ORDER EXECUTION POLICY

Best execution arrangements for CFDs and leveraged instruments

Bursa Prime Ltd. (trading as **BursaPrime**)

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RISK WARNING

> **CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 65% of retail investor accounts lose money when trading CFDs with this provider. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.**

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1. INTRODUCTION AND PURPOSE

1.1. This Order Execution Policy (the "**Policy**") is issued by Bursa Prime Ltd. (the "**Company**", "**we**", "**us**", "**our**") and describes the arrangements the Company has established to obtain the best possible result for its clients when receiving, transmitting and executing orders in the financial instruments it offers.

1.2. The Company offers Contracts for Difference ("**CFDs**") and [other leveraged instruments] referencing currency pairs, indices, commodities, shares, exchange-traded funds, futures contracts, cryptoassets and such other underlying assets as the Company may make available from time to time.

1.3. This Policy is provided alongside the Company's Terms and Conditions and forms part of the Company's Legal Documentation. It should be read together with the Terms and Conditions, the Risk Disclosure and the Conflicts of Interest Policy. In the event of conflict, the Terms and Conditions prevail, save where a provision of this Policy is required by Applicable Regulations.

1.4. This Policy does not guarantee that the exact price requested will be obtained on any particular order, nor that the best possible result will be achieved on every individual transaction. The obligation is to take all sufficient steps to obtain the best possible result on a consistent basis. The interaction of the execution factors described in Section 7 may lead to a different result on any given transaction.

2. SCOPE AND APPLICATION

2.1. This Policy applies to all clients of the Company categorised as **Retail Clients** and **Professional Clients**. [Where applicable: it does not apply to transactions with Eligible Counterparties, in respect of which the best execution obligation does not arise, although the Company continues to act honestly, fairly and professionally.]

2.2. This Policy applies to all financial instruments offered by the Company and to all channels through which orders may be placed, including the Company's trading platforms, mobile applications, application programming interfaces and, where offered, telephone dealing.

2.3. This Policy applies whether the order is placed manually by the client, generated automatically by an expert advisor, algorithm or trading system operated by or for the client, generated through a copy trading or signal service, or placed by a third party acting under a trading authority granted by the client.

3. REGULATORY FRAMEWORK

3.1. This Policy is established in accordance with [Applicable Regulations], which in the Company's jurisdiction include [insert as applicable: Article 27 of Directive 2014/65/EU (MiFID II) and Articles 64 to 66 of Commission Delegated Regulation (EU) 2017/565 / the Cyprus Investment Services and Activities and Regulated Markets Law / FCA COBS 11.2A / ASIC market integrity rules / the rules of [OFFSHORE REGULATOR]].

3.2. Those requirements oblige the Company, in summary, to take all sufficient steps to obtain the best possible result for clients when executing orders, taking into account price, costs, speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of the order; to establish and implement this Policy; to obtain the client's prior consent to it; to obtain the client's express prior consent before executing orders outside a trading venue; to monitor the effectiveness of its execution arrangements; to review this Policy at least annually and whenever a material change occurs; and to notify clients of material changes.

3.3. Best execution reporting. The obligation formerly imposed by Article 27(6) of MiFID II — requiring investment firms to publish annually the top five execution venues used and information on the quality of execution obtained (the "RTS 28 reports") — was removed by the MiFID II/MiFIR review adopted by the European Parliament in January 2024, and supervisory action in respect of it was deprioritised by the European Securities and Markets Authority from 13 February 2024. The equivalent United Kingdom requirement was removed with effect from 1 December 2021. **The removal of the reporting obligation does not affect the substantive best execution obligation**, which continues to apply in full and remains subject to supervision.

3.4. Forthcoming standards. The MiFID II review inserted a new Article 27(10) into MiFID II mandating regulatory technical standards on the criteria for establishing and assessing the effectiveness of investment firms' order execution policies. The final draft standards were published on 10 April 2025 and address, among other matters: the establishment of the policy; the classification of the financial instruments in which the firm executes client orders; the selection and justification of execution venues, including the use of a single venue; the procedures and criteria for monitoring and assessing effectiveness; the execution of client orders through own account dealing; and the treatment of specific client instructions. This Policy has been drafted to reflect those criteria in anticipation of their application. [Confirm the applicable implementation date in the Company's jurisdiction before publication.]

4. DEFINITIONS

Execution Venue — a regulated market, multilateral trading facility, organised trading facility, systematic internaliser, market maker, other liquidity provider, or an entity performing a similar function in a third country, at or with which an order is executed.

Liquidity Provider ("LP") — a third party from which the Company sources price feeds and with which it may enter into offsetting transactions to hedge its own exposure. **An LP is not an execution venue for client orders** (see clause 5.4).

Execution Factors — the factors listed in Section 7.

Execution Criteria — the criteria listed in clause 8.1 by reference to which the relative importance of the Execution Factors is determined.

Total Consideration — the price of the financial instrument together with all costs directly related to the execution of the order.

Own Account Dealing — trading against proprietary capital resulting in the conclusion of transactions in financial instruments, including where the Company enters into a back-to-back transaction with an LP.

A-book / B-book / Internalisation — as defined in the Conflicts of Interest Policy.

