

# BEST EXECUTION POLICY

## 1. Introduction

- 1.1 TC Limited (hereinafter the “**Company**”, “**we**”, “**us**”, “**our**”, “**ours**” and “**ourselves**” as appropriate”) is incorporated in St. Vincent & the Grenadines as a Business Company with registration number 25486 BC 2019. Registered address: Suite 305, Griffith Corporate Centre, Beachmont, P.O. Box 1510, Kingstown, St. Vincent and the Grenadines. This Best Execution Policy provides the procedures and methods the Company applies to ensure the prompt, fair and expeditious execution with best trade execution condition for the client.
- 1.2 Upon acceptance of a client order for securities listed on regulated markets and outside, the Company will endeavour to execute that order in accordance with the following policy, unless otherwise instructed by the client in respect to order execution.
- 1.3 This Policy forms part of the Client’s agreement with the Company and therefore by entering into an agreement with the Company you are also agree to the terms of this Policy, as set out in this document.
- 1.4 Company may trade in complex products which carry a high degree of risk. These products are not suitable for everyone. CFD Contracts and FX Contracts are leveraged products that carry a high degree of risk. They are not suitable for everyone. You should not trade with us unless you understand the nature of the transaction you are entering into and the extent of your potential loss from a trade. You must satisfy yourself that it is suitable for you in the light of your circumstances, financial resources and investment objectives. If you are in any doubt you should seek independent advice. You trade entirely at your own risk.

## 2. Scope

- 2.1 This Policy provides an overview of how the Company executes orders on behalf of clients, the factors that can affect the timing of execution and the way in which market volatility plays a part in handling orders when buying or selling a financial instrument.
- 2.2 This Policy aims to set out how the Company intends to meet its best execution obligations bearing in mind the nature of its business and of its clients in relation to the execution, allocation and aggregation of orders or transactions as well as management of client orders or arranging for an approved third party to do so on the Company’s behalf.
- 2.3 This Best Execution Policy applies on Retail Clients when executing transactions for the Financial Instruments provided by the Company. We are the sole counterparty to your trades and the sole execution venue for your Orders. The Company is always the counterparty (or principal) to every trade; therefore, if the Client decides to open a position in a Financial Instrument with the Company, then that open position can only be closed with the Company. The Company does not guarantee that when executing a transaction, the client’s price will be more favourable than one which can be obtained elsewhere.
- 2.4 This Policy applies when the Company executes client’s orders provided that the following criteria are satisfied:
  - The client has not been categorized as “eligible counterparty” for the related service / transaction
  - The client is dealing in financial instruments covered by Company’s license
  - Specific instructions given by the client do not prevent the Company from providing to the client this Policy
  - The Company did not provide the client with direct market access through an electronic interface which links only to a particular execution venue.
- 2.5 Where the Company acts as counterparty to client orders, including cases the Company communicating quotes that are then accepted by a client, this Policy will apply provided that the client is legitimately relying on the Company to protect his/her interests in relation to the transaction. The client will NOT be treated as legitimately

relying on the Company if he/she is not categorized as retail client or the combination of all the following factors suggests that he/she is not actually relying on the Company:

- there is no respective services agreement existing between the Company and the client
- the transaction is initiated by the client
- the transaction is entered into under the existing market practice or convention, particularly the convention to ‘shop around’
- the relative level of price transparency within the market is fair
- the client is not relying on the information provided by the Company as to the market conditions

Upon acceptance of a client order and when there is no specific instruction regarding the execution method, the Company will execute an order in accordance with this Policy. Company’s Brokerage and receipt and transmitting of orders department is responsible for routing client orders to the execution venue determined in accordance with this Policy and for execution of the Orders.

### 3. Execution Criteria

3.1 For determining the relative importance of the Best Execution Factors the following criteria will be taken into account:

- The characteristics of the client order;
- The characteristics of financial instruments that are the subject of that order;
- The characteristics of the execution venues to which that order can be directed.

For retail clients, the best possible result (or “Best Execution”) shall be determined in terms of the total consideration, representing all the factors stated below.

Generally, the Company will give price a higher relative importance when obtaining the best possible result for clients. In Company’s experience, the next most important factor after price is typically the speed of execution. However, in certain circumstances, for some client orders, financial instruments or markets, the Company, in its absolute discretion, may decide that other factors, including the need for timely execution, availability of price improvement, the liquidity of the market (which may make it difficult to execute an order), potential price impact, the size of the order, the nature of the financial transaction (including whether or not such transactions are executable on a regulated market, over-the-counter, or via either route) and the quality and cost effectiveness of any related clearing and settlement facilities, may be more important in determining the best possible execution result in accordance with its order execution policy.

The high relative importance in obtaining the best possible result for retail clients is described in paragraph 4.2 of this document.

### 4. Execution Factors

In general, all client orders will be executed in accordance with the time of their reception. The Company will carry out otherwise comparable orders sequentially and promptly unless the characteristics of the Order or prevailing market conditions make this impracticable, or the interests of the client require otherwise. Client orders may not be treated by the Company as otherwise comparable if they are received by different media, e.g. electronically or by fax, and therefore it would not be practicable for them to be treated sequentially.

