



# **BEST INTEREST AND ORDER EXECUTION POLICY**

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[PUBLIC DOCUMENT]

Exclusive Change Capital Ltd is incorporated under the laws of Cyprus, with registration no. HE 337858, regulated by CySEC under license no. 330/17

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## 1. DEFINITIONS

**“Company” or “Exclusive”:** Shall mean Exclusive Change Capital Ltd, a company incorporated under the laws of Cyprus, with registration no. HE 337858, regulated by Cyprus Securities and Investment Commission under license no. 330/17 and has its registered address at 56 Theodorou Potamianou, 4th floor, Kato Polemidia, 4155, Limassol – Cyprus.

**“CySEC”:** Shall mean the Cyprus Securities and Exchange Commission.

**“Commissions”:** Shall mean the commissions, charged by the Company, and is charged on every opening and closing positions. Commissions are automatically calculated according to the volume traded.

**“EU Delegated Regulations”:** Shall mean the following:

1. The Commission’s Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms;
2. The Commission’s Delegated Regulation (EU) 2017/575 supplementing Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards concerning the data to be published by execution venues on the quality of execution of transactions; and
3. The Commission’s Delegated Regulation (EU) 2017/576 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution.

**“Financial Instruments”:** Shall mean the Financial Instruments offered by the Company, which fall under the provisions of the First Appendix, Part III of the Law which mainly include transferable securities and contracts for differences (i.e., CFDs) on various underlying assets.

**“Law”:** Shall mean the Investment Services and Activities and Regulated Markets Law of 2017, Law 87(I)/2017.

**“Legal Framework”:** Shall mean collectively the Law, MIFID II and the EU Delegated Regulations.

**“Material Change”:** Shall mean a significant event that could impact the parameters of best execution such as, inter alia, price, cost, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order or an amendment in the requirements of the Law or the EU Delegated Regulations which may affect the Company’s ability to continue to obtain the best possible results for its clients and hence requires the Company to proceed with the necessary arrangements in its execution arrangements.

**“MIFID II”:** Shall mean the Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments.

**“NBP”:** Shall mean Negative Balance Protection, following the provisions of Paragraph 4(1)(c) of the Commission’s Directive for the Restrictions on Sale, Marketing and Distribution of Contract for Differences (CFDs). Particularly, it

means the limit imposed on a retail client's aggregate liability for all CFDs connected to a CFD trading account opened with the Company and the funds in the said account.

**"Policy"**: Shall mean the present documents, the Company's Best Interest And Order Execution Policy.

**"Trading Platform"**: Shall include the trading platforms through which the Company offers its services.

**"Spread"**: Shall mean the difference between the BID and ASK Price of a given Financial Instrument.

**"Swap"**: The charge that is applied to all positions that are open overnight for the following trading day. Swap is charged every day, except weekends, where trading is not available.

Depending on the Financial Instruments the Swap charge will be charges tripled on Friday or Wednesday to compensate the Swap charges for the following weekend. Swap is based on the prevailing market conditions and interest rates.

**"Website"**: Shall mean the Company's website, [www.exclusivecapital.com](http://www.exclusivecapital.com).

## 2. Introduction

Exclusive Change Capital is an Investment Firm incorporated and registered under the laws of the Republic of Cyprus, with registration number HE 337858. The Company is authorised and regulated by the Cyprus Securities and Exchange Commission under the license number 330/17 to provide among other the Reception and Transmission of Client Orders, Execution of Orders on behalf of the clients, Dealing of Own Account, Portfolio Management and Investment Advice in relation to certain Financial Instruments, in accordance with the Website.

The Policy contains further information in relation to the Company's Services and how the Company's Trading Platform will execute clients' orders.

The Company, following the provisions of the Legal Framework, shall ensure that sufficient steps are taken when receiving and transmitting orders for execution or executing orders from its Clients, in order to obtain the best possible result or the "Best Execution".

