



# **BEST INTEREST & ORDER EXECUTION POLICY**

## TABLE OF CONTENTS

1.	INTRODUCTION .....	5
2.	SCOPE.....	5
3.	TYPE OF ORDER EXECUTION .....	5
4.	ORDER EXECUTION ELEMENTS & RISKS .....	6
A.	<i>PRICES</i> .....	6
B.	<i>SLIPPAGE</i> .....	6
	<i>a) Trade in low volatile and high liquidity markets</i> .....	7
	<i>b) Employ guaranteed stops and limit Orders</i> .....	7
C.	<i>PARTIAL FILLS</i> .....	7
D.	<i>COMMISSIONS</i> .....	7
E.	<i>MARK-UP</i> .....	7
F.	<i>TRADE REJECTION</i> .....	8
G.	<i>VOLATILITY &amp; GAPS</i> .....	8
H.	<i>TRADING SYSTEM OR INTERNET CONNECTIVITY EXECUTION DELAYS</i> .....	8
I.	<i>CANCELLATION OF TRADES AND/OR CLOSURE OF POSITIONS</i> .....	8
5.	ORDER TYPES FOR METATRADER 5 (MT5) .....	8
A.	<i>MARKET ORDERS</i> .....	8
B.	<i>PENDING ORDERS</i> .....	8
C.	<i>STOP ORDERS</i> .....	9
D.	<i>LIMIT ORDERS</i> .....	9
E.	<i>STOP-LIMIT ORDER</i> .....	9
F.	<i>STOP LOSS</i> .....	9
G.	<i>TAKE PROFIT</i> .....	9
H.	<i>GOOD 'TIL CANCELLED ('GTC')</i> .....	10

I.	GOOD 'TIL DATE ('GTD') .....	10
J.	PENDING ORDER MODIFICATION/CANCELLATION .....	10
6.	MARGIN AND LEVERAGE .....	11
A.	INITIAL MARGIN REQUIREMENT .....	11
B.	MAINTENANCE MARGIN REQUIREMENT & POSITIONS LIQUIDATION ('STOP OUT') .....	12
7.	CORPORATE ACTIONS .....	14
A.	DIVIDENDS .....	14
B.	FRACTIONAL SHARE ADJUSTMENTS .....	14
C.	OTHER CORPORATE ACTIONS (INCLUDING, BUT NOT LIMITED TO STOCK SPLITS AND RIGHTS ISSUE) .....	14
D.	EARNINGS ANNOUNCEMENTS .....	14
E.	DE-LISTING .....	15
F.	CORPORATE ACTIONS WHICH ARE NOT MENTIONED IN THIS SECTION .....	15
8.	BEST EXECUTION .....	15
A.	PRICES .....	15
B.	COSTS .....	16
C.	SPEED OF EXECUTION .....	16
D.	LIKELIHOOD OF EXECUTION .....	17
E.	LIKELIHOOD OF SETTLEMENT .....	17
9.	OTHER EXECUTION CONSIDERATIONS .....	18
A.	CURRENCY VALUATION .....	18
B.	SIZE OF ORDER .....	18
C.	UNEXPECTED AND UNFORESEEABLE MARKET EVENTS .....	18
D.	MANIFEST ERROR .....	19
E.	PROHIBITED TRADING TECHNIQUES .....	20
a)	Artificial Intelligence Software .....	20
b)	Arbitrage .....	21
c)	Algorithmic trading or high-frequency algorithmic trading techniques .....	22
d)	Specific Client Instructions .....	24

10.	AGGREGATION, SPLITTING AND ALLOCATION OF ORDERS .....	25
11.	EXECUTION VENUES .....	25
12.	MONITORING AND REVIEW .....	26
13.	RECORD KEEPING.....	26
14.	NO FIDUCIARY RELATIONSHIP .....	26
15.	YOUR CONSENT .....	26
16.	IMPORTANT INFORMATION .....	27
17.	CONTACT US.....	28