Slippage — the difference between the price at which an order is submitted for execution and the price at which it is executed.

Abnormal Market Conditions — as defined in the Terms and Conditions.

Capitalised terms not defined here have the meaning given to them in the Terms and Conditions.

5. EXECUTION CAPACITY AND EXECUTION VENUE

5.1. The Company acts as principal at all times and never as agent. The Company does not transmit client orders to a regulated market for execution in the client's name and does not act on the client's behalf in dealings with third parties.

5.2. Every transaction entered into by a client is a bilateral over-the-counter contract between the client and the Company. **The Company is the sole counterparty to every client transaction.** A position opened with the Company can only be closed with the Company. There is no secondary market and no ability to transfer or novate a position to another provider.

5.3. Accordingly, **the Company is the sole Execution Venue for all client orders.** All execution of client orders is carried out in the Company's own name.

5.4. The Company may transmit orders, or the aggregate exposure arising from client orders, to third-party LPs for the purpose of hedging its own market risk. **Such transmission is a proprietary risk management activity of the Company. It does not make the LP an execution venue for the client's order, and the client has no contractual relationship with, or claim against, any LP.**

5.5. Justification for the use of a single execution venue

5.5.1. The Company recognises that the use of a single execution venue requires justification and ongoing assessment. The Company's assessment is as follows:

- **(a)** The instruments offered are over-the-counter derivatives created and quoted by the Company. They are not fungible with instruments offered by any other provider and are not admitted to trading on any trading venue. **There is therefore no alternative venue on which an order in a Company instrument could be executed.**

- **(b)** Because the Company is the only venue, there are no third-party execution venue fees, clearing fees or settlement fees borne by the client, and the Total Consideration is determined by the Company's price and its own published costs.
- **(c)** The quality of the result obtained by the client therefore depends on (i) the fairness of the price the Company constructs, and (ii) the quality of the Company's execution arrangements. These are addressed at Sections 6, 11, 12 and 23.
- **(d)** The Company assesses at least annually whether this arrangement continues to deliver the best possible result for clients on a consistent basis, including by benchmarking its prices, spreads and execution statistics against independent market references and comparable providers. The assessment and its outcome are documented and reported to the management body.

5.5.2. The Company maintains an internal list of approved LPs and reference data sources, the governance procedures applicable to their selection, and the classes of financial instrument for which each is used. A summary is set out at Annex II.

6. OWN ACCOUNT DEALING AND FAIR PRICING

6.1. Because the Company executes client orders by dealing on own account, it is required to set out how it ensures that the prices proposed to clients are fair. This Section does that.

6.2. How the Company's price is derived. For each instrument the Company derives its price as follows, in order of preference:

- **(a)** by direct reference to the prevailing market price of the underlying asset, obtained from two or more independent LPs and/or market data providers, aggregated and validated against one another;
- **(b)** where a direct market price is unavailable or is assessed as unreliable, by reference to the price of a closely related or economically similar instrument (for example, the front-month futures contract for a spot commodity or index instrument), adjusted for the relevant basis;
- **(c)** where neither (a) nor (b) is available, by reference to an **internal pricing model** using inputs derived from reliable and, so far as possible, external data. The methodology, inputs and assumptions of each such model are documented, approved by [the Risk Management function], reviewed at least annually, and made available to the regulator on request.

6.3. Validation. Incoming price feeds are subject to automated validation. Prices identified as stale, outside defined tolerance bands, or inconsistent across sources are excluded from the aggregation and may result in the temporary suspension of quoting in the affected instrument.

6.4. Symmetry. The mark-up and spread applied to the derived reference price are applied symmetrically to the bid and the ask, save where an asymmetry is disclosed in the contract specifications.

6.5. Independence from the Company's book. The construction of the price quoted to clients is governed by the parameters described in this Section and **is not adjusted by reference to the Company's own net position, to the identity of an individual client, or to whether the exposure arising from a particular order will be A-booked, B-booked or internalised.**

6.6. Treatment of exposure. Following execution, the exposure arising from a client's position may be hedged with an LP (A-book), offset against the opposing exposure of other clients (internalisation), or retained on the Company's own book (B-book), in accordance with a documented, rule-based methodology approved by the management body and applied by the Risk Management function.

6.7. That decision is taken after execution, at the level of the Company's aggregate book, and does not affect the price at which the client's order was executed. Clients are not notified of the treatment applied to any individual order.

6.8. The conflicts of interest arising from own account dealing, and the controls applied to them, are described in the Conflicts of Interest Policy and summarised at Section 26 of this Policy.

7. EXECUTION FACTORS

7.1. In executing client orders the Company takes into account the following Execution Factors:

- **(a) Price** — the price at which the order is executed.
- **(b) Costs** — all costs directly related to the execution of the order, including spread, mark-up, commission and any conversion charge.
- **(c) Speed of execution** — the elapsed time between receipt of the instruction and execution.
- **(d) Likelihood of execution** — the probability that an order can be filled at all, given available prices and liquidity.
- **(e) Likelihood of settlement** — the probability that an executed transaction will settle.
- **(f) Size of the order** — the volume of the order relative to available liquidity.
- **(g) Nature of the order** — the order type and any conditions attached to it.
- **(h) Market impact** — the effect of the order on the price of the instrument.
- **(i) Any other consideration** relevant to the execution of the order, including the operational reliability of the platform and the availability of the instrument at the time of the order.

