

# NAGM(V) LIMITED

## Execution Policy

Risk Warning: Trading CFDs carries a high level of risk and may not be suitable for all investors. You may lose more than your initial deposit. Before using NAGM services, please read and understand each entity's Product Disclosure Statement, Terms and Conditions of Use, and related legal documents, as the products offered may differ depending on the regulatory requirements of each entity.

## 01. Introduction

The purpose of the NAGM(V) LIMITED (hereinafter the “Company”, “NAGM”) Execution Policy (hereinafter, the “Policy”) is to lay down the policies, procedures and measures adopted by the Company to obtain, when executing orders, the best possible result for its Clients.

This Policy shall apply to both Retail and Institutional.

This Policy shall apply when executing Client Orders for the Client for all the types of Financial Contracts for Differences (hereinafter “CFDs”) offered by the Company.

The Company reserves the right to amend the current version of this Policy at any time if such amendment is needed as a result of any amendments of the law, any regulations, execution practices utilized by the Company or for any reason the Company considers as a proper reason to amend the Policy.

In case of amendment of the current Policy, all the concerned parties will be fully informed about the amendment.

This Policy shall form an integral part of the Company’s Internal Operations Manual (hereinafter, the “IOM”).

## 02. Best Execution Requirements

The objective of the Best Execution Requirements is the execution of orders in terms

most favorable to the Client.

Pursuant to Regulations, the Company must comply with the following requirements:

- 1) Take all sufficient steps to obtain when executing Client Orders the best possible result for its Clients taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order. Nevertheless, where there is a specific instruction from the Client the Company shall execute the order following the specific instruction.
- 2) Where the Company executes an order on behalf of a retail or institutional Client, the best possible result shall be determined in terms of the total consideration, representing the price of the securities and the costs relating to execution, which shall include all expenses incurred by the Client which are directly relating 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.
- 3) For the purposes of delivering best possible result in accordance with paragraph (a), where there is more than one competing venue to execute an order for a securities, in order to assess and compare the results, for the Client, that would be achieved by executing the order on each of the execution venues listed in this Policy below and in the Company's Summary of Best Interest and Order Execution Policy available on the Company's website which are capable of executing that order, the Company's own commissions and the costs for executing the order on each of the eligible execution venues, shall be taken into account in that assessment.



- 4) The Company shall not receive any remuneration, discount or non-monetary benefit for routing Client orders to a particular trading venue or execution venue which would infringe the requirements on conflicts of interest or inducements.
- 5) The Company must monitor the effectiveness of its order execution arrangements as set in this policy in order to identify and, where appropriate, correct any deficiencies. The Company must be able to demonstrate to its Clients, at their request, that it has executed their orders at their best interests and in accordance with this policy.

### 03. Execution Policy

#### A. General

In order to comply with the Execution Requirements, the Company has established and implements this Policy to obtain, for its Client orders, the best possible result when executing Client Orders.

This Policy outlines the Company's execution arrangements and processes involving a combination of front office and compliance monitoring with the use of systems that rely on random sampling and orders post execution assessment and reporting.

The Company executes Client Orders in relation to, CFDs in shares, commodities, metals, indices and foreign currency pairs.

This Policy includes below, in respect to CFDs information on the different venues that the Company executes its Client orders and an account of the relative importance the

Company assigns, in accordance with the criteria specified in Section 4.6 below, to the factors referred to in Section 4.3 below, or the process by which the Company determines the relative importance of those factors.

## B. Dealing Room

The Dealer and Operation Department are responsible for the monitoring of the orderly reception and transmission and execution via the Company's electronic systems (online trading platform) of Client's orders in securities that the company is licensed to offer and in case of online platform failures or other special situations, accurately receiving and transmitting via telephone or email of Client orders in securities that the company is licensed to offer.

Additionally, the Dealing Room acts as a point of primary contact between the Client and the Company in relation to reception and transmission and execution of orders.

The Company, when providing the trading Service of Reception and Transmission of orders in relation to one or more Securities and Execution of orders on behalf of Clients, shall comply with the Law to act in accordance with the best interests of their Clients. The Company and Dealing Room shall take all sufficient steps to obtain the best possible result for its Clients as described below in relation to best execution.

