

Order Execution Policy

iTrade Global (CY) Limited

Last updated in May, 2021

1. INTRODUCTION

- 1.1. iTrade Global (CY) Ltd hereinafter referred to as “**the Company**” is an Investment Firm that owns and operates the brand “**TRADEFW**” (www.TRADEFW.com). The Company is incorporated and registered under the laws of the Republic of Cyprus, with registration number HE 335424 and is authorized and regulated by the Cyprus Securities and Exchange Commission (CySEC) with CIF license number 298/16.
- 1.2. This Order Execution Policy hereinafter referred to as the “**Policy**”, is provided to you alongside our “Terms & Conditions / Client Agreement”. The Policy aims to be clear and includes sufficient details of our services and the activities you may carry out with us. This policy intends to explain how your orders will be executed by us; therefore, it is written in an understandable manner.
- 1.3. In accordance with the Markets in Financial Instruments Directive 2014/65/EC (MiFID II) and the Investment Services and Activities and Regulated Markets Law of 2017, Best Execution is the process by which the Company seeks to obtain the best possible result when executing Client orders. The Company has obligation to ensure that **all sufficient steps** are taken into account when executing client orders, including price, costs, speed, the likelihood of execution and settlement, size and nature upon client characteristics.
- 1.4. This Policy provides sufficient details on how the Company obtains the best execution for its Clients and ensures Compliance with the obligation to execute orders on terms most favorable to the Clients. The best possible result is determined on the basis of the total consideration representing the price and the costs associated with the execution, including all expenses incurred by the Client directly related to the execution of the order.
- 1.5. It is noted that when the Company receives specific instructions from the Client, then the order is executed in line with those instructions and the Company is discharged from its best execution obligations. The Company operates as the counterparty to every Client’s trade, so if a Client chooses to deal with the Company to open a position, then the position can only be closed by dealing again with the Company.
- 1.6. **For your benefit and protection, please ensure you take sufficient time to read the Policy and any other additional documentation and information available to you via our Website, prior to opening an account and/or**

carrying out any activity with us. You should contact us for any further clarification or seek independent professional advice.

2. SCOPE OF THE POLICY

- 2.1. This Policy provides an overview of the execution process, the factors which affect the execution of orders, the execution venues offered by the Company, as well as an overview of the available financial instruments and order types.
- 2.2. This Policy applies to Retail and Professional clients, as these are defined in the Company's Client Categorization Policy appears in the Company's website, as well as to all the Company's directors, employees, and any persons directly or indirectly linked to the Company (hereinafter called 'Related Persons') and refer to all interactions with all its Clients.
- 2.3. The Policy forms part of the Client Agreement as defined in the Terms and Conditions of Business of the Company. Therefore, by entering into the Client Agreement with the Company, the Client is also agreeing to this Policy relating to the financial instruments provided by the Company in the form of Contracts for Differences ("**CFDs**") and the contract specifications that are available online on the Company's website (www.TRADEFW.com) herein referred to as the "Financial Instrument(s)". It is important to note that there is no physical exchange of the assets, there is no central clearing of the transactions and they are traded 'over-the-counter' ('OTC').
- 2.4. This Policy applies when executing Client orders for the Financial Instruments provided by the Company. When the Company executes a client order will always act as a principal and not as an agent, this means that clients deal with the Company and not with the underlying market. The Company provides live streaming prices "Quotes" through its Trading Platforms, along with a breakdown of the available volumes as received from third-party execution venues / Liquidity Providers. The Financial Instruments provided by the Company and the corresponding prices will be offered to the Clients as per the Company's discretion. While, the Company ensures to deliver the best possible execution rate, cannot guarantee that the execution rate given to the client will be more favorable than a rate that may have been available elsewhere.
- 2.5. The main purpose of this policy is to help you understand how the Company executes your orders and help you make an informed choice on whether to use the Company's services. You should ensure that you have read and understood the contents of this Policy.

3. EXEMPTIONS FROM THE PROVISION OF BEST EXECUTION

Notwithstanding the Company's intentions expressed in Sections 1 and 2 of this Policy, the Company does not undertake to provide "best execution" if the Client falls within any of the following categories:

3.1. Eligible Counterparties

- This Policy does not apply to Eligible Counterparties as these are defined in the Company's Client Categorization Policy. Hence, if you are classified as an Eligible Counterparty, you will not be entitled to best execution under the Investment Services and Activities and Regulated Markets Law of 2017, or equivalent EU rules.