# **BEST INTEREST & ORDER EXECUTION POLICY**

## **1. INTRODUCTION**

- 1.1. **'FinPros.com'** is a domain owned by **FQ Holdings LTD**, a Company incorporated in Isle of Man with registration number 018221V. The Domain is operated by **'FinPros Financial Ltd'**, a Company incorporated in Seychelles with registration number 8429300-1, having its registered office at CT House, Office 9A, Providence, Mahé, Seychelles.
- 1.2. **'FinPros Financial Ltd'** is regulated by the Financial Services Authority (**'FSA'**) of Seychelles as a Securities Dealer with License number: SD087.
- 1.3. A reference in this document to **"we", "us", "FinPros", "our", "ours" and "ourselves"** (as appropriate) is a reference to 'FinPros Financial Ltd'.
- 1.4. This Policy applies to all Clients of FinPros, both retail and professional, when executing transactions in the financial instruments provided by us via Contracts for Differences (**"CFDs"**).
- 1.5. This Policy is provided to you alongside our **'Client Agreement – Terms & Conditions of Business'** and contains further details on our services and the activities you may carry out with us.

## **2. SCOPE**

- 2.1. The Best Interest & Order Execution Policy of the Company applies to both retail and professional Clients.

## **3. TYPE OF ORDER EXECUTION**

- 3.1. At FinPros, Clients' Orders are executed following the **'Market Execution'** model. Market execution is a type of execution in which the Client places an Order and specifies only the volume. The Bid/Ask price of a Financial Instrument is generated during the process of execution.
- 3.2. As opposed to 'Instant Execution', under the **'Market Execution'** model, FinPros does not reject a Client's Order in the event of change in price, but fills the Order with the current price. The final price is composed by taking the required volume by available prices from the Market. In these circumstances, any variation between the executed price and the intended price is considered 'slippage' (see **paragraph B** further below). The slippage may be zero, positive, or negative, and it depends on whether the Order is a buy or sell, or whether the Order is for opening or closing a position, and on the direction of price

movement. A positive slippage gets a Client a better price than expected, while a negative slippage leads to a loss. Slippage may occur when a huge market Order is finalized, but there is an insufficient volume at the selected price for maintaining the bid/ask spread.

#### **4. ORDER EXECUTION ELEMENTS & RISKS**

4.1. FinPros takes all sufficient steps to obtain the best possible result for its Clients when executing Client Orders, taking into account a combination of the following best execution factors. FinPros does not consider the below list of factors as an exhaustive list and the Order in which these factors are presented are not on a priority basis.

##### **A. PRICES**

4.2. We receive price feeds from some of the world's leading liquidity and data providers ("LPs"). Having leading LPs is important especially during abnormal market conditions, such as times of extreme volatility, when some liquidity providers may decide to widen the spreads or stop quoting prices at all. Having leading LPs enables us to provide you with competitive prices, as the remaining liquidity providers shall continue competing to provide us their best 'Bid' and 'Ask' prices.

##### **B. SLIPPAGE**

4.3. This is the difference between the executed price and the Order price at the time the Order is submitted for execution. Slippage is normal and expected cost of trading, particularly for Orders of larger size and during times of thin liquidity and/or volatile markets.

4.4. Slippage usually occurs in periods when the Market is highly volatile, or the Market liquidity is low. Since the participants are fewer in markets with low liquidity, there is a wide time gap between the placement and execution of an Order. The volatile markets experience quick price movements, even quicker than filling an Order. Hence, the price of a Financial Instrument may change during the time gap, which results in slippage.

4.5. In forex trading, slippage normally occurs on less popular currency pairs – such as AUD/JPY – since highly popular currency pairs come with low volatility and high liquidity. Slippage often occurs during or around major events such as announcements regarding interest rates and monetary policy, earnings report of a company, or changes in the management positions. The events increase market volatility, which can increase the chances of investors experiencing slippage. When investors hold positions after markets close, they can experience slippage when the market reopens. It happens because the price may change due to any news event or announcement that could have happened while the market was closed.