Please be informed that the Policy is subject to the Company's [Client Agreement](#) and all other relevant agreements and/or documents and/or policies which will govern the contractual relationship between the Company and the Client. Therefore, the Client is strongly advised to read this Policy in full and in addition to the other documentation available in the Company's website, prior to opening an account with Exclusive. Should the Client have any request for clarification for information about the Policy, corresponding arrangements and their review process, may contact the Company at [support@exclusivecapital.com](mailto:support@exclusivecapital.com) or seek independent professional advice.

## 3. Scope

This Policy defines the principles that apply the Company pursuant to the Legal Framework. The Company acknowledges that the requirements of MiFID II are

an important component of investor protection standards all of which are designed to promote both market efficiency generally and the best possible execution results for investors individually. The scope of this Policy is to illustrate the compliance of the Company with the obligations to act in accordance with the best interest of its clients. The Company has taken sufficient steps to obtain the best possible result for its clients considering price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to order execution.

#### **4. Application**

This Policy is applicable to any orders placed with the Company in respect of the financial instruments offered and to clients who are legitimately relying on the Company for the provision of investment services mentioned in **Section 2**, above. Additionally, this Policy shall describe the Company's obligations in respect to its Retail and Professional Clients as categorized in accordance with [Client Categorisation](#) Policy. Generally, the Company treats both Retail and Professional clients equally in terms and scope of best execution. The best execution obligation shall not apply when dealing with Eligible Counterparties, however. Where there is a specific instruction from the client, Exclusive shall execute the order following the specific instruction and compliance with that specific instruction will be treated as satisfaction of the best execution obligation. It is important for the client to note that specific instructions may prevent the Company from taking the necessary steps it has established in this Policy to obtain the best possible outcome for the execution of those orders in respect of the elements covered by those instructions.

#### **5. Client's Consent**

The Company is required to obtain the Client's consent prior to establishing a business relationship with the Client.

By accepting the provisions of the Company's [Client Agreement](#), the Client provides its prior express consent and further acknowledgment that the transactions in financial instruments, entered with the Company are not undertaken on a recognized exchange, but rather through our trading platform on an over the counter basis ("**OTC transactions**"). Accordingly, the Client may be exposed to greater risks than when conducting transactions on a regulated exchange.

Therefore, the Company may not execute an order, or it may change the opening or closing price of an executed order in certain cases, including, but not limited to instances of a technical failure of the Trading Platform. The Client is then only allowed to close an open position in any given financial instrument during the Company's platform working hours and the Client can only close any such position(s) with the Company as the Client's sole counterparty and thus the Client is subject to counterparty risk. If the Client requires more information regarding the consequences of these means of execution, may contact the Company at [support@exclusivecapital.com](mailto:support@exclusivecapital.com). In addition to the above, by entering into the [Client Agreement](#), the Client consents that all orders are executed in accordance with the Policy in force and amended from time to time. The Client further acknowledges and confirms that the Company reserves the right to:

1. immediately terminate the Client's access to the Trading Platform or Account(s); and/or
2. refuse or cancel any order, in the event the Client voluntarily and/or involuntarily proceeds in arbitrage unrelated to market inefficiencies, including but not limited to, latency arbitrage and swap arbitrage and/or contrary to good faith. Under such circumstances, the Company may, at its discretion, close any of the Client's Account(s) and recover any losses incurred from such practices; and/or
3. to immediately terminate the Client's access to the Trading Platforms and/or recover any losses incurred in the event the Company determines in its sole discretion that the Client voluntarily and/or involuntarily undertook to abuse the NBP offered by the Company, or in any way which is contrary to good faith or the terms of the Client Agreement between the Company and the Client either on an individual Account, or multiple Account(s) or multiple profiles and/or between one or more Client(s) of the Company in accordance with the 'Client Agreement'. For instance, a Client hedging its exposure utilizing its accounts under the same or different Client profile would constitute an abuse of the NBP as well as a Client requesting a withdrawal of its Client Money -notwithstanding any of the provisions of the ['Client Agreement'](#).

