

ORDER EXECUTION POLICY

1. Introduction

- 1.1. OZIOtrader is a registered brand name of APME FX Trading Europe LTD (“the Company”), a Cyprus Investment Firm regulated by the Cyprus Securities and Exchange Commission (“CySEC”) with license no: 335/17.
- 1.2. This order execution policy (“the Policy”) is provided to clients or prospective clients in accordance with the Investment Services and Activities and Regulated Markets Law of 2017 L. 87(I)/2017 (“the Law”).
- 1.3. Pursuant to the Law, the company is required to take all sufficient steps to act in the best interest of its clients either when executing or receiving and transmitting client orders for execution, to achieve the best execution results when executing client orders and to comply in particular, with the principles of the Law when providing investment services.

2. Scope

- 2.1. This policy applies only to retail and professional clients. This policy doesn't apply to clients classified as eligible counterparties. Please refer to the company's client categorization document found at www.oziotrader.com
- 2.2. This policy applies to the services of reception and transmission of orders and execution of orders on behalf of clients, for all the types of financial instruments, (as applicable), offered by the company.
- 2.3. This policy is also applicable when providing the service of portfolio management.

3. Best execution factors

- 3.1. The company shall take all sufficient steps to obtain the best possible results for its clients when receiving, transmitting and executing client orders as well as when performing the service of portfolio management by placing orders for execution with the company's liquidity providers considering, price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.
- 3.2. For clients requesting to trade in CFDs:
 - a) **Fairness of price:** When trading in CFDs, the company will quote two prices, the higher price (“ASK”) at which the client can go long or buy that CFD, and the lower price (“BID”) at which the client can go short or sell that CFD. Collectively, the ASK and BID prices are referred to as the company's prices. The difference between the lower and the higher price of a given CFD is the spread. “buy limit”, “buy stop”, “stop loss”, “take profit”, “trailing stop” orders are executed at ASK price. “sell Limit”, “sell stop” “stop loss”, “takeprofit” and trailing stop orders 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 (www.oziotrader.com) or on the trading platforms. The company updates its prices as frequently as possible (considering the limitations of technology and other factors). The company reviews its third-party external reference sources from time to time to ensure that the data obtained continues to remain competitive. The company will not quote any price outside the company's operations time therefore no orders can be placed by the client during that time.

The company conducts ex-ante and ex-post quality checks to ensure that the prices obtained and subsequently passed on to clients remain competitive. Such checks include, but not limited to, reviewing system settings/parameters, comparing prices with reputable price sources, ensuring symmetry of spread and checking the speed of price updating.

If the price reaches an order placed such as: "stop loss", "take profit", "buy limit", "buy stop", "trailing stop", "sell limit" or "sell stop", these orders are instantly executed. However, 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 next available price. This may occur, for example, at times of rapid price fluctuations, or, if 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 this may occur at the opening of trading sessions.

b) **Costs:** The company obtains prices from its third-party external reference sources and quotes these to its clients with 0.2% commission.

The company also obtains its price for swaps (in relation to any given type of CFD) from third party external reference sources such as its liquidity providers and does not add a mark-up on the swap prices it quotes (unless explicitly stated).

Note that the company nevertheless obtains a commission/inducement from its liquidity provider in consideration for the transmission of clients orders for execution to the liquidity provider. The client has the right to contact the company for more clarifications in relation to these commissions.

(In cases of individual client accounts, types of client accounts or type of CFDs which may be subject to mark-ups including mark-ups/additional charges on swaps these are disclosed on the company's website (www.oziotrader.com).

c) **Speed of execution:** The company does not execute the client order in CFDs as a principal to principal against the client, i.e. the company is not the execution venue (as defined in article 44 of the Commission Directive 2006/73/EC implementing MiFID) for the execution of the client's order. The company transmits client orders or arranges for their execution with a third party(ies). However, the company places a significant importance when executing client's orders and strives to offer high speed of execution, which is about 200 - 400 milliseconds, provided that not technology disruptions occur and within the industry average.