4.6. FinPros takes sufficient steps so that the execution of the quoted prices will obtain the best possible result for its Clients at the time the quote is provided. Nevertheless, rapidly

changing markets might result in the execution of an Order at a price, which has ceased to be the best market price.

4.7. In addition, there are various ways in which Clients can minimize the consequences of slippage. Some of these are as follows:

### **a) Trade in low volatile and high liquidity markets**

4.8. The prices in low volatile markets usually do not change quickly, and high volatile markets have many market participants on the other side of the trade. Hence, if investors trade in highly liquid and low volatile markets, they can limit the risk of experiencing slippage.

4.9. Moreover, the chances of slippage can be reduced by trading during the periods experiencing the most activity since liquidity will be the highest during that time. It increases the chances of the trade getting executed quickly at the requested price. For example, the largest volume of trades is executed in the stock markets when the major U.S. stock exchanges are open. The forex trading experiences the largest volume during the open hours of the London Stock Exchange (LSE).

### **b) Employ guaranteed stops and limit Orders**

4.10. Since an Order with a guaranteed stop will be executed at the requested price, slippage risk is prevented. However, a premium attached to the guaranteed stop will be incurred if it is triggered. A '**Limit Order**' can help lessen the risk of slippage when investors enter a trade or seek to gain returns from a successful trade.

4.11. When a '**Limit Order**' is activated, the Order will be filled at the specified price or a favourable price. It implies that execution of a sell Order takes place at the desired price or a higher price, whereas the execution of a buy Order takes place at the specified price or a lower price.

### **C. PARTIAL FILLS**

4.12. This is the practice of executing an Order in parts, at a time where there is not enough liquidity in the market. Partial fills may be executed at different prices than the requested price.

### **D. COMMISSIONS**

4.13. Depending on the Account and instrument type, Clients may be charged commissions when trading CFDs. Further information is available on our Website.

### **E. MARK-UP**

4.14. Clients shall be charged mark-up (instead of commission) when trading CFDs on specific Account types under the MT5 platform. Further information is available on our Website.

**F. TRADE REJECTION**

- 4.15. A trade can be rejected for any of the following reasons: a) no liquidity in the market b) trades submitted on the prices considered by the system as old or false c) not enough free Margin in the Account d) due any trading restrictions placed on the instrument c) and for any reason we deem as a breach of our internal risk management.

**G. VOLATILITY & GAPS**

- 4.16. During volatile markets, Orders may be executed at a substantially different price from the quoted Bid or Ask price, or the last reported trade price at the time of the Order entry, or an Order maybe only partially executed or maybe executed in several steps at different prices and 'market opening prices' may differ significantly from the previous day's close.
- 4.17. Significant volatility and gaps are possible in case of news and unexpected events. In such case, Orders are executed at the first price after the gap. The first tick on the news release has to be confirmed by the second tick. Delays are possible in such cases, as the markets need to calm down and supply the first quotes after the gap.

**H. TRADING SYSTEM OR INTERNET CONNECTIVITY EXECUTION DELAYS**

- 4.18. If the Client undertakes transactions on an electronic system, the Client will be exposed to risks associated with the system including the failure of hardware and software (Internet / Servers). The result of any system failure may result to Client Order is either not executed according to Client instructions or it is not executed at all. FinPros does not accept any liability in the case of such a failure.

**I. CANCELLATION OF TRADES AND/OR CLOSURE OF POSITIONS**

- 4.19. FinPros might cancel the trade Order in circumstances where due to lack of liquidity in or suspension of an asset or errors in feeds from LPs or quotes from Counterparties have proved to be faulty. FinPros shall provide within a reasonable time a full explanation of the reason for the cancellation of a trade. FinPros may delete any 'Pending Orders' which are older than 3 (three) months. FinPros may close, revoke, correct and/or adjust any trades in circumstances where the Client is involved with arbitrage and/or prohibited trading techniques. FinPros may close any trades which are deemed untrue or opened at a fictitious price not existing on the market at the time of opening i.e. trades opened at old prices.

