



PROFITTO

ORDER EXECUTION



1. INTRODUCTION

- 1.1. Company Ltd (“Company”) is committed to treat our clients fairly by executing orders on terms most favourable to our clients.
- 1.2. As such, Company has implemented this Order Execution Policy (hereinafter referred to as the ‘Policy’) aimed to obtain the best possible result for our clients, taking into account factors listed below.
- 1.3. The Policy is aimed to provide our clients with a general overview on the how trade orders are executed and the various factors that can affect the execution of the financial instruments offered by Company.
- 1.4. This Policy forms part of our Terms and Conditions of Business and is incorporated therein by reference. Therefore, by agreeing with our Terms and Conditions of Business, which is a contractually binding agreement between you and the Company, you are also agreeing to the terms of the Policy set forth in this document.

2. SCOPE AND APPLICATION

- 2.1 The Company will always act as principle when executing transactions for the clients. The Policy will apply whenever the Company execute transactions on behalf of professional and retail clients.
- 2.2 The Company will take all reasonable steps to obtain the best possible result for the clients as accordance to the Policy. The Policy considers factors such as the size of the order, liquidity of the underlying market, and the priorities of the client with the purpose to provide the best outcome in the interest of the client.
- 2.3 This Policy applies when executing transactions with you for the Financial Instruments provided by the Company. The Financial Instruments provided by the Company are derivatives of an underlying financial instrument, and it is up to the Company’s discretion to decide which types of Financial Instruments to make available and to publish the prices at which these can be traded. The Company is always the counterparty (or principal) to every trade; therefore if the Client decides to open a position in a Financial Instrument with the Company, then that open position can only be closed with the Company.
- 2.4 The Client is given the option to place with the Company the following orders for execution in the following ways:
 - a. The Client places a “Market Order” which is an order instantly executed against a price that the Company has provided. The client may attach to a market order a Stop Loss and/or Take Profit. Stop Loss is an order to limit Client’s loss, whereas Take Profit is an order to limit Client’s profit.
 - b. The Client places a “Pending Order”, which is an order to be executed at a later time at the price that the Client specifies. The Company will monitor the pending order and when the price provided by the Company reaches the price specified by the Client, the order will be executed at that price. The following types of pending orders are available:

'Buy Limit' (an order to purchase a Financial Instrument at or below a specified price), 'Buy Stop' (an order to buy a Financial Instrument, which is entered at a price above the current offering price; it is triggered when the market price touches or goes through the buy stop price), 'Sell Limit' (an order to sell a Financial Instrument at a specified price or better), and 'Sell Stop' (an order to sell a Financial Instrument when it reaches a certain price). You may attach to any 'Pending Order' a 'Stop Loss' and/or 'Take Profit'. In the case that the Client has no balance and no activity (trading/withdrawals/deposits) in his trading account for ninety (90) calendar days, any pending order(s) may be deleted.

- c. You may hold up to 200 positions simultaneously (considered as summary of "Market" and "Pending Orders" per "Account"). The Client may modify an order before it is executed. The Client has no right to change or remove Stop Loss, Take Profit and Pending Orders if the price has reached the level of the order execution.
- 2.5 The Company does not however guarantee that execution at our price will be more favourable than one which might have been available elsewhere.
- 2.6 By agreeing to the terms of our Customer Agreement, clients are also agreeing to the terms of the Company Order Execution Policy.
- 2.7 The Company is committed to treat our clients fairly by executing orders on terms most favourable to our clients.

3. TRADE ORDER EXECUTION AND PRICE CONFIRMATION

- 3.1 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 against the Company's quoted prices:

Price:

Bid – Ask Spread: For any given Financial Instrument the Company will quote two prices: the higher price (ASK) at which the client can buy (go long) that Financial Instrument, and the lower price (BID) at which the client can sell (go short) that Financial Instrument; collectively they 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.