## 6. Best Execution Factors

When executing orders, the Company is required to take all sufficient steps to achieve/obtain the Best Possible Outcome/Result. Therefore, in order to determine how to obtain the best possible result for orders executed on the Client's behalf, the Company will consider the price, need for timely execution, availability of price improvement, liquidity of the market which may make it difficult to execute an order, potential price impact, the size of the order, the nature of the financial transaction which will include whether or not such transactions are executable on a trading venue, Over-The-Counter, or via either route as well as the quality and cost effectiveness of any related clearing and settlement facilities.

It must be noted that in the absence of specific instructions from its clients, the Company will exercise its own judgment, skill and experience considering available market information when determining the factors that it needs to take into account for the purpose of providing best execution to its Clients. Therefore, when the Company executes an order for the Client, by default, will consider the factors listed below to be the most important. Notwithstanding this, there are certain situations in which the relative importance of these factors will change in response to the instructions that the Client provides. Having said that, the key factors to be considered include:

1. **Price:** refers to the resulting price of the transaction excluding our own execution charges and it will usually be our most important consideration for both CFD and Real Stock orders. After price, speed and likelihood of execution are usually deemed as our most important considerations. It must be noted that the Company has multiple liquidity and data providers providing us with their prices. The prices that the Client sees on the Company's Trading Platforms may differ from the prices that the Client may see on other trading/charting platforms.

**2. Market Impact:** This entails detecting threats to the orderly operation of financial markets, including to reliability and transparency of their price formation process and tackling any behavior that may conclusively result in cascading market impact or large market impact in general. In forming execution strategy, The Company will always monitor the standard of behavior normally expected in the market to which the Client's order is executed. The Company will never take any action which may result in market distortion or give a misleading impression of trade volumes or value of any financial instrument.

**3. Speed:** The Company interprets speed as the rate at which it is able to receive and execute the Client's order. Therefore, where the Client's instructions dictate or imply a rate at which the Company should process the relevant order, The Company will follow Client's instructions unless it sees an immediate and substantial conflict with the price or other regulatory restraints. Where the Client's instructions do not refer to speed, the Company will progress the Client's order at a rate, which the Company believe, represents a balance between creating market impact and executing the Client's order in a timely fashion to reduce execution risk.

The Company understands that any delay may cause executions to be made at the next available price either in favour or against the Client. The factors affecting speed may include:

- Exchange or market-based servers;
- The Company's servers;
- Internet connectivity both in the side of the Client and the Company; and
- Client computer hardware and software.

**4. Likelihood of Execution and Size:** The Company interpret this as the likelihood that it is able to fill the Client's order in its entirety, or at least a substantial part of it. This factor increases in importance in situations where access to liquidity in the relevant instrument is constrained in some way. The Company relies on third-party Execution Venues and for prices and available volume of the different financial instruments the Company offer. By having multiple Execution Venues, the Company enhance the likelihood of execution across the instruments it offers. This availability may be subject to variation, especially during abnormal market conditions, such as during market opening times, times of market news and events, periods of significant volatility, where there is a rapid price movement of a particular instrument, to such extent that under the rules of a relevant exchange, trading on said instrument is suspended or restricted; where there is insufficient liquidity for the execution of a specific volume at a specific declared price; where the Company's internal risk limits no longer permit the acceptance of any further orders on a specific instrument. In respect of likelihood of settlement, the Company expects transactions that it executes for the Client, to settle in a timely fashion. However, if the Company becomes aware that a particular execution strategy may compromise the likelihood of settlement, the Company may not pursue that strategy even if it would result in a better price.

**5. Cost:** Every order in CFD products is eligible for Spread, Swap and commission fees. The Swap and commissions fess are not incorporated in Company's



quoted price and are instead deducted from the Client's balance. The Company monitors the Swap Fees at individual financial instruments level, with its liquidity providers in order to ensure that its Swaps does not permitted threshold.

Adding to the above, it must be noted that the costs relate to commissions, costs and the fees that are charged for executing the Client's order, including Execution Venue fees, clearing and settlement fees and any other fees paid to third parties, such as financial intermediaries or market infrastructure entities. Where there is more than one competing Execution Venues to execute the Client's order, costs will also include the Company's own commissions and service fees. Finally, the Company will consider the slippage which is the difference between the executed price and the order price at the time the order is submitted for execution. Slippage is a normal and expected cost of trading, particularly for orders of larger size and during times of thin liquidity and/or volatile markets.

