

ORDER EXECUTION POLICY

Version 1.8

Octa Markets Cyprus Limited

November 2024

1. Introduction

Octa Markets Cyprus Ltd (hereafter the “Company” and/or “Octa” and/or “Octa Markets”) is a limited liability Company incorporated in the Republic of Cyprus with registration number HE 359992. The Company is authorized and regulated by the Cyprus Securities and Exchange Commission (hereafter the “CySEC”) to operate as a Cyprus Investment Firm under the license number CIF 372/18. The Company operates under the trading name Octa.

The Company’s services are offered through its website www.octaeu.com.

2. Regulatory Framework

The Company is operating under the provisions of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on Markets in Financial Instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as the same may be in force from time to time and modified or amended from time to time (the “MiFID II”), which was transposed into Cypriot Law, the Investment Services and Activities and Regulated Markets Law of 2017 (the “Law”).

The Order Execution Policy has been established considering the relevant content requirements set out in Article 66 of the Commission Delegated Regulation 2017/565.

Pursuant to the above legislation as well as any directives issued pursuant to it, the Company is required to take all sufficient steps to act in the best interest of the Client when receiving and transmitting orders for execution or when executing such orders. In this respect, the Order Execution Policy (the “Policy”) is provided to the Company’s clients or prospective clients for their consent before the provisions of any services.

3. Best Execution criteria

The Company shall take sufficient steps to obtain, when executing or receiving and transmitting orders, the best possible result for its clients considering price, costs, speed, likelihood of execution and settlement, size, nature, or any other consideration relevant to the execution of the order. Nevertheless, whenever there is a specific instruction from the client the Company shall execute the order following the specific instruction.

For determining the importance of the above factors, the Company, when executing or receiving and transmitting client orders, shall consider the following criteria:

- a. the characteristics of the Client including the categorization of the Client as Retail and Professional
- b. the characteristics of Financial Instruments that are the subject of the order
- c. the characteristics of the Execution Venues to which the order can be directed

The Company satisfies its obligation to take all sufficient steps to obtain the best possible result for a client to the extent that it executes an order or a specific aspect of an order following specific instructions from the client relating to the order or the specific aspect of the order.

Where the Company executes or receives and transmits 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 and/or reception and transmission, 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 the best execution where there is a single venue to execute or transmit the Client’s order, the Company shall assess and compare the results achieved by

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execution of the order on competitive execution venues. Additionally, the Company's own Costs and Charges for execution of the order shall be taken into account in that assessment.

The Company's Costs and Charges shall consider the above and be structured in a manner that would not be to the detriment of the Client.

The Company must provide appropriate information to its clients on its Order Execution Policy and obtain the prior consent of its clients to the said Order Execution Policy .

Where the Order Execution Policy provides for the possibility that the Client orders may be executed outside a regulated market or an MTF, the Company must, inform its Clients or potential clients about this possibility and obtain their prior express consent before proceeding to execute their orders outside a regulated market or an MTF. The Company may obtain this consent either in the form of a general agreement or in respect of individual transactions.

The Company must monitor the effectiveness of its order execution arrangements and execution policy in order to identify and, where appropriate, correct any deficiencies. It must assess, on a regular basis, whether the execution venues included in the Order Execution Policy provide for the best possible result for the client or whether it needs to make changes to its execution arrangements. The Company must notify clients of any material changes to its order execution arrangements or order execution policy.

The Company must be able to demonstrate to its clients, at their request, that it has executed their orders in accordance with the CIF's order execution policy.

4. Best Execution criteria – Reception, Transmission and Execution of Orders on behalf of Clients

The Company, when providing the service of reception, transmission, and execution of orders on behalf of Clients, shall act in accordance with the best interests of its clients and shall obtain the best possible result when transmitting client orders to other entities for execution.

The counterparties with which the CIF will collaborate for the purpose of Liquidity Provision, include:

- *LMAX Global, regulated by the Financial Conduct Authority under the Firm Reference Number 783200;*
- *Saxo Bank A/S, regulated by the Danish Financial Supervisory Authority (FSA) under the license no. 1149;*
- *Swissquote Bank S/A, Swiss Financial Market Supervisory Authority*

The Business Agreements with the above-mentioned Counterparties which provide the Company the Liquidity Provision service, also include the provision of Price-Feeding.

In addition to the requirements stated in **Section 1 above**, the Order Execution Policy shall identify, in respect of each class of instruments, the entities with which the orders are placed or to which the Company transmits orders for execution. The entities identified shall have execution arrangements that enable the Company to comply with its obligations under the Law when it places or transmits orders to that entity for execution. The Company shall provide appropriate information to their clients on the policy established.

The Company shall monitor on a regular basis the effectiveness of the policy established above and the execution quality of the entities identified in that policy and, where appropriate,

correct any deficiencies.

In addition, the Company shall review the policy annually. Such a review shall 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 their clients.

