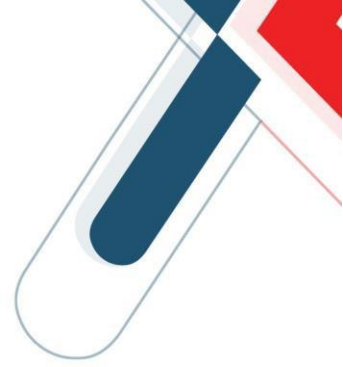


orbex

BEST EXECUTION



## I. INTRODUCTION

ORBEX Limited (the Company) is an investment firm regulated by the Cyprus Securities and Exchange Commission (CySEC) license number 124/10, following the implementation of the Markets in Financial Instruments Directive (MiFID) in the European Union and its transposition in Cyprus with Law 144(I) of 2007. The Company is required to provide its customers and potential customers with its Order Execution Policy and to act in the best interest of the customer (hereinafter the “Order Execution and Best Interest Policy”).

The Company is committed to take all reasonable steps to act in the best interest of the customer/client when receiving and transmitting orders for execution and to take all reasonable steps to obtain the best possible result (or “best execution”) for its customers either when executing client orders or receiving and transmitting orders for execution.

In addition, these rules require Cyprus Investment Firms to put in place a relevant policy and to provide appropriate information to their customers on the Order Execution and Best Interest Policy.

The Terms and Conditions must be read carefully by all Customers and prospective customers as they contain important information on customer requests and instructions, and the customer responsibility to contact the Company for further clarification or inquires.

## II. SCOPE OF POLICY

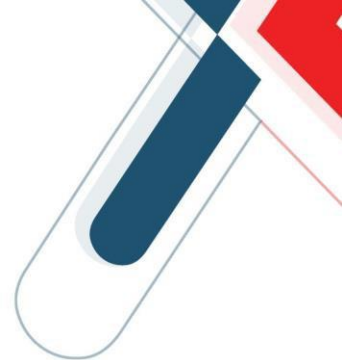
The Policy applies to company retail and professional customers, each client is categorised by the Company as a “Retail Client” or a “Professional client”. In addition, certain professional Clients maybe further categorised as “Eligible Counterparties.”

Categorisation is undertaken on the basis of objective criteria. A client may be put in different categories for particular investment services or transactions or types of transactions or products. The Company notifies each client of this categorisation as a retail client or professional client or, as the case may be, eligible counterparty.

It is stressed that different rules and different levels of protection apply to clients depending on their categorization.

So, if the Company classifies a customer as an eligible counterparty, this policy does not apply.





### III. BEST EXECUTION FACTORS

The Company shall take all reasonable steps to obtain the best possible results for its customers, nevertheless, following factors might affect executing customers orders against the Company's quoted prices:

**Price:** For any given CFD, the Company will quote two prices: the higher price (ASK) at which the customer can buy the desired CFD, and the lower price (BID) at which the customer can sell that CFD; both are referred to as the Company's price. Such orders as Buy Limit, Buy Stop and Stop Loss, Take profit for opened short position are executed at ASK price.

Such orders as Sell Limit, Sell Stop and Stop Loss, Take profit for opened long position are executed at BID price. The Company's price for a given CFD is calculated by reference to the price of the relevant underlying asset, which the Company obtains from third party external reference sources. The Company's prices can be found on the Company's website.

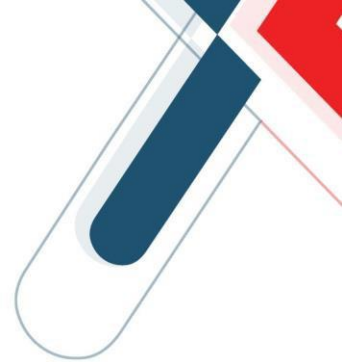
The Company updates its prices as frequently as the limitations of technology and communications allow. The Company reviews its third party external reference sources at least daily to ensure that the data obtained continues to remain competitive. The Company will not quote any price outside the Company's operations time.

For the ECN model, prices are obtained directly from well-known brokers and banks through an electronic execution system. The Company's execution system will automatically aggregate all available liquidity and will provide to Clients the best possible prices available

If the price reaches an order such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, or Sell Stop, these orders are instantly executed. But under certain trading conditions, it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop) at the declared customers price. In this case the Company has the right to execute the order at the first available price. The minimum level for placing Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit and Sell Stop orders, for a given CFD, is specified under Contract Specifications on company's website.

**Costs:** For opening a position in some types of CFDs the Customer may be required to pay commission or financing fees, the amount of which is disclosed on the Company website. Commissions may be charged either in the form of a percentage of the overall value of the trade or as a fixed amount. In the case of financing fees, the value of opened positions in some types of CFDs is increased or reduced by a daily financing fee "swap rate" 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 are available on the Company's website.

Commissions are charged, under the ECN model, either in the form of a percentage of the



overall value of the trade or as fixed amounts. Details of commissions fees applied are available on the Company's website, [www.orbex.com](http://www.orbex.com)

For all types of CFDs that the Company offers, the commission and financing fees are not incorporated into the Company' quoted price and are instead charged explicitly to the customer account.