## **7. Order Handling**

The Company derives its Buy/Sell prices for trading in CFD instruments it offers from its execution venues and executes all orders at market price received by the execution venue at the time of execution. Please note that, in relation to the Buy/Sell prices for Real Stock trading the prices presented in the Company's Platform are provided for convenience and information only solely to assist the Client to make its own investment decisions., in this respect any price quoted may differ from the execution price the Client actually obtain. The Orders are routed to such Execution Venues considering the availability of instruments, the quality of execution, the costs as well as the quality of the feed. In situations of high volume and volatility, the Company shall check if the prices given to the clients are valid. Where a client receives an invalid price, the Company informs such client regarding the wrong execution and the trades are adjusted accordingly by either reopening, amending, or cancelling such affected trades, accordingly.

It must be noted that the costs incurred by the clients involve the following:

1. spread which is the difference between BID and ASK price;
2. commission where applicable;
3. swaps which are the fees for transferring positions from one day to the next; and/or
4. conversion rates in situations where the instrument's base currency is different that the account currency.

## **8. Best Execution Criteria**

When executing client orders, the Company takes into account the following criteria for determining the relative importance of the Best Execution Factors referred above:

1. The characteristics of the Client including the categorization of the client as Retail or Professional;
2. The characteristics of the Client Order;



3. The characteristics of the Financial Instruments that are the subject of that Order;
4. The characteristics of the Execution Venue to which that Order is directed; The Company determines the relative importance it assigns, in accordance with the abovementioned criteria, to 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 remark.

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 Execution Venue to execute an Order, in order to assess and compare the results for the Client that would be achieved by executing the Order on each of the Execution Venue, as listed in **Section 9**, that is capable of executing that Order, the Company's own commissions and costs for executing the order on each of the eligible Execution Venue shall be taken into account in that assessment. The Company shall not structure or charge commissions in such a way as to discriminate unfairly between execution venue.

## **9. Execution Venues**

Execution Venues are the entities with which the Orders in Financial Instruments are placed and executed. For each class of financial instrument in which the Company execute orders on the Client's behalf, the Company will choose among a range of options by which the Company will be able to obtain the best execution. Such venues will be appropriate for each product and may include regulated markets, multilateral trading facilities, organized trading facilities, systematic internalizers, market makers and other liquidity providers, including our affiliates acting as principal, or entities that perform a similar function to those performed by any of the foregoing in a third country.

The Company evaluates and selects the Execution Venue based on a number of criteria including but not limited to the regulatory status of the institution, the ability to deal with large volume of Orders, the speed of execution, the competitiveness of commission rates and spreads.

Where there is only one possible Execution Venue, best execution is achieved by execution on that venue. Best execution is a process, which considers various factors, not an outcome. This means that, when the Company is executing an order for a Client, the Company must execute it in accordance with its execution policy. The Company does not guarantee that the exact price requested will be obtained in all circumstances and, in any event, the factors may lead to a different result in a particular transaction.

Subject to the requirements of MiFID II, on at least an annual basis, the Company will publish on its website the top five execution venues in terms of trading volumes for all executed client orders during the preceding year per class of financial instruments together with information on the quality of execution obtained on

such execution venues. It must be noted that the Company may choose to transmit clients' orders for execution to another broker or dealer (which may be located outside of the European Economic Area which can include both affiliate entities and/or third-party brokers. In this case, the Company will either determine the ultimate Execution Venue ourselves on the basis described above and further instruct the other broker or dealer accordingly, or the Company will satisfy ourselves that the other broker or dealer has arrangements in place to enable the Company to comply with our best execution obligations towards the Client. Finally, the Company will take steps to not structure or charge the Company's commissions in such a way as to discriminate unfairly between execution venues.