Pending Orders:

Such orders as Buy Limit, Buy Stop and Stop Loss / Take profit for opened short position are executed at ASK price. Such orders as Sell Limit, Sell Stop and Stop Loss / Take profit for opened long position are executed at BID price.

Company's price:

The Company's price for a given Financial Instrument is calculated by reference to the price of the relevant underlying financial instrument, which the Company obtains from third party external reference sources. The Company's prices are constructed with reference to the given Financial Instrument Spreads and Conditions, which can be found in the Company's website. The Company updates its prices as frequently as the limitations of technology and communications links allow. The Company reviews its used third party external reference sources at least once a year, to ensure that the data obtained continue to be competitive. The

Company will not quote any price outside Company's operations time (see Execution Venue below) therefore no orders can be placed by the Client during that time.

3.2 Costs:

Opening a position in some types of Financial Instruments provided by the Company may require the client to pay commission and/or other fees if applicable.

- a. Commissions: Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amount.
- b. Financing Fee: In the case of financing fees, the value of opened positions in some types of Financial Instruments is increased or reduced by a daily financing fee "swap" throughout the life of the contract. Financing fees are based on prevailing market interest rates, which may vary over time.

For all types of Financial Instruments that the Company offers, the commission and financing fees are not incorporated into the Company's quoted price and are instead charged explicitly to the Client account.

3.3 Trade and Order Confirmation

- a. All orders submitted by the clients to Company are subjected to size consideration. The minimum size of an order is 1,000 units of base currency. There is 10,000,000 unit the maximum size for an order which can be submitted by the client, Company reserves the right to decline an order if the requested size is larger than Company is able to trade in the underlying market, at the requested price, at that particular point of time. Greater liquidity may be offered to the client by Company at its own discretion.
- b. Confirmations for all transactions that have been executed in your Trading Account on any trading day will be available via your online account through the online trading platform as soon as the transaction is executed. It is your responsibility to notify the us, if any confirmations are incorrect. Confirmations shall, in the absence of manifest error, be conclusive and binding on you, unless you place your objection in writing within 14 (fourteen) Business Days. You may request to receive the account statement monthly or quarterly via email, by providing such a request to us, but the Company is not obliged to provide you with the paper account statement. The Account statement may be provided at the expense of the Client.
- c. If there is any manifest error in the statement or information provided by us, we, acting reasonably and in good faith, void any transaction or decline to accept any orders and/or reserve the effect of any transaction or amend any trade so that the relevant trade is affected as if the error did not incur.

3.4 Price Order Confirmation

- a. Company provides Market Execution on all trading instruments. The Company applies ECN/STP model to orders' execution, that is, all the Client's positions are offset to the interbank liquidity providers. In some cases, the orders may fail to be offset, or the Company may solely decide not to offset an order or a group of orders.
- b. As a result of the nature of Market Execution, slippage during orders opening or closure may occur. The Client agrees that such possible occasional slippage is a natural

consequence and feature of Market Execution, and the Company is not responsible for it in any way.

- c. Any possible open or close price deviation is subject to the available liquidity. When the Company quotes a price, market conditions may move between our sending of the quote and the time your order is executed. Such movement may be either in your favour or against it. Prices that may be quoted and/or traded upon, from time to time, by other market makers or third parties shall not apply to trades between the Company and you. For example, in times of high volatility (i.e. daily rollover price feed, major news announcements, central bankers' speeches, etc.) as well as low liquidity in the market, your orders may not be executed at declared prices but instead on the next best available price the Company bears no responsibility for the consequences of such deviations and/or price differences from the price requested by the Client.
- d. The Client can cancel a sent order only while it is in the queue with the "Order is accepted" status. In this case, the Client should press the "Cancel order" button. In this case, due to the specifics of the Client Terminal, the order cancellation cannot be guaranteed.