8. RELATIVE IMPORTANCE OF THE EXECUTION FACTORS

8.1. In determining the relative importance of the Execution Factors, the Company takes into account the following Execution Criteria:

- **(a)** the characteristics of the client, including the client's categorisation as a Retail Client or Professional Client;
- **(b)** the characteristics of the client order, including any specific instruction;
- **(c)** the characteristics of the financial instrument to which the order relates;
- **(d)** the characteristics of the Execution Venue to which the order can be directed.

8.2. Absent specific instructions, the Company assigns the following relative importance:

Execution Factor	Relative importance	Rationale
Price	Highest	Determines the client's economic outcome; the principal component of Total Consideration.
Costs	Highest	Together with price forms Total Consideration; determined by the Company's published spread, mark-up and commission.

Speed of execution	High	In leveraged, fast-moving markets, delay translates directly into price risk.
Likelihood of execution	High	An unfilled or rejected order delivers no result; depends on available LP liquidity.
Size of order	Medium	Material for large orders and thin instruments, where partial fills or VWAP execution may result.
Nature of order	Medium	Determines the execution mechanic applied (see Annex I).
Market impact	Low	Client order sizes are generally immaterial relative to the underlying markets referenced.
Likelihood of settlement	Low	All transactions settle on execution to the client's account; no external settlement cycle applies.

8.3. The Company may depart from the ordering at clause 8.2 where the circumstances of a particular order or of prevailing market conditions require, and where doing so is consistent with obtaining the best possible result. Any systematic departure is documented and reflected in the next review of this Policy.

9. TOTAL CONSIDERATION

9.1. Where the Company executes an order on behalf of a **Retail Client**, the best possible result is determined in terms of **Total Consideration**, being the price of the financial instrument together with all costs directly related to execution — including the spread, any mark-up, any commission, and any currency conversion charge applied by the Company.

9.2. Speed, likelihood of execution and settlement, size, nature and any other consideration are given precedence over the immediate price and cost consideration **only** where they are instrumental in delivering the best possible result in terms of Total Consideration.

9.3. For **Professional Clients**, the Company may determine that a factor other than Total Consideration is of greater importance in the circumstances of a particular order.

9.4. A full description of the costs and charges applicable to each instrument is published in the contract specifications and the fee schedule on the Company's website.

10. SPECIFIC CLIENT INSTRUCTIONS

10.1. Where a client gives the Company a specific instruction as to the execution of an order, or any part of an order, **the Company will execute that order, or that part, in accordance with the instruction.**

10.2. Warning. A specific instruction may prevent the Company from taking the steps set out in this Policy to obtain the best possible result in respect of the elements covered by that instruction. **Where the Company executes an order in accordance with a specific instruction, it will have satisfied its best execution obligation in respect of the part of the order to which the instruction relates.**

10.3. Where a specific instruction covers only part of an order, the Company continues to apply this Policy to those parts of the order not covered by the instruction.

10.4. The selection by a client of an order type, a price level, a size or a validity period offered as standard functionality on the Company's platform is a specific instruction as to that element only, and is not to be read as a waiver of this Policy in respect of any other element.

10.5. The Company's own pre-selection of the venue at which an order will be executed does not constitute a specific client instruction. Because the Company is the sole Execution Venue, no venue choice is available to the client.

11. PRICE FORMATION, SPREADS AND MARK-UPS

11.1. For each instrument the Company quotes two prices: the **Ask**, at which the client may buy (go long), and the **Bid**, at which the client may sell (go short). The difference is the **spread**.

11.2. Spreads are variable. They reflect the spread available from the Company's LPs plus any mark-up applicable to the instrument and account type. Spreads may widen materially and without notice — including at market open and close, around scheduled economic releases and corporate announcements, over weekends and holidays, and during periods of low liquidity or elevated volatility.

11.3. Depending on the account type, the Company charges either a **commission** per lot, or a **mark-up** incorporated into the spread, or both. The applicable basis for each account type is published on the Company's website.

11.4. Prices are updated as frequently as the limitations of technology and communication links allow. **The prices displayed on the Company's platforms may differ from prices displayed on third-party charting or trading platforms**, which may draw on different sources and apply different mark-ups.

11.5. The Company does not quote prices outside the trading hours published for each instrument. Trading hours and holiday schedules are published on the Company's website and notified through the platform.

11.6. The Company determines, at its discretion, which prices are executable at any given time and is solely responsible for determining their validity.

11.7. Overnight financing (swap), dividend adjustments and other cash adjustments are applied in accordance with the contract specifications. Swap rates are variable and may be negative on both long and short positions.

12. LIQUIDITY PROVIDERS — SELECTION AND REVIEW

12.1. The Company sources price feeds and liquidity from multiple LPs. Maintaining more than one LP is important in Abnormal Market Conditions, when an individual provider may widen its spreads materially or cease quoting altogether; the remaining providers continue to compete to supply the best bid and ask.