All reasonable steps will be taken in order to obtain, when executing client’s orders, the best possible result for clients taking into consideration a range of different factors as required by the relevant local legislation. The Execution Factors that the Company will take into account when executing orders will include price, costs, speed, likelihood of execution and settlement, size, nature or any other relevant factor.

Execution factors will be applied by the Company, when executing client orders, in light of execution criteria presented above. The methodology indicated in this section is not rigid and may be altered by the Company in

each particular situation as the client's interests may dictate. Specified below are the execution factors that the Company will take into account. The relative importance of the factors is also indicated. This is primarily the case with respect retail clients. For professional clients the particular order of importance may differ on a case-by-case basis taking into account the client's particular needs and preferences (when indicated by the client).

#### 4.1 Price of the financial instruments – Highest importance

Price is one of the most important factors in order for the Company to meet its best execution obligations.

The Company calculates its prices by reference to the price of the relevant underlying financial instrument, which it obtains from third party external reference sources. The Company reviews its third-party external reference sources at least once a year, to ensure that the data obtained continue to be competitive. The Company updates its prices as frequently as the limitations of technology and communications links allow. For any given Financial Instrument, the Company will quote both the higher price (ASK) at which the client can buy (go long) that Financial Instrument and the lower price (BID) at which the client can sell (go short) that Financial Instrument. The difference between the lower and the higher price of a given Financial Instrument is the spread which includes Company's mark-up. "Buy Limit", "Buy Stop" and "Stop Loss", "Take profit for opened short positions" orders will be executed at the ASK price, and "Sell Limit", "Sell Stop" and "Stop Loss", "Take profit for opened long positions" will be executed at the BID price. The Company will do all reasonable efforts to ensure that the Client receives the best spread and that its calculation is made with reference to a wide range of data sources and underlining price providers {We do not however guarantee that our quoted prices will be at a price which is as good, or better, then one might have been available elsewhere}. The Company will not quote any price outside Company's operations time (see execution venue below) therefore no orders can be placed by the Client during that time.

More information regarding our costs (spreads) can be found in our Contracts specifications in the Company's website.

In the case of Market Orders, Stop Market Orders and contingent Stop Loss Orders the price you receive at execution will be the best price available at the time our Back to Back Order is executed in whole or part with our Liquidity Providers. This could be better or worse than the price our Liquidity Providers at the time your Order is placed with us.

#### 4.2 Costs – Highest importance

For retail clients in the absence of specific client instructions, the Company will take into consideration all factors that will allow it to deliver the best possible result in terms of the total consideration, representing the price of the financial instrument and the costs related to execution which shall include all expenses incurred by the client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. Speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transaction costs may be given precedence over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to the retail client.

There are three broad categories of cost all of which are relevant to both professional and retail clients and which the Company will make reasonable effort to assess and minimize in choosing the way (including venue) of execution:

- **Implicit cost**, meaning the effect of the market impact of order execution. Implicit costs result from how a trade is executed (for example, immediately or worked over a period of time, in a block, aggregated with other trades, or as small orders sent to multiple different execution venues). For example, working a relatively large order over time on a less liquid market may minimise market impact and therefore achieve the lowest total costs (and the best net price). Although the impact of implicit costs can only be precisely assessed after a trade is completed, the Company will make reasonable estimations about the likely implicit costs of an execution strategy before the order is executed.
- **Explicit external costs**, which include exchange fees, clearing and settlement costs, taxes or any other costs passed on to the client by intermediaries (brokers, agents) participating in the transaction.

- **Explicit internal costs**, which represent Company's own remuneration through its fees, commission or spread.

Where the Company decides to make its profit on OTC markets through the difference in price between the bid and offer (the spread), these spreads will be treated as internal costs (rather than price). In this case the spread needs to be known and agreed in advance with the retail client and clearly differentiated from price.

The Company does not incorporate any commissions or fees into its quoted price; nevertheless, for opening positions in some financial instruments a commission or a financing fee might be applied. The fees and commissions are available in the Contracts specifications in the Company's website. (a) Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amount, (b) mark-up on spread may be charged and (c) In the case of financing fees, the value of opened positions in some types of Financial Instruments is increased or reduced by a daily financing fee "swap" throughout the life of the contract. Financing fees are based on prevailing market interest rates, which may vary over time. Details of daily financing fees applied are available in the Contracts specifications in the Company's website. Of utmost importance to the Company is transparency of dealing costs, namely that the spread and commission rates are known before the client elect to trade and there are no unknown variables that will be revealed only after the client has traded. Also, of great importance to the Company is the transparency of execution, namely that the price quoted is the price at which the trade is executed.

#### 4.3 **Speed of execution – High importance**

The Company acts as principal and not as agent on the Client's behalf; therefore, the Company is the sole Execution Venue for the execution of the Client's orders for the Financial Instruments provided by the Company. Speed of execution means to see a price, click and trade. However due to the levels of volatility affecting both price and volume, the Company seeks to provide client orders with the fastest execution reasonably possible although delays may occur. For these purposes the Company will use the data publicized by trading venues on the speed of the execution.