3.5 The Client's request to open, modify, or close an order can be declined in the following cases:

- a. During the market opening, when the order is sent before the first quote has been received by the Trading Platform. (Depend on volume availability during the execution time)
- b. In exceptional market conditions. Exceptional market condition can be referred to the daily price feed that has been received from the liquidity provider which usually happen during market opening and closing daily rollover.
- c. In case the Client doesn't have sufficient margin. In this case, 'Not enough money' or 'Insufficient funds' message is displayed by the Trading Platform
- d. In case the Client uses Auto trading Software performing over thirty requests per minute, the Company reserves the right to ban such Expert Advisors or cBots.

3.6 The use of the same IP address by different clients can be a reason to consider all the orders in all the accounts performed from this IP address as those performed by the same Client.

3.7 The use of arbitrage strategies is prohibited. Arbitrage is a strategy aimed at profiting by exploiting the difference in prices of identical or similar financial instruments in different markets or in different forms, including but not limited to latency abuse, price manipulation, or time manipulation. If the Company reasonably suspects that the Client uses arbitrage in an explicit or hidden way, the Company reserves the right to do the following:

- a. Cancel all orders of the Client
- b. Cancel the Client's profit associated with all closed orders
- c. Close all trading accounts of the Client and refuse further provision of the service to the Client.

3.8 The Company reserves the right to close the Client's opened orders by the market quotes in the following cases:

- a. The Client is underage;
- b. The Client is from a country to which the Company does not provide its services;
- c. The Client uses any arbitrage strategies as considered by the Company at its sole discretion;

- d. The Client conducts any other violation of this Agreement or any of the Company's policies.
- e. The Company reserves the right to cancel the Client's orders in case they do not comply with this Agreement.

4. SPEED AND LIKELIHOOD OF EXECUTION

- 4.1 The Company will act as the principle for all orders submitted by the client. Company is committed to offer our client the best possible execution speed and strives to improve within the limitations of information and communication technology. Under all normal circumstance's orders will be filled at the requested price within seconds. If the price requested is not available in the market, the order will not be filled. However, the use of any form of unstable or slow internet connection at the client's end may result in interrupted and/or delayed connectivity to our platforms.
- 4.2 In certain circumstances due to poor connection speed, abnormal market volatility or in the case of intentional manipulation of our quoted price or other related data, the client's order may be declined by Company if the price requested by the client is not representative of the market price received by Company. Internet, or any other form of unstable connection at the Client's end, may result in poor or interrupted connectivity or lack of signal strength causing connectivity delays, and price feed errors sometimes create a situation where the price displayed on the Trading Platform does not accurately reflect the market rates. This delay may result in sending to the Company out of date "market orders". In this case the Company will update the price and execute the order at the market price available.
- 4.3 The Company acts as principal and not as agent on the Client's behalf; therefore, the Company is the sole Execution Venue for the execution of the Client's orders for the Financial Instruments provided by the Company. Although the Company executes all orders placed by the Clients, it reserves the right to decline an order of any type or execute the order at the first available market price.
- 4.4 The result of any system failure may be that your order is either not executed according to your instructions or it is not executed at all. The Company does not accept any liability in the case of such a failure.
- 4.5 The Company does not permit the practice of arbitrage on the Trading Platform. Transactions that rely on price latency arbitrage opportunities shall be revoked, without prior notice.
- 4.6 The Client acknowledges that the transactions entered in Financial Instruments with the Company are not undertaken on a recognized exchange, rather they are undertaken through the Company's Trading Platform and, accordingly, they may expose the Client to greater risks than regulated exchange transactions. Therefore the Company may not execute an order, or it may change the opening (closing) price of an order in case of any technical failure of the trading platform or quote feeds. The terms and conditions and trading rules are established solely by the counterparty which in this case is the Company. The Client is obliged to close an open position of any given Financial Instruments during the opening hours of the Company's Trading Platform. The Client also has to close any position with the same counterparty with whom it was originally entered into, i.e. the Company.