5. Order Execution Policy

3.1. Introduction

3.1.1. Octa Markets Cyprus Ltd (hereafter “the Company”, “we”, “us”, “our”, “ours” and “ourselves” as appropriate), is authorized and regulated by the Cyprus Securities and Exchange Commission (“CySEC”), License Number: CIF 372/18. This Order Execution Policy sets forth Company’s policy and execution methodology for client execution on the best terms in accordance with **Markets in Financial Instruments Directive 2014/65/EU (MiFID II)** and the Investment Services and Activities and Regulated Markets **Law of 2017 (L.87(I)/2017)**. This Order Execution Policy provides the procedures and methods the Company applies to ensure prompt, fair and expeditious execution with best trade execution condition for the client.

3.1.2. Upon acceptance of a client order for securities listed on regulated markets and outside, the Company will endeavor to execute that order in accordance with the following policy, unless otherwise instructed by the client in respect to order execution.

3.1.3. This policy forms part of the Client’s agreement with the Company and therefore by entering into an agreement with the Company you are also agree to the terms of this Policy, as set out in this document.

3.1.4. The company may trade in complex products which carry a high degree of risk. These products are not suitable for everyone. You should not trade with us unless you understand the nature of the transaction you are entering into and the extent of your potential loss from a trade. You must satisfy yourself that it is suitable for you in the light of your circumstances, financial resources, and investment objectives. If you are in any doubt, you should seek independent advice. You trade entirely at your own risk.

3.2. Scope

3.2.1. This policy is issued pursuant to, and in compliance with, **EU Directive 2014/65/EU - Markets in Financial Instruments Directive (hereafter “MiFID II”)** and the Cyprus legislation implementing MiFID II, that applies to the Company.

3.2.2. This policy provides an overview of how the Company executes orders on behalf of clients, the factors that can affect the timing of execution and the way in which market volatility plays a part in handling orders when buying or selling a Financial Instrument. This Policy aims to set out how the Company intends to meet its best execution obligations bearing in mind the nature of its business and of its clients in relation to the execution of orders.

3.2.3. This Order Execution Policy applies to Retail Clients when executing transactions for the Financial Instruments provided by the Company **as specified in Annex 1 of this policy**. We execute each Order you place with us through other licensed and regulated brokers.

3.2.4. This Policy applies to the execution venue(s) **listed in Annex 2 of this Policy**. The list of execution venue(s) **presented in Annex 2 of this Policy** reflects the objective capabilities of the Company to obtain the best possible results for the client on a consistent basis. The Company therefore should not be expected to choose from among all the execution venues possible.

3.2.5. Where client interests are concerned the Company may execute the client order on a venue not **listed in Annex 2 of this Policy** or reasonably use the services of another

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broker or intermediary. The Company will then consider amending **Annex 2 of this Policy** respectively.

3.2.6. This Policy applies when the Company executes client's orders provided that the following criteria are satisfied:

- The client has not been categorized as "Eligible Counterparty" for the related service / transaction
- The client is dealing in Financial Instruments covered by Company's license
- Specific instructions given by the client do not prevent the Company from providing to the client this Policy
- The Company did not provide the client with direct market access through an electronic interface which links only to a particular execution venue.

3.3. Execution Criteria

3.3.1. For determining the relative importance of the Best Execution Factors, the following criteria will be considered:

- **The characteristics of the client including the categorization of the client as Retail**
(Retail, investment purposes and sensitivity to transaction/periodic costs, capacity to utilize electronic means of order submission, etc.).
- **The characteristics of the client order.**
(Size, market order or limit order, order to trade on margin, collateral provided, time frame for execution, currency of settlement, etc.);
- **The characteristics of Financial Instruments that are the subject of that order.**
(Markets existing for such securities, restrictions to circulation, methods and currency of clearing and settlement, marginal requirements, etc.);
- **The characteristics of the execution venues to which that order can be directed.**
((Over-the-Counter (OTC / Multilateral Trading Facility (MTF) / Regulated market (Exchange), jurisdiction, trading restrictions, quote-driven or order-driven, clearing and custody rules, liquidity, direct access or through intermediary, etc.)).

The high relative importance in obtaining the best possible result for Retail clients is described in **Paragraph 3.4.1. of Section 3.4 of this Section - Policy**.

3.4. Execution Factors

In general, all client orders will be executed in accordance with the time of their reception. The Company will carry out otherwise comparable 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. Client orders may not be treated by the Company as otherwise comparable if they are received by different media, e.g., electronically or by fax, and therefore it would not be practicable for them to be treated sequentially.

All sufficient steps will be taken in order to obtain, when executing clients' orders, the best possible result for clients taking into consideration a range of different factors as required by **MiFID II** and the relevant local legislation. The Execution Factors that the Company will consider when executing orders will include:

- price,
- costs,
- speed,

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- likelihood of execution and settlement,
- size, nature, or any other consideration relevant to the execution of the order e.g., characteristics of the client, of the order, financial instrument, and execution venue.