3.2. Client Specific Instructions

- This Policy applies upon acceptance of an order when the Client gives no specific instruction on the execution method. In the case where the Company receives specific instructions, then the Company will execute the order in line with those instructions and will consider that it has discharged its best execution obligations as the Company cannot guarantee that when executing such a transaction the Client's price will be more favorable than it might be available elsewhere.

4. ORDER TYPES AND ORDER EXECUTION ELEMENTS

"Commission" might be charged to some financial instruments. Further information can be found on the Company's website <https://www.tradefw.com/account-types/>

"Closed Position" means the opposite of an Open Position.

"Execution" means the execution of Clients' orders on the Company's trading platform, where the Company acts on behalf of the clients to execute their orders/transactions (via the Execution Venue).

"Execution Venue" means the entity with which client orders, assets or securities are placed and/or to which the Company transmits client orders for execution.

"Instant Execution" means an execution method type where the order is executed to the most recently available price. In instant execution, if the requested price is not available, the current available price will be sent to the Client to confirm execution (requote).

"Leverage" offered by the Company to retail clients are in accordance with the European Securities and Markets Authority (ESMA) product intervention measures, and as per the following:

- 1:30 for Major Currency Instruments
- 1:20 for Non-Major Currency Instruments, Gold and Major Indices
- 1:10 for Commodities other than Gold and Non-Major Indices
- 1:5 for individual equities (Shares)
- 1:5 Exchange Traded Funds (ETF)
- 1:2 for Cryptocurrencies

“Limit Order” is an order to buy or sell once the price of an instrument reaches a pre-defined rate (the ‘limit price’). A Buy Limit Order requires the pre-defined rate to be lower than the current market rate, while a sell Limit Order requires the pre-defined rate to be higher than the current market rate. Once the market reaches the ‘limit price’, the ‘limit order’ is triggered and executed at the requested limit price or better. ‘Limit orders’ must be placed a minimum number of pips away from the available market price at the time of placing the order.

“Liquidity Provider” means the company that provides quotes for both a buy and a sell price in a financial instrument to the Company.

“Market Execution” means that the order is executed depending on the depth of the market. Under Market Execution there are no re-quotes and the order is executed at the best available price in the market.

“Market Order” means execute a trade (buy or sell) at the best available market rate.

“No-Dealing Desk Execution” means that Clients’ orders are sent directly to the interbank market and there is no dealing desk (person) involved in the transaction.

“Pending Order” means an Order from the Client that is set to be executed once the price has reached the requested level of the Order and can be either a buy stop, or sell stop, or buy limit, or sell limit order, or a stop-limit order.

“Price Gap on the Market Opening” shall mean the following:

- (a) The first Bid of the current trading session is higher than the last Ask of the previous session, or
- (b) The first Ask of the current trading session is lower than the last Bid of the previous session.
- (c) Abnormal Spread - during market opening/closing the spread can be significantly increased during the first and last trading hour due to very thin liquidity.

“Quotes” means any bid and ask prices transmitted by the Company, subject to instances outside the control of the Firm, through the trading platform(s).

“Requote” occurs when the price requested by a Client is not available for execution of

an order and the Company quotes the current available price to the Client for execution. The Client must explicitly agree to accept or decline the requoted price, prior to execution. Requotes are the result of choosing Instant Execution.

“Slippage” occurs when the executed price is different from the requested price. There are two kinds of slippage, positive and negative. Positive slippage occurs when the price is executed at a better level than the one requested and a negative slippage is when the price is executed at a worse level than the one requested. Slippage may occur in all the account types and order types offered by the Company and under all execution methods. Wider slippage may occur during high volatility.

“Stop Loss Order” means an order placed to close a position once it reaches a specific price in order to avoid further losses or avoid a potential close-out/stop-out.