- 4.7 The Client may request the Company to execute upon receipt instructions conveyed by telephone, facsimile, e-mail or any other written or oral means of communication that each of the present and future account holders, attorneys and duly authorized representatives shall give individually to the Company, even if these instructions are not followed by a confirmation in writing. The Company does not accept any liability in case of misunderstanding, error in the identification of the person giving the instruction or other errors on its part related to such method of communication and which may involve losses or other inconveniences for the Client. The Company reserves the right not to execute instructions transmitted by telephone or fax. Telephone conversations may be recorded, and you will accept such recordings as conclusive and binding evidence of the instructions.

5. ORDER

5.1 Orders:

Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop on Financial Instrument contracts are executed at the declared by the Client price on the first current price touch. But under certain trading conditions it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop) on any Financial Instrument contract at the declared price. In this case the Company has the right to execute the order at the first available price. This may occur, for example, at the following cases:

- a. Trading Session start moments,
- b. During news times,
- c. During volatile markets where prices may move significantly up or down and away from declared price,
- d. Where there is rapid price movement, 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,
- e. If there is insufficient liquidity for the execution of the specific volume at the declared price,

The Company strives to provide the best possible price to its clients, and makes every effort and necessary arrangements to do so; however it may be impossible to guarantee the execution of any or all of the pending orders at the declared price.

The minimum level for placing Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit and Sell Stop orders is between 1 to 5 times the spread for a given Financial Instrument.

5.2 Size of order:

The minimum size of an order is 0.01 lots. A lot is a unit measuring the transaction amount and it is different for each type of Financial Instrument. The Company reserves the right to decline an order as explained in the terms and conditions entered with the Client.

The Company makes every effort to fill the order of the Client irrespective of the volume. However, if this is achieved, it may be at a best available price, different from declared price, as the market liquidity may allow at the time of execution.

5.3 Market Impact:

Some factors may affect rapidly the price of the underlying financial instruments from which the quoted Company price for its Financial Instruments is derived. These factors may influence some of the factors listed above. 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.

6. AGGREGATION

- 6.1 The client's orders may at the discretion of Company be aggregated/split with Company own orders, orders of any of Company associates and/or other clients. Orders will only be aggregated or split where Company reasonably believes it to be unlikely that the aggregation or split generally will be unfavourable to any client. However, such aggregation may in abnormal circumstances work to the client's disadvantage.

7. MONITOR AND REVIEW

- 7.1 Company will monitor on a regular basis the effectiveness of our order execution arrangements and execution policy to deliver the most favourable result to our clients and to identify and correct any problem. Company reserves the right to correct any deficiencies in the policy and to make improvement to its execution arrangements wherever deemed necessary by Company.

8. FORCE MAJEURE EVENTS

- 8.1 Company not responsible for financial losses arising from force majeure events. These events are extreme and irresistible circumstances that are independent of the will and actions of the agreement participants, that cannot be foreseen, prevented, or eliminated, including but not limited to natural disasters, fires, man-made accidents and disasters, emergencies at utility works and on utility lines, bankruptcy of Liquidity Provider, DDOS attacks, riots, military actions, terrorist attacks, uprisings, civil unrest, strikes, and the regulatory acts of state- and local government authorities.

9. ALLOWED TRADING METHODS

- 9.1 Company allows all types of trading methods and styles.
- 9.2 The Company reserves the right, however, to close, suspend or recoup any closed profit and loss from an account it deems is engaging in unethical or questionable trading styles including, but not limited to, Picking and Snipping, Flooding, Scalping, Pip-hunting, Hedging, placing "buy stop" or "sell stop" orders prior to the release of financial data, arbitrage, use of robots, a combination of faster/slower feeds, manipulation fresh data feed on daily rollover and the act

of “flooding” of our servers with an excessive amount of pending orders and / or pending order modification requests, excessive logins, or the use of certain automated trading systems or Expert Advisors, without notice.

