Order Execution Policy

www.errante.com
Version 1

Order Execution Policy

1. Introduction

Errante Securities (Seychelles) Ltd (hereafter the "**Company**", "**Errante**", "**we**", "**our**"), is a Securities Dealer Licensee regulated and authorized by the Financial Services Authority Seychelles ("**FSA**") under license number SD038.

Errante upon acceptance of a client order for securities listed on regulated markets or outside takes into account the price, costs, speed, likelihood of execution and settlement, size, nature and/or any other relevant order execution consideration when we are executing orders on behalf of our clients (hereafter the "**Client**", "**you**", "**your**"). The Company is required to take all sufficient steps to obtain the best possible result for your order ("**best execution**").

The Order Execution Policy (hereafter the "Policy") forms part of your agreement (acceptance of terms and conditions of the Company) and therefore you must ensure that you have read, understood and consent to the contents of this Policy before trading with the Company. If there are any inconsistencies between the Policy and the Agreement, the Policy shall prevail.

2. Scope

The Company is always the counterparty (or principal) to every trade; therefore, if the Client decides to open a position in a Financial Instrument offered by the Company, then that open position can only be closed with the Company. The Company does not guarantee that when executing a transaction, the Client's price will be more favorable than one which could be obtained elsewhere.

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

- ✓ Specific instructions given by the Client does not prevent the Company from providing to the Client this Policy, and
- ✓ The Company did not provide the client with direct market access through an electronic interface that links only to a particular execution venue.

3. Type of Execution Orders

Market Order: is when the Client places a market order to buy or sell a Financial Instrument and is executed immediately at the best available current price that the

Company has provided. The Client may attach to a Market Order a "Stop Loss" and/or "Take Profit".

Stop Loss: is an order to limit Client's loss when the price moves against the client. Stop-loss orders are designed to limit an investor's loss on an open position.

Take Profit: is an order to take profit if and when the Client's target profit is reached.

Pending Order: is an order that has been entered into the trading platform but will not be executed unless certain conditions are met (i.e. at a price specified by the Client). The following types of pending orders are available:

Buy/Sell limit: is the placing of an order to buy/sell a Financial Instrument at or below/better a specified price.

Buy/Sell Stop: is the placing of an order to buy/sell a Financial Instrument at a price above the one currently provided/when it reaches a certain price. It is triggered when the market price touches or goes through the buy/sell stop price.

You may attach to any Pending Order a Stop Loss and/or Take Profit order as the level you consider appropriate.

You may hold unlimited positions simultaneously, which will be considered as summary of Market and Pending Orders per Client.

The Client may modify an order before it is executed. The Client has no right to change or remove Stop Loss, Take Profit and Pending Orders if the price has reached the level of the order execution.

4. Best Execution Factors and Criteria

4.1. The Company is required to take several factors into consideration when executing an order for the client. The factors that the Company will consider are listed below:

- ✓ The characteristics of the client;
- ✓ the characteristics of the client order;
- ✓ the characteristics of financial instruments that are the subject of that order;
- ✓ the characteristics of the execution venues to which that order can be directed.

4.2. When executing orders or receiving and transmitting orders for execution, the Company should at any time take all sufficient steps to obtain the best possible result for its clients, by taking into account price, costs, speed of execution, likelihood of execution and settlement, size of the order and market impact. The

Company does not consider these factors as exhaustive and the order in which the above factors are presented shall not be taken as priority factor.

4.3. Where there is a specific instruction from the client, the Company shall execute the order following the specific instruction. When there is no specific client instruction regarding the execution method, the Company shall execute an order in accordance with this Policy.

