

## ORDER EXECUTION POLICY

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# CONTENTS

<b>INTRODUCTION .....</b>	<b>4</b>
Policy .....	4
Scope .....	4
<b>BEST EXECUTION .....</b>	<b>4</b>
Importance .....	5
Types of Orders in Trading in CFDs .....	7
Execution Practices in CFDs .....	8
Different Types of Trading Accounts in CFDs .....	9
<b>BEST EXECUTION CRITERIA .....</b>	<b>9</b>
<b>CLIENT'S SPECIFIC INSTRUCTION .....</b>	<b>10</b>
<b>EXECUTION ON CLIENT ORDERS .....</b>	<b>10</b>
<b>EXECUTION VENUES .....</b>	<b>11</b>
<b>IMPORTANT DISCLOSURES .....</b>	<b>12</b>
<b>CLIENT'S CONSENT .....</b>	<b>12</b>
<b>REVIEW OF THIS POLICY .....</b>	<b>12</b>
<b>ADDITIONAL INFORMATION .....</b>	<b>12</b>

## INTRODUCTION

This Order Execution Policy (the “Policy”) is provided to you (the “Client”) in accordance with the provisions of the Markets of Financial Instruments Directive II (MiFID II) of the European Union and its transposition in Cyprus, through the Law 87(I)/2017, as amended and/or replaced from time to time. Accordingly, WB Trade EU Ltd (“the Company”, “we”) is required to take all sufficient steps to obtain the best possible result (best execution) on behalf of its Clients either when executing Client orders or receiving and transmitting orders for execution.

## POLICY

This Policy aims to elaborate and clarify how the Clients’ orders are being executed by the Company.

The Company is obliged to execute clients’ orders on terms most favorable to our clients thus achieving the best possible results across a range of sometimes conflicting factors.

Therefore, this Policy cannot guarantee that the executed price will always be the best price available to you in the market at that point in time.

## SCOPE

This Policy applies to both Retail and Professional Clients (as defined in the Company’s Client Categorization section within the Client Account Agreement available within the Clients’ portal). If the Company classifies a Client as an Eligible Counterparty, this Policy does not apply to such a Client.

This Policy applies when executing Clients’ Orders for all the types of Contracts for Difference (“CFDs”) or other financial instruments offered by the Company.

In case you have been categorized as an Eligible Counterparty, although this policy does not apply to you, in our relationship with you, we will act honestly, fairly, and professionally and communicate in a way which is fair, clear and not misleading, taking into account the nature of you as a Client and of our business.

## BEST EXECUTION

When executing Orders, we take all sufficient steps to obtain the best possible result (“**Best Execution**”) for our Clients, taking into account price, costs, speed, likelihood of execution and settlement, size, market impact or any other consideration relevant to the execution of the Order (“**Best Execution Factors**”).

Where the Company executes an order on behalf of a Client, the best possible result shall be determined in terms of the total consideration, representing the price of the financial instrument and the costs relating to execution, which shall include all expenses incurred by the Client which directly relate to the execution of the order. For determining the relative importance of the execution factors, the following criteria are taken into account:

1. The characteristics of the Client, including the categorization of the Client as Retail or Professional;
2. The characteristics of the Client order;
3. The characteristics of Financial Instruments that are the subject of that order;
4. The characteristics of the Execution Venues to which that order can be directed.

The Company considers price and costs as the most important execution factors, followed by speed, likelihood of execution, market impact, likelihood of settlement, size and nature of the order. The relative

importance attached to these execution factors does not differ across the asset classes traded by the Company.

## IMPORTANCE

### PRICE – HIGHEST IMPORTANCE

For any given CFD or other Financial Instrument, the Company will quote two prices: the higher price (ASK) at which the Client can buy (go long), and the lower price (BID) at which the Client can sell (go short). 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 Financial Instrument is the spread.

**Company's Prices:** The Company will quote to Clients the prices provided by third party reputable external reference sources (i.e. price feeders or exchanges/interbank market). The Company's prices can be found on the Company's trading platforms. The Company updates its prices as frequently as the limitations of technology and communications links allow.