Execution factors will be applied by the Company, when executing client orders, considering execution criteria presented above. The methodology indicated in this section is not rigid and may be altered by the Company in each situation as the client's interests may dictate. Specified below are the execution factors that the Company will consider. The relative importance of the factors is also indicated. This is primarily the case regarding Retail Clients.

3.4.1. Price of the Financial Instruments and Cost – Highest importance

Commonly, client orders will be routed to the execution venue where opportunities for price improvement may exist. The criteria used may include:

- automatically matching incoming market and limit orders to pending limit orders.
- crossing transactions where price improvement is offered to one or both sides of the trade.

In assessing and comparing prices provided by execution venues, including the Company's internal capacity, the Company will use benchmarks or other publicly available pricing data. For example, the current average price on Bloomberg terminal can be used as a benchmark with respect to small-size orders to buy/sell shares of European issuers or derivatives thereon; for larger orders daily averages may be used. For more diversified markets, as benchmarks can be used data publicized by several major execution venues, including interdealer- brokers, not listed in **Annex 2 of this Policy** but adequately representing this market. Reasonable deviations from the benchmarks (levels of tolerance) will be estimated for every Financial Instrument (group of comparable instruments) considering its liquidity and volatility. Actual performance of order execution against the respective benchmarks will be regularly monitored.

- **For Retail Clients:**

In the absence of specific client instructions, the Company will take into consideration all factors that will allow it to deliver the best possible result 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. Speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transaction costs may be given precedence over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to the Retail Client.

There are three (3) broad categories of cost all of which are relevant to both Retail and Professional Clients and which the Company will make reasonable effort to assess and minimize in choosing the way (including venue) of execution:

- **Implicit cost:** meaning the effect of the market impact of order execution. Implicit costs result from how a trade is executed (for example, immediately or worked over a period, in a block, or as small orders sent to multiple different execution venues). For example, working a relatively large order over time on a less liquid market may minimize market impact and therefore achieve the lowest total costs (and the best net price). Although the impact of implicit costs can only be precisely assessed after a trade is completed, the Company will make reasonable estimations about the likely implicit costs of an execution strategy before the order is executed.

- **Explicit external costs:** which include exchange fees, clearing and settlement costs, taxes or any other costs passed on to the client by intermediaries (brokers, agents) participating in the transaction.
- **Explicit internal costs:** which represent Company's own remuneration through its Costs and Charges.

The Company executes trades on the OTC (Over the Counter) market. Where the Company makes its profit on OTC markets through the difference in price between the bid and offer (the spread), these spreads will be treated as internal costs (rather than price). In this case the spread needs to be known and agreed in advance with the Retail Client and clearly differentiated from price.

Analysis of Costs and Charges:

Spread

The spread is the difference between the Bid and the Ask price. This Cost is realized every time the Client opens and/or closes a trade position (Entry and Exit Spread).

In the case where the Company acts in its capacity as a Market Maker (MM), the spread includes a profit mark-up over and above the raw spread quoted by the Price Feeder.

Market Maker model:

$\text{SPREAD CHARGE}_{\text{MT5}} = \text{Price Feeder raw spread} + \text{Profit Mark-Up}$

$\text{SPREAD CHARGE}_{\text{OTR}} = \text{Price Feeder raw spread} + \text{Profit Mark-Up}$

The Spread for the MT5 Platform and the OTR Platform, includes in the Profit Mark-Up and is chargeable as half upon opening of a trade position and the other half upon closure of the trade position.

As spreads are variable the size of the spread can be different when opening and closing a trade. The Company's website provides the Minimum Spread, Typical Spread and the Current Spread for the trading platforms and for all the Financial Instruments offered by the Company. These Spreads are accessible at the following link:

MT5 Platform* (Only for existing clients):

<https://www.octaeu.com/spreads/>

OTR Platform:

<https://www.octaeu.com/spreads/>

Daily Fee (MT5 &OTR)

The daily fee is charged for every rollover, that is, every night that a trade is held open, at 00:00 (EET/EEST) through the week, including the weekends. The charge will be done in points which will depend on the:

- The Symbol's fee in Points
- Volume in lots
- The direction (Buy or Sell) of the trade
- Contract Size
- The Point's value (in decimal points)
- Conversion rate to the trading account's Base Currency

*This will affect the existing trades the client has opened.

**The total fee will be charged in the account base currency Euro (EUR)

Currency Conversion

A Currency Conversion fee will be charged each time for converting any realized profits, losses and/or other fees that are denominated in a different currency to the currency in which your account is denominated (Trading Account Base Currency). The Currency Conversion relates to the Daily Fee and is inclusive therein. Daily Fee is being charged every rollover at midnight.

