

No other criteria were given precedence over immediate price and cost of execution.

11. Data And Tools Used To Assess The Quality Of Execution

EBH used only internal tools to analyse the quality of execution during the year in review.

In particular, the Company monitors the quality of execution on an ongoing basis by selecting representative samples of executed orders and evaluates the samples in accordance to the following parameters:

- Pricing frequency (price freezing),
- Speed of execution,
- Slippage frequency and depth,
- Technological aspects (interface responsiveness, lag, integration capabilities, etc.).

Some of the above parameters are quarterly compared to publicly available reports of other execution venues as per the Commission Delegated Regulation (EU) 2017/575 (RTS 27).



EUROPEAN BROKERAGE HOUSE OOD

Sofia 1303, Bulgaria, Vazrazhdane District, 33

Shar Planina Str., fl. 2, office 8

web: www.ebhforex.com

email: info@ebhforex.com