**5. ORDER TYPES FOR METATRADER 5 (MT5)****A. MARKET ORDERS**

- 5.1. These are Orders to buy or sell at the current market price that is available.

**B. PENDING ORDERS**



5.2. Pending Orders include:

- a) **Buy Stop Orders:** these are Orders to buy a specific quantity of the underlying instrument with the triggering price ('the stop price') being higher than the current market price (upon triggering the Order becomes Market Order).
- b) **Sell Stop Orders:** these are Orders to sell a specific quantity of the underlying instrument with the triggering price ('the stop price') being lower than the current market price (upon triggering the Order becomes Market Order).
- c) **Buy Limit Orders:** these are Orders to buy an instrument at a specified price ('the limit price') that is lower than the current market price.
- d) **Sell Limit Orders:** these are Orders to sell an instrument at a specified price ('the limit price') that is higher than the current market price.

### **C. STOP ORDERS**

5.3. These are Orders to buy or sell once the price reaches a pre-set stop level (the 'stop price'). Once this Order is triggered, it is treated as a 'market Order'. If the 'stop Order' is not triggered it shall remain in the system until a later date, subject to the conditions described in the "Good 'til cancelled" section.

### **D. LIMIT ORDERS**

5.4. These are Orders to buy or sell once the price of an instrument reaches a pre-set level (the 'limit price'). It is used to execute trades at a pre-chosen level, rather than at the available market price at the time.

### **E. STOP-LIMIT ORDER**

5.5. Stop-limit Orders are Orders that combine the features of stop Order with those of a limit Order. A stop-limit Order will be triggered at a specified price after a given stop price has been reached or passed.

### **F. STOP LOSS**

5.6. These are 'stop Orders' to control and minimise losses. They are used to close an open position when the price of the instrument has moved contrary to the expected direction, reaching a pre-set level.

### **G. TAKE PROFIT**

5.7. This is a 'limit Order' to secure profits. It is used to close an open position when the price of the instrument has moved in the expected direction, reaching a pre-set target level.

**H. GOOD 'TIL CANCELLED ('GTC')**

5.8. 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. Please note that GTC may become redundant in cases where a CFD on futures reaches its maturity/expiry date. FinPros reserves the right to cancel GTC Orders if they are not triggered within three (3) months.

**I. GOOD 'TIL DATE ('GTD')**

5.9. This is an execution setting that applies to 'pending Orders' traded through MetaTrader 5. Clients may choose a specific date in the future until which the Order shall remain 'live' and pending for execution. If the Order is not triggered during the pre-set timeframe, it will be deleted by the system. Please note that GTD may become redundant in cases where a CFD on futures reaches its maturity/expiry date and the date specified is after the maturity date. FinPros reserves the right to cancel GTD Orders if they are not triggered within three (3) months.

**J. PENDING ORDER MODIFICATION/CANCELLATION**

5.10. The Client places a "Pending Order", which is an Order to be executed at a later time at the price that the Client specifies. We will monitor the Pending Order and when the price provided by the Execution Venue reaches the price specified by the Client, the Pending Order will automatically become a Market Order.

5.11. The following types of Pending Orders are available: "Buy Limit", "Buy Stop", "Sell Limit" and "Sell Stop". The Client may attach to any pending Order a "Stop Loss" and/or "Take Profit". 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.

5.12. An Order will be cancelled in the event of any of the following:

- a) If a Client manually cancels an Order prior to the market reaching the price level specified; or
- b) If a Client places an expiration timeframe and it is reached.
- c) If an Order is triggered and there is not enough free Margin in the Account, the Order will be deleted.