- 9.3 Company will usually (but is not obligated to always) attempt to initially express its concern to Customer or associated parties via email or telephone in the form of a formal warning. If the Customer or associated party does not modify trading style within a reasonable amount of time following the warning, Company reserves the right to liquidate all or some open positions, close, suspend or recoup any closed profit or loss from account, and return any remaining proceeds to Customer according to Company account closing procedures or any combination thereof. If the Company reasonably suspects that the Client uses arbitrage in an explicit or hidden way, the Company reserves the right to do the following:
- a. Cancel all orders of the Client.
 - b. Cancel the Client’s profit associated with all closed orders.
 - c. Close all trading accounts of the Client and refuse further provision of the service to the Client.

10. PENDING ORDERS

- 10.1 Company reserves the rights to disable pending order function on major news release without prior notice.
- 10.2 Company reserves the right to delete any pending orders are more than thirty (30) days been placed.
- 10.3 Misquotes / Mispricing:

It is possible that a transaction may be performed on a wrong price due a miss-quote price feed from any of Company third party liquidity providers or through an unexpected technical fault. Equally, there may be delays due to internet connection or occasions where a position is opened or closed based on latent prices that do not reflect the correct market prices at the time of transaction, resulting in an inaccurate profit or inaccurate loss.

- 10.4 Such events may affect client transactions. In this case, Company will take all the necessary measures, immediately, to remedy and rectify the situation, as it is fair and suited to each case. Remedies include correcting deal entry prices or exit prices according to the correct market rates at the time of transaction. Company may need to cancel any transaction(s) which are executed wrongly due to the ‘price misquote’, for example from pre-set limit/pending orders been triggered due to mispricing. Company will make the best efforts to contact and inform client for Company’s actions, by telephone or by e-mail.

11. SLIPPAGE

- 11.1 Company aims to provide clients with the best execution available and to fill our client’s orders at the requested price. However, there are times when, due to abnormal increase in market volatility, orders may be subject to slippage or rejected on LP level.

- 11.2 Company hereby advises our clients that slippage is a normal market practice in the industry and a common feature of the foreign exchange market under conditions such as lack of liquidity and abnormal volatility due to economic events, news announcements, and market opening. Company shall not be held liable for losses suffered by the client caused by slippage.
- 11.3 Company reserves the rights to void any positions opened and subsequently closed within 3 minutes. Company do not recognize trades under 3 minutes if trades rejected by LP. Any profit, loss, and/or commission fees made through these transactions may be deemed invalid.

12. REDUCTION OF MAXIMUM LEVERAGE

- 12.1 As protection against over exposure on news, Company will apply reduction of maximum leverage on every major economic news, included but not limited to FOMC, NFP and ECB news. The maximum leverage for all account types will be reduced to 1:50 at 5(five) hours before until 5(five) hours after the news announcement. Higher leverage creates additional risk and loss exposure, which may cause negative equity on client accounts.
- 12.2 Hence, Company reserves the right to reduce the leverage to 1:50 in event of big news to avoid the risk similar to crisis.

13. Client Consent

- 13.1 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 executes or transmits its order for execution outside a regulated market or an MTF (Multilateral Trading Facility).
- 13.2 The Company may obtain the above consents in the form of a general agreement where the Client is informed that any orders placed with the Company for the Financial Instruments offered by the Company.
- 13.3 The Company reserves the right to review and/or amend its Policy and arrangements, at its sole discretion, whenever it deems fit or appropriate.

14. LEGAL NOTICE

- 14.1 This policy supersedes any prior written or verbal communication or understanding. Company may change the terms of this policy at any time. Any later version of this document shall supersede all previous versions.

15. LANGUAGE DISCREPANCIES

- 15.1 This Policy has been drafted in the English language. In the event of any discrepancy between the meanings of any translated versions of this Agreement and the English language version, the meaning of the English language version shall prevail. Company reserves all right.