The Dealing Room bears inter the following responsibilities in relation to best execution and follows the below procedures and controls:

a.Ensure that reception and transmission of orders are routed to the most appropriate

execution venue/s according to the procedures of this policy (i.e. if on securities liquidity and pricing is obtained/provided by two different venues the order will be routed automatically to the venue that offers at that time the best price for the Client), and frequent monitoring of Clients orders to confirm legitimacy.

b. Responsible for the accurate recording of orders on the company's platform for transmission to the counterparty or for direct accurate transmission to counterparty via phone or email as and if applicable.

c. Monitoring and ensuring the correctness of prices given out to Clients according to the Company's infrastructure/set-up and counterparties/execution venues.

d. Keep in file "RTO Errors Book" and "Execution Errors Book" where all errors in relation to reception and transmission and execution of orders on behalf of Clients are recorded. Such records must be accessible by the Compliance Officer and Risk Manager to promptly address any issues that might arise and be taken into consideration for improving the utilized by the Company infrastructure/setup for the provision of the said trading Services.

e. Monitor and record the spreads offered from the various execution venues on the securities offered by the Company to assess on an on-going basis the venues in use and the trading conditions they provide.

f. Monitor and keep records from each execution venue the associate charges in respect to transaction and overnight interest rate fees.

g. Monitors and keeps records of execution statistics to determine inter alia the following:

i. Speed of Execution.

ii. The size of the order, whether fully or partially executed.

iii. Requested Client price vs filled price, to determine any possible slippage.

iv. To monitor any rejections or requotes.

v. Slippage

h. The following additional factors are taken into consideration and recorded:

i. The stability of the price feed to ensure is not resulting to frequent off-market quotes (Live Price comparison with independent market data providers or execution venues)

ii. The Size of the Order book of the execution venues (Top of the Book Average Size or market depth of the venue where this is applicable to be checked)

iii. The technological aspects of execution venue and trustworthiness.

Further to the above, the Dealing Room shall be filling on a daily/weekly/monthly basis a spreadsheet which shall be used for the assessment of the Execution of Client orders of the Company.

The Senior Management shall be responsible for maintaining records of the assessment while the Compliance Officer shall be responsible for review of those records.

## 04. Best Execution Factors



The Company takes into account the following criteria, when carrying out Clients' orders, or is acting on behalf of Clients:

- a. The characteristics of the Client including the classification of the Client as Retail or Institutional
- b. The characteristics of the Client order
- c. The characteristics of securities that are the subject of the order
- d. The characteristics of the execution venues to which the order can be directed

When executing Orders, the Company shall take all sufficient steps to achieve/obtain the best possible outcome/result ("Best Execution") for its Clients, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the Order ("Best Execution Factors"), as follows:

a) Price:

**BID – ASK Spread:** For any given CFD, the Company will quote two prices: the higher price (ASK) at which the Client can buy (go long) that CFD, and the lower price (BID) at which the Client can sell (go short) 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.

**Company's Prices:** The Company shall quote to Clients the prices provided by the Execution Venue. The Execution Venue calculates and provides their own tradable prices

for a given CFD by reference to the prices of the relevant underlying asset, which the Execution Venue obtains from third party reputable external reference sources (i.e. price feeders). The Company shall update its prices as frequently as the limitations of technology and communications links allow which can be provided to Clients via the Company's trading platform.

The main way in which the Company will ensure that the Client receives the best price will be to ensure that the calculation of the bid/ask spread is made with reference and compared to a range of underlying price providers and data sources. The Company reviews regularly its Execution Venues to ensure that relevant and competitive pricing is offered.

In this respect, certain ex-ante and ex-post quality checks are conducted by the Company to ensure that prices obtained and subsequently passed on to Clients remain competitive. Such checks include, but are not limited to, reviewing system settings/parameters, comparing prices with reputable price sources, ensuring symmetry of spread offered and checking the speed of price updating. The Head of the Dealing Room shall be responsible, in coordination with the IT function to perform these checks on a daily basis (24/5) and maintain evidence and records of the checks performed in this respect or any other relevant platform/pricing logs.