4.4. Important factors to be taken into consideration while approving the Order Execution policy;

Factor	Importa-nce Level	Remarks
Price	High	Strong emphasis on the quality and level of the price data that we receive from external sources (i.e. Execution Venues) in order to provide our Clients with competitive price quotes.
Costs	High	All reasonable steps to keep the costs of the tradable transactions as low and competitive, to the extent possible.
Speed of Execution	High	Execution speed and the opportunity for price improvement are critical to every trader and we repeatedly monitor this factor to ensure we maintain our high execution standards.
Likelihood of Execution	High	Even though we reserve the right to decline a Client order we aim to execute all Client Orders, to the extent possible.
Likelihood of Settlement	Medium	Shall proceed to a settlement of all transactions upon execution of such transactions.
Size of order	Medium	The Client will be able to place Order (s) as long as he/she has enough balance in his/her trading account. A "lot" is a unit measuring the transaction amount and it is different for each type of CFD.
Market Impact	Medium	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 reasonable steps to obtain the best possible result for its Clients.

5. Margin

5.1. The Company's Transactions have a contingent liability, and the Client should be aware of the implications of this, in particular the margin requirements of the Company.

5.2. Forex and CFDs instruments are extremely volatile and the client should maintain an appropriate margin to cover the risk of losing the entire investments, the company has the right to maintain the account margin in the absence of prior intervention by the client.

5.3. The Client may be called upon to deposit substantial additional margin, at short notice based on the margin level, to maintain his/her investment. If the Client does not provide such additional funds within the time required, his/her investment position may be closed. In case where the Client failed to meet the margin call within the set timeframe, the Company has the discretionary right to start closing positions starting from the one with biggest loss when margin decreases lower than the Margin Call level, and automatically close all positions at Market Prices if Stop Out level is reached.

5.4. The stop out level at the Company is at 50%.

5.5. We would like to draw the clients' attention to the fact that the Company reserves the right to further increase/decrease the margin requirements at its discretion at any time if such is considered necessary. Such will be decided upon the internal criteria set by the Company. The Company will always follow an efficient approach in order to protect its clients' interests and to act according to the best execution policy. The clients will be informed via newsletters, emails, phone calls, platform pop ups or/ any other means about the changes and can at any time request further information.

6. Over the Counter Transactions

6.1. You consent and acknowledge that transactions made through the Company are not undertaken on a recognized exchange, rather they are undertaken over the counter ("**OTC**") through the Company's Trading Platform whereby execution is affected via the Company or other financial institutions. Accordingly, the Company may expose the Client to greater risks than the regulated exchange transactions.

6.2. The Client may be obliged to close an open position of any given Company's product during the opening hours of the Company's Trading Platform. The terms and conditions and trading rules may be established solely by the counterparty.

6.3. The Client may only be able to close an open position of any given contract during the opening hours of the trading platform.

6.4. The Client may also have to close any position with the same counterparty with whom it was originally entered.

6.5. The client may request additional information about the consequences of this means of execution (i.e. OTC). You can contact our support team at support@errante.com for further information.

7. Managing Risk

7.1. Where exchange restrictions do not allow physical delivery of currency, the Company provides a means of negating foreign exchange risk.

8. Key Risks Opportunity loss

8.1. The client will forego any benefit of a favourable exchange rate movement between the time he/she enters into a transaction and the maturity date.

9. Variation / Early termination

9.1. Cancellations or a new execution order from the client whether by telephone, fax or email or adjustments may result in an additional cost.

10. Counterparty and operational risk

10.1. As is the case with most financial markets products we enter into, the Company has performance obligations under any transaction. Our ability to fulfil our obligations is linked to our financial well-being and to the effectiveness of our internal systems, processes and procedures.

10.2. The first type of risk (our financial well-being) is commonly referred to as credit or counterparty risk. Credit risk is the risk associated with a loss or potential loss from counterparties failing to fulfil their financial obligations.

10.3. The second type of risk (the effectiveness of our internal systems, processes and procedures) is commonly referred to as operational risk. Operational risk is the risk of loss resulting from inadequate risk can be derived from employee errors and system failures or failed internal.

10.4. The Client acknowledges that the Company acts as a principal counterparty to its clients' trades. Part or all these trades are covered within the Company or related entities having same or similar shareholders. Some of these related entities may also act as a market maker for some instruments. This may entail additional risk of conflicts of interest. For transparency, the client is hereby made aware of this and accepts this risk when conducting business with the Company.