12.2. LPs are selected and retained by reference to documented criteria including: competitiveness and stability of pricing; depth of liquidity across the relevant instruments; latency and technical reliability; capacity to meet its own best execution or fair-dealing obligations; regulatory status and jurisdiction; financial standing and creditworthiness; operational and settlement reliability; and commercial terms.

12.3. Commercial terms offered to the Company by an LP — including any rebate, volume incentive or shared revenue arrangement — are not a determining criterion in LP selection. Where an LP is a related party of the Company, the arrangement is documented, approved by the management body with any conflicted director abstaining, benchmarked against arm's-length terms and recorded in the Conflicts of Interest Register.

12.4. LP performance is monitored on an ongoing basis and formally reviewed at least annually. An LP that fails to meet the criteria may be suspended, have its allocation reduced, or be removed from the approved list.

12.5. The Company maintains an internal approved LP list recording, for each LP, the governance procedure by which it was approved, the classes of financial instrument for which it is used, the date of last review and the outcome of that review.

13. ORDER TYPES

13.1. The order types available to clients depend on the platform in use. A comparative matrix is set out at Annex I.

13.2. Market Order — an instruction to buy or sell at the best price currently available. A market order carries **no price guarantee**; the price obtained may differ from the price displayed at the time the instruction was submitted, and may differ from the top-of-book price.

13.3. Limit Order — an instruction to buy or sell once the price reaches a pre-set level (the limit price), used to execute at a chosen level rather than at the prevailing market price. A limit order will not be executed at a price worse than the level specified, but is not guaranteed to be executed at all.

13.4. Stop Order — an instruction to buy or sell once the price reaches a pre-set stop level. **On being triggered, a stop order becomes a market order** and is executed at the best price then available, which may be better or worse than the stop level.

13.5. Stop-Limit Order — an order combining the features of a stop order and a limit order: on the stop price being reached, a limit order at the specified limit price is placed.

13.6. Stop Loss — a stop order attached to an open or pending position to close it at a specified level in order to limit loss. **A Stop Loss does not guarantee the level at which the position will be closed.** On being triggered it becomes a market order and is subject to slippage and to gapping.

13.7. Take Profit — a limit order attached to an open or pending position to close it at a specified level in order to secure a gain.

13.8. Trailing Stop — [where offered] a stop order whose trigger level adjusts automatically as the market moves in the client's favour. Trailing stops are typically maintained by the client terminal and may cease to operate if the terminal is closed or disconnected.

13.9. Validity settings.

- **Good 'til Cancelled (GTC)** — the order remains live until triggered or cancelled by the client.
- **Good 'til Date (GTD)** — the order remains live until a date specified by the client, after which it is deleted.
- GTC and GTD settings may become redundant where a CFD referencing a futures contract reaches its maturity or expiry date.

13.10. Modification and cancellation. A pending order may be modified or cancelled by the client at any time before the market reaches the specified price. An order will be cancelled where: the client cancels it manually; a specified expiry date or time is reached; or the order is triggered and there is insufficient free margin for it to be executed.

13.11. A Stop Loss or Take Profit attached to a pending order may be removed by the platform when the pending order is triggered. **Where this occurs the client is responsible for reapplying risk controls to the resulting open position.**

13.12. The Company may delete pending orders that have not been triggered within [three (3) months] of entry into the system.

13.13. Minimum distance requirements may apply to stop and limit levels on certain platforms and instruments. Orders placed within the prevailing spread, or closer to the market than the applicable minimum distance, may be rejected or automatically removed.

14. ORDER HANDLING AND EXECUTION

14.1. Orders are received electronically and, in the substantial majority of cases, executed automatically without manual intervention.

14.2. Orders are executed **in the sequence in which they are received**, subject to the availability of prices and liquidity and to the validation checks described at clause 14.3.

14.3. On receipt, an order is checked for: instrument availability and trading hours; compliance with minimum and maximum size limits; compliance with any exposure cap; sufficiency of free margin; validity of the requested price; and any trading restriction applicable to the client or the instrument.

14.4. Pending orders are executed on the applicable side of the spread. Buy Limit, Buy Stop, and Stop Loss and Take Profit orders attached to open short positions are executed at the **Ask**. Sell Limit, Sell Stop, and Stop Loss and Take Profit orders attached to open long positions are executed at the **Bid**. **A client's Stop Loss may therefore be triggered by a movement in the spread alone.**

14.5. Where an order is triggered during a market gap, it will be executed at the first available price after the gap, which may be materially different from the level specified.

14.6. Where the platform aggregates liquidity across LPs, an order may be filled at the **volume-weighted average price** of the liquidity consumed.

14.7. Automatic routing. The Company will not employ an automatic routing configuration where it is aware, prior to execution, that doing so may adversely affect execution quality.

15. SLIPPAGE, PARTIAL FILLS AND REQUOTES

15.1. Slippage is the difference between the price at which an order is submitted and the price at which it is executed. It arises from the unavoidable interval between price generation, display, transmission of the instruction and execution, and from movements in the underlying market during that interval.

15.2. Slippage is a normal and expected feature of trading in leveraged instruments, particularly for larger orders and during periods of thin liquidity or elevated volatility. **Slippage may be positive (better than requested) or negative (worse than requested).**

15.3. The Company applies slippage symmetrically. Positive slippage is passed to the client in the same manner as negative slippage. The symmetry of the slippage actually experienced by clients is monitored under Section 23.