- d) **Likelihood of execution:** The likelihood of execution depends on the availability of prices of the liquidity providers/financial institutions. In some case it may not be possible to arrange an order for execution, for example but not limited in the following cases: during news times, the start of trading sessions, during volatile markets where prices may move significantly up or down and away from declared prices, where there is rapid price movement, where there is insufficient liquidity for the execution of the specific volume at the declared price, or, a force majeure event has occurred. In the event that the company is unable to proceed with an order with regard to price or size or other reason, the order will not be executed. In addition, the company is entitled, at any time and at its discretion, without giving any notice or explanation to the client, to decline or refuse to transmit or arrange for the execution of any order or request or instruction of the client in circumstances explained in the client agreement. In order to improve speed and likelihood of execution the company carries out certain ex-ante and ex post quality checks. Such checks include, but not limited to, symmetric slippage checks, number of trades subject to slippage and comparing our average speed of execution with industry standards.
- e) **Likelihood of settlement:** The CFD instruments offered by the company do not involve the delivery of the underlying asset, so there is no settlement as there would be for example, if the client had bought shares. All CFD's are cash settled.
- f) **Size of order:** The actual minimum size of an order may be different for each type of CFD. 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.oziotrader.com) for further information on the minimum size of order that can be placed and each lot value for a given CFD type. If the client wishes to execute a large size order, the price might become less favorable in some cases. The company reserves the right to decline an order in case the size of the order is large and cannot be filled or for any other reason as explained in the agreement entered with the client. Please refer to the company's website (www.oziotrader.com) or the trading platforms for specifications for the value of the minimum and maximum size for a single transaction per instrument.
- g) **Market impact:** Some factors may rapidly affect the price of the underlying instruments/products from which the company's quoted price is derived and may also affect other factors listed herein. The company will take all sufficient steps to obtain the best possible result for its clients.
- h) **Nature of the order:** The nature of an order may affect the execution of that particular order. The client is given the option to place the orders described in section 5.

3.3. The company does not consider the above list exhaustive and the order in which the above factors are presented shall not be taken in a priority manner.

4. Slippage

4.1. You are warned that slippage may occur when trading in CFD's. 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 beginning of market sessions 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.

4.2. 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 clients pending orders at the price specified. However, we confirm that clients order will be executed at the next best available market price from the price the clients have specified under their pending order.

5. Types of order(s)

5.1. The characteristics of an order may affect the execution of the client’s order. Please see below the different types of orders that a client can place:

- a) **Market order(s):** A market order is an order to buy or sell a financial instrument at the current price. Execution of this order results in opening a trade position. Financial instruments are bought at ASK price and sold at BID price. “stop loss” and “take profit” orders can be attached to a market order.
- b) **Pending order(s):** The Company offers the following types of pending orders: “buy limit”, “buystop”, “sell limit” or “sell stop” orders to accounts used to receive and transmit client orders in financial instruments for execution to another entity.

A pending order is an order that allows the user to buy or sell a financial 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 nearest available price. This may occur, for example, at times of rapid price fluctuations,, rises or falls in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted, there is a 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. Pending orders are good until are canceled.

- c) **Take Profit:** Take profit order is intended for gaining profits when the price of the financial instrument 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 only be requested together with a market or a pending order. Under this type of orders, the company’s trading platform checks long positions and short positions so the take profit order could be placed. When a long position is

placed the order is set above the current price and when a short position is placed the order is set below. Take profit orders are executed once the price reaches the requested price

- d) **Stop Loss:** This order is used to minimize losses when the price of the financial instrument moves against the opened position. If the price of the financial instrument reaches the level of the stop loss order, the position will be closed automatically. Such orders are always connected to an open position or a pending order meaning that stop loss orders can be requested only together with a market or a pending order. Under this type of orders, the company's trading platform checks long positions and short positions so the stop loss order could be placed. When a long position is placed the stop loss order is set below the current price and when a short position is placed the stop loss order is set above the current price. Stop loss orders are executed at the first available price.
- e) **Trailing Stop:** Trailing Stop order is a modification of a stop-loss order which is set at a percentage level away from the current market price of the financial instrument. The trailing stop price is adjusted as the price fluctuates and it protects gains by enabling a trade to remain open as long as the price is moving in client's favor.