Moreover, the Dealing and Operations Manager shall be reviewing on a quarterly basis the historic price feed provided by the Company's Liquidity Providers and comparing it with market peers in order to identify any substantial deviations. Where negative



deviations have been identified the Head of the Dealing Room shall notify the Company's Risk Manager and the Senior Management for the reasons of deviations and propose rectifying actions.

Despite the fact that the Company takes all sufficient steps to obtain the best possible result for its Clients, it shall inform its Clients that it does not guarantee that when executing an Order its price will be more favorable than one which might be available elsewhere.

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.

If the price reaches an Order set by the Client such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop, then these Orders are automatically 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. The minimum level for placing Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit and Sell Stop orders, for a given CFD, is specified in the Client Agreement and/or the Company's website.

b) 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:** Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amounts as indicated on the Company's website.

**Financing Fee:** 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 CFD (i.e. until the position is closed). Financing fees are based on prevailing market interest rates, which may vary over time as indicated on the Company's website.

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

Should the Company at any period of time decide not to charge such costs, it shall not be construed as a waiver of its rights to apply them in the future, with prior notice to the Client as per the Client Agreement found on the Company's website. Such notice may be sent personally to the Client and/or posted on the Company's website.

c) Speed of Execution:

The Company places a significant importance when executing Client Orders and strives to offer high speed of execution within the limitations of technology and communications

links. For instance, in cases where Clients are using a wireless connection or a dial up connection or any other communication link that can cause a poor internet connection then this may cause unstable connectivity with the Company's trading platform resulting to the Client placing his Orders at a delay and hence the Orders to be executed at better or worst prevailing price offered by the Company.

In addition to the above several other factors such as the number of requests or orders received on the trade server especially during news releases or high market volatility periods may affect the speed of Client's orders execution. In this respect the Company may freeze or set a maximum limit on requests/orders per second of any Client's account that due to the increased number of requests/orders may impact the overall performance of the Company's systems and affect other Clients orders' speed of execution.

The Head of Dealing Room shall be responsible for the monitoring of speed of execution of Clients' orders on an ongoing basis, in accordance with the procedures prescribed in Section 4.2 above.

d) Likelihood of Execution:

In some cases it may not be possible to arrange an order for execution, for example, but not limited to, in the following cases: during news times, trading session start moments, 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 found at.

Where the Company may transmit orders for execution to a third party (another Execution Venue), the likelihood of execution depends on the pricing and available liquidity of such other third party.

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 are not limited to, symmetric slippage checks, number or trades to slippage and comparing the Company's average speed of execution with industry standards as per the Annex I table of this policy.

The Head of Dealing Room is responsible to carry out the aforementioned checks and maintain records in this respect.

e) Likelihood of settlement:

The Company shall proceed to a settlement of all transactions upon execution of such transactions. The Securities of CFDs offered by the Company do not involve the physical delivery of the underlying asset, so they are not settled physically as there would be for

example if the Client had bought shares. All CFDs are cash settled.

f) Size of Order:

The actual minimum size of an order is different for each type of Account or CFD. A lot is a unit measuring the transaction amount and it is different for each type of CFD (e.g. in currency pairs 1 lot equals 100000 units of the base currency while in metals such as silver one (1) lot corresponds to 5000oz of silver or for oil 1000 barrels of oil). The Clients are notified through the Company's website with respect to the minimum and maximum allowed trade size of each security. The Client will be able to place Order(s) as long as he has enough balance in his trading account.

g) Market Impact:

Some factors may rapidly affect the price of the underlying securities/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.

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.

## 05. Types of Order(S) in Trading in CFDS:

The Company shall provide Clients the option to place with the Company the following different types of Orders:

#### A. Market Order(s)

A Market Order is an Order to buy or sell a CFD as promptly as possible at the prevailing market price. Execution of this Order results in opening a trade position. CFDs 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.

#### B. Pending Order(s)

This is an Order to buy or sell a CFD 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 a CFD 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 may 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. Pending Orders are offered for all type of accounts.

### C. Take Profit

Take Profit Order is intended for gaining the profit when the CFD'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).