“Stop Orders” means an order to buy or sell a financial instrument once the price reaches a pre-defined rate (the ‘stop price’). A buy Stop Order requires the pre-defined rate to be higher than the current market rate, while a sell Stop Order requires the pre-defined rate to be lower than the current market rate. Once this order is triggered it is treated as a ‘market order’. If the ‘stop order’ is not triggered it shall remain in the system until a later date, or subject to ‘Good ‘til canceled’. ‘Stop orders must be placed a minimum number of pips away from the available market price at the time of placing the order.

“Stop Out” means closure of an open position without the consent of the Client or any prior notice and occurs in cases of insufficient funds kept in the Client account. For retail clients, when the Margin Level (%) drops at or below 50%, the system will automatically start closing some or all the open market orders starting from the least profitable.

“Take Profit Order” means an instruction that is attached to an instant execution or pending order for securing profit.

“Trading platforms” offered by the Company are the following:

- TradeFW WebTrader, which is a proprietary platform of iTrade Global (CY) Ltd
- MetaTrader 4 (“MT4”), which has proprietary rights by Metaquotes Software Inc.

“Prices” The Company generates its own tradable prices based on price feeds from the Company’s Market Maker / Liquidity Provider. The main way in which the Company will ensure that the Client receives the best execution will be to ensure that the prices of the BID and ASK is made with reference to a range of underlying price providers and data sources. The Company reviews independent price providers monthly to ensure that correct and competitive pricing is offered by its Market Maker / Liquidity Provider.

“Margin” is required to be held in the account for a market order to open. The required

margin is calculated according to the leverage of each financial instrument. It is noted that a market order cannot open if the Margin Level as calculated and shown within the trading platform is or by executing the order will go below 100%.

5. EXECUTION VENUES

5.1. The Company has entered into an agreement with execution venues to which the Company transmits Client orders for execution, for all the available financial instruments provided by the Company. When the Company executes a client order will always act as a principal and not as an agent, this means that clients deal with the Company and not with the underlying market. Consequently, even though the Company transmits the Client's orders to other Execution Venue / Liquidity Provider for execution, contractually the Company is the counterparty to the Client's trades. The Below table shows the Company's third-party Execution Venues / Liquidity Providers for the last 3 years.

Execution Venue Name	Country of Establishment	Commencement Date of the Business relationship	End Date of the Business relationship
CTRL Investments Limited	New Zealand	2020	N/A
Mkhonto Financial Services (Pty) Ltd	South Africa	2021	N/A

5.2. The Company places significant reliance on the abovementioned Execution Venues based on the execution factor and their relative importance as set out in paragraph 6. It is the Company's policy to maintain internal procedures and principles in order to determine the relative importance of these factors and to act for the best interest of its Client and provide the best possible result (or "best execution") when executing Client orders.

5.3. The Company's internal procedures and high-performance standards ensure its Clients receive the best possible result when dealing with Client orders and do not transfer execution responsibilities to any other counterparty. The company ensures that all sufficient steps have been taken for the continuity of high performance, while continuously monitors the capacity and efficiency of trading platforms and update the software and servers where is deemed necessary. Nevertheless, in a case of technical failure of the trading platforms and/or quotes provided by the Liquidity Providers, the company may not be able to execute an order or may need to cancel/adjust the price of any trade which is executed wrongly.

- 5.4. Further, the Client must acknowledge that the transactions entered with the Company for any available Financial Instrument, are not undertaken on a recognized exchange or a Multilateral Trading Facility (“MTF”) rather they are undertaken through the Company’s Trading Platform and, accordingly, they may expose the Client to greater risks than regulated exchange transactions.
- 5.5. **Your agreement to this Policy shall constitute your prior consent for us to execute orders outside a Trading Venue.**