The Company places a significant importance when executing Client's orders and is doing all reasonable efforts to offer a high speed of execution within the technological and telecommunication limitations and it is not responsible for the poor performance of Client's technology, internet connection or any other resources that might result in Client's delay in the transmission of data between the Client and the Company. This delay may result in sending to the Company out of date "market orders" which might be declined or executed at better or worst prevailing market price through our platform. As the Client places Orders through the Company's Electronic Trading Platforms, the Client is exposed to risks associated with that, including the failure of hardware and software (e.g. Internet connectivity issues, server downtimes, etc). This may result that your Order is either not executed in accordance with your expectations or it is not executed at all. The Company does not accept any liability in the case of such a failure.

Speed of execution may have different meanings for the different types of execution venues as the measurement of speed varies by both trading systems and trading platform. For continuous auction order books, speed of execution is expressed in milliseconds while for other trading systems it is appropriate to use larger units of time. Anyways, the similar parameters will be compared as to make the decision on the best speed for execution.

The actions specified above in this subsection will be performed by the Company periodically subject to availability of the respective data.

#### **Likelihood of execution and settlement – High importance**

The Company acts as principal and not as agent on the Client's behalf; therefore, the Company is the sole Execution Venue for the execution of the Client's orders for the Financial Instruments provided by the Company and all orders opened with the Company will be closed only with the Company.

The Company seeks to provide Client orders with the fastest execution reasonably possible although delays may occur. For these purposes the Company will use the data publicized by trading venues on the likelihood of the execution.

The Company strives to execute Client's orders at the requested price. However the Company reserves the right to decline an order of any type {or partly fill in any Order or to execute the order at the first available market price without providing any justification to Client} or to executed at better or worst prevailing market price for "market order" under certain market conditions, which include but are not limited to, volatile market conditions, opening gaps on trading session start moments, during news announcements, on gaps where the underline instrument has been suspended or restricted on a particular market, if there is insufficient liquidity for the execution of the specific volume at the requested price. Upon execution of the transactions the Company shall proceed to a settlement of such transactions.

Furthermore, factors such as the size of your Order and liquidity available in the Instrument you wish to trade will impact whether and when it is possible to execute your Order. The times at which you are able to submit Orders to us are restricted. It is important that you familiarise yourself with the restrictions on the submission of Orders before you commence trading with us, for these restrictions may affect your trading strategy. Company's operations time is defined in the Contracts specifications in the Company's website.

Likelihood of execution indicates the probability of execution of a particular type of order (e.g. market, limit order) and is supported, inter alia, by details on trading volumes and number of quotes placed and orders executed in a particular instrument. Information on likelihood of execution is connected with such metrics as the relative market size of a venue in a particular financial instrument or the class of instruments. Likelihood of execution may also be assessed with data on failed transactions or cancelled or modified orders.

The actions specified above in this subsection will be performed by the Company periodically subject to availability of the respective data.

All transactions are settled upon execution.

#### **4.5 The size of the order – Medium Importance**

The minimum size of an order may be different for each asset type and/or financial instrument. The unit measuring the transaction amount is the Lot and is different for each type of Financial Instrument. Details of the value of each Lot for a given Financial Instrument can be found in the Contracts specifications in the Company's website. Please refer to the website and/or platform for the value of minimum size of an order or minimum Lot for a given CFD type. The Company reserves the right to decline an order as explained in the Client Agreement entered with the Client. We have restrictions in place in terms of the minimum and maximum size of position you may hold in a Financial Instrument at any one time. Any opening Order you place with us will be subject to these restrictions. Our minimum and maximum position sizes are set by us for each Financial Instrument and may vary depending on current market conditions. Our minimum and maximum position sizes as they apply from time to time can be found in the Contracts specifications in the Company's website. In addition, please note our ability to fill your Order is dependent on our ability to fill our Back to Back Order, if applicable.

In order to compare the quality of execution for orders of different size, the data provided by execution venues on transactions within several size ranges will be monitored by the Company.

The Company will search for execution venues that provide the greatest liquidity and thus potential for execution of large orders. The Company also will seek opportunities for client orders to benefit from order-size commitments offered by the execution venues.

For these purposes the following data publicized by execution venues will be reviewed:

- median transaction size on that date if more than one transaction occurred
- median size of all orders or requests for quote on that date if more than one order or request for quote was received.

#### 4.6 The nature of the order

The particular characteristics of an order can affect the execution of the client's order. The Client can place with the Company the following types of orders:

##### Type of orders

- a) **Market Order:** It is an order to buy or sell at the price available at the time of placing the order. The Company will usually fill the order at the price that the Client sees and chooses in the Client Terminal. However, it is possible at certain times for the order not to be executed if the market has moved while the Client was placing the order. The Client may attach "Stop Loss" to limit his loss and/or "Take profit" to limit his profit.