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 at least once a year, its price-feed to ensure that relevant and competitive pricing is offered.

Despite the fact that the Company takes every sufficient step to obtain the best possible result for its Clients, 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.

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 or trading platforms. The Company updates its prices as frequently as the limitations of technology and communications links allow. 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. 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 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 set by you 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 at ([Click here](#)).

#### **COSTS – HIGHEST IMPORTANCE**

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. More information on commissions can be found on the Company's website and within the client's portal.

**Financing Fee/Swap Fee/Roll Over Fee/Storage:** Positions held open overnight are subjected to the Swap Rates, amounts charged/ paid, based upon the interest differentials for borrowing or lending one currency against another. However, account(s) not subjected to the Swaps charges are subjected to "Storage" charge, a fixed, negative amount, always charged to clients' accounts.

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.

In addition, in cases where the Company transmits orders for execution to another third party, the Client may be required to pay additional costs (whether Execution Venue fees or other fees paid to a third party involved in the transaction), the amount of which is disclosed on the Company's website.

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 explained in 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.

#### **SPEED OF EXECUTION – HIGHEST IMPORTANCE**

The Company places 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.

#### **LIKELIHOOD OF EXECUTION – MEDIUM IMPORTANCE**

The Company will arrange for the execution of Client Orders as a principal with respect to CFDs, according to the price feed received from its price-feed providers and the interbank market. The likelihood of execution depends on the availability of prices in the market. 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, a force majeure event has occurred etc. 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 .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 not limited to, symmetric slippage checks, number of trades subject to slippage and comparing our average speed of execution with industry standards.

#### **MARKET IMPACT – MEDIUM IMPORTANCE**

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.

#### **LIKELIHOOD OF SETTLEMENT – LOW IMPORTANCE**

The Company shall proceed to a settlement of all transactions upon execution of such transactions. The Financial Instruments (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 traded in a Regulated Market, MTF or OTF. All CFDs offered are cash settled and Over the Counter (OTC) traded.

#### **SIZE OF ORDER – LOW IMPORTANCE**

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. If the Client wishes to execute a large size order, in some cases the price may become less favorable. The Company reserves the right to decline an Order in case the size of the Order is large and cannot be filled by the Company or for any other reason as explained in the Client Agreement.

The Company does not consider the above list exhaustive, and the order in which the above factors are presented shall not be taken as a 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 that specific instruction.

#### **TYPES OF ORDERS IN TRADING IN CFDS**

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

##### **MARKET ORDERS**

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.

## **PENDING ORDERS**

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 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 cancelled. Pending Orders are offered for all type of accounts. In the cases where financial instruments have an expiration date, or where financial instruments have Good till Date (GTD) pending conditions the Company will proceed to delete those orders upon expiration.

## **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).

## **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).

## **EXECUTION PRACTICES IN CFDS**

### **SLIPPAGE**

You 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 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 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.

Slippage may appear in all types of accounts we offer. 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 Orders at a price specified. However, we confirm that your Order will be executed at the next best available price from the price you have specified under your Order.

## DIFFERENT TYPES OF TRADING ACCOUNTS IN CFDS

The Company may offer different types of Trading Accounts. In this respect, the initial minimum deposit, the spreads, costs, size commissions (if any) etc. may differ according to each type of Trading Account. Further information regarding the different type of Trading Accounts offered can be found on the Company's website.

## 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 as referred above:

- a. The characteristics of the Client, including the categorization of the Client as retail or professional;
- b. The characteristics of the Client 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;

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 below.

The Company assigns the following importance level to the Best Execution Factors:

FACTOR	IMPORTANCE LEVEL	REMARKS
Price	High	We give strong emphasis on the quality and level of the price data that we receive from external sources in order to provide our Clients with competitive price quotes.
Costs	High	We take all sufficient steps to keep the costs of your transactions as low and competitive as possible.
Speed of Execution	High	Execution speed and the opportunity for price improvement are critical to every trader, and we repeatedly monitor this factor to ensure we maintain our high execution standards
Likelihood of Execution	Medium	Even though we reserve the right to decline a Client order, we aim to execute all Client Orders, to the extent possible.