6. Types of accounts

- 6.1. The company may offer different types of trading accounts from time to time. In this respect, the initial minimum deposit, the spreads, costs, size, commissions, (if any) etc. may differ according to each type of trading account.

7. Best execution criteria

- 6.1. The company will determine the relative importance of the above best execution factors (of paragraph 3 above) by using its commercial judgment and experience in the light of the information available on the market and take into account:
 - a) The characteristics of the client, including the categorization of the client as retail or professional.
 - b) The characteristics of the client's order.
 - c) The characteristics of the financial instruments that are the subject of that order.
 - d) The characteristics of the execution venue to which that order is directed.
- 6.2. For retail clients, the best possible result shall be determined in terms of the total consideration, unless the objective of the execution of the order dictates otherwise, 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, as applicable.

- 6.3. For the purposes of delivering best execution where there is more than one competing execution venues 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 venues that is capable of executing that order, the company's own commissions and costs for executing the order on each of the eligible execution venues shall be taken into account in that assessment.

8. Client's specific instruction

- 8.1. Whenever there is a specific instruction from or, on behalf of a client (e.g., fills in the required partson the company's trading platform when placing an order), the company shall arrange to the extent possible for the execution of the client order strictly in accordance with the specific instruction.

Warning: any specific instructions from a client may prevent the company from taking the steps that it has designed and implemented to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions. However, the company will be considered to have fulfilled its obligation to take all reasonable steps to achieve the best possible result for the client.

- 8.2. Trading rules for specific markets or market conditions may prevent the company from following certain client's instructions.

9. Execution on client's orders

- 9.1. The company shall satisfy the following conditions when carrying out client orders:

- a) ensures that orders executed on behalf of clients are promptly and accurately recorded and allocated.
- b) carries out otherwise comparable client orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable.
- c) informs a retail client about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

10. Execution venues

- 10.1. Execution venues are the entities with which the orders are placed for final execution (i.e., are filled). An «execution venue» means a regulated market (e.g. stock exchange), a multilateral trading facility, a systematic internalize or a market maker or another liquidity provider or an entity performing in a third country a function similar to any of the abovementioned. Third party financial institution(s) will be the execution venue and not the company for the orders placed with financial instruments offered by the company.
- 10.2. The company will execute client's orders with

- **Black Pearl Securities Ltd**

- **BCM Begin Capital Markets CY Ltd**
- **Exclusive Capital Markets Ltd**

- 10.3. The list may be changed at the company's discretion by giving at least one business day prior notice to the clients.
- 10.4. The company evaluates and selects the execution venues based on a number of criteria including such as (but not limited to) the following:
- a) the regulatory status of the institution.
 - b) the ability to deal with large volume of orders.
 - c) the speed of execution.
 - d) the competitiveness of commission rates and spreads.
 - e) the reputation of the institution.
 - f) the ease of doing business.
 - g) the legal terms of the business relationship.
 - h) the financial status of the institution.
 - i) various qualitative criteria such as clearing schemes, circuit breakers and scheduled actions.
- 10.5. The company places different relative importance on each of the criteria mentioned above by using its commercial judgment and experience in the light of the information available on the market.
- 10.6. The company selects to work with those third-party venues that enable the company to obtain on a consistent basis the best possible result for the execution of client orders.
- 10.7. 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.
- 10.8. The client acknowledges that the transactions entered in financial instruments with the company specifically when trading CFDs 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 (e.g. counterparty risk) than regulated exchange market transactions. If you require more information regarding the consequences of this means of execution, please contact us. The contact details are listed on the company's website.