When the Company selects Execution Venue, it will do so either on a long-term basis, by choosing the venues to which it will maintain access or on a short-term basis. This selection will occur between Execution Venues which the Company has access, and which are the most appropriate to execute individual orders or any part of them. Simply, in selecting Execution Venues in the relevant jurisdiction, the Company's approach is governed by the factors such as price, cost and liquidity, credit and settlement risks involved, the realized performance and finally the speed of access, immediacy and likelihood of execution as explained below.

Clients can find more information about the data published by execution venues under RTS 27 and RTS 28 by visiting the [Website](#).

It is noted that currently the Company uses the following execution venues for the execution of clients' orders in

CFDs (either retail or professional):

- 1) Exclusive Change Capital Ltd;
- 2) [LMAX Broker Europe Ltd](#) which is regulated by the Cyprus Securities and Exchange Commission with License Number 310/16;
- 3) [EXT Ltd](#), which is regulated by the Cyprus Securities and Exchange Commission with License Number 165/12;
- 4) [StoneX Europe Ltd](#), which is regulated by the Cyprus Securities and Exchange Commission with License Number 400/21;
- 5) [GC Exchange Limited](#), which is regulated by the Financial Conduct Authority in the United Kingdom with Reference Number 828730;
- 6) [Invast Financial Services Pty Ltd](#), which is regulated by the Australian Securities and Investment Commission with Reference number 438283;
- 7) [Saxo Bank A/S](#), which is regulated firm by the Danish Financial Supervisory Authority as License No. 1149.

In addition to the above, for Real Stocks Trading the Company uses Saxo Bank A/S. which is regulated firm by the Danish Financial Supervisory Authority as License No. 1149.

When the Company accepts a client's order and immediately send that order directly to one or more execution venues or select to execute such order as principal, takes into consideration the following principles according to the type of order that the Company is trying to execute:

1. the Company will consider where an order has no limit price or is an order to buy in which the limit price is greater than or equal to the best offer price or an

order to sell in which the limit price is less than or equal to the best bid price, the Company's primary goal will be to achieve the best price/total consideration, followed by maximizing the speed and likelihood of execution;

2. Furthermore, where an order has a limit price, which does not meet the above criteria the Company consider that the price of the execution is set, and its choice of Execution Venue will be determined by associated costs and maximizing both the speed and likelihood of execution; and

Please be informed that, although the Company is committed to executing Client's orders in a way it consider the most suitable, when markets become excessively volatile, for example, at the open or close of the standard trading session, the execution of the Client's orders may still be impaired by several factors. Such factors may include the substantial difference between the bid or offer price or the last reported sale price quoted at the time of order entry and actual execution price, the partial executions or execution of large orders in several transactions at different price, delays in executing orders through external market makers due to manual routing or execution, substantial deviation of opening prices from the previous day's close prices, possible locked such as the bid equals the offer or crossed such as the bid is higher than the offer market conditions, order imbalances and back logs due to investors placing high volume of orders and any pre-trade filters whether execution venues' or the Company's, result in orders with a large expected market impact are paused or traded using an algorithm potentially causing slippage from the expected arrival price.

## **10. Other Execution Criteria**

The Company may provide a currency conversion quote from the relevant financial instrument to the Client's account's base currency. This will not be reflected as an actual currency conversion in the Client account, but only serves the purpose of indicating the valuation in the base currency. Furthermore, when considering the size of an order, it must be noted that the minimum size of an order is 0.01 lots. The Company may place limits on maximum order sizes from time to time and reserves the right to decline an order as per our Client Agreement. It is noted that the Company will make every effort to fill orders irrespective of the volumes and this may be achieved at the 'best available price' and as per the available market liquidity at the time of execution.

Considering the above, the Company reserves the right to place a limit on the total net position value per client's profile, for a given instrument. Where this occurs, the Company will make all possible efforts within reason to provide to the Client with prior notice. However, under extreme market conditions the Company will not be held liable, if it does not provide to the Client with prior notice, in due time.

## **11. Price Errors**

A "Price Error" means an obvious misquote by the Company, or any market, exchange, price providing information source or official on whom we reasonably rely, having regard to the market conditions at the time of a trade is place. When determining whether a situation amounts to a Price Error, the Company may take into account all information in its possession including, without limitation, any information concerning all relevant market conditions and any error in, or lack of

clarity of, as well as any information source or announcement.