11. Confirmations

11.1. The commercial terms of a particular service or transaction will be agreed at the time of dealing. This may occur over the phone or electronically. Once we reach an agreement, both the Client and the Company are bound by the terms of the agreement. The Client is made aware that the online trading system may execute trades at wrong prices in some cases and the Client acknowledges and accepts that the Company may correct such orders later even if they are already confirmed on his account.

12. Execution Venues

12.1. The Execution Venues are the locations (with or without a physical presence) such as regulated markets, multilateral trading facilities, organized trading facilities, systematic internalizes, market makers, liquidity providers or any other entity that performs a similar function in any country to the functions performed by any of the foregoing.

12.2. For the purpose of orders for the instruments provided by the Company, the Company acts as a principal and not as an agent on behalf of the Client, therefore we are the sole Execution Venue for the execution of the Client's orders. The Company does not transmit the Clients' orders in the external market if the order is for the instrument(s) provided by the Company.

13. Market Gap

13.1. A market gap is the difference between the closing price of one period and the opening price of the next period. Market gaps are most often created between trading sessions, such as during the night or over the weekend.

13.2. At the Company, all Stop Loss orders will be confirmed at the best available price for trading. In the event of market gaps, the requested price will be adjusted by the Company automatically by the trading system or manually.

14. Information to clients

14.1. The Client prior to entering into transactions with the Company is required to familiarize himself with the products and services offered by the Company and to ask for any clarifications where he/she is not certain.

15. Monitor

15.1. The Company shall monitor on a regular basis the effectiveness of the Best Execution Policy and, the execution quality of the procedures identified in the said policy and, where appropriate, correct any deficiency. Such monitoring shall be conducted on an ex-ante and ex-post basis, i.e. to monitor the quality of execution by reviewing statistics related to frequency of rejections and re-quotes, as well as the symmetry of any observed slippages (positive vs negative); to monitor any complaints related to the quality of execution in order to ensure that any deficiencies are improved and to compare the prices provided by its execution venues against external price sources or other venues to ensure that there are no significant or systematic deviations in the pricing provided to its clients.

16. Definitions

16.1. **Slippage**: This is the difference between the execution price and the order price at the time the order is submitted for execution. Slippage is a normal and expected cost of trading, particularly for orders of larger size and during times of thin liquidity or/and volatile market conditions.

16.2. **Partial fills**: This is the practice of executing an order in parts, at a time where there is not enough liquidity in the market in order to fill an order as a whole at a specific price. Partial fills may be executed at different prices.

16.3. **Mark-up:** Clients shall be charged a mark-up on spread when trading CFDs.

16.4. **Trade Rejection:** trades submitted on the prices considered by the system as invalid or/and old, are automatically rejected.

16.5. **Execution Venues:** are the locations (with or without a physical presence) such as Regulated markets (RM), Multilateral trading facilities (MTF), Organized trading facilities (OTF), Systematic internalizes (SI), Market makers, Other liquidity providers or any other entity that performs a similar function in a third country to the functions performed by any of the foregoing.

16.6. **Market order:** This is an order to buy or sell at the current market price that is available. The system automatically aggregates the volume received from third party LPs and executed the 'market order' at VWAP ('Volume-Weighted Average Price'), that is, the average and best available price at the time of execution.

16.7. **Good 'til Cancelled ("GTC"):** This is an execution setting that the client may apply to 'pending orders'. The order may remain 'live' and pending for execution until such time as the order is triggered and treated as a market order or cancelled by the client.

16.8. **Market gap:** This is the difference between the closing price of one period and the opening price of the next period. Market gaps are most often created between trading sessions, such as during the night or over the weekend.

17. Policy Review

17.1. The Company reserves the right to review and/or amend this Policy at its sole discretion, whenever it deems fit or appropriate by law, and the revised Policy will be uploaded on the Company's Website.

17.2. Your continued use of our services, following any notification of such amendments, constitutes your acknowledgement and consent to such amendments to this Policy and your agreement to be bound by terms of such amendments.