Good 'til Cancelled ('GTC') (= Expiry): this is an execution setting that the client may apply to 'pending orders'. The order may remain 'live' and pending for execution until such time as the order is triggered and treated as a market order or cancelled by the client.

- b) **Pending Order:** A pending order is an order to buy or sell a financial instrument in the future once a certain price specified by the Client is reached. The Company offers four types of pending orders. Buy Limit, Buy Stop, Sell Limit and Sell Stop. Stop Loss and/or Take profit limits can be attached to this type of order. The Client may modify an order before executed but has no right to modify or remove "Stop Loss", "Take Profit" and "Pending Order" orders if the price has reached the level of the order execution.

##### Pending Order:

- **Buy Stop:** this is an order to buy at a specified price ('the stop price') that is higher than the current market price. It is a trade order to buy at the "Ask" price equal to or greater than the one specified in the order. The current price level is lower than the value in the order. Usually this order is placed in anticipation of that the security price, having reached a certain level, will keep on increasing.
  - **Sell Stop:** this is an order to sell at a specified price ('the stop price') that is lower than the current market price. It is a trade order to sell at the "Bid" price equal to or less than the one specified in the order. The current price level is higher than the value in the order. Usually this order is placed in anticipation of that the security price, having reached a certain level, will keep on falling.
  - **Buy Limit:** this is an order to buy at a specified price ('the limit price') that is lower than the current market price. It is a trade request to buy at the Ask price that is equal to or less than that specified in the order. The current price level is higher than the value in the order. Usually this order is placed in anticipation of that the security price, having fallen to a certain level, will increase.
  - **Sell Limit:** this is an order to sell at a specified price ('the limit price') that is higher than the current market price. It is a trade order to sell at the "Bid" price equal to or greater than the one specified in the order. The current price level is lower than the value in the order. Usually this order is placed in anticipation of that the security price, having increased to a certain level, will fall.
- c) **Stop Orders:** this is an order to buy or sell once the market reaches the 'stop price'. Once the market reaches the 'stop price' the 'stop order' is triggered and treated as a 'market order'. If the 'stop order' is not triggered it shall remain in the system until a later date subject to the conditions described in the 'Good 'til Cancelled' section. For CFDs on FX, spot metals, equities and indices, 'stop orders' should be placed a minimum number of pips away from the current market price in order for these to be valid. Stop Orders placed within the current bid-ask spread will be automatically removed.
- **Stop Loss:** this is an order that maybe attached to an already open position to close a position at a specified price ('the stop loss price'). Once the market reaches the 'stop loss price' the order is triggered and treated as a 'market order'. A 'stop loss' may be used to minimise losses. This order is used for minimizing of losses if the security price has started to move in an unprofitable direction. If the price of the instrument reaches this level, the position is fully closed automatically. Such orders are always associated with an open position or a pending order. The order can be placed only together with a market or a pending order.



This order condition for long positions is checked using the Bid price (the order is always set below the current Bid price), and the Ask price is used for short positions (the order is always set above the current Ask price). If the 'stop loss' is not triggered it shall remain in the system until a later date. For CFDs on FX, spot metals, equities and indices, 'stop loss' orders should be placed a minimum number of pips away from the current market price in order for these to be valid. 'Stop Loss' orders placed within the current bid-ask spread will be automatically removed.

- **Take profit:** this is an order that maybe attached to an already open position to close a position at a specified price ('the take profit price'). Once the market reaches the 'take profit price' the order is triggered and treated as a 'limit order'. A 'take profit' may be used to secure profits. The Take Profit order is intended for gaining the profit when the security price has reached a certain level. Execution of this order leads to a complete closure of the position. It is always connected to an open position or a pending order. The order can be placed only together with a market or a pending order. This order condition for long positions is checked using the Bid price (the order is always set above the current Bid price), and the Ask price is used for short positions (the order is always set below the current Ask price). If the 'take profit' is not triggered it shall remain in the system until a later date. For CFDs on FX, spot metals, equities and indices, 'take profit' orders should be placed a minimum number of pips away from the current market price in order for these to be valid. 'Take Profit' orders placed within the current bid-ask spread will be automatically removed.

NOTE: Most of the orders shall be automatically executed by the MT4 Platform as described above.

#### 4.7 Slippage

At the time that an order is presented for execution, the specific price requested by the Client may not be available; therefore, the order will be executed close to or a number of pips away from the Client's requested price. If the execution price is better than the price requested by the Client that is referred to as 'positive slippage'. In contrast, if the execution price is worse than the price requested by the Client this is referred to as 'negative slippage'. Please be advised that 'slippage' is a normal market practice and a regular feature of the foreign exchange markets and stock markets under conditions\* such as liquidity and volatility due to news announcements, economic events and market openings. The Company's automated execution software does not operate based on any individual parameters related to the execution of orders through any specific Client accounts.

In other words, client's Orders may not be executed at declared prices. Slippage may appear in all types of accounts the Company offers.

It is noted that Slippage can occur also during Stop Loss, Take Profit and other types of Orders. The Company does not guarantee the execution of client's Pending Orders at the price specified. However, the Company confirms that client's Order will be executed at the next best available market price from the price he has specified under his pending Order.