5.13. **Note:** Please note that, as a general rule, we execute most Orders automatically, with minimal manual/human intervention. In addition to the provisions referred to in the 'Events

Outside our Control' section of the 'Account Terms ', we may execute an Order manually without notifying Clients in advance.

- 5.14. This may occur in instances where we experience, for example, increased market volatility, illiquidity and infrequent price updates, a significant\* Order size, as well as times where the system identifies abusive trading behaviour and/or trades from multiple Client profiles bearing the same characteristics (i.e. same software, symbol, time and price requested).

\* the 'significance' is determined in our sole discretion.

## 6. MARGIN AND LEVERAGE

- 6.1. The Financial Instruments offered by FinPros are traded on '**Margin**', which means that you are required to put up only a fraction of the funds you would normally need in Order to open a much larger position. This means rather than paying the full value of the position, you only need to pay a percentage of the position, which is called the '**Margin Requirement**'. Simply put, Margin is the amount of money required to open a position, while leverage (or Margin ratio) is the multiple of exposure to your Account equity.

- 6.2. Trading on Margin can be beneficial, but also entails high-risk, given the fact that you can potentially lose your entire investment and that you may be required to deposit additional funds to cover your losses. Please carefully read our '**Risk Disclosures and Warning Notices**'. The relevant '**Risk Disclosures and Warning Notices**' are included in our '**Client Agreement – Terms and Conditions of Business**', as well as a separate Risk Disclosure Statement that is published on our Website.

- 6.3. The '**Margin Requirement**' can be further broken down into '**Initial Margin Requirement**' and '**Maintenance Margin Requirement**'.

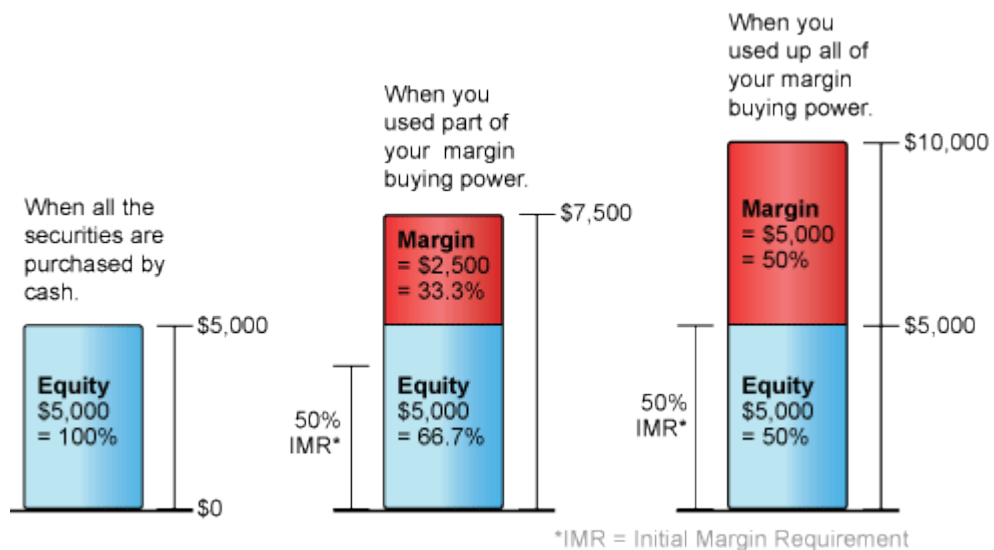
### A. INITIAL MARGIN REQUIREMENT

- 6.4. The '**Initial Margin Requirement**' refers to the percentage of equity required when you open a position and differs between each Financial Instrument, depending on market volatility and liquidity in the underlying market. Different minimum '**Initial Margin Requirements**' may apply when trading CFDS on stocks, currencies, ETFs, commodities and indices, and, in certain circumstances, cryptocurrencies. Each instrument has maximum leverage limitations, which are published on our Website and are guided by industry regulations, as well as FinPros' own efforts to promote responsible trading and mitigate the risks of trading on Margin.
- 6.5. For example, if you have \$5,000 of equity in your Account and you would like to open a position in a CFD that has a 50% '**Initial Margin Requirement**', the size of the trades opened in your Account is multiplied by the applicable Margin percentage for each trade in that particular Financial Instrument. Then, the Margin used for all trades, i.e., the '**Used Margin**', is subtracted from the equity in your Account, with the remaining Equity in your Account