Market Impact	Medium	See relevant description in Best Execution Factors above.
Likelihood of Settlement	Low	See relevant description in Best Execution Factors above.
Size of Order	Low	See relevant description in Best Execution Factors 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 financial instrument and the costs related to execution, which shall include all expenses incurred by the Client which are directly related to the execution of the Order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the Order.

For the purposes of delivering best execution where there is more than one competing Execution 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 are 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. The Company shall not structure or charge commissions in such a way as to discriminate unfairly between execution venues.

## 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.

**WARNING:** It is noted that any specific instructions from a Client may prevent the Company from taking the steps that it has designed and implemented in this Policy to obtain the best possible result for the execution of those Orders in respect of the elements covered by those instructions. However, it shall be considered that the Company satisfies its obligation to take all sufficient steps to obtain the best possible result for the Client.

Trading rules for specific markets or market conditions may prevent the Company from following certain of the Client's instructions.

## EXECUTION ON CLIENT ORDERS

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 and/or material change relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty/change.

“**Material Change**” means a significant event that could impact the parameters of best execution such as, inter alia, price, cost, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order. The Company sets out below a non-exhaustive list of factors constituting a material change:

- Change of execution venues;
- Any changes to the relative importance of execution criteria and relevant factors;
- Incorrect prices compared to the average market price;
- Significant increase in the daily number of Off quotes;
- Significant delay in the execution of orders.

## EXECUTION VENUES

Execution Venues are the entities with which the orders are placed for execution or to which the Company itself transmits orders for execution.

For the purposes of executing Client Orders in CFDs provided by the Company, the Company will be always the counterparty (acting always as a principal and not as an agent on behalf of the Client) to all your executed Orders. Therefore, the Company will be the sole Execution Venue with respect to the execution of its Client’s Orders. Should the Client open a position in a CFD with the Company then that position may only be closed with the Company.

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

The Company places different relative importance on various criteria by using its commercial judgment and experience in the light of the information available on the market.

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.

In general, the Company places great significance on the choice of its Liquidity Providers as it strives to offer, on a consistent basis, best execution to its Clients.

The Liquidity Providers the Company has business relationship with are all regulated under an equivalent jurisdiction and they are the following:

- a. Sucden Financial Ltd
- b. LMAX Broker Limited
- c. Saxo Bank A/S
- d. Exclusive Change Capital Ltd

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 instruments and different types of CFDs. Also, the sample checks include trades under irregular market events.

## IMPORTANT DISCLOSURES

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 Company will publish an annual Execution Quality Summary Statement (EQSS) 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.

Please refer to the [RTS 27 and RTS 28](#), available at our website, for more information on the Company's Best Execution Quality.

## MONITORING OF BEST EXECUTION PERFORMANCE

The Company's responsible personnel regularly monitors its best execution obligations. Thus the Company ensures that it offers the best possible execution conditions to its clients by daily and periodically checking its live pricing, daily average spread statistics, slippage statistics, requested and executed prices comparison, any possible quote delays, the likelihood of execution or any other additional information associated with the best execution factors. Daily monitoring of the Company's order execution arrangements is performed by the Brokerage Department and regular monitoring by the Compliance and Risk Management Department. In addition, the Internal Auditor monitors this procedure at least annually. The findings of such monitoring are communicated to Senior Management.

## CLIENT'S CONSENT

By entering into a Client Agreement with the Company for the provision of Investment Services, the Client is consenting to an application of this Policy on the business relationship between the Company and the Client (i.e. this Policy forms part of the Client Agreement).

## REVIEW OF THIS POLICY

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate according to the terms of the Client Agreement. It should be noted that the Company will not individually notify Clients of changes, other than substantial material changes to the Policy. Therefore, Clients should refer from time to time to the website of the Company for the most up to date version of the Policy.

## ADDITIONAL INFORMATION

Should you require any further information and/or have any questions about this Policy, please direct your request and/or questions to the following e-mail: [support@wbtrade.eu](mailto:support@wbtrade.eu). The Company endeavors to answer clearly and within a reasonable time to clients about its best execution policies and/or arrangements.