Table: 1 Analysis of Costs and Charges

Platform	Model	Analysis of Costs borne by the end-Client			
MT5	Market-Maker (Dealing on Own Account)	Spread (raw spread provided by Price Feeder)	Profit Mark-up	Daily Fee /Swap	Currency conversion *
OTR	Market-Maker (Dealing on Own Account)	Spread (raw spread provided by Price Feeder)	Profit Mark-up	Daily Fee /Swap	Currency conversion *

*Currency conversion fee is inclusive in Daily fee

Total Cost to the Client:

- **MT5 Platform* (Only for existing clients):**

Total Cost to Client $_{MT5/MM}$ = Price Feeder raw spread + Profit Mark-Up $_{MT5/MM}$ + Daily Fee

- **OTR Platform:**

Total Cost to Client $_{OTR/MM}$ = Price Feeder raw spread + Profit Mark-Up $_{OTR/MM}$ + Daily Fee

Example:

S/N	Order Details	Calculation of Costs and Charges
1.	MT5 Platform* (Only for existing Clients) (Market Maker Model) Account Base Currency: EUR Symbol: EURUSD Contract Size: 100,000 Volume in lots: 0.01 lot Direction: Sell Bid Price: 1.13234 Ask Price: 1.13244 Point Size: 0.00001 Charge in Points: 3 Spread: 1.0 Pip = 10 Points Conversion Rate: EURUSD 1,13000 The order was opened and closed in the same day trading session. The order was executed by Octa Markets Cyprus Ltd, in its capacity as a Market Maker.	<i>Spread:</i> Point Profit: Point Size x Contract Size x Volume in Lots = $0,00001 \times 100,000 \times 0.01 = 0.01 \text{ USD}$ Conversion Rate: $0.01 \text{ USD} = 0.01 \times (1/1.13000) = 0.01 \text{ (0.008849 EUR rounded to two (2) decimal places)}$ Spread Cost: 10 Points x 0.01 = 0.10 EUR <i>Daily fee:</i> Not, applicable as the trade order was opened and closed on the same day. <i>Currency Conversion:</i> Not applicable, as the currency conversion relates to the Daily Fee. Total Cost: 0.10 EUR (Spread)
2	OTR Platform (Market Maker Model) Account Base Currency: EUR Symbol: BTCUSD Contract Size: 1 Volume in lots: 0.1 Lot Direction: Buy Bid Price: 68682.14 Ask Price: 68682.34 Point size: 0.01 Charge in Points: 1632 Spread: 2.0 pips = 20 points Conversion Rate: EURUSD 1.08370 The order was opened and closed 4 days later. The order was executed by Octa Markets Cyprus Ltd, in its capacity as a Market Maker.	<i>Spread:</i> Point Profit: Point Size x Contract Size x Volume in Lots = $0.01 \times 1 \times 0.1 = 0.001 \text{ USD}$ Conversion Rate: $0.001 \text{ USD} = 0.001 \times (1/1.0837) = 0.00 \text{ (0.001 EUR rounded to two (2) decimal places)}$ Spread Cost: 20 Points x 0.1 x (1/1.0837) = 2 USD/1.85 EUR <i>Daily fee:</i> Lots x Contract Size x Point size (of symbol) x Charge in Points x No of Days x Conversion Rate to EUR $0.1 \times 1 \times 0.01 \times 1632 \times 1 \times (1/1.0837) = 1.51 \text{ EUR}$ <i>Currency Conversion:</i> 1/EURUSD rate (1/1.0837) Total Cost: 1.85 EUR (Spread) + 4.52 EUR (Daily fee) = 6.37 EUR
*All Costs and Charges are rounded to two (2) decimal places.		

Important Note: The total Costs and Charges of your trading account(s) are displayed to the trading account statements, as exported and received from the MT5 Platform and the OTR Platform.

In order to obtain the full breakdown of the Costs and Charges of your trading account(s), please login to your Personal Area, click to the Menu list, then click on Trading Account, Accounts List and select the account number for which you require the statement, then click from the list on Trades history &

Cost/fees breakdown and select the period you wish to obtain the report and the type of document you require to obtain.

Alternatively, send an email to clientsupport@octaeu.com and submit a request for receiving an email with the full breakdown of Costs and Charges of your trading account(s).

3.4.2. Speed of execution – High importance

Due to the levels of liquidity and volatility affecting both price and volume, the Company seeks to provide client orders with the fastest execution reasonably possible although delays may occur. For these purposes the Company will use the data publicized by trading venues on the speed of the execution.

The Company places a significant importance when executing Client's orders and is doing all reasonable efforts to offer a high speed of execution within the technological and telecommunication limitations and it is not responsible for the poor performance of Client's technology, internet connection or any other resources that might result in Client's delay in the transmission of data between the Client and the Company.

Speed of execution may have different meanings for the different types of execution venues as the measurement of speed varies by both trading systems and trading platforms. For continuous auction order books, the speed of execution is expressed in milliseconds while for other trading systems, it is appropriate to use larger units of time. Anyways, similar parameters will be compared to make the decision on the best speed for execution.