6. BEST EXECUTION FACTORS

- 6.1. The Company shall take all sufficient steps to obtain the best possible result for its Clients taking into consideration the below execution factors and determine their importance when executing Clients orders. It is worth mentioning that Best Execution is determined based on the total amount paid to or by the client, including the price of the order and all expenses incurred which are related to the execution of the order, such as venue execution fees and any other fees paid to third parties for the execution of the order.
- 6.2. **Price**, is considered to have the highest importance when executing Client orders. The Company quotes two prices for any available Financial Instrument. The ASK price at which the Client can buy (go long) that Financial Instrument, and the BID price at which the Client can sell (go short) that Financial Instrument; collectively referred to as the Company’s prices. The difference between the ASK-BID price of a given Financial Instrument is the Spread.
- i. Orders such as Buy Limit, Buy Stop, and Take Profit for opened short position are executed at ASK price whereas orders such as Sell Limit, Sell Stop and Stop Loss take profit for an opened long position are executed at BID price.
 - ii. The Company obtains the prices for each financial instrument from Execution Venues / Liquidity Providers and the prices are updated continuously. All Clients' orders are routed directly/automated to the Execution Venues mentioned above. The Company will ensure to provide the best price to the Client as the prices obtained by the Company’s Execution Venues / Liquidity Providers are compared to a range of underlying price providers and data sources. The Company will not quote any price outside Company’s operations time therefore no orders can be placed by the Client during that time.
 - iii. Under certain trading conditions, the Company may not be able to execute orders at the Client’s requested price. Therefore, the Company reserves the right to execute the order at the first available price. This may occur under specific circumstances such as rapid price movements caused by volatile

markets or at the opening/closing of a trading session.

- iv. In certain cases, the price at which a trade is executed, may vary significantly from the original requested price during abnormal market conditions and/or the levels of volatility in the market. In such a case, the Company reserves the right to execute the Client Order at the best available price given the market depth and volatility for the given financial instrument at that point in time. This may occur, for example, in the following cases:
- Market opening,
 - News announcements,
 - Volatile markets where prices may move significantly up or down and away from declared price,
 - Rapid price movement, in cases where the price fluctuates to such extent that under the rules of the relevant exchange, trading is suspended or restricted.
 - When there is insufficient liquidity for the execution of the specific volume at the declared price.

6.3. Charges and other costs are considered of high importance when executing Client orders. Fees may apply to some types of Financial Instruments as these amounts are disclosed in the Company's Terms and Conditions, and in the Company's website(s):

- i.* Commissions: are charged as a fixed percentage of the overall value of the trade or as a fixed amount.
- ii.* Financing Fee (swap fee): apply on opened orders and is calculated in accordance with the value of opened orders. Financing fees are based on the prevailing market interest rates, which may vary over time. The fee for each Financial Instrument is different and can be positive or negative. Details of daily financing fees applied are available on the Company's website and trading platforms.
- iii.* Currency conversion applies when the Clients' account currency is different from the non-base (quoted) currency of the Financial Instrument.

6.4. Speed Execution is considered of medium importance when executing the Client's orders. The Company aims to offer a high speed of execution within the limitations of technology and communication links. The Company's order flow logic is designed in such a way to automatically accept all orders and without manual intervention. The frequency at which the prices change varies with different financial instruments, market conditions, and communication links. The use of the wireless connection or dial-up connection or any other form of unstable connection at the Client's end may result in poor or interrupted connectivity or lack of signal

strength causing delays in the transmission of data between the Client and the Company when using the Company's electronic trading platform. Therefore, the order may be executed at a better or worse prevailing market price offered by the Company via its trading platform, or in case the Client might place an order on old prices, then the Company may decline the order and/or provide a new quote (re-quote).

- 6.5. **Likelihood of Execution** is considered of medium importance when executing the Client's orders. According to the Company's license, all orders are transmitted to the available Execution Venues / Liquidity Providers for execution while the Company remains the contractual counterparty to the client. It is worth clarifying that the Company's Execution Venues / Liquidity Providers are providing the available quotes and liquidity, yet the Company ensures to have available agreements and counterparties in place to always serve Client orders. Since the Client undertakes transactions on an electronic system, is also exposed to risks associated with hardware and/or software failure. A system failure may result in Client orders not being executed according to client instructions or may not be executed at all. The Company does not accept any liability in case of such a failure.
- 6.6. **Likelihood of Settlement** is considered of low importance when executing Client's orders as all transactions are settled upon execution and/or at the time of expiration of the transaction.
- 6.7. **Size of Order** is considered on low importance factor as all orders are placed in monetary value. The Client can place an order when enough balance is maintained in the trading account. In cases where a large size of the order is placed then the price may become less favorable considering the market depth of the Financial Instrument and the available liquidity provided by the Execution Venues / Liquidity Providers. The Company makes every effort to fill the Client orders as per available volumes and prices obtained from the Execution Venues / Liquidity Providers.
- 6.8. The above-mentioned factors are not exhaustive, yet they are the most important factors considered for executing Client orders. It is worth noting that the following criteria are taken into consideration when determining the relative importance of the abovementioned execution factors:
- characteristics of the Client,
 - characteristics of the Client's order (market order, limit or stop order),
 - characteristics of the financial instrument,
 - characteristics of the Execution Venues to which the order can be directed.

