



Order Execution Policy

Purpose

The purpose of this policy is to establish effective arrangements for obtaining, when SPOT CAPITAL MARKETS LTD, hereafter the “**Company**”, is executing clients’ orders, the best possible result for its clients.

This document aims to set out those arrangements and to ensure compliance with legislative requirements and the departmental and general procedures, which are set within this Internal Procedures Manual.

The Company takes all reasonable steps to obtain the best possible result for a client to the extent that it executes an order or a specific aspect of an order following specific instructions from the client relating to the order or the specific aspect of the order.

Where the Company executes an order on behalf of a retail client, 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 client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

For the purposes of delivering best execution where there is more than one competing venue to execute an order for a financial instrument, in order to assess and compare the results for the client that would be achieved by executing the order on each of the execution venues listed in the firm's order execution policy that is capable of executing that order, the firm's own commissions and costs for executing the order on each of the eligible execution venues shall be taken into account in that assessment.

1. Legal Framework

In accordance with the Investment Services and Activities and Regulated Markets Law of 2007, CIFs must take all reasonable steps to obtain, when executing orders, the best possible result for their clients taking into account price, costs, speed, likelihood of execution, size, nature or any other consideration relevant to the execution of the order. Nevertheless, whenever there is a specific instruction from the client, the CIFs shall execute the order following the specific instruction.

In addition, CIFs must establish and implement an order execution policy to allow the CIF to obtain, for its clients’ orders, the best possible result.

2. Policy

Dealing Room is the relevant department to which the order execution policy mainly applies. The policy is reviewed on an annual basis or/and whenever a material change occurs that impacts the Company’s ability to continue offering best execution of its clients’ orders using the Company’s trading platform.

SPOT CAPITAL MARKETS LTD

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The Company proceeded to the establishment and maintenance of an Order Execution Policy, in order to ensure compliance with the obligation to execute orders on terms most favourable to the clients and to achieve the best possible results for its clients, taking into consideration its clients' ability, needs and trading policies, where applicable and possible.

The policy outlines the process that the Company follows in executing trades, and assure taking all reasonable steps to consistently obtain the best possible result for clients through its order execution policy. It is noted however that when executing an order following a specific client instruction, the Company will execute the order in line with those instructions and will consider that it has discharged its best execution obligations.

3. Order Execution Criteria

When executing client orders the Company takes into account the following criteria:

- The characteristics of the client including the categorization of the client as retail or professional;
- The characteristics of the client order;
- The characteristics of the financial instruments that are the subject of that order;
- The characteristics of the execution venue to which that order will be directed.

The best possible result will be determined in terms of the total consideration, representing the price of the contract and the cost related to execution. The other execution factors of speed, likelihood of execution size, nature or any other relevant consideration will, in most case, be secondary to price and cost considerations, unless they would deliver the best possible result for the client in terms of total consideration.

4. Execution Factors

The Company, when managing client's orders takes into account various execution factors, provided that there are no specific instructions from the client to the Company about the way of execution of the orders. The execution factors include:

- Price
- Speed and likelihood of execution
- Costs or commissions
- Size and nature of the order
- Market conditions and variations
- Execution capability
- Any other direct consideration relevant to the execution of the order

5. Pricing

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The Company will quote to Clients the prices provided by its Liquidity Provider/Market Maker. The Liquidity Provider/Market Maker calculates and provides their own tradable prices for a given CFD by reference to the prices of the relevant underlying asset, which the Liquidity Provider/Market Maker obtains from third party reputable external reference sources (i.e. price feeders). The Company's prices can be found on the Company's trading platforms. The Company updates its prices as frequently as the limitations of technology and communications links allow. The main way in which the Company will ensure that the Client receives the best price will be to ensure that the calculation of the bid/ask spread is made with reference and compared to a range of underlying price providers and data sources. The Company reviews regularly or at least once a year its Liquidity Provider/Market Maker to ensure that relevant and competitive pricing is offered. Despite the fact that the Company takes every reasonable step to obtain the best possible result for its Clients, it does not guarantee that when executing an Order its price will be more favourable than one which might be available elsewhere.

6. Speed

The frequency with which prices change varies with market conditions. Considering that the tradable prices which are distributed via the Company's trading platform/terminal, technology used by the client to communicate with the Company plays a crucial role. For instance, the use of a wireless connection, or dial up connection, or any other communication link that can cause a poor internet connection can cause unstable connectivity to the Company's trading platform/terminal. The result for the client is to place his orders at a delay and the order to be executed at better or worst prevailing market price offered by the Company via its platform/terminal.

7. Costs

When the client opens a position in some types of financial instruments a commission or a financing fee will apply.

8. Size of order

All orders are placed in monetary value. The client will be able to place his order as long as he has enough balance in his trading account. If the client wishes to execute a large size order, in some cases the price may become less favorable considering the feed obtained from its price provider.

9. Market Impact

The Company's quoted prices which are derived from its Liquidity Providers/Market makers may be affected by various factors which could also affect the abovementioned factors. The Company will take all reasonable steps to ensure the best possible result for its clients.

10. Likelihood of execution

Due to the levels of volatility affecting the underlying instrument's price, the Company seeks to provide client orders with the fastest execution reasonably possible.

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11. Likelihood of settlement

The Company shall proceed with the settlement of all transactions upon the execution and/or time of expiration of the specific transaction.

12. Execution Venue

SPOTOPTION EXCHANGE LIMITED, a company licensed and regulated by the Cyprus Securities and Exchange Commission (License No. 170/12) shall be the sole execution venue for the execution of its clients' orders.

13. Client consent

Appropriate information is provided to the client on the content of the execution policy. The prior consent of the clients is obtained regarding the documented order execution policy to be followed.

Adequate information is provided to the clients through this policy in relation to the factors that are taken into consideration by the management when handling clients' orders.

14. Financial instruments

The financial instruments offered to clients are only CFDs. The underlying assets in which they refer to are currency, cryptocurrency, indices, stocks, futures etc.)

15. Review of this policy

The Company may update this Order Execution Policy from time to time. In the event that the Company materially changes this Policy including how it collects, processes or uses clients' personal information, the revised Order Execution Policy will be uploaded in the Company's website. In this respect, the clients hereby agree to accept posting of a revised Order Execution Policy electronically on the website as the actual notice of the Company to its clients. Any dispute over the Company's Order Execution Policy is subject to this notice and the Client Agreement. The Company encourages its clients to periodically review this Order Execution Policy so that they are always aware of what information the Company collects, how it uses it and to whom it may disclose it, in accordance with the provisions of this Policy.