

Best Execution / Order Execution Policy

1. Introduction

- 1.1. W.G Wealth Guardian Ltd (hereinafter, “the Company”) is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (hereinafter, “CySEC”) with Licence number
- 1.2. In compliance to Law 144(I)/2007 as amended from time to time (“the Law”), the Company is required to provide its Clients and potential clients with its Order Execution Policy. Consequently, the Company has established this Order Execution Policy (hereinafter the “Policy”).
- 1.3. Under the above legislation, the Company is required to take all reasonable steps to act in the best interest of its Clients and to reasonably obtain the best possible result (or “best execution”) for its clients when providing the investment service of reception and transmission of clients’ orders on behalf of clients. In addition, these rules require Cyprus Investment Firms including the Company to put in place a relevant Policy and to provide among others appropriate information to their Clients on their Order Execution Policy and its best execution criteria.

2. Scope of Policy

- 2.1. This Policy applies to both retail and professional clients. So, if the Company classifies a client as an Eligible Counterparty, this policy does not apply to such a client.
- 2.2. This Policy applies when the Company provides the investment services of reception and transmission of orders in relation to one or more financial instruments and/or execution of orders on behalf of clients.
- 2.3. The Policy outlines the process that the Company follows in executing trades, and the steps reasonably taken to consistently obtain the best possible result for clients through its Order Execution Policy. It is noted however that when executing an order following a specific client instruction, the Company will seek to ensure that execution of the order is in line with those instructions and will consider that it has discharged its best execution obligations.
- 2.4. The Company acts as an agent (i.e. on behalf of its clients) in relation to clients’ transactions with the Execution Venue(s). This means that when a position is opened for a client then that open position can only be closed with that Execution Venue(s).

For more information with regards to the Execution Venue(s) please refer to clause “Execution Venue” below.

3. **Best Execution Factors**

The Company is required to take into account a number of factors when transmitting order for execution on behalf of clients. Consequently, the Company is taking all reasonable steps to obtain the best possible results for its clients by taking into account the following factors when transmitting orders for execution on behalf of clients against the Company’ quoted prices as these are provided by its Liquidity Provider(s)/Execution Venue(s):

3.1. **Price**

- a. **BID/ASK:** For any given Financial Instrument (hereinafter the “Instrument”), the Company will quote two prices as these are provided by and derived from its Liquidity Provider(s)/Execution Venue(s):

- i. the higher price (ASK) at which the client can buy (i.e. go Long) that Instrument, and;
- ii. the lower price (BID) at which the client can sell (i.e. go Short) that specific Instrument.

The ASK and BID prices collectively are referred to as the Company’s price. The difference between the lower and the higher price of a given Instrument is the spread.

- b. **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.
- c. **Company’s price:** The Company’s prices can be found on the Company’s website. The Company updates its prices as frequently as the limitations of technology and communications links allow.. The Company will not quote any price outside the Company’s operations time (see Execution Venue section 6 below) therefore, no orders can be placed by clients during that time. The Company does not guarantee that when transmitting clients order(s) for execution to the Execution Venue, the Company’s price will be the most favourable for clients than one which might be available elsewhere. The main way in which the Company ensures that clients receive the best execution price is to ensure that the calculation of the BID/ASK spread is made by the Liquidity Provider(s) / Execution Venue(s) with reference to a range of external data sources and independent price providers. The Company reviews its Execution Venue’s external reference sources at least once a year, to ensure that the data obtained continue to be competitive.

- 3.2. **Costs:** For opening a position in some types of Instruments clients may be required to pay a commission or financing fees, if applicable, the details of which costs and fees are disclosed and available on the Company Website under Contract Specifications. The Company takes all reasonable steps to ensure that clients are informed of such costs prior to clients opt to engage in trading.
- a. **Commission(s)** may be charged either in the form of a percentage of the overall value of the trade or as fixed amount.
 - b. **Financing Fee(s)**, are based on prevailing market interest rates, which may vary over time. Details of daily financing fees applied are available on the Company' website under Contract Specifications. In the case of financing fee(s) the value of opened positions in some types of Instruments is increased or reduced by a daily financing fee "swap rate" throughout the life (i.e. duration) of the contract.

For all types of Instruments offered by the Company financing fee(s) are not incorporated into the Company' quoted price but are instead charged explicitly to the clients' account.

3.3. **Speed**

Although the Company acts as an agent, (i.e. on behalf of its clients) in relation to clients' transactions in with the Execution Venue(s), the Company places a significant importance when executing clients' orders and strives to offer high speed of execution within the limitations of technology and communications links at all times.

