ATFX

POLICY TO ACT IN THE BEST INTEREST OF THE CLIENT AND ORDER EXECUTION POLICY

ATFX GLOBAL MARKETS (CY) LTD

CYSEC License Number 285/15

Version 2.1, April 2018

ATFX

Contents

1. Introduction

ATFX GLOBAL MARKETS (CY) LTD (hereinafter "**the Company**") is incorporated in Cyprus under registration number HE 340674 through the Department of Registrar of Companies and Official Receiver (http://www.mcit.gov.cy/drcor)

The Company is authorized and regulated by the Cyprus Securities and Exchange Commission (http://www.cysec.gov.cy) to act as a Cyprus Investment Firm (CIF) with CIF License No. 285/15 operating as an international foreign exchange broker.

The Company operates under the under the Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and Other Related Matters Law of 2007, as subsequently amended from time to time (hereinafter, the "**Law**").

2. General

The Company is required to take all reasonable steps to act in the best interest of its Clients when receiving and transmitting orders for execution and to provide its such Clients and/or potential Clients with this Order Execution Policy (hereinafter, the "**Policy**")

The Policy sets out the procedures and methods used by the Company to ensure the fair, prompt and expeditious execution with the best possible trade execution condition for its Clients in relation to trading in Contracts for Differences (CFDs).

The Policy forms part of the Client's agreement, namely, the Terms and Conditions with the Company, thus the Client is also bound by the terms of this Policy, as set out herein.

All Clients are required to familiarise themselves with this Policy and to make sure that the principles specified herein are acceptable by them, while the Company shall, to the extent possible, adhere to this Policy when receiving and transmitting Clients' orders.

2.1 Interpretation of Terms

2.1.1 Pending Order:
Pending Order shall mean either a buy stop, or sell stop, or buy limit, or sell limit order. An order to be executed at a later time and a price that the Client shall specify.

2.2.2 Take Profit:
Take Profit shall mean an instruction that is attached to an open order if the type is a market order and an instruction that is attached to a price range or limit order before execution for securing profit. In the case of a market order negative or positive slippage might occur.

2.2.3 Over-the-Counter (OTC):
Over-the-Counter (OTC) shall mean trading of financial instruments directly between two parties, outside of an exchange traded environment.

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3. Scope of the Policy

The Policy applies to both Retail and Professional Clients (as defined in the Company's Client Categorization Policy). If the Company classifies as an Eligible Counterparty, this Policy does not apply to such an Eligible Counterparty.

4. Best Execution Factors

The Company shall take all reasonable steps to obtain the best possible result for its Clients taking into account the following factors when executing Clients' orders:

4.1. Price of the Financial Instrument

The Company provides its prices, which are derived from its liquidity provider(s). The Company reviews its liquidity providers from time to time, to ensure that the price obtained continues to be competitive. The Company updates its prices as frequently as the limitations of technology and communications links allow. The Company's prices can be found on the Company's website or trading platforms.

For any given financial instrument, the Company will quote both the higher price (ASK) at which can buy (go long) that financial instrument and the lower price (BID) at which the Client can sell (go short) that financial instrument. Collectively, the ASK and BID prices are referred to as the Company's price. The difference between the lower and the higher price of a given financial instrument is the spread. "Buy Limit", "Buy Stop" and "Stop Loss", "Take profit for opened short positions" orders will be executed at the ASK price, and "Sell Limit", "Sell Stop" and Stop Loss", "Take profit for opened long positions", "Sell Limit", "Sell Stop" and "Stop Loss" will be executed at the BID price. The Company will do all reasonable efforts to ensure that the Client receives the best spread and that its calculation is made with reference to a wide range of data sources and underlining price providers. The Company will not quote any price outside Company's operations time therefore no orders can be placed by the Client during that time.

If the price reaches an order such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop, these orders are instantly executed. However, under certain trading conditions it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop) 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, 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.

4.2 Costs

For opening a position in some types of CFDs the Client may be required to pay commission or financing fees, the amount of which is disclosed on the Company's website. Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amounts. In the case of financing fees, the value of opened positions in some types of CFDs is increased or reduced by a daily financing fee "swap rate" throughout the life of the contract. Financing fees are based on prevailing market interest rates, which may vary over time. Details of daily financing fees applied are available on the Company's website.

4.3. 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 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 within the limitations of technology and communications links.

4.4. Likelihood of Execution and Settlement

Execution

The Company acts as an agent and not as principal on the Client's behalf, therefore, the Company's execution venues for the execution of the Client's orders are third party(ies). As the Company receives direct liquidity from the markets for CFDs, the execution may be more difficult. This means that the likelihood of execution depends on the availability of prices of other market makers/financial institutions/execution Venues.

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, trading session start moments, 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, 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.

Settlement

The financial instruments of contracts for differences offered by the Company do not involve the delivery of the underlying asset, so there is no settlement, as there would be for the example if the Client had bought shares.

4.5. The size of the order

The actual minimum size of an order may be different for each type of Client Account. A lot is a unit measuring the transaction amount and it is different for each type of CFD. Please refer to the Company's website for the value of minimum size of an order and each lot for a given CFD type. The Company reserves the right to decline an order as explained in the agreement entered with the Client. Please refer to the Company's website for the value of the maximum volume of the single transaction.