### D. 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).

## 06. Execution Practices in CFDs:

### A. Slippage

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.

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.

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.

Slippage can occur also during Stop Loss, Take Profit and other types of Orders.

In such cases, the Company shall ensure that the Client Orders are executed at the next best available price from the price specified under a specific Order.

#### B. 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.

## 07. 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 in paragraph 4.3 above:

a. The characteristics of the Client including the categorization of the Client as retail or institutional;

b. The characteristics of the Client Order;

c. The characteristics of the Securities that are the subject of that Order;

d. 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 remarks included in paragraph 4.3. The Company assigns the following importance level to the Best Execution Factors:

| FACTOR | IMPORTANCE LEVEL | REMARKS  |
|--------|------------------|--|
| Price  | High             | The Company places strong emphasis on the quality and level of the price data that receives from external sources in order to provide Clients with competitive price quotes. |
| Costs  | High             | The Company takes all <i>sufficient steps</i> to   |

|                          |        |  |
|--------------------------|--------|--|
|                          |        | keep the costs of Client transactions as low and competitive, to the extent possible.  |
| Speed of Execution       | High   | Execution speed and the opportunity for price improvement are critical to every trader and the Company repeatedly monitors on an ongoing basis this factor to ensure it maintain high execution standards. |
| Likelihood of Execution  | High   | Even though the Company may decline a Client order the main aim is to execute all Client Orders, to the extent possible.   |
| Likelihood of Settlement | Medium | See relevant description in Best Execution Factors (See Section 4.3 above).  |
| Size of Order            | Medium | See relevant description in Best Execution Factors (Section 4.3 above).  |
| Market Impact            | Medium | See relevant description in Best Execution Factors (Section 4.3 above).  |

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 securities and the costs related to execution, which shall include all expenses incurred by the Client which are directly related to the execution of that 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 of Clients orders through Company's various competing Execution Venues as per section 4.8 below, 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 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 venues. The Company has in place procedures and processes to analyze the quality of execution, as well as to monitor best execution.

The Dealer and Operations Manager in this respect is responsible to measure and monitor the competitiveness of the Company's pricing against other major competitors and independent data providers and the speed of execution. (Please refer to Section 4.2)

The monitoring activity also includes the symmetry of slippage and rejections as well as any possible trade rejections.

The Head of the Dealing Room shall be responsible for the aforementioned checks and report to the Risk Management and Senior Management of the Company who shall be

responsible to monitor on-going basis that the cross-checking between various execution venues is affected.

The Company shall utilize the execution venues as specified in section 4.8 below for the provision of its services. The Company constantly monitors the evolving competitive landscape in the market for execution venues operators and takes into account the emergence of new players, new venues functionalities or execution services in order to determine whether or not it is for the best interest of the Clients to continue executing their orders through the Company's existing various/sole execution venue/s. The Company's procedures in this regards are further described in section 4.8 below.

The Best Execution shall apply also in relation to the Company's arrangements when providing brokerage services on CFDs on Virtual Currencies.

#### A. Client's Specific Instruction

Whenever there is a specific instruction from or on behalf of a Client (e.g. fills in the required parts on the Company's trading platform when placing an Order), relating to the Order or the specific aspect of the Order the Company shall arrange – to the extent possible – for the execution of the Client Order strictly in accordance with the specific instruction.

## 08. Execution on Client Orders & Deficiency Controls

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, or the interests of the Client require otherwise;
- c.Informs a Retail Client about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

The Head of Dealing Room shall monitor the total Clients' exposure vs. execution venue/s exposure to ensure there are no any order deficiencies. In case the Dealer and Operations Manager has spotted such a case, then the below procedure is followed:

- a.Immediately take an action to correct the difference, either by executing a manual order directly to the execution venue, or by executing an order through the company's trading system which is connected to the execution venue.
- b.Inform the Risk Manager of such deficiencies after action was taken.
- c.Provide the Risk Manager, a report with the following information:
  - i.Investigation on the reason that caused such a deficiency
  - ii.Mark up revenue report to ensure no significant losses
  - iii.Report any Client/s that where affected
  - iv.Measures to be taken to avoid such cases