that is not tied up in Margin for current open positions being referred to as '**Free Margin**' or '**Usable Margin**'. Please note that Margin requirements will be calculated solely in the main currency of your Account.

- 6.6. Thus, if the '**Initial Margin Requirement**' for the positions you wish to open is 50%, the size of the trades you are eligible to open on Margin in that particular Financial Instrument is then calculated as follows:

*Trading power \* 50% >> is less than or equal to \$5,000.  
 >> Buying power >> is less than or equal to \$5,000 / 50% = \$10,000  
 >> You can open positions in that particular Financial Instrument up to \$10,000 using your Margin buying power.*



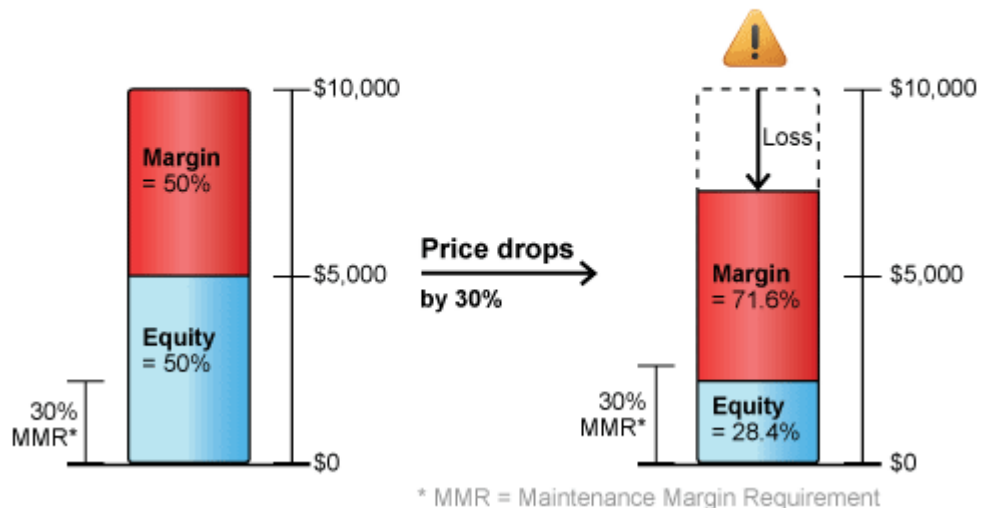
- 6.7. The execution of Market Orders as well as Pending Orders is subject to '**Free Margin**' availability, *i.e.* if the '**Free Margin**' in the account (*i.e.*, the remaining Equity in your Account that is not tied up in Margin for current open positions) does not exceed the '**Initial Margin Requirement**' to open the position, then the platform will automatically reject the Order.
- 6.8. If the '**Used Margin**' reaches 100% or more of the remaining equity in the Account, the Client cannot open any new positions, as the Free Margin at such an occasion is either zero (at 100% Margin Level) or negative (below 100% Margin Level).

### **B. MAINTENANCE MARGIN REQUIREMENT & POSITIONS LIQUIDATION ('STOP OUT')**

- 6.9. When you hold open positions in Financial Instruments on Margin, in Order to allow some fluctuation in price, the minimum Margin requirement is lowered to 30%. This is called the

**'Maintenance Margin Requirement'**, *i.e.*, the minimum amount of the remaining equity that you must maintain in your Account after you have opened your trading positions.