The actions specified above in this subsection will be performed by the Company periodically subject to availability of the respective data. All execution venues are required by law to publicize such data starting from 3rd January 2018. Before this date or in case of unavailability of such data (e.g., in case of the venue registered in a third country) the Company will assess the speed of the execution using the information on the respective venue that is in fact available to the Company.

3.4.3. Likelihood of execution and settlement – High importance

Due to the levels of liquidity and volatility affecting both price and volume, the Company seeks to provide client orders with the fastest execution reasonably possible although delays may occur. For these purposes the Company will use the data publicized by trading venues on the likelihood of execution.

The likelihood of execution indicates the probability of execution of a particular type of order (e.g., market, limit order) and is supported, inter alia, by details on trading volumes and number of quotes placed and orders executed in a particular instrument. Information on likelihood of execution relates to such metrics as the relative market size of a venue in a particular Financial Instrument or the class of instruments. The likelihood of execution may also be assessed with data on failed transactions or cancelled or modified orders.

Furthermore, factors such as the size of your Order and liquidity available in the Instrument you wish to trade will impact whether and when it is possible to execute your Order. The times at which you can submit Orders to us are restricted. It is important that you familiarise yourself with the restrictions on the submission of Orders before you commence trading with us, for these restrictions may affect your trading strategy.

The actions specified above in this subsection will be performed by the Company periodically subject to availability of the respective data. All execution venues are required by law to publicize such data starting from 3rd January 2018. Before this date or in case of unavailability of such data (e.g., in case of the venue registered in a third country) the Company will assess likelihood of the execution using the information on the respective venue that is in fact available to the Company.

3.4.4. The size of the order – Medium Importance

To compare the quality of execution for orders of different sizes, the data provided by execution venues on transactions within several size ranges will be monitored by the Company.

The Company will search for execution venues that provide the greatest liquidity and thus potential for execution of large orders. The Company also will seek opportunities for client orders to benefit from order-size commitments offered by the execution venues.

For these purposes the following data publicized by execution venues will be reviewed:

- median transaction size on that date if more than one transaction occurred
- median size of all orders or requests for quote on that date if more than one order or request for quote was received.

The minimum allowable size of order, in the trading environment of the Company, is 0.01 lot (micro lot).

3.4.5. The nature of the order

The characteristics of an order can affect the execution of the client's order. The Client can place with the Company the following types of orders, subject to the capability of the execution venues and the brokers the Company cooperate with:

Type of orders

Market Order (hereafter "Instant Order"): It is an order to buy or sell at the price available at the time of placing the order.

Pending Order: A pending order is an order to buy or sell a Financial Instrument in the future once a certain price specified by the Client is reached. There are six (6) types of pending orders. Buy Limit, Buy Stop, Sell Limit and Sell Stop, Buy Stop Limit and Sell Stop Limit.

Stop Orders:

- **Buy Stop:** this is an order to buy at a specified price ('the stop price') that is higher than the current market price.
- **Sell Stop:** this is an order to sell at a specified price ('the stop price') that is lower than the current market price.

Limit Orders:

- **Buy Limit:** this is an order to buy at a specified price ('the limit price') that is lower than the current market price.
- **Sell Limit:** this is an order to buy at a specified price ('the limit price') that is higher than the current market price.

Stop Limit Orders:

- **Buy Stop Limit:** this type combines the two first types being a stop order for placing Buy Limit. As soon as the future Ask price reaches the stop-level indicated in the order (the Price field), a Buy Limit order will be placed at the level specified in Stop Limit price field.

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A stop level is set above the current Ask price, while Stop Limit price is set below the stop level.

- **Sell Stop Limit:** this type is a stop order for placing Sell Limit. As soon as the future Bid price reaches the stop level specified in the order (Price field), a Sell Limit order will be placed at the level specified in Stop Limit Price field. A stop level is set below the current Bid price, while Stop Limit price is set above the stop level.

Additional Execution Settings for Pending Orders:

Good-till-Cancelled ('GTC'): this is an execution setting that Clients may apply to 'pending orders'. The order shall remain 'live' and pending for execution until it is triggered and treated as a market order or cancelled by the Client.

Besides the two main types of orders, Market Orders and Pending Orders, there are *Stop Loss* and *Take Profit* orders. These are explained below:

- **Stop Loss:** this is an order that may be attached to an already open position to close a position at a specified price ('the stop loss price'). Once the market reaches the 'stop loss price' the order is triggered and treated as a 'market order'. A 'stop loss' may be used to minimize losses.
- **Take profit:** this is an order that may be attached to an already open position to close a position at a specified price ('the take profit price'). Once the market reaches the 'take profit price' the order is triggered and treated as a 'limit order'. A 'take profit' may be used to secure profits.

3.4.6. Type of Execution

Market Execution:

In the Market Execution mode, the Client agrees to execute a deal at the price offered by the Company. Sending an order in such a mode means advance consent to its execution at this price.