The Company reserves the right, without prior notice to:

1. Amend the details of such order to reflect what the Company reasonably consider in its discretion, acting in good faith, to have been the correct or fair terms of such order if the Price Error(s) has not occurred;
2. If the Client does not promptly agree to any amendment made which the Company proposes under this clause, the Company may void any transaction resulting from or deriving from a Price Error, such that the result is the same as if it had never been made; and/or
3. Not take any action at all

The Company may take any reasonable steps for any trades executed at prices resulting from a Price Error(s) (as defined herein), such as computer errors, misquotes or omissions, or at prices that are clearly at odds with the fair market prices. Acting reasonably and in good faith, the Company may take the following actions to trades based on a Price Error:

1. void trade;
2. close the trade at the current market prices; or
3. amend the opening and/or the closing price of the trade, as if it would have been executed in the absence of the Price Error.

## 12. Type of Orders

The Company would like to bring to the Client's attention that, given the risks that arise when trading in financial markets, the Client may wish to consider using different types of trading orders to limit such risk.

The characterizing of an Order may affect the execution of the Client's Order. Please see below the different types of Orders that a Client can be placed:

Please, note that the descriptions below may apply to some and not all types of financial instruments

1. **Market Order:** A Market Order is an order to buy or sell an instrument as promptly as possible at the prevailing market price. Execution of this Order results in opening a trade position. Instruments 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.
2. **Pending Order(s),** This is an Order to buy or sell an instrument in the future at the best available price once a certain price is reached. The Company offers the following types of Pending Orders: Buy Limit, Buy Stop, Sell Limit or Sell Stop Orders to trading accounts for CFDs. A Pending order is an order that allows the user to buy or sell an instrument 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 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.

**3. Take Profit:** Take Profit Order is intended for gaining the profit when the instrument's 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, market or a pending order. Under this type of order, the Company's trading platform checks long positions with Bid price for meeting of this order provisions (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).

**4. Stop Loss:** Stop Loss Order is used for minimizing of losses if the CFD's price has started to move in an unprofitable direction. If the CFD's price reaches this stop loss level, the whole position will be closed automatically. Such Orders are always connected to an open, market or a pending order. Under this type of orders, the Company's trading 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).

### **13. Risk Dealing in Volatile Markets**

Volatile markets result in rapid increases or decreases in the prices of assets traded on markets, price crashes and market meltdowns. Clients should be aware of the following risks associated with volatile markets, especially at or near the open or close of the standard trading session:

1. Execution at a substantially different price from the quoted bid or offer or the last reported price at the time of order entry, as well as partial executions or execution of large orders in several transactions at different prices
2. Delays in executing orders for financial instruments that the Company shall transmit to external market makers and manually routed or manually executed orders;
3. Opening prices that may differ substantially from the previous days close;
4. Locked (the bid equals the offer) and crossed (the bid is higher than the offer) markets, halted markets, limit up (buys halted)/limit down (sales halted) which may prevent the execution of client orders;
5. Price volatility is one factor that can affect order execution. When there is a high volume of orders in the market, order imbalances and back logs can occur. This implies that more time is needed to execute the pending orders. Such delays are usually caused by the occurrence of different factors:
  - a. the number and size of orders to be processed;
  - b. The speed at which current quotations (or last-sale information) are provided to the Company; and
  - c. The system capacity constraints applicable to the given exchange, as well as the Company and other firms.

The Company is obligated to take necessary steps to keep an orderly market. Therefore, the Company operates with "Compliance" order filters. Such Compli-

ance order filters are also present at exchanges and other brokers that might be used by the Company to route the order to the designated market. The filters might result in orders with a large expected market impact to be paused or traded using an algorithm potentially causing slippage from the expected arrival price. The Company cannot be held liable for price slippage caused by acting to keep an orderly market.

#### **14. Selection Process for Hedging Venues and Price Providers**

The Company's selection process for liquidity and price providers includes detailed due diligence procedures, and diversification criteria, to avoid over-reliance on the single provider and to ensure protection against data redundancy. The Company's Execution Venues and price providers are prioritized for each financial instrument according to their past performance in providing reliable service and best pricing and market depth.