The technology and the means of communication used by clients are important elements in relation to the transmission of their orders for instance the use of wireless connection or dial-up connection or any other means of communication that may result in poor or unstable connectivity may cause delays between the transmission of data between the Client and the Company Consequently, such failure of hardware and software (i.e. Internet / Servers etc.) may result for clients' orders to be either:

- a. placed at a delay and consequently orders to be transmitted for execution at a better or worse prevailing market price offered by the Company. (as provided by its Liquidity Provider(s) / Execution Venue(s)), or;
- b. not transmitted for execution according to clients' instructions, or;

- c. not transmitted for execution at all due to the orders placed at a delay resulting to the Company receiving outdated “markets orders”.

Clients acknowledge and accept that the Company does not accept any liability in the case of such a failure.

3.4. Nature of Orders

The specific characteristics of an order can affect the execution of clients’ order(s). The Company provides for clients the option to place the following type of Orders for execution:

- a. **Market Order** is an order to buy or sell which is instantly executed and filled at the prices provided by and derived from the Company’s Liquidity Provider(s)/Execution Venue(s). From time to time, the market may move while clients placing their Market Order and this may result the Market Order to be executed at the next available market price or the Market Order not to be executed at all. Clients may also modify their Market Order by placing a:
- **Stop Loss** order which is used to minimize and limit clients’ loss(es) or;
 - **Take Profit** order which is used to allow Clients to close a profitable position (i.e. trade) when the price has reached a certain level.
- b. **Pending Order** is an order to buy or sell which is executed at a later stage at the at pre-defined price in the future. That means that once the price provided by the Company’s Liquidity Provider(s)/Execution Venue(s) reaches the pre-defined price specified by the clients, the Pending Order will automatically become a Market Order and consequently executed by the Company’s liquidity provider (s) /Execution Venue(s). There are four types of Pending Orders available a) “Buy Limit”, b) “Buy Stop”, c) “Sell Limit” and d) “Sell Stop”. Clients may also attach to any of the abovementioned Pending Orders a “Stop Loss” and/or “Take Profit”. The minimum level(s) for placing “Buy Limit”, “Buy Stop”, “Sell Limit”, “Sell Stop”, “Stop Loss” and “Take Profit” are disclosed on the Company Website under Contract Specifications. Clients acknowledge and accept that once the price has reached the specified level of the order execution, “Stop Loss”, “Take Profit” and rest of “Pending Orders” can neither be changed nor removed.

3.5. Size of order

All orders are placed in lot sizes. A lot is a unit measuring the transaction amount and it is different for each type of Instrument. Details of the lot sizes for a given Financial Instrument type are available in the Contract Specifications on the Company’s website. Clients acknowledge and accept that even though in some cases there is no maximum size of an order which the Client can place with the Company,

the Company reserves the right to decline an order, in case the size of the order is large and cannot be filled.

Clients further acknowledge and accept that while the Company makes all reasonable efforts to fill clients' orders irrespective of the volume, it may be the case that such orders are filled at the next best available price, instead at the available market price as derived from the Company's Liquidity Provider(s)/Execution Venue(s).

3.6. Likelihood of Execution

As it is explained in the Execution Venue section of this Policy, the Company acts as an agent (i.e. on behalf of its clients) in relation to clients' transactions with the Execution Venue(s). This means that when a client opens a position on the Company's platform then that open position can only be closed with that Liquidity Provider(s)/Execution Venue(s) at the prices derived from the Liquidity Provider(s)/Execution Venue(s).

As mentioned under "Size of Order" while the Company accepts and transmits for execution all clients' orders, it reserves the right to decline an order of any type. For instance in case the size of the order is large and cannot be filled.

Clients accept and acknowledge that while the Company makes every possible effort and take reasonable steps to ensure fast execution of clients' orders by liquidity providers /execution venues, clients are exposed to hardware and software failure. Consequently, such failure of hardware and software (i.e. Internet / Servers etc.) may result for clients' orders to be either:

- a. placed at a delay and consequently orders to be executed at a better or worse prevailing market price offered by the Company as provided by its Liquidity Provider(s) / Execution Venue(s), or;
- b. not executed according to clients' instructions, or;
- c. not executed at all due to the orders placed at a delay resulting to the Company receiving outdated "markets orders".

Clients further acknowledge and accept that while the Company makes every possible effort and take reasonable steps to provide its Clients with best execution under the prevailing market conditions and consequently ensure that "Buy Limit", "Buy Stop", "Sell Limit", "Sell Stop", "Stop Loss" and "Take Profit" are executed at the available Market Price, under certain trading conditions it may be impossible to ensure execution of the orders at the available market price and instead these are

executed at the next best available market price derived from its Liquidity Provider(s) / Execution Venue(s). For instance, orders may be executed at the next best available price in the following cases (list non-exhaustive):

- a. During periods of volatile market conditions where prices may move up or down and deviate from the clients' declared price
- b. During news announcements
- c. On opening gaps (when trading session starts) or on possible gaps where the underlying instrument has been suspended or restricted on a particular market
- d. In cases of insufficient liquidity for the execution of the specific volume at the declared price

3.7. **Market Impact**

The Company as mentioned and described herein, at all times takes all reasonable steps in order to ensure the best possible results for its clients. However, various factors may not only rapidly affect the Company's quoted prices as derived from its Liquidity Provider(s) / Execution Venue(s) but also affect the rest of the factors herein (i.e. parameters, criteria) which the Company takes into consideration for ensuring the best possible result for its clients.