The best possible result for a Client 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 Client which are directly related to the execution of the order.

6.9. SPECIFIC INSTRUCTIONS

In case the Clients give specific instructions regarding Order execution or transmission, the Company shall execute their orders in accordance with the given instructions. Clients should be aware that the provision of specific instructions may prevent the Company from implementing its Order Execution Policy in obtaining the best possible result for the execution or transmission of an Order.

7. REPORTING TO THE CLIENT

7.1. The Company will provide retail clients with a notification confirming the execution of the order as soon as possible and no later than the first business day following execution, and if the confirmation is received by the Company from a third party, no later than the first business day following receipt of the confirmation from the third party.

8. MONITORING AND REVIEW

- 8.1. The Company monitors the implementation and effectiveness of its Order Execution Policy with regards to the procedures followed and all factors that may affect the execution of Client orders. These procedures include:
- Weekly reports are taken from the Liquidity Provider(s) concerning feed data and market prices.
 - Latency and slippage reports are generated and reviewed.
 - Clients' activity is monitored daily including all details from the history logs (ie. requested time, execution time, requested price, execution time).
- 8.2. The Company reserves the right to correct any limitations and proceed to improvements.
- 8.3. The Company will review and evaluate its Policy and the execution arrangements at least annually and when a relevant material change occurs. In case of changes to the Policy, the Company will notify all Clients.

9. CLIENT CONSENT AND ACKNOWLEDGEMENTS

9.1. The Company is required, when establishing business relations with the Client, to

obtain Clients' prior consent to this Policy.

- 9.2. This Policy forms part of the agreement between the Company and the Client. Therefore, when opening a trading account, the Client accepts, understands, and agrees with the Terms and Conditions of Business, the Client Agreement as well as this Policy without modifications. As such, the Company considers that the Client has consented to this Policy as well as consent to the Company to receive and transmit an order for execution outside a regulated market or an MTF. Additionally, the Client acknowledges and accepts that is informed that any orders placed with the Company for any Financial Instruments offered by the Company, the Company acts as the principal (counterparty) and the Company is the sole Execution Venue which operates outside of the regulated markets. All updates of this Policy are always uploaded on the Company's website(s).
- 9.3. Appropriate information is provided to the Client on the content of this execution policy. The Client agrees to deposit funds with the Company and to place orders via the Company's trading platform(s) and the Company is responsible for safeguarding the Clients' funds. Upon receipt of the order, the Company opens an identical order on the Client's name with the Execution Venues / Liquidity Providers, per order received or accumulatively. In this respect, the Company executes the Client's order by acting as a riskless principal (i.e. enters into true back-to-back trades).

10. IMPORTANT INFORMATION

- 10.1. Some Financial Instruments offered by the Company 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.
- 10.2. This Policy does not constitute an offer, invitation, or solicitation to buy or sell these financial instruments. It may not be reproduced or disclosed (in whole or in part) to any other person without the Company's prior written permission. The Policy is not intended to constitute the sole basis for the evaluation of the Client's decision to trade in the above-mentioned financial instruments offered by the Company and the Client acknowledges and accepts that has read and understood the documents that constitute the Client Agreement as described on the Terms and Conditions as well as all the necessary information presented on the Company's website(s).

11. FAQs and Contact Information

- 11.1. Where a Client makes reasonable and proportionate requests for information about our execution policies or arrangements and how these are reviewed, we will provide the Client with an answer clearly and within a reasonable time.
- 11.2. Questions regarding this Policy should be addressed, in the first instance, to our Back-Office Department via e-mail at backoffice@TRADEFW.com. Clients can also communicate with the Company with the communication methods described within this policy and/or at the following address:

Correspondence Address:

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