- 10.9. To execute a particular client order, the fees and commissions charged to the clients by the company will be a relevant component of costs.
- 10.10. Varying costs to be borne by the client according to the competing venue chosen, (where applicable), will be taken into account.
- 10.11. The company will not be able to charge a different fee for execution on different venues unless the difference reflects a difference in the cost to the company.
- 10.12. The company shall not structure or charge commissions in such a way as to discriminate unfairly between execution venues.
- 10.13. The company, compares different liquidity providers and performs due diligence before deciding which execution venues to use for client orders. Some of the parameters that the company evaluates, include the following:
- a) Pricing frequency (how many ticks per second does the liquidity provider provide?).
 - b) Speed of communication/execution (how fast are the prices received/orders executed?).
 - c) Occurrence of price freezes and frequency.
 - d) Depth of liquidity (What is the liquidity provided by the liquidity provider?).
 - e) If dealing back-to-back is the overall cost (i.e. total consideration paid by clients) competitive compared to the industry.
 - f) If dealing back-to-back symmetry of slippage should be evaluated in detail for every order type.
- 10.14. In general, the company places great importance on the choice of its liquidity providers as it strives to offer, on a consistent basis, best execution to its clients.
- 10.15. The company randomly selects a sufficiently large sample of trades to ensure, with a high statistical confidence level, that it constantly obtains and will obtain the best possible results for the clients. This is verified by selecting samples from different periods of time, for different financial instruments and different types of CFDs. Also, the sample checks include trades under irregular market events.

11. Important disclosures

- 11.1. The company undertakes to summarize and make public on an annual basis, for each class of financial instruments, the top five execution venues in terms of trading volumes where the client orders were executed in the preceding year and information on the quality of execution obtained, in accordance to the relevant regulatory requirements. The publication shall contain the following information:
- a) class of financial instruments;

- b) venue name and identifier;
- c) volume of client orders executed on that execution venue expressed as a
- d) percentage of total executed volume;
- e) number of client orders executed on that execution venue expressed as a
- f) percentage of total executed orders;
- g) percentage of the executed orders referred to in point (d) that were passive and
- h) aggressive orders;
- i) percentage of orders referred to in point (d) that were directed orders;
- j) confirmation of whether it has executed an average of less than one trade per business day in the previous year in that class of financial instruments.

11.2. The company will publish an annual execution quality summary statement (EQSS) & RTS 28 report which will, for each class of financial instruments, include a summary of the analysis and conclusions the company will draw from its detailed monitoring of the quality of execution obtained on the execution venues where all client orders were executed in the previous year.

11.3. The EQSS & RTS 28 will include:

- a) an explanation of the relative importance the Company gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;
- b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;
- c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;
- d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;
- e) an explanation of how order execution differs according to client categorisation, where the Company treats categories of clients differently and where it may affect the order execution arrangements;
- f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the Client;

- g) an explanation of how the Company has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575;
- h) where applicable, an explanation of how the Company has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

10.4. The first annual report of the company was released in April 2019.

10.5. Where for a given class, the company provides all its services under the scope of this policy, the company shall provide separate reports in relation to these services

10.6. You can find EQSS & RTS 28 by following the below link:

- <https://ozios.com/en/disclosures-and-reports>

10.7. The above disclosures should be published by the end of April each year and kept on the company's website for a minimum of 2 years

12. Client's Consent

12.1. When the client provides his/her consent at the end of the registration procedure the client agrees to the application of this policy throughout the relationship with the company.

13. Monitoring of the effectiveness of the policy & execution arrangements

12.1. The company monitors its order execution arrangements and execution policy in order to identify and, where appropriate, correct any deficiencies. In particular, the company assess, on a yearly basis, whether the execution venues included in its policy for order execution, provide for the best possible result for the client or whether the company needs to make changes to its execution arrangements

14. Amendment of the policy and additional information

14.1. 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.

14.2. Should you require any further information and/or have any questions about conflicts of interest please submit your request and/or questions to support@ozios.com.

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