**Speed of Execution:** In both cases where the Company acts either as principal or as agent, the Company places a significant importance when executing customer's orders and strives to offer high speed of execution within the limitations of technology and communications links at all times.

The customer may give instructions by telephone. Clients are responsible for the security of their access data. If the customer undertakes transactions on an electronic system (trading platform),s/ he will be exposed to risks associated with the system, including the failure of hardware and software (Internet / servers). The result of any system failure may be that the order is either not executed according to instructions or it is not executed at all.

The Company does not accept any liability in the case of such a failure.

**Likelihood of Execution:** As it is explained in the Execution Venue section of this Policy, the Company in some cases may act as principal whereby it will be the Execution Venue for the execution of the customer's orders for the financial instrument of CFDs.

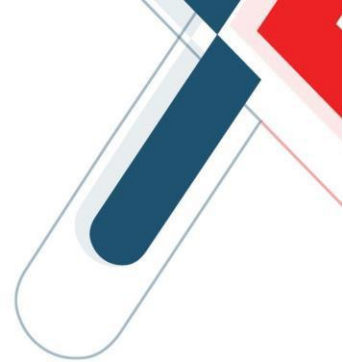
In other cases, the Company may act as agent whereby some other financial institution (to be disclosed to the customer) will be the Execution Venue, in which case execution may be more difficult. In addition, the Company whether it acts as a principal or agent, reserves the right to decline an order of any type or to offer the customer a new price for "market order". In this case, Customer can either accept or refuse the new price.

If the Company is acting as an agent, likelihood of execution depends on the availability of prices of other marketmakers/financial institutions.

**Likelihood of settlement:** The Company shall proceed to a settlement of all transaction upon execution of such transactions whether it is acting as agent or principal.

**Size of order:** The minimum size of an order is different for each type of account. A lot is a unit measuring the transaction amount and it is different for each type of CFD.

Please refer to the Company's website ([www.orbex.com](http://www.orbex.com)) for the value of minimum size of an order and each lot for a given CFD type.



It is noted that the Company may limit the maximum volume of the single transaction. The actual maximum volume of the single transaction is different for each type of account. In addition, the Company reserves the right to decline an order as explained in the agreement entered with the customer.

Please refer to the Company's website for the value of the maximum volume of the single transaction.

**Market Impact:** Some factors may rapidly affect the price of the underlying instruments from which the Company's quoted price is derived and may also affect the rest of the factors herein. The Company will take all reasonable steps to obtain the best possible result for its customers.

The Company does not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as priority factor.

Whenever there is a specific instruction from the customer the Company shall make sure that the customer's order shall be executed following the specific instruction.

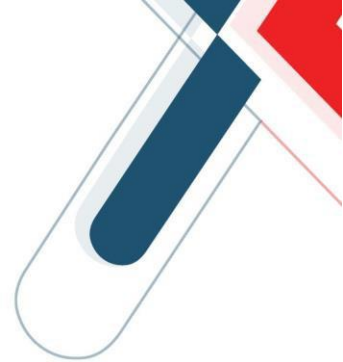
#### IV. BEST EXECUTION CRITERIA

The Company will decide the relative importance of the best execution factors by using its commercial judgment and experience in light of the information available on the market and taking into account the criteria described below:

- A.** The characteristics of financial instruments that are the subject of that order;
- B.** The characteristics of the customer order;
- C.** The characteristics of the customer including the categorization of the customer as retail or professional;
- D.** The characteristics of the execution venues to which that order can be directed.

For retail customers, the best possible result shall be determined 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 customer 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.

Furthermore, the clients are warned that Slippage may occur when trading in Financial Instruments. This is the situation when at the time that an order is presented for execution, the specific price showed to 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. So, Slippage is the difference between the expected price of an order, and the price the order is actually executed at. If the execution price is better than the price requested by the Client, this is referred to as positive slippage. If the executed 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 element when trading in financial instruments. Slippage more often occurs during periods of illiquidity or higher volatility (for example due to news announcements, economic events and market openings and other factors) making an order at a specific price impossible to execute. In other words, your orders may not be executed at declared prices. Slippage may appear in all types of accounts we offer. It is noted that Slippage can occur also during Stop Loss, Take Profit and other types of orders. We do not guarantee the execution of your Pending orders at the price specified. However, we confirm that your order will be executed at the next best available price from the price you have specified under your pending order.

Also, In some cases, the Company may be providing a secondary quote to the Client after an Order has been submitted; the Client must agree to this re-quote before the order is executed. The Company shall provide re-quotes if the requested price of the Client is not available at the specific time of execution. The secondary price provided to the Client is the next available price received by the Company from its price feeders. It is noted that re-quotes are not applicable for ECN accounts.