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4.6. 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 reasonable steps to obtain the best possible result for its Clients. *The Company does not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as priority factor. Nevertheless, whenever there is a specific instruction from the Client, the Company shall make sure that the Client's order shall be executed following the specific instruction.*

5. Execution Practices in CFDs

5.1. Slippage

You, as Client, are warned that Slippage may occur when trading in CFDs. 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 your 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 you have requested, this is referred to as negative slippage. As Client, you are advised that Slippage is a normal element when trading in CFDs. Slippage more often occurs during periods of illiquidity or higher volatility (for example due to news announcements, economic events and market openings and other factors) making an Order at a specific price impossible to execute. In other words, your Orders may not be executed at declared prices.

It is noted that Slippage can occur also during Stop Loss, Take Profit and other types of Orders. We do not guarantee the execution of your Pending Orders at the price specified.

However, we confirm that your Order will be executed at the next best available market price from the price you have specified under your pending Order.

5.2. Re-quotes

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

6. Type of order(s)

The Client is given the option to place with the Company the following orders for transmittal for execution in the following ways:

(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.

All types of accounts offered by the Company are Market Orders.

(b) Pending Order(s)

The Company offers the following types of Pending Orders: Buy Limit, Buy Stop, Sell Limit or Sell Stop orders to accounts used to receive and transmit Client Orders in financial instruments for execution to another entity (known as STP).

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 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.

It is noted that Stop Loss and Take Profit may be attached to a Pending Order. Also, pending orders are good till cancel.

(c) Take Profit

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

(d) **Stop Loss**

This order is used for minimising of losses if the financial instrument price has started to move in an unprofitable direction. If the financial instrument price reaches this level, the whole position will be closed automatically. Such orders are always connected to an open position or a pending order. They can be requested only together with a market or a pending order. Under this type of orders, the Company's 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).

7. Best Execution criteria

The Company will determine the relative importance of the above Best Execution (paragraph 4 above) factors by using its experience in the matter and taking into account the following criteria:

- the Client's characteristics including the categorization of the Client either as Retail or Professional;

- The characteristics of the Client's order;

- The characteristics of financial instruments that are subject to that order;

- The characteristics of the execution venue to which that order can be directed.

In light of the above, the Company assigns the following importance level for the above Best Execution Factors:

Factor	Importance Level
Price	High
Costs	High
Likelihood of execution	High
Likelihood of settlement	High
Size of order	Medium
Market impact	Medium

For Retail Clients the best possible result is determined in terms of the total consideration.

The Company shall ensure the following when carrying out Client orders:

- that orders executed on behalf of Clients are promptly and accurately recorded and allocated;

- that otherwise comparable Client orders are carried out sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the Client require otherwise.;

- that a retail Client is promptly informed about any material difficulty in respect to the proper carrying out of orders.

Total consideration is the sum of the price of the financial instrument and the costs related to execution, including all expenses incurred by the Client, which are directly related to the execution of the Order, such as execution venue fees, clearing and settlement fees, and any other fees paid to third parties involved in the execution of the Order.

8. Execution Venue

Execution Venues are the entities with which the Orders are placed. For the purposes of Orders for the CFDs, third Financial Institution(s) will be the Execution Venue and not the Company. Currently the Company's Execution Venue is Hantec Global Limited. The Execution Venue(s) may be changed at the Company's discretion by giving at least one (1) business day prior notice to the Clients.

The Client acknowledges that the transactions entered in CFDs with the Company are not undertaken on a recognised exchange, rather they are undertaken over the counter (OTC) and as such they may expose the Client to greater risks than regulated exchange transactions

9. Specific Instructions from Clients

In the case where the Client provide specific instructions on full or partial execution of the Client's order, that order shall be transmitted for execution in accordance to such instructions and the Company, in doing so, it will have complied with its obligations to provide the best possible results to the extent that those instructions are followed.

The Company warns its Clients that any specific instructions from them 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.

10. Amendment/Review

10.1. Review

The Company will review and monitor the effectiveness of the Policy and arrangements and, where appropriate, correct any deficiencies. The Company will assess from time to time, whether the execution venues enable the Company to provide the best possible result for the Clients' order and whether amendments to its execution arrangements are required.

A review will also be carried out whenever a material change occurs that affects the ability of the Company to continue to obtain the best possible result for the execution of its Clients orders on a consistent basis using the venues included in the Policy.

10.2 Notifications

The Company will not be obliged to notify its Clients individually of changes, other than substantial material changes to the Policy. Thus, the Clients should refer to the Company's website for the latest and most up to date version of the Policy, which will be applicable from the date of publication on the web.

11. Client Consent

11.1 By entering into a Client Agreement with the Company for the provision of Investment Services, the Client is consenting to the application of this Policy on him. When establishing a business relation with the Client, the Company is required to obtain the Client's prior consent to this Policy. The Company is also required to obtain the Client's prior express consent before it transmits its Order for Execution outside a Regulated Market or an MTF (Multilateral Trading Facility). The Company obtains the above consents through this Policy.

11.2 The Company reserves the right to review and/or amend its Policy and arrangements, at its sole discretion, whenever it deems fit or appropriate.

11.3 This Policy is part of our Terms and Conditions of Business, which is a contractually binding Agreement between the Company and its Clients, and is incorporated therein by reference. It shall be applicable to all transactions among the Company and its Clients, to the extent that it does not impose and/or does not seek to impose any obligations on us which we would not otherwise have, but for the Law.

Should you have any questions about our "Policy to Act in the Best Interest of the Client and Order Execution Policy", kindly e-mail your request to the:

Compliance Department: compliance@atfxgm.eu