## A. Risk Controls

The Head of Dealing Room shall take into consideration when monitoring Client activity, the risk factors associated with the operation of reception and transmission and execution of orders on behalf of Clients, as defined by the risk management, in order to minimize the risk of Negative Balances, market risk, system and market abuse, and at the same time protect the company's capital base and financial strength. In this respect the following controls shall be applied:

a. Ensure at all times that execution venues' available margin vs Clients' available margin is sufficient to support the trading operations. In case margin utilization is running low, the Dealing Room must promptly inform the Senior Management to instruct the Accounting Department for additional funds or credit facility if applicable to be added to the execution venue/s.

b. Monitor any alerts, warnings or updates from execution venues in relation to adjustments on any securities, which is most likely to increase margin requirements, and inform the risk manager in order to coordinate any adjustments that the company needs to transfer to its Clients. The Dealing Room must inform the Clients by all means of communication in advance of such adjustments.

c. Keep up to date with financial data releases, political events and other news in coordination with the risk manager to make all necessary adjustments if necessary protecting the Client and the company from any abnormal market conditions that might result to liquidity issues and Negative Balances. Such controls and measures taken are



described in depth in the Company's Risk Management Policy.

## 09. Execution Venues & Selection Criteria

Execution Venues are the entities with which the orders are placed and executed.

The Company executes its Client orders acting as an agent and not as a principal, therefore a third party liquidity provider will be the Execution Venue for the execution of Client orders.

The Company evaluates and selects the Execution Venue/s based on a number of quantitative and qualitative criteria including but not limited to the:

- a.Regulatory status of the institution
- b.Ability to deal with large volume of orders
- c.Speed of execution
- d.Competitiveness of commission rates and spreads
- e.Liquidity available for the securities concerned
- f.Reputation and reliability of the institution
- g.Ease of doing business
- h.Legal terms of the business relationship (i.e. Negative balance protection)
- i.Financial status of the institution

#### j. Business continuity arrangements

Moreover, in order to act in the best interest of Clients, the Company shall regularly assess the market landscape to determine whether or not there are alternative venues which can be used.

In particular, such reports shall give the Company information on trading conditions and quality of execution across different execution venues through a series of metrics.

As part of the Company's analysis with respect to the above the Company may benchmark the value of expected aggregate price movements by adding a venue and compare the expected outcomes against an assessment of any additional direct, indirect or implicit costs (to the extent that such costs would be directly or indirectly passed on to the Clients), counterparty or operational risks. The Company will review periodically its choice of Execution Venues to ensure that they have appropriate execution arrangements.

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.

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 outlined above, not an outcome. This means that, when the Company is executing an order for a Client, the Company must execute it in accordance with this execution policy.

The Company does not guarantee to its Clients 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. Ongoing Monitoring

The Company monitors on an ongoing basis its execution arrangements by checking the orders executed and evaluates them taking into consideration the below:

- a. Price updates received from Liquidity Providers / price feeders and quoted pricing to Clients by the Company (ticks per minute, filters utilized etc.)
- b. Latency (speed of execution – time elapsed from the reception of a Client’s market order to its execution, or time elapsed of a pending order to be executed upon the relevant parameters of the order are met and therefore its execution is triggered/initiated)
- c. Price freezing or trading halts
- d. Spreads widening and volatility of securities
- e. Any possibility of wrongly matched orders
- f. Technology – connectivity of platforms with the execution venues via any intermediaries (i.e. technology providers/bridges)
- g. Slippage monitoring (where occurs to be balanced and reasonably justified) taking into consideration the number of trades that got slippage per side, the size of the order, the

type of the order (pending/market), the underlying securities' volatility at the time slippage occurs (i.e. during news, or low liquidity periods)

The Company's Dealing Room (please see also Section 4.2 above) is monitoring the above in coordination with the IT Department and reports to the Risk Manager, the Senior Management of the Company and the Compliance Officer on monthly basis.

Finally, the above monitoring procedure is under the review of the Control functions of the Company, namely the Compliance and Internal Audit functions which report directly to the Board of Directors of the Company their findings and recommendations on an annual basis at least.