3.4.7. Fill Policy

In addition, to the common rules of order execution set by the Company, an order can indicate additional conditions, as follows:

Fill or Kill:

The Fill or Kill type of execution means that an order can be executed only in the specified volume. If the necessary amount of a financial instrument is currently unavailable in the market, the order will not be executed. The required volume can be filled by several offers available on the market at the moment.

3.4.8. Net Open Position Limit

The Company applies the Net Open Position Limit (the “NOPL”), which is the limit on the volume of tradable instruments as set per instrument while netting short and long positions per account.

The NOPL is applicable to all CFD asset classes (i.e., CFD in Forex, CFD in Commodities, CFD in Indices, CFD In Precious Metals, CFD in Shares, and CFD in Cryptocurrencies). The Company applies the NOPL at its discretion and at the level determined by consideration of various factors such as: exposure, market volatility, liquidity, etc.

The NOPL facilitates the effective management of exposures and risks associated with excessive exposure as well as a measure of protection in case of sudden market shifts.

Any Client who, either on a single or cumulative basis, approaches the NOPL limit will be informed accordingly via an e-mail notification addressed to their registered e-mail address.

If placement of an additional order shall the NOPL, such order is rejected, and the relevant notification will be displayed to the Client on the trading platform used. In such a case, the Client may, at their discretion, for example, attempt to open a position with less volume and/or consider reducing the volume currently traded.

The Client always bears the responsibility to monitor their open positions, margin requirements and NOPL notifications, especially before they place an additional order for execution.

3.4.9. Any other relevant factors

The Company considers, but without the list being exhaustive, as relevant factors that might affect the execution of Clients Orders, fundamental announcements, and unusual market conditions such as low liquidity or/and high volatility. The Company may execute at such times the orders manually which can have an impact on the price and speed at which the orders are executed.

The Company will take all reasonable steps to obtain the best possible result for its Clients but during times of high demand manual pricing and/or execution may cause delays in processing an order which in turn can have an impact on the price and speed at which the order is executed.

3.5. Refusal to execute orders

The Client accepts that the Company reserves the right to refuse the provision of any investment and ancillary service, at any time, including but not limited to the execution of instructions for trading any type of Financial Instrument of the Company, without prior notice to the Client. The circumstances under which the Company shall proceed to the above actions are the following:

- If the Client has insufficient funds in his/her account;
- If the order affects the orderly function of the market;
- If the order aims at manipulating the market of the underlying Financial Instrument;
- If the order constitutes the exploitation of confidential information;
- If the order affects the orderly operation of the trading platform; and
- If the order contributes to the legalization of proceeds from illegal actions (money laundering)
- The Company obtains the right to reject or refuse any suspicious order that can be justified

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as abusive.

The Client understands that any act of refusal by the Company for the execution of any order will not affect any obligation of the Client towards the Company under the Service Agreement.

3.6. The Quality of Execution

- 3.6.1.** When executing orders on behalf of clients in relation to Financial Instruments as defined by MiFID II, the Company will take all reasonable steps to achieve what is called “best execution” of client’s orders. This means that the Company has in place a policy and procedures that are designed to obtain the best possible result for client’s orders, subject to and considering any specific instructions from the client, the nature of client’s orders and the nature of the markets and products concerned.
- 3.6.2.** While the Company will take all reasonable steps based on the resources available to it to satisfy itself that it has processes in place that can reasonably be expected to lead to the delivery of the best possible result for its clients, it cannot guarantee that it will always be able to provide best execution of every order executed on client’s behalf, particularly where the client gives specific instructions as to all or part of its order.
- 3.6.3.** The provision of “best execution” by the Company does not mean that the Company owes its clients any fiduciary responsibilities over and above the specific regulatory obligations placed upon it or as may be otherwise contracted between the Company and its clients. Clients remain responsible for their own investment decisions and the Company will not be responsible for any market trading loss suffered as a result of those decisions.
- 3.6.4.** The Company generally considers the most important of the execution factors to be, in order of importance:
 - a. Price;
 - b. Costs;
 - c. Speed of execution;
 - d. Likelihood of execution.

In addition to the factors discussed above, the Company will determine the relative importance of the Execution Factors by using its commercial judgment and experience in the light of the information available on the market and taking into account the Execution Criteria described above.

Demonstrating best execution does not necessarily involve a transaction-by-transaction analysis, but rather involves an assessment of a record of transactions over a period indicating that overall, the best results is achieved by executing orders on the client’s behalf on the Execution Venues and in the manner described in this Order Execution Policy. The Company reserves discretion to modify, add or remove execution venues.

- 3.6.5.** In certain markets and trading situations such as “over the counter” (OTC) markets there may not be an equivalent publicly available market price for the instrument being traded. In such situations the Company will use its experience and commercial judgment to consider all relevant information available to it and apply this Order Execution Policy with a view to achieving the best possible result in terms of total consideration.
- 3.6.6.** In some cases, as a result of a system failure or otherwise the Company may have no alternative but to execute an order using a method other than the method it has selected based on this Order Execution Policy. In such cases, the Company will endeavour to execute the order on the best terms possible.