The Company is going to publish "key trade execution statistics" which show the positive, negative and zero % of slippage, speed of execution as well as Re-quotes and rejection rates recorded on its execution platforms. These could be provided per different account types, execution platform/ software used, order types, order sizes and markets or products (instrument type and underlying asset).

\*Please note that this is not an exhaustive list.

#### 4.8 Partial Fills

This is the practice of executing an order in parts if there is not enough liquidity in the market at the time, in order to fill-in the full order at a specific price. Partial fills may be executed at different prices.

#### 4.9 Any other relevant factors

Under certain trading conditions it may be impossible to execute Orders on a Financial Instrument at the declared price. In this case the Company reserves the right to modify the Company spread and the client may experience

widened spreads and execution at the first available price. This may occur, for example, during news announcements, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange, trading is suspended or restricted. Or this may occur in the trading session start moments (opening gaps). In such case, Take Profit orders below/above Buy Stop/Sell Stop orders or Stop Loss orders above/below Buy Stop/Sell Stop orders during activation will be removed.

The Company considers, but without the list being exhaustive, as relevant factors that might affect the execution of Clients Orders, fundamental announcements and unusual market conditions such as low liquidity or/and high volatility. The Company may execute at such times the orders manually which can have an impact on the price and speed the orders are executed.

The Company will take all reasonable steps to obtain the best possible result for its Clients but during times of high demand manual pricing and/or execution may cause delays in processing an order which in turn can have an impact on the price and speed at which the order is executed. Furthermore, in the case of any communication or technical failure, as well as any incorrect reflection<sup>1</sup> on the quotes feed, the Company reserves the right not to execute an order or change the opening and/or closing price of a particular order.

## 5. Refusal to execute orders

The Client accepts that the Company reserves the right to refuse the provision of any investment and ancillary service, at any time, including but not limited to the execution of instructions for trading any type of financial instrument of the Company, without prior notice to the Client. The circumstances under which the Company shall proceed to the above actions are the following:

- If the Client has insufficient funds in his/her account;
- If the order affects the orderly function of the market;
- If the order aims at manipulating the market of the underlying financial instrument;
- If the order constitutes the exploitation of confidential information;
- If the order affects the orderly operation of the trading platform; and
- If the order contributes to the legalization of proceeds from illegal actions (money laundering)
- The company obtains the right to reject or refuse any suspicious order that can be justified as abusive.

The Client understands that any act of refusal by the Company for the execution of any order will not affect any obligation of the Client towards the Company under the Terms and Conditions.

## 6. The Quality of Execution

- 6.1 When executing orders on behalf of clients in relation to financial instruments, the Company will take all reasonable steps to achieve what is called “best execution” of client’s orders. This means that the Company has in place a policy and procedures that are designed to obtain the best possible result for client’s orders, subject to and taking into account any specific instructions from the client, the nature of client’s orders and the nature of the markets and products concerned.
- 6.2 While the Company will take all reasonable steps based on the resources available to it to satisfy itself that it has processes in place that can reasonably be expected to lead to the delivery of the best possible result for its clients, it cannot guarantee that it will always be able to provide best execution of every order executed on client’s behalf, particularly where the client gives specific instructions as to all or part of its order.
- 6.3 The provision of “best execution” by the Company does not mean that the Company owes its clients any fiduciary responsibilities over and above the specific regulatory obligations placed upon it or as may be otherwise contracted

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<sup>1</sup> **incorrect reflection:** a transaction may be performed on a wrong price due a miss-quote price feed from any of our third-party liquidity providers or through an unexpected technical fault



between the Company and its clients. Clients remain responsible for their own investment decisions and the Company will not be responsible for any market trading loss suffered as a result of those decisions.

- 6.4 The Company generally considers the most important of the execution factors to be, in order of importance:
- a) Price and related execution costs;
  - b) Speed and likelihood and settlement of execution;
  - c) Size of the order;

In addition to the factors discussed above, the Company will determine the relative importance of the Execution Factors by using its commercial judgment and experience in the light of the information available on the market and taking into account the Execution Criteria described above. Demonstrating best execution does not necessarily involve a transaction-by-transaction analysis, but rather involves an assessment of a record of transactions over a period indicating that overall the best results is achieved by executing orders on the client's behalf on the Execution Venues and in the manner described in this Best Execution Policy. The Company reserves discretion to modify, add or remove execution venues.