15.4. Partial fills occur where insufficient liquidity is available to fill an order in full at a single price. The parts may execute at different prices, and the resulting average price may be worse than the price requested.

15.5. Requotes. On certain platforms and account types, where the requested price is no longer available the Company may respond with a revised price for the client to accept or decline rather than executing the order. The market may move further during that process.

15.6. Clients may, where the platform permits, specify a maximum deviation or slippage tolerance. Setting such a tolerance is a specific instruction within the meaning of Section 10, and may reduce the likelihood of execution.

16. ORDER REJECTION AND CANCELLATION

16.1. The Company may reject or cancel an order, in whole or in part, including where:

- **(a)** there is no liquidity available in the market at the relevant time;
- **(b)** the price on which the order was submitted is identified by the Company's systems as stale, erroneous or otherwise invalid;
- **(c)** there is insufficient free margin in the account;
- **(d)** a trading restriction applies to the instrument, including suspension, close-only status or a halt on the relevant underlying market;
- **(e)** the order exceeds a maximum size, contract cap or net exposure limit applied by the Company;
- **(f)** the order relates to an instrument that is not available to the client's jurisdiction, account type or client categorisation;
- **(g)** the Company reasonably considers the order to breach the Terms and Conditions, this Policy, the Company's internal policies, or Applicable Regulations — including where it forms part of arbitrage unrelated to genuine market inefficiency, abuse of pricing errors, or other abusive trading practices as defined in the Terms and Conditions;
- **(h)** the Company is required to do so by a court, regulator or other competent authority.

16.2. Rejection rates are monitored under Section 23, including for asymmetry between client segments.

16.3. Manifest error. Where the Company quotes or executes at a price that is materially incorrect as a result of a system fault, an erroneous feed, human error or an obvious mispricing, the Company may void the transaction or adjust the opening and/or closing price to the price that would have applied absent the error, in accordance with the Terms and Conditions.

17. MANUAL INTERVENTION

17.1. The Company may execute an order manually, rather than automatically, and may do so without prior notice to the client. Manual execution may occur in circumstances including: elevated volatility; illiquidity or infrequent price updates; an order of significant size (significance being determined by the Company by reference to the instrument and prevailing liquidity); a suspected technical fault; and where the Company's systems identify potentially abusive trading behaviour, including correlated activity across multiple accounts or client profiles bearing the same characteristics.

17.2. Every instance of manual intervention requires a recorded reason and is subject to four-eyes review. Manual intervention records are reviewed by Compliance under Section 23.

17.3. Manual intervention may not be initiated by, or at the request of, the Sales, Retention or Marketing functions.

18. AGGREGATION AND ALLOCATION OF ORDERS

18.1. The Company does not aggregate the orders of one client with those of another for the purpose of execution. Each client order is executed individually against the Company as principal.

18.2. Where the Company aggregates its own hedging activity across multiple client positions, that aggregation occurs at the level of the Company's own book after execution of the client orders, and has no effect on the price at which any client order was executed.

19. MARGIN, LEVERAGE, MARGIN CALL AND STOP-OUT

19.1. Positions are opened and maintained on margin. The margin requirement for a position is determined by the notional value of the position and the applicable leverage.

19.2. Where the leverage applicable to the account differs from the leverage applicable to the instrument, **the lower of the two is applied** for margin calculation purposes.

19.3. Any change to the leverage applied to an account holding open positions may take **immediate effect on those positions** and may itself result in a margin call or stop-out.

19.4. Margin call. The Company may, but is not obliged to, notify a client that the margin level has fallen below the required level. Any such notification is a courtesy and does not relieve the client of the obligation to maintain margin.

19.5. Stop-out. Where the margin level falls to or below **[XX]%**, the Company will close open positions automatically at the prevailing market price, without prior notice and without client instruction:

- on [MT4-style platforms]: beginning with the most unprofitable position;
- on [MT5-style platforms]: beginning with the position showing the largest loss, repeating until the margin level is restored above the threshold;
- on [cTrader-style platforms]: closing only so much of the largest position as is necessary to restore the margin level above the threshold, where a smart stop-out mechanism is in operation.

19.6. Positions closed under the stop-out mechanism are subject to slippage and gapping in the same way as any other market order. In fast-moving or gapping markets, positions may be closed at prices materially worse than the stop-out threshold, and in extreme conditions the mechanism may execute late or not at all.

19.7. The Company may increase margin requirements or reduce available leverage at any time, including in respect of existing open positions — for example ahead of scheduled economic releases, earnings announcements, elections, weekends, holidays, or in Abnormal Market Conditions.

20. CORPORATE ACTIONS, EXPIRY AND ROLLOVER

20.1. Dividends. For share and index CFDs, where the underlying goes ex-dividend a cash adjustment is applied: a **credit** to long positions and a **debit** to short positions, in accordance with the contract specifications and subject to any applicable withholding.

20.2. The Company may increase margin requirements ahead of a dividend or an earnings announcement, and may limit maximum exposure on the affected instruments.

20.3. Fractional adjustments. Where a corporate action results in a fractional position, the fractional component may be settled as a cash adjustment calculated as the fractional position multiplied by the adjusted closing price on the day preceding the ex-date.

