



# ORDER EXECUTION POLICY

## 1. General Information

HONORFX (a trading name of Honor Capital Markets Limited), incorporated in St. Vincent & the Grenadines as an International Business Company with registration number 25034 IBC 2018 having its registered address at Suite 305, Griffith Corporate Centre, P.O. Box 1510, Beachmont, Kingstown, St. Vincent & the Grenadines.

HONORFX has established this policy along with other arrangements to meet our overarching obligation to take all reasonable steps to obtain the best possible result for our Clients.

HONORFX has an obligation to provide its Clients with appropriate information on this Policy. In order to comply with this obligation, the firm will make this Policy available to Clients upon written request.

HONORFX's Execution Policy forms part of our Client Agreement and as such, by agreeing to the Client Agreement, you are agreeing to the terms of our Order Execution Policy. This policy applies equally to orders and trades for both Retail and Professional Customers.

When HONORFX decides to deal, we will carry out the trade by executing the order directly in the market ourselves.

The price feed streamed to Clients consists of liquidity from various bank and non-bank providers to ensure the Client has the best execution possible. We do not aggregate or allocate client orders when Straight Line Processing our trading flow to HONORFX's liquidity providers.

## 2. HONORFX's Best Execution Obligations

HONORFX provides leveraged (margin) trading, on an execution-only basis for its Client's in Forex and CFD trading.

It is HONORFX's decision as to what markets to offer its clients and we will deal with you as principal and counterparty to each trade, providing you with two-way price quotes. As such, every market offered by HONORFX is quoted as a derivative of the underlying market and we are the only execution venue to which you have access through us.

HONORFX acknowledges that if you are a Retail Client that you may rely upon us to provide or display bids and offer prices which are the best available prices for retail investors on a consistent basis.

HONORFX will act in accordance with the best interests of our Clients when placing orders with other entities for execution. In complying with this duty HONORFX must take all reasonable steps to obtain the best result for its client taking into account the execution factors.

## 3. What is Best Execution?

HONORFX is committed to ensuring that our clients are treated fairly and receive the best possible price when executing a trade, whatever the product.



Best execution refers to our responsibility to take all enough steps to achieve the best possible result on a consistent basis when executing orders on our clients' behalf. In practice there are a variety of factors that could be considered in order to achieve best execution.

This document forms part of our terms of business. Therefore, by agreeing to our Terms and Conditions, you are agreeing to our Order Execution Policy.

#### 4. Execution Factors

HONORFX is obliged to seek the best possible result for its client in relation to each trade requested. The best possible result however may vary depending on the situation, and this may not always equate to obtaining the best price or the lowest cost. HONORFX is therefore required to consider and assess the relative importance of the relevant 'execution factors' in respect of each class of financial instrument in which it trades.

**Price** – This is the price at which a transaction is executed. Where the price has varied across the transaction the blended average price should be considered.

**Cost** - This includes explicit external costs such as exchange or clearing fees, as well as implicit costs such as spreads and slippage. This should be restricted to costs borne by the client and should not include the Firm's internal costs relating to trading.

**Speed** - This refers to the amount of time that elapses between the trade order and the successful execution of that trade.

**Likelihood of execution and settlement** - This refers to the Firm's estimation of the probability that the trade order will be successfully completed either in whole or in part.

**Size** - For large orders or illiquid instruments only a partial fill may be received, and this may vary between venues. Where the whole trade order is unlikely to be filled, the size of the potential fill will increase in importance.

Other Factors: While the above four factors are considered by HONORFX to be the most important in our best execution policy, there are many other situations which can arise leading to price variations.

- a) Some markets which are quoted by HONORFX are done so outside of normal market hours, and as such are known as 'grey markets' In these situations, while every effort is made to keep prices and spreads consistent, this may not always be possible during particular volatile periods or during periods of illiquidity in corresponding markets.
- b) Financing charges made by HONORFX are fair, competitive and transparent. These may include fees required to roll over open positions and shall be disclosed to you on our website and the trading platform.
- c) There may be situations, through third party introductions or through partnership deals with affiliated companies that a commission or other income generated from your trade is shared with third parties. In such circumstances this will be made abundantly clear to the client by the party concerned and this information is available on request.

The nature or other relevant considerations of the order - This is a broad category that covers any other factor not listed in the regulations that firms may wish to prioritize in order to achieve the best result for its clients. Examples of this may be the need to reduce the market impact of the trade. Where the client has attached instructions to the order these should also be taken into consideration.

Not all of these criteria are relevant in each case or relevant to our business model. For example, HONORFX is the sole execution venue for trade executed by it for its clients.



## 5. Execution criteria

In order to determine the relative importance of these factors, HONORFX will take into account:

- characteristics of the client (that is, whether the order is for a retail or professional client).
- characteristics of the client order.
- characteristics of the financial instruments involved; and
- characteristics of the execution venues being considered.

When executing an order the best possible result is determined by the total consideration (that is, the price of the investment and any associated costs, such as execution venue fees, clearing and settlement fees, and other third party fees) for the order.

## 6. HONORFX's Strategy

**Monitoring:** HONORFX will monitor the effectiveness of its order execution arrangements, including this Order Execution Policy to identify and, where appropriate, correct any deficiencies.

**Review:** we will review our order execution arrangements and this Order Execution Policy at least annually or whenever a material change occurs that affects our ability to obtain the best result for the execution of orders on a consistent basis using the venues included in this Order Execution Policy.

**Consent:** HONORFX is required to obtain your prior consent to our order execution policy. You will be deemed to provide such prior consent when you give us an order.

## 7. Execution Venue

Execution Venue means the firm directly executing the orders. In this instance HONORFX is the Execution Venue who is quoting prices which are provided to HONORFX by top tier global banks & non-bank liquidity providers in the wholesale foreign exchange markets.

HONORFX provides execution-only trading and services for its Clients in Foreign Exchange, and CFD Trading.

HONORFX does not offer any advice and does not offer equity share trading in its CFD offerings. It is the decision of HONORFX's as to what markets it offers its clients, and it does so, not as a broker but as a principal and counterparty to each trade.

As such, every market offered by HONORFX is quoted as a derivative of the underlying market and we are the only execution venue to which you have access through us.

## 8. Monitoring and Review

This policy along with all effective arrangements will be reviewed annually or whenever a material change occurs that affects the firm's ability to continue to obtain the best possible result for our Clients. On a regular and ongoing basis, HONORFX shall monitor the effectiveness of this policy and assess the quality of the best order execution and ensure we are providing the best possible result for our Clients. Any deficiencies in our arrangements or within this policy will be corrected and Clients will be notified of any material changes.