- 6.5 To assess overall execution quality of the execution venue all the parameters pointed out in this section will be evaluated in an integrated way taking into account client category, needs and preferences. To this effect, the following metrics, if applicable, may be additionally taken in consideration:
- best bid and offer price and corresponding volumes
  - book depth
  - average spread
  - the number and average duration of periods during which no bid or offers were provided
  - number, time and duration of clearing sessions
  - margin, collateral requirements and flexibility
  - availability and speed of transfer of assets between different markets of the execution venue
  - existence and quality of a DMA system
  - other relevant characteristics.
- 6.6 In certain markets and trading situations such as “over the counter” (OTC) markets there may not be an equivalent publicly available market price for the instrument being traded. In such situations the Company will use its experience and commercial judgment to take into account all relevant information available to it and apply this Best Execution Policy with a view to achieving the best possible result in terms of the total consideration.
- 6.7 In some cases, as a result of a system failure or otherwise the Company may have no alternative but to execute an order using a method other than the method it has selected based on this Best Execution Policy. In such cases, the Company will endeavour to execute the order on the best terms possible.
- 6.8 In the absence of specific client instructions in retail client order, the Company will take into consideration all factors that will allow it to deliver the best possible result in terms of the total consideration, representing the price of the financial instrument and the costs related to execution which shall include all expenses incurred by the client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. Speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transaction costs may be given precedence over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to the retail client.
- 6.9 The Client may request the Company to execute upon receipt instructions conveyed by telephone or any other written means of communication that each of the present and future account holders, attorneys and duly authorised representatives shall give individually to the Company, even if these instructions are not followed by a confirmation in writing. The Company does not accept any liability in case of miscommunication, error in the

identification of the person giving the instructions or other errors on its part related to such means of communication and which may involve losses or other inconvenience to the Client. We are under no obligation to accept an Order from a Client through the above means of communication. However, we shall normally do so if you have sufficient funds in your Account with us, you are not otherwise in breach of the Agreement and it is possible to execute such Order. Factors such as the size of your Order and liquidity available in the Financial Instrument you wish to trade will impact whether and when it is possible to execute your Order.

- 6.10 For Retail Clients, the Company has the right, at its own discretion, to start closing Clients positions at margin level less than 20% starting from the most unprofitable one and at margin level of equal or less than 10% the Company will automatically close Client's positions at market price starting from the most unprofitable one.

## 7. Specific instructions

- 7.1 Where the client provides the Company with a specific instruction in relation to his/her/it order or any part of it, including selection of execution venues, the Company will execute that order in accordance with those specific instructions and, in doing so, it will have complied with its obligations to provide the best possible results to the extent that those instructions are followed.
- 7.2 For the purposes of this Policy under specific instruction will be meant any Order which expressly includes the indication of execution venue and/or party for execution and/or time limit for execution and/or other firm conditions including specific settlement terms. When executing a specific instruction, the Company will seek the best possible result for the client under the constraints imposed by the specific conditions provided in the Order, e.g. most favorable prices available on the execution venue or offered by the third party specified by the client within the particular period of time.
- 7.3 However, the Company would like to warn its clients that any specific instruction may prevent the Company from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.

## 8. Execution Venue

- 8.1 Execution Venues (trading venues or venues) means a regulated market or a multilateral trading facility (MTF), an Organised Trading Facility (OTF), or a systematic internalizer or a market maker or other liquidity providers (e.g. broker dealers) or an entity performing in a third country a function similar to any of the above mentioned, with which the Company places client's orders for execution or to which it transmits orders for execution.
- 8.2 For the purposes of orders for the financial instrument provided by the Company, the Company acts as principal and not as agent on the Client's behalf; therefore, the Company is the sole Execution Venue for the execution of the Client's orders.
- 8.3 The Client acknowledges that the transactions entered into with the Company for the financial instrument provided by the Company are undertaken through the trading platform of the Company. The Orders will be executed on an 'over the counter' basis rather than on a regulated market or a Multilateral Trading Facility and the Client is exposed to a greater risk of a possible default of the counterparty (i.e. the Company). The Company reserves the right to decline the execution of an order, or to change the opening or closing price of an order in case of any technical failure of the trading platform, quote feed or any other unforeseen event. The terms and conditions and trading rules are established solely by the counterparty which in this case is the Company. The Client is obliged to close an open position of any given Financial Instruments during the opening hours of the Company's Electronic Trading Platform which are defined in the Contracts specifications in the Company's website. The Client also has to close any position with the same counterparty with whom it was originally entered into, thus the Company.
- 8.4 Where the Company were to apply different fees depending on the Execution Venue (which is not the case at present given that we are your sole Execution Venue), we will explain these differences in sufficient detail to allow you to understand the advantages and disadvantages of the choice of a single Execution Venue. Costs should include execution fees, including fees for the submission, modification or cancellation of orders or quotes withdrawals, as well as any fees related to market data access or use of terminals. The relevant costs may also

include clearing or settlement fees, or any other fees paid to third parties involved in the execution of the order when they are part of the services provided by the execution venue.