20.4. Other corporate actions — including stock splits, reverse splits, rights issues and spin-offs — result in an adjustment to the client's position intended to mirror the economic effect of the event.

20.5. Mergers, acquisitions and leveraged buyouts. The Company may increase margin requirements, suspend or halt trading in the instrument, limit maximum exposure, close positions where the underlying ceases to trade, or take such other action as it considers necessary.

20.6. De-listing. Where an underlying share is de-listed, the client's position will be closed at the last traded market price.

20.7. Expiry and rollover. CFDs referencing futures contracts have a defined expiry. On or before expiry the position is closed or rolled into the next contract month in accordance with the contract specifications, which may involve a cash adjustment and a change in the reference price. Expiry and rollover dates are published on the Company's website. **Clients are responsible for monitoring them**, and pending orders including GTC and GTD orders may become redundant on expiry.

21. ABNORMAL MARKET CONDITIONS AND FORCE MAJEURE

21.1. In Abnormal Market Conditions or on the occurrence of a Force Majeure Event, the Company may, without prior notice: widen spreads or cease quoting; increase margin requirements including on open positions; delay, refuse, cancel or manually execute orders; suspend an instrument or place it in close-only mode; limit order size or net exposure; close open positions at a price the Company determines in good faith to be fair and reasonable; or void or amend transactions affected by the event.

21.2. Suspension of the underlying. Where trading in an underlying asset is suspended or halted on the relevant market, the corresponding instrument may be suspended. **Overnight financing charges may continue to accrue on positions held during a period of suspension.** In the event of a prolonged suspension the Company may require additional margin or close the position at a price it determines to be fair and reasonable.

21.3. Action taken under this Section is recorded, including the reason and the price basis applied, and is subject to review by Compliance.

22. CLASSIFICATION OF FINANCIAL INSTRUMENTS

22.1. For the purposes of monitoring and assessing execution quality, the Company classifies the instruments it offers into defined classes, and into subclasses where necessary to prevent poor execution quality in a particular product from being obscured within a broader class.

22.2. The classification is maintained for **internal monitoring purposes** and is not intended as a disclosure to clients. The current classification is summarised at Annex III.

22.3. The classification is reviewed whenever a new instrument or product category is introduced, and in any event at least annually.

23. MONITORING, ASSESSMENT AND REVIEW

23.1. The Company monitors the effectiveness of its order execution arrangements and of this Policy on an ongoing basis, and assesses that effectiveness formally **at least annually** and whenever a material change occurs that could affect the Company's ability to obtain the best possible result for clients.

23.2. Monitoring is conducted against **predetermined thresholds** for each execution quality indicator. A breach of a threshold triggers an investigation, a documented root-cause analysis and, where appropriate, immediate corrective action.

23.3. Indicators monitored include, at minimum:

- **(a)** competitiveness of the Company's quoted prices and spreads against independent market reference data and comparable providers, by instrument class;
- **(b) symmetry of slippage** — the distribution of positive versus negative slippage, measured by instrument, account type and client segment;
- **(c)** order rejection rates and reasons, by instrument and client segment;
- **(d)** requote rates, where applicable;
- **(e)** speed of execution and system latency;
- **(f)** fill rates and incidence of partial fills;
- **(g)** frequency of, and reasons for, manual intervention;
- **(h)** incidence and handling of manifest errors and voided or adjusted trades;
- **(i)** LP performance, including fill quality, latency and availability;
- **(j)** client complaints relating to execution.

23.4. Segment-level analysis. Indicators (b), (c) and (g) are analysed for material differences between client segments — in particular between consistently profitable and consistently unprofitable clients. **A material and unexplained asymmetry is treated as a finding requiring remediation**, not as a statistical artefact.

23.5. Monitoring uses high-quality reference datasets. Where a consolidated tape or equivalent independent reference is available for an underlying market, it is used in preference to a single-provider feed.

23.6. The annual assessment evaluates: whether the arrangements described in this Policy are operating in practice; whether the single-venue arrangement (clause 5.5) continues to deliver the best possible result; whether the LP panel remains appropriate; whether the pricing methodology at Section 6 continues to produce fair prices; and whether the relative importance assigned at clause 8.2 remains correct.

23.7. Findings, recommendations and remedial actions are documented and reported to the management body. **Where the assessment identifies a deficiency, the deficiency and its remediation are recorded; an assessment that records no findings in successive periods is itself scrutinised.**

23.8. Where a material change is made to this Policy or to the Company's execution arrangements, clients are notified in accordance with the Terms and Conditions and the updated Policy is published on the Company's website.

24. GOVERNANCE AND RESPONSIBILITIES

24.1. Management body. Approves this Policy and each material amendment; receives and challenges the annual effectiveness assessment; satisfies itself that the arrangements described operate in practice; and approves the A-book / B-book methodology referred to at clause 6.6.

24.2. Compliance function. Performs independent oversight of execution quality monitoring, reviews samples of manual interventions, rejections and voided trades, reports findings to the management body, and maintains this Policy. **The Compliance function performs an oversight role and does not take execution or commercial decisions.**

24.3. Risk Management function. Owns the pricing parameters, the LP panel, exposure limits and the A-book / B-book allocation methodology, and operates them independently of the commercial functions.