The Company takes into account the above list of factors and parameters in ensuring the best possible result for its clients. However, the above list of factors and parameters are not considered by the Company to be exhaustive and the order in which the above factors are presented shall not be taken as priority factor. Nevertheless, whenever there is a specific instruction from clients the Company will take all appropriate measures to ensure that clients' orders shall be executed following the specific instruction and consequently resulting the Company to deviate from its obligation to provide clients with best execution through the Company's liquidity providers/execution venues

3.8. **Likelihood of Settlement**

The Company shall proceed to a settlement of all transactions upon execution of such transactions by the Company's liquidity providers/execution venues

4. **Best Execution Criteria**

The Company in determining the relative importance of the above best execution factors will in general take into account the following best execution criteria as described below:

- a. The characteristics of the clients including their categorisation as retail or professional
- b. The characteristics of the clients order
- c. The characteristics of financial Instruments that are the subject of that order
- d. The characteristics of the execution venues to which that order can be directed.

The Company will determine 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 clients 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. The rest of execution factors such as speed, nature of orders, size of orders, likelihood of execution or any other relevant consideration are categorised by the Company as secondary to those of price and cost, unless if taken into account they would result to the delivery of the best possible result for clients in terms of total consideration.

5. Specific Instructions

The Company upon receipt of a specific instruction with regards to the execution of an order, then the Company will transmit the order for execution based on the specific instruction provided by the clients.

Clients acknowledge and accept that the Company by executing an order based on the specific instruction received from clients, the Company will not be able to comply with the requirement to provide clients with the best possible result since the Company will not follow the steps designed in this Policy for obtaining the best possible result with regards to the execution orders. Clients further acknowledge that the Company by executing the specific order as per clients' instructions, the Company will be complying with its duty to provide the client with best execution.

6. Execution Venue(s)

Execution Venues are the entities with which the orders are placed and/or to which the Company transmits orders for execution. The Company acts as an agent (i.e. on behalf of its clients) in relation to clients' transactions with the Execution Venue(s). This means that when a client opens a position on the Company's platform, the Company will not execute the order on an own account basis as a counterparty but instead that open position will be transmitted to and executed with that Execution Venue(s).

The Company in its evaluation prior to selecting its Liquidity Provider(s) / Execution Venue(s), takes into account the below criteria (non-exhaustive list):

- a. Regulatory status of the Liquidity Provider(s)
- b. Competitiveness of commission rates and spreads
- c. Ability to deal with large volumes
- d. Time and efficiency of execution
- e. Credit Risk Rating
- f. Availability of Financial Instruments

Clients acknowledge that the transactions entered in Instruments with the Company may be executed on a regulated market or a Multilateral Trading Facility (MTF) and/or may be executed via liquidity providers or execution venues

The Execution Venue(s) that the Company utilises for the execution of clients orders are the following:

- a. Please insert (TBA on Activation of Licence)

7. Amendment/Review of the Policy

The Company at least on annual basis will review its Order Execution Policy as well as any relevant order execution arrangements in order to assess and examine whether the requirement for providing best execution to its clients and obtaining the best possible result for the execution of clients' orders is achieved on a consistent basis. Furthermore, the Company on a regular basis will monitor and assess the effectiveness of the Policy and relevant order execution arrangements in order to identify and where appropriate to correct any deficiencies by implementing appropriate improvements.

The Company reserves the right to review and amend this Policy at any given time it deems suitable and appropriate. Clients acknowledge and accept that the Company will not notify clients separately of any changes made but only when such changes are related to substantial material changes and consequently Clients should refer on the Company's website from time to time for the most up to date version. This Policy is available for review by clients upon request and it is uploaded on the Company's website.

8. Clients Consent

Clients acknowledge, accept and consent that this Policy forms an integral part of the agreement between the Company and the Client. Therefore, clients by entering into an agreement with the Company (i.e. acceptance of Company's Trading Terms and Conditions) they are considered by the Company as to have given their consent to this Policy and the terms as presented and described herein as well as for the Company to execute or receive and transmit an order for execution outside a regulated market or an MTF.



9. General Information

For further details with regards to the Company's Conflicts of Interest Policy and procedures, you may contact the Company's Compliance Department at compliance@wguardian.com