- 8.5 The company will never invite clients to choose an execution venue, however in case the company takes such action fair, clear and not misleading information shall be provided to prevent the client from choosing one execution venue rather than another on the sole basis of the price policy applied by the firm.
- 8.6 Where there is more than one competing venue to execute an Order Company's own commissions or fees for executing the Order on each of such execution venues will be taken into account. For the purposes of preventing unfair discrimination between execution venues the Company will not charge a different commission or spread for execution on different execution venues other than to reflect actual differences in the cost to the Company of executing on those venues.
- 8.7 The Company shall not receive any remuneration, discount or non-monetary benefit for routing client Orders to a particular execution venue which may lead to a conflict of interest. This particularly includes instances where such execution venues (e.g. internalisers matching client orders) are also connected parties with the Company. Under the same principle, the Company should not be bound to use services of connected intermediaries (e.g. liquidity providers of the same group) for executing a client Order if the overall cost of such execution, including the intermediary's fee, unfairly exceeds the cost of execution of such an Order through another immediately available intermediary with no specific benefit for the Client (e.g. favorable maintenance or custody fee).
- 8.8 To act in the best interests of its clients, the Company will be considering transmitting client orders instead of executing them itself where that would deliver a better result for clients.
- 8.9 The company will not pay or be paid any fee or commission, or provide or be provided with any non-monetary benefit in connection with the provision of an investment service or an ancillary service, to or by any party except the client or a person on behalf of the client, other than where the payment or benefit:
- a) is designed to enhance the quality of the relevant service to the client; and
  - b) does not impair compliance with the investment firm's duty to act honestly, fairly and professionally in accordance with the best interest of its clients.

The existence, nature and amount of the payment or benefit referred to in the first subparagraph, or, where the amount cannot be ascertained, the method of calculating that amount, will be clearly disclosed to the client, in a manner that is comprehensive, accurate and understandable, prior to the provision of the relevant investment or ancillary service. Where this payment or benefit vary depending on the client, the company will also inform the client about the maximum payment or benefit or range of payment or benefit that may be payable. Where applicable, the company will also inform the client on mechanisms for transferring to the client the fee, commission, monetary or non-monetary benefit received in relation to the provision of the investment or ancillary service.

The payment or benefit which enables or is necessary for the provision of investment services, such as custody costs, settlement and exchange fees, regulatory levies or legal fees, and which by its nature cannot give rise to conflicts with the company's duties to act honestly, fairly and professionally in accordance with the best interests of its clients, is not subject to the requirements set out in the first subparagraph.

## **9. Receipt and transmission of orders and use of brokers (including Company's affiliated and third-party brokers)**

- 9.1 Subject to any specific instructions that may be given by a client, the Company may transmit an order that it receives to another Company's entity or to an approved third-party broker, for execution. In doing so, the Company will act in the best interests of the client. The Company will monitor the quality of this service from receipt and transmission of the order to final execution.
- 9.2 The Company may also execute client order via other brokers, including an affiliate of the Company or a third-party broker.

## **10. Liquidity Providers / Price Providers / Brokers**

In order to select its Liquidity Providers / Price Providers / Brokers the Company considers all or part of the following criteria (the list is not exhaustive), if applicable:

- Their regulatory status;
- Their Financial strength;
- Rating;
- Reputation;
- Perceived creditworthiness - Credit risk rating (if available);
- Whether offered prices are as good as or better than, other competitors;
- Competitiveness of Commission rates, spreads and fees;
- Costs: whether imposes, or its use results in, charges that are higher or lower than its competitors;
- Ability to deal with large volumes;
- Order sizes that typically accepts;
- Promptness of execution;
- How quickly tends to complete an order;
- The depth of trading opportunities - and thus, the likelihood that will be able to complete the client order;
- Whether and how well performs in executing different types of orders (buy, sell, limit order, etc);
- Past history in executing orders;
- Clearance and settlement capabilities;
- Ability to settle customer's orders according to the customer's instructions;
- Provision of delegated regulatory reporting;
- Market share;
- Tenure;
- Reliability of technology;
- Quality of service;
- Quality of Execution (i.e. speed of execution, rejections, slippage, etc)

## 11. Evidence of best execution

Upon reasonable request from a client, and provided that the order was subject to the Policy, the Company will demonstrate to the client that it has executed its order in accordance with this Policy. In the absence of evidence to the contrary, the records of the Company will constitute conclusive evidence of the actions taken by the Company to obtain Best Execution on behalf of its clients. The Company keeps all records relating to its trading activities, versions of this Policy and records of the prices for individual financial instruments shown on our Electronic Trading Platform, including details about costs, speed and likelihood of execution, for a minimum period of 5 years in accordance with local regulatory requirements. We shall also keep records which evidence our ongoing monitoring of best execution and which demonstrate our compliance with best execution obligations to any Competent Authority.

## 12. Monitoring / Reviewing

- 12.1 The Company will regularly monitor the quality of the execution process to assess whether:
- Client's orders are being handled in compliance with this Policy; and
  - Best execution is being achieved at the selected execution venues.
- 12.2 The Company will review and monitor the effectiveness of this Best Execution Policy and arrangements to identify and, where appropriate, correct any deficiencies. It will assess, at least annually, whether the execution venues included in this Best Execution Policy enable the Company to provide the best possible result for the client's orders and whether it needs to make changes to its execution arrangements.
- 12.3 If at any time we identify any deficiencies, we shall take appropriate remedial action and, where necessary, we shall amend this Policy to give effect to the action we have carried out. Amendments to this Policy shall be effective immediately.