24.4. Dealing / Trading operations. Operates execution within the parameters set, records the reason for every manual intervention, and escalates anomalies.

24.5. The Sales, Retention and Marketing functions have **no authority** over pricing parameters, execution settings, allocation treatment or manual intervention, and no access to the systems by which they are configured.

25. RECORD-KEEPING

25.1. The Company retains, for at least [five (5) years / the period required by Applicable Regulations], in a readily accessible and **machine-readable** format:

- all client orders and instructions, and all transactions executed, with full timestamps;
- price feed and quote data sufficient to reconstruct the Company's price at the time of any execution;
- records of rejections, requotes, partial fills, slippage, manual interventions and voided or adjusted trades, with reasons;
- pricing model documentation, parameters and approvals;
- LP approval, review and performance records;
- execution quality monitoring outputs, threshold definitions and breach investigations;
- all versions of this Policy, with a record of what changed, when, why and by whom it was approved;
- minutes of management body consideration of execution matters.

26. CONFLICTS OF INTEREST

26.1. Because the Company acts as principal and is the sole counterparty to every client transaction, **where exposure arising from a client position is retained on the Company's own book, the Company's financial interest in that position is directly opposed to the client's.**

26.2. The Company also exercises discretion over the construction of prices, the application of mark-ups, the acceptance and rejection of orders, the circumstances of manual intervention, and the setting of margin, leverage and stop-out parameters. Each of these is a source of conflict.

26.3. These conflicts and the controls applied to them — including the rule-based allocation methodology, the independence of the Risk function from the commercial functions, slippage symmetry monitoring, four-eyes review of manual intervention, and remuneration controls — are described in full in the Company's **Conflicts of Interest Policy**, available at [URL].

26.4. Disclosure of these conflicts does not substitute for their management. The controls described in the Conflicts of Interest Policy and monitored under Section 23 of this Policy are the primary mitigation.

27. CLIENT CONSENT

27.1. By entering into the Terms and Conditions, the client provides **prior consent to this Policy**.

27.2. By entering into the Terms and Conditions, the client provides **express prior consent** to the execution of orders **outside a regulated market, multilateral trading facility or organised trading facility**. The client acknowledges that transactions executed outside a trading venue may expose the client to greater risk than transactions executed on a regulated exchange, including counterparty risk, and that the trading rules applicable to those transactions are established by the Company as the sole counterparty.

27.3. The client consents to orders being executed in accordance with the version of this Policy in force at the relevant time.

27.4. Where a client places an order, the client is deemed to consent to its execution in accordance with this Policy.

28. IMPORTANT INFORMATION

28.1. Specific leverage limits, product restrictions or eligibility conditions may apply depending on the client's jurisdiction, categorisation and Applicable Regulations.

28.2. CFDs are not eligible for sale or distribution in certain jurisdictions. This Policy is not directed at any person in any jurisdiction where its publication, availability or distribution would be contrary to local law or regulation, including [LIST OF RESTRICTED JURISDICTIONS].

28.3. This Policy does not constitute an offer, invitation or solicitation to buy or sell leveraged products, and is not intended to be the sole basis for any decision to trade.

28.4. This Policy is published at [URL] and provided to each client before the commencement of the business relationship. A copy is available free of charge on request.

29. CONTACT AND COMPLAINTS

Questions about this Policy should be addressed in the first instance to our Client Support Department:

- **Email:** [SUPPORT EMAIL]
- **Telephone:** [PHONE]
- **Address:** [REGISTERED ADDRESS]

Complaints, including complaints concerning execution quality, slippage, rejections, requotes or stop-outs, should be submitted in accordance with the Complaints Handling Policy at [URL] to [COMPLAINTS EMAIL]. If the client is not satisfied with the Company's final response, the client may be entitled to refer the complaint to [OMBUDSMAN / REGULATOR / ADR BODY], [contact details].

Document control

Owner	Compliance Department
Version	1.0
Approved by	[Board of Directors], [DATE]
Next review	[DATE] — at least annually
Related documents	Terms and Conditions; Risk Disclosure; Conflicts of Interest Policy; Privacy Policy; contract specifications; fee schedule

ANNEX I — ORDER TYPE EXECUTION MATRIX

Complete for each platform offered. Values below are indicative and must be verified against actual platform behaviour before publication.

Attribute	Market Order	Stop Order	Limit Order
Execution mechanic	Market	Market on trigger	Limit
Requoting	[Yes / No]	No	N/A
Negative slippage	Yes	Yes	No
Positive slippage	Yes	Yes	[Yes / No]
Partial fills	Yes	Yes	Yes
Minimum distance restriction	N/A	[Yes / No]	[Yes / No]
Commission	Where applicable	Where applicable	Where applicable
Mark-up	Where applicable	Where applicable	Where applicable
Price guaranteed	No	No	Yes, or better
Execution guaranteed	Subject to liquidity	Subject to liquidity	No

ANNEX II — EXECUTION VENUE AND LIQUIDITY PROVIDER DISCLOSURE

Execution venue. [COMPANY LEGAL NAME] is the sole execution venue for all client orders. The Company acts as principal and as the client's sole counterparty. No client order is executed on a regulated market, multilateral trading facility or organised trading facility.