3.7. Specific instructions

- 3.7.1.** Where the client provides the Company with a specific instruction in relation to his/her/it order or any part of it, including selection of execution venues, the Company will execute that order in accordance with those specific instructions and, in doing so, it will have complied with its obligations to provide the best possible results to the extent that those instructions are followed.
- 3.7.2.** For the purposes of this Policy under specific instruction will be meant any Order which expressly includes the indication of execution venue and/or party for execution and/or time limit for execution and/or other firm conditions including specific settlement terms. When executing a specific instruction, the Company will seek the best possible result for the client under the constraints imposed by the specific conditions provided in the Order, e.g. most favorable prices available on the execution venue or offered by the third-party specified by the client within the particular period of time.
- 3.7.3.** However, the Company would like to warn its clients that any specific instruction may prevent the Company from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.

3.8. Execution Venue

- 3.8.1.** Execution Venues means a regulated market or a multilateral trading facility (MTF) or a systematic internalizer or an unregulated market (OTC). The different participants in the execution venues may comprise of the market maker or other liquidity providers of the Company, where it places client's orders for execution or to which it transmits orders for execution.
- 3.8.2.** Where there is more than one competing venue to execute an Order Company's own Costs and Charges for executing the Order on each of such execution venues will be considered. For the purposes of preventing unfair discrimination between execution venues the Company will not charge a different Cost or Charge for execution on different execution venues other than to reflect actual differences in the cost to the Company of executing on those venues.
- 3.8.3.** The Company shall not receive any remuneration, discount, or non-monetary benefit for routing client Orders to a particular execution venue which may lead to a conflict of interest. This particularly includes instances where such execution venues (e.g., internalizes matching client orders) are also connected parties with the Company. Under the same principle, the Company should not be bound to use services of connected intermediaries (e.g., brokers of the same group) for executing a client Order if the overall cost of such execution, including the intermediary's fee, unfairly exceeds the cost of execution of such an Order through another immediately available intermediary with no specific benefit for the Client (e.g., favorable maintenance or custody fee).
- 3.8.4.** To act in the best interests of its clients, the Company will be considering transmitting client orders instead of executing them itself where that would deliver a better result for clients.
- 3.8.5.** To assess overall execution quality of the execution venue all the parameters pointed out in this section will be evaluated in an integrated way considering client category, needs and preferences. To this effect, the following metrics may be additionally taken in consideration:
- best bid and offer price and corresponding volumes
 - book depth
 - average and typical spread
 - the number and average duration of periods during which no bid or offers were

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- provided
- number, time and duration of clearing sessions
- margin, collateral requirements and flexibility
- availability and speed of transfer of assets between different markets of the execution venue
- existence and quality of a DMA system
- other relevant characteristics.

3.9. Liquidity Providers

To select its Liquidity Providers, the Company considers among others the following criteria:

- The regulatory status of the Liquidity Providers;
- Financial strength of the Liquidity Providers;
- Rating;
- Reputation;
- Perceived creditworthiness - Credit risk rating (if available);
- Whether offered prices are as good as or better than, other competitors;
- Competitiveness of Spreads;
- Competitiveness of Commission rates and fees;
- Costs: whether imposes, or its use results in, charges that are higher or lower than its competitors';
- Ability to deal with large volumes;
- Order sizes that typically accepts;
- Promptness of execution;
- How quickly tends to complete an order;
- The depth of trading opportunities - and thus, the likelihood that will be able to complete the client order;
- Whether and how well performs in executing different types of orders (buy, sell, limit order, etc.);
- Past record in executing orders;
- Clearance and settlement capabilities;
- Ability to settle Client's orders according to the Client's instructions;
- Provision of delegated regulatory reporting;
- Willingness to commit capital;
- Market share;
- Tenure;
- Reliability of technology;
- Quality of service;
- Quality of Execution (i.e., speed of execution, rejections, and slippage).

3.10. Evidence of best execution

3.10.1. Upon a reasonable request from a client, and provided that the order was subject to the Policy, the Company will demonstrate to the client that it has executed its order in accordance with this Policy. In the absence of evidence to the contrary, the records of the Company will constitute conclusive evidence of the actions taken by the Company to obtain Best Execution on behalf of its clients. The Company keeps all records relating to its trading activities and versions of this Policy, for a minimum period of five (5) years in accordance with MiFID II and local regulatory requirements.