- 12.4 Furthermore, a review will also be carried out whenever a material change occurs that affects the ability of the Company to continue to obtain the best possible result for the execution of its client orders on a consistent basis using the venues included in this Best Execution Policy. The Company will not notify its clients individually of changes, other than substantial material changes to this Best Execution Policy and therefore the client should refer from time to time to the [Company's website](#) where the latest and most up to date Execution Policy will be available.
- 12.5 The Company will publish on an annual basis on its website without any charges, data relating to the quality of execution of transactions on that venue and following execution of a transaction on behalf of a client it will inform the client where the order was executed. Periodic reports will include details about price, costs, speed and likelihood of execution for individual financial instruments.
- 12.6 The Company will summarise and make public on an annual basis, for each class of financial instrument, the top five execution venues in terms of trading volumes where they executed client orders in the preceding year and information on the quality of execution obtained.
- 12.7 The Company considers that the following factors, the list is not exhaustive, constitute Material Change:
- Change of execution venues (Liquidity Providers / Price Providers / Brokers)
  - Significant delay in the execution of orders
  - Significant deviation between “positive slippage” and “negative slippage”
  - Significant increase in the number of re-quotes
  - Significant deviation of the quoted prices compared with the average market price
  - Any change to the relative importance of execution criteria and relevant factors as described in this policy
  - Changes of the platform(s) used by the Company for execution of client's orders
- 12.8 In order to be able to have documented procedures and technical controls to monitor and evaluate the adequacy and effectiveness of the arrangements of the best execution we have created an internal tool to check slippage, latency, the average spreads and monthly rejections. The reception and transmission Officer will extract the following reports:
- Monthly Slippage report(open/close)
  - Monthly Latency Report(Open/close)
  - Monthly Average Spreads Report
  - Monthly Rejections

These reports will be checked from Compliance Officer on a regular basis (at least monthly) and feedback will be provided if necessary to resolve any non-compliant factor.

### 13. Prior Consent

- 13.1 When establishing a business relationship with the Client the Company is required to obtain client's prior consent to its Best Execution Policy.
- 13.2 The Company is also requiring client's express prior consent in the event that their orders will be executed or transmitted for execution outside of a regulated market or multilateral trading facility (“MTF”) or an Organised Trading Facility (“OTF”). This Company's Best Execution Policy provides for the possibility that client's orders may be executed or transmitted for execution outside a regulated market or an MTF or an OTF. The Client is informed that the Company always acts as principal (counterparty) and is the sole execution venue, which is not a regulated market or a multilateral trading facility (“MTF”) or an Organised Trading Facility (“OTF”).

- 13.3 The Company may obtain the above consents in the form of a general agreement. The Company will treat clients who have either received the Best Execution Policy or agreed to receive it in any electronically format or via the internet and have accepted the Terms of Business of the Company, as Clients who have given consent to the Policy as well as given express consent to the Company to execute or receive and transmit an order for execution outside a regulated market or MTF or an OTF.
- 13.4 Please note that there are various consequences resulting from an order being execute outside of a Trading Venue, including counterparty credit risk potentially resulting from facing a counterparty rather than, say, a clearing house of the Trading Venue. If you would like additional information about such consequences, please let us know in writing.

#### 14. Important Information

- 14.1 Specific leverage limits or restrictions apply for retail clients. There may be specific leverage limits on the instruments available. For more information please visit our [website](#).
- 14.2 CFDs are not eligible for sale in certain jurisdictions or countries. The Policy is not directed to any jurisdiction or country where its publication, availability or distribution would be contrary to local laws or regulations, including the United States of America. The Policy does not constitute an offer, invitation or solicitation to buy or sell CFDs. It may not be reproduced or disclosed (in whole or in part) to any other person without prior written permission. The Policy is not intended to constitute the sole basis for the evaluation of the client's decision to trade in Contracts for Difference (CFDs).
- 14.3 Thanks to the cooperation with the leading providers, we can offer our clients a high level of the liquidity, which provides fast and secure execution of all transactions.
- 14.4 The Company will obtain the best possible result for the client in respect of the elements covered by their instructions.

#### 15. Requests for further Information

- 15.1 The client has the right to make reasonable and proportionate requests for information about this policy or company's order execution arrangements and how they are reviewed by the company. The company will clearly provide relevant information to the client as soon as possible.

#### 16. Definition

**Multilateral trading facility or MTF** means a multilateral system operated by an Investment Firm or market operator, which brings together multiple third-party buying and selling interests in financial instruments - in the system and in accordance with its non-discretionary rules.

**Organised trading facility or OTF** means a multilateral system which is not a regulated market or an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract.

**Regulated market or organized market** means the multilateral system managed or operated by a market operator and which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments - in the system and in accordance with its non-discretionary rules - in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules or/and systems.

**Systematic internaliser** means an IF which, on an organised, frequent systematic and substantial basis, deals on own account when executing client orders outside a regulated market, an MTF or an OTF without operating a multilateral system.



## **Annex 1**

This Policy will apply to the following classes of financial instruments:

### **Financial Instruments**

- a) Financial contracts for differences;