Liquidity providers. The Company sources prices and hedges its own exposure with the following LPs. These entities are not execution venues for client orders and clients have no contractual relationship with them.

Liquidity provider	Instrument classes	Related party	Date of last review
[LP 1]	[FX, metals]	[No]	[DATE]
[LP 2]	[Indices, commodities]	[No]	[DATE]
[LP 3]	[Shares, ETFs]	[No]	[DATE]
[LP 4]	[Cryptoassets]	[No]	[DATE]

ANNEX III — INTERNAL INSTRUMENT CLASSIFICATION

Maintained for execution quality monitoring. Not a client disclosure.

Class	Subclasses monitored separately
FX — majors	[By pair]
FX — minors and crosses	[By pair]

FX — exotics	[By pair]
Precious metals	[Gold, silver, other]
Energy	[Oil, gas, other]
Soft and agricultural commodities	[By contract]
Equity indices — cash	[By index]
Equity indices — futures-referenced	[By index and contract month]
Single-name shares	[By listing venue]
Exchange-traded funds	[By listing venue]
Cryptoassets	[By pair]
[Other]	

APPENDIX — DRAFTING NOTES

Remove this appendix before publication. It is guidance for you and your legal counsel, not client-facing content.

A. Two regulatory changes most competitor policies have not caught up with

1. **RTS 28 is gone, and many published policies still promise it.** Article 27(6) of MiFID II — the top-five-execution-venues annual report — was deleted by the MiFID II/MiFIR review adopted in January 2024, and ESMA told national regulators from 13 February 2024 not to prioritise supervisory action on it. The UK dropped it on 1 December 2021. ESMA was explicit that the substantive best execution obligation is untouched and that firms must still strictly adhere to it. If you copy a competitor's policy you will very likely inherit a commitment to publish a report that no longer exists — which is worse than saying nothing, because it is a published promise you will not keep. Clause 3.3 handles this correctly.
2. **New RTS on order execution policies is coming.** The MiFID review inserted Article 27(10) mandating ESMA to write technical standards on how firms establish and assess their OEPs. ESMA published the final draft on 10 April 2025 and sent it to the European Commission; it enters into force 18 months after publication in the Official Journal. Several of its requirements land directly on a business like yours, and I have drafted to them ahead of time:

- **Single execution venue must be justified.** The draft RTS does not prohibit using one venue, but requires firms to justify how it consistently achieves the best possible result, to disclose exclusive arrangements, to compare costs against alternative venues, and to reassess periodically. Clause 5.5 is that justification. It is the single most important clause in this document for a firm that is its own venue.
- **Own account dealing requires a documented fair-pricing method.** Firms dealing on own account, including back-to-back, must set out in the OEP how they ensure a fair price — using market prices, prices of similar instruments, or internal pricing models based on reliable data. Section 6 is written to that three-tier structure.
- **Internal instrument classification.** ESMA settled on firms identifying common classes, plus subclasses where needed, so that poor execution in one product is not hidden inside a broad class. The final report clarified this is for internal monitoring, not client disclosure — which is why Annex III says so explicitly.
- **Predetermined thresholds and high-quality reference data.** Section 23.2 and 23.5.
- **Roles of senior management and compliance, with compliance kept out of decision-making.** Section 24, especially 24.2.
- **Machine-readable records.** Clause 25.1.
- **Automatic routing must not be used where the firm knows it may harm execution quality.** Clause 14.7.

B. Alignment with the two documents already drafted

- Clause 6.6–6.7 here is the execution-side statement of the same A-book/B-book model described at Section 7.2 of the Conflicts of Interest Policy and Section 12 of the Risk Disclosure. The three must stay consistent. The specific claim that ties them together is clause 6.5 — that pricing is not adjusted by reference to the Company's own position or the client's identity. If that is not true operationally, this clause must come out of all three documents.

- Clause 23.3(b) and 23.4 (slippage symmetry by client segment) is the same control as clause 13.3 of the Conflicts of Interest Policy. One control, two documents.
- Clause 17.3 and 24.5 (Sales has no authority over execution) mirror clause 13.2 of the Conflicts of Interest Policy.

C. Placeholders that must be verified against actual platform behaviour

The stop-out percentage (19.5); the per-platform stop-out logic; minimum distance rules (13.13); pending order deletion period (13.12); whether requoting occurs at all and on which account types (15.5); and the whole of Annex I. **Annex I is the highest-risk table in the document** — if it says "no requoting" and your platform requotes, you have created a contractual representation you are breaching on every requote. Have someone test each cell on a live account before this is published.

D. Annexes II and III

Annex II is deliberately structured so that the "Related party" column exists. If any LP is connected to a director or shareholder, that has to be visible here and in the Conflicts of Interest Register — clause 12.3 commits you to it. Annex III can be trimmed to the instruments you actually offer; do not list classes you do not trade.

E. Legal review

I am not a lawyer and this is not legal advice. This draft reflects current market practice and current and forthcoming regulatory standards, but it is a starting point, not a publishable document. It requires review by counsel qualified in your chosen jurisdiction, and the ESMA implementation date must be confirmed if you go the EU route.