3.10.2. The RTS 28 report is considered part of the Best Execution and thus the Clients of Octa Markets Cyprus Ltd can access these reports through the following link:
<https://www.octaeu.com/company/legal-agreements/>

3.11. Monitoring / Reviewing

- 3.11.1.** The Company will review and monitor the effectiveness of this Order Execution Policy and arrangements to identify and, where appropriate, correct any deficiencies. It will assess, at least annually, whether the execution venues included in this Order Execution Policy enable the Company to provide the best possible result for the client's orders and whether it needs to make changes to its execution arrangements.
- 3.11.2.** Furthermore, 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 client orders on a consistent basis using the venues included in this Order Execution Policy. The Company will not notify its clients individually of changes, other than substantial material changes to this Order Execution Policy and therefore the Client should refer from time to time to the Company website where the latest and most up to date Execution Policy will be available.
- 3.11.3.** The Company considers that the following factors, the list is not exhaustive, constitute Material Change:
- Change of execution venues
 - Change of Liquidity Providers
 - Addition of new Financial Instruments / Asset Classes
 - Significant delay in the execution of orders
 - Any change to the relative importance of execution criteria and relevant factors as described in this policy
 - Changes of the platform(s) used by the Company for the execution of client's orders.

3.12. Prior Consent

- 3.12.1.** When establishing a business relationship with the Client the Company is required to obtain client's prior consent to its Order Execution Policy.
- 3.12.2.** The Company may obtain the above consents in the form of a general agreement. The Company will treat clients who have either received the Execution Policy or agreed to receive it in any electronically format or via the internet and have accepted the Terms of Business of the Company, as Clients who have given consent to the Policy as well as given consent to the Company to execute or receive and transmit an order for execution outside a regulated market or MTF and in precise on Over-the-Counter market.

3.13. Definitions

Over the Counter (OTC) is a decentralized market in which market participants trade commodities, currencies, stocks or other instruments directly between two parties and without a central exchange. Over-the-counter markets do not have physical locations; instead, trading is conducted electronically in accordance with the provisions of ***Title III of the Investment Services and Activities and Regulated Markets Laws of 2017*** as amended or respective legislation of other member states that are enacted in compliance with ***MiFID II - Directive 2014/65/EU***.

Multilateral trading facility or MTF means a multilateral system operated by an Investment Firm or market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in Financial Instruments in the system and in accordance with its non-discretionary rules, in a way that results in a contract in accordance with the provisions of ***Title II of the Investment Services and Activities and Regulated Markets Laws of 2017***.

Regulated market or organized market means the multilateral system managed or operated by a market operator and which brings together or facilitates the bringing together of multiple third-party buying or/and selling interests in Financial Instrument, in the system and in accordance with its non-discretionary rules, in a way that results in a contract, in respect of the Financial Instruments admitted to trading under its rules or/and systems, and which is authorized by member state and functions regularly in accordance with the provisions of ***Title III of the Investment Services and Activities and Regulated Markets Laws of 2017*** as amended or respective legislation of other member states that are enacted in compliance with ***MiFID II - Directive 2014/65/EU***.

Systematic Internalizer means the Investment Firm which on an organised, frequent, and systematic basis, deals on Own Account by executing client orders outside a Regulated Market or MTF.

Annexes to Order Execution Policy

ANNEX 1

This Policy will apply to the following classes of Financial Instruments:

- A. Options, futures, swaps, forwards, and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event.
- B. Financial contracts for differences (hereafter “CFDs”).

As per its license and in accordance with the Key Information Documents (KIDs), the Company offers for trading through the MT5 Trading Platform, the following types of financial instruments:

- CFDs on Forex
- CFDs on Precious Metals
- CFDs on Commodities
- CFDs on Equity Indices
- CFDs on Cryptocurrency
- CFDs on Shares

The Company executes trades on the OTC (Over the Counter) market.

Execution Venues

Currently, the Company executes all orders for its Clients on the Over the Counter (OTC) market. The table below lists the Liquidity Providers that the Company currently uses for executing the Orders and respective Financial Instrument Types/Asset Classes, to which each of these Liquidity Providers provides access. The Company reserves the right to use the following two types of execution venues: a) Octa Markets Cyprus Ltd, in its capacity as a Market Maker, under the license of Dealing on Own Account, b) Any other execution venues and third parties with which the Company has engaged into business agreement for the Liquidity Provision service. The Company may from time to time add or remove an execution venue or a Liquidity Provider from this list.

The following Execution Venues are currently used for executing the Orders:

Executing Broker	Markets to which each Broker grants access for Execution				
	Equities	Debt Securities	Foreign Exchange and CFDs	Collective Investment Schemes / Open-ended Investment Companies	Contingent Liability Investments
Octa Markets Cyprus Ltd	n/a	n/a	Octa Markets Cyprus Ltd	n/a	n/a

The following table provides information about Company's Liquidity Providers:

Name of Broker	Jurisdiction	Description	License Number	Year of License	Regulatory authority
LMAX Global	UK	Exchange – provision of regulated products and services	783200	2017	UK Financial Conduct Authority
Saxo Bank A/S	Denmark	Banking License	1149	2001	Danish FSA
Swissquote Bank SA	Switzerland	-Banks specialised in exchange, securities, and asset management business -Swiss securities firm	Category:4	2001	FINMA