The Company regularly reviews the overall quality of its order executions, and its price formation practices, including its liquidity and price feed' vendors and the available execution and hedging venues.

#### **15. Publication of Data on Execution Venues and Data Quality of Execution and Transactions**

Pursuant to the EU Delegated Regulations, the Company shall publish, on the Website, information on the identity of Executions Venues and on the quality of execution, on an annual basis, and data on the quality of execution of transaction, on quarterly basis. The Company's clients can find the aforementioned reports on <https://exclusivecapital.com/legal-documents/>.

#### **16. Record Keeping**

For the purpose of this Policy, the Company shall maintain all records related to prices for individual financial instruments shown on its Trading Platform, including details about the cost, speed, and likelihood of execution, for a minimum period of two (2) years. The Company shall also maintain records in relation to ongoing monitoring of best execution and which demonstrates its Compliance with best execution obligations to any Competent authority, as and when required, for a minimum period of two (2) years.

#### **17. Order Execution Per Different Categories Of Instruments**

Pursuant to this Policy, when the Company executes transaction on behalf of the Client into the following categories of Financial Instruments:

##### **1. Cash Equities and Exchange Traded Products**

The Company may act both as a principal or an agent, with respect to cash equity trades with clients. The Company may execute Cash Equities and Exchange Traded Products order through Saxo Bank A/S or through its proprietary capital. The ranking of executive factors for Cash Equities and Exchange Traded Products are the following:



- a) Expected impact of execution;
- b) Likelihood of execution and Settlement;
- c) Settlement;
- d) Cost;
- e) Speed;
- f) Price; and
- g) Other Factors – as applicable.

Trading in Cash Equities and Exchange Traded Products have the following Trading Orders, as per **Section 12**, above:

- a) Market Order;
- b) Limit Order;
- c) Take Profit; and
- d) Trailing Stop Order.

## 2. Contract for Difference

The Company may act both as a principal or an agent to CFD trades with clients. CFD prices are derived from the relevant underlying asset's price, taking into account the cost of carry. All order in CFD trades are executed against The Company's own liquidity. For CFD the ranking of applicable execution factors are:

- a) Price;
- b) Expected impact of execution;
- c) Likelihood of execution and Settlement;
- d) Cost;
- e) Speed; and
- f) Other Factors – as applicable.

For the purposes of ensuring that the Company obtains the best possible result for the client when executing a retail client order in the absence of specific client instructions, it should take into consideration all factors that will allow it to deliver the best possible result in terms of the total consideration, representing the price of the financial instrument and the costs related to execution.

Trading in CFD have the following Trading Orders, as per **Section 12**, above:

- a) Market Order;
- b) Limit Order;
- c) Take Profit; and
- d) Trailing Stop Order.

## 18. Important Information

The Company would like to inform the Client that this Policy is not directed to any



jurisdiction or country where its publication, availability or distribution would be contrary to local laws or regulations. Therefore, this document does not constitute an offer, invitation, or solicitation to buy or sell leveraged products and it may not be reproduced or disclosed in whole or in part to any other person without prior written permission. The Policy is not intended to constitute the sole basis for the evaluation of any Client's decision to trade leveraged products. In addition, please be informed that pursuant to the legal framework the following apply:

1. specific leverage limits or restrictions apply for retail clients; and
2. margin close-out protection means the closure of one or more of a Retail client's open CFDs when the sum of funds in the CFD trading account and the unrealized net profits of all open CFDs connected to that account falls to less than 50% of the total initial margin protection for all those open CFDs
3. NBP, following the provisions of the Client Agreement.

## **19. Review and Monitoring**

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. It should be noted that the Company will not notify Client separately of changes, other than substantial material changes to the Policy, and Clients should therefore refer from time to time to the website of the Company for the most up to date version of the Policy.

Should the Client require any further information and/or have any questions about this policy please contact the Company at [support@exclusivecapital.com](mailto:support@exclusivecapital.com).