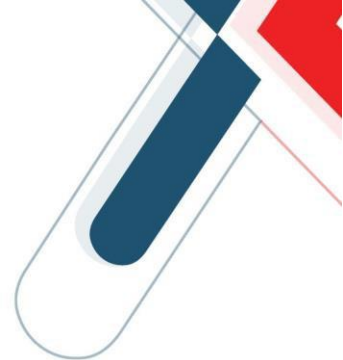
## V. TYPES OF ORDER(S) IN CFDS

### I. Market Order(s):

A Market Order is an order to buy or sell a CFD at the current price. Execution of this order results in opening a position. CFDs are bought at ASK price and sold at BID price. Stop Loss and Take Profit Orders can be attached to a Market Order. Market Orders are offered for all type of accounts.

### II. Pending Order(s):

The Company may offers the following types of Pending Orders: Buy Limit, Buy Stop, Sell Limit or Sell Stop Orders to Client Accounts used to receive and transmit Client orders in CFDs for execution to another entity (known as STP). A Pending Order is an order that allows the Client to buy or sell a CFD at a pre-defined price in the future. These Pending Orders are executed once the price reaches the requested level. However, it is noted that under certain trading conditions it may be impossible to execute these orders at the Client's requested price. In this case, the Company has the right to execute the order at the first best available price. This may occur, for example, at times of rapid price



fluctuations of 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 there is lack of liquidity, or this may occur at the opening of trading sessions. It is noted that Stop Loss and Take Profit may be attached to a Pending Order. Also, pending orders are good till cancelled.

### III. Take Profit:

Take Profit Order is intended for gaining the profit when the CFD price has reached a certain level. Execution of this order results in complete closing of the whole position. It is always connected to an Open Position or a Pending Order. The order can be requested only together with a market or a pending order. Under this type of order, the Company's Platform checks long positions with Bid price for meeting of this order provisions (the order is always set above the current Bid price), and it does with Ask price for short positions (the order is always set below the current Ask price)

### IV. Stop Loss:

This order is used for minimising of losses if the CFD price has started to move in an unprofitable direction. If the CFD price reaches this level, the whole position will be closed automatically. Such orders are always connected to an Open Position or a Pending Order. They can be requested only together with a Market or a Pending Order. Under this type of orders, the Company's Platform checks long positions with Bid price for meeting of this order provisions (the order is always set below the current Bid price), and it does with Ask price for short positions (the order is always set above the current Ask price).

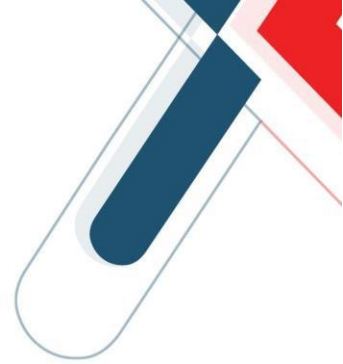
## VI. EXECUTION VENUES

Execution Venues are the entities with which the orders are placed. For the purposes of orders for the financial instrument of CFDs, Depending on the Clients account type, For ECN accounts the Company will act as an agent (therefore some third financial institution(s) will be the Execution Venue, currently via CMSFX and DIVISA). A list of these financial institution(s) will be on the Company's website. The list may be changed at the Company's discretion by giving at least one business day prior notice to clients.

Under Standard Accounts (NON ECN), The Company always act as the dealer and is the sole counterparty to any Clients orders places. And shall be considered as the Execution Venue for client's orders.

The Company's operation time for the trading of CFDs, is round – the – clock from 23:00a.m. to





23:00 p.m. Central European Time, Monday to Friday, except the 25th of December, and the 1st of January. During Day light Savings Time, our operation and server time is adjusted according to the New York time (EST). Other holidays will be announced on the Company website or through the internal mail of the Electronic Trading System at least 5 working days prior.

The client acknowledges that the transactions entered in CFDs with the Company are not undertaken on a recognised exchange, rather they are undertaken over the counter (OTC) and as such, they may expose the client to greater risks than regulated exchange transactions. Therefore, the Company may not transmit an order for execution, or it may change the opening (closing) price of an order in case of any technical failure of the trading platform or quote feeds.

## **VI. CLIENT'S SPECIFIC INSTRUCTION**

Whenever there is a specific instruction from or on behalf of a Client for the execution of an order, the Company shall arrange, to the extent possible, for the execution of the Client order strictly in accordance with the specific instruction.

*It is noted that the specific instruction may prevent the Company from taking the steps in the Policy to obtain the best possible result for the Client.*

Trading rules for specific markets or market conditions may prevent the Company from following certain of the Client's instructions.

## **X. EXECUTION OF CLIENTS ORDERS**

The Company shall satisfy the following conditions when carrying out Client orders:

- I. ensures that orders executed on behalf of Clients are promptly and accurately recorded and allocated;
- II. carries out otherwise comparable Client 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;
- III. informs a retail Client about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.



## IX. CLIENT'S CONSENT

By entering into a Client Agreement with the Company for the provision of Investment Services, the Client is consenting to an application of this Policy on him.

## X. AMENDMENT OF THE POLICY AND ADDITIONAL INFORMATION

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate according to the terms of the Client Agreement between the Client and the Company.

*For more information, please visit [www.orbex.com](http://www.orbex.com) or contact us at [info@orbex.com](mailto:info@orbex.com)*

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