- 6.10. In Order to prevent the balance in your Account from going negative, when you are unable to maintain the equity in your Account above the **'Maintenance Margin Requirement'** and the remaining equity in your Account falls below the 30% **'Maintenance Margin'** threshold, we will automatically start closing your positions at the current market price, starting with the position that carries the heaviest loss.
- 6.11. **For Example:** You have \$20,000 worth of CFDs open using \$10,000 in cash and \$10,000 on Margin. If the total value of your holding drops to \$14,000 and the amount you borrowed on Margin remains \$10,000, your equity worth will only be \$4,000, which falls below the 30% minimum margin requirement.



- 6.12. If the **'Maintenance Margin'** is still below the 30% **'Maintenance Margin'** threshold, the same procedure is repeated for the next applicable position. Positions will be closed until the **'Maintenance Margin'** exceeds the 30% **'Maintenance Margin'** threshold again.
- 6.13. FinPros shall not be responsible for any losses and damages incurred to the Client due to close out of his positions and all the expenses to close Client's open positions shall be for the Client's account. For more details, please consult our **'Leverage, Margin, Margin Call & Margin Close-out Policy'**.

6.14. **Important:** Please note that, in Order to protect FinPros and all of our Clients, FinPros may modify Margin Requirements for any or all Clients for any open or new positions at any time, in FinPros sole discretion to adjust for unprecedented volatility in financial markets. The changes will promote reduction of leverage in Client portfolios and help ensure that Clients' accounts are appropriately capitalized.

6.15. If FinPros increases its Margin requirements, it may prevent a Client from increasing positions size if the specific Client has insufficient equity.

6.16. If you are unsure about the leverage that you are entitled to or the margin that is required, FinPros strongly recommends that you contact us for these details. The information will be provided for reference only. FinPros does not provide any investment advice or investment recommendation and expects its Clients to have received independent investment advice from an investment professional.

## **7. CORPORATE ACTIONS**

### **A. DIVIDENDS**

- a) Clients holding long positions on the applicable share and/or spot index at the ex-div date will receive a 'net dividend' (i.e. the dividend minus the applicable Withholding Taxes) in the form of a cash adjustment (deposit, paid into their trading Account).
- b) Clients holding short positions on the applicable share and/or spot index at the ex-div date will be charged the dividend amount in the form of a cash adjustment (withdrawal, deducted from their trading Account).
- c) We reserve the right to increase Margin requirements prior to the release of a dividend.
- d) Stocks may be offered as a dividend. The dividend amount will be calculated using the share price to determine the cash adjustment (see Fractional Share Adjustments).

### **B. FRACTIONAL SHARE ADJUSTMENTS**

- 7.1. In the event the corporate action results in a fractional position, the fractional component may be represented as a cash adjustment independent of the handling for the non-fractional position.
- 7.2. The adjustment value will equal the fractional position times the adjusted closing price on the day prior to the ex-date.

### **C. OTHER CORPORATE ACTIONS (INCLUDING, BUT NOT LIMITED TO STOCK SPLITS AND RIGHTS ISSUE)**

- 7.3. An appropriate adjustment on the Client's position will be made to mirror the economic impact of a corporate action.

### **D. EARNINGS ANNOUNCEMENTS**

- 7.4. We may increase Margin requirements and limit maximum exposure on the relevant symbols prior to earnings announcements.

**E. DE-LISTING**

7.5. In the event of a share being de-listed, the Client's position will be closed at the last market price traded.

**F. CORPORATE ACTIONS WHICH ARE NOT MENTIONED IN THIS SECTION**

7.6. For certain corporate actions which are not mentioned in this section, including, but not limited to Mergers, Acquisitions (together commonly referred to as '**M&A**') and Leveraged Buyouts ('**LBO**'), we reserve the right to:

- a) increase Margin requirements.
- b) suspend or halt trading in the relevant instrument.
- c) limit the maximum exposure (Order size) to the relevant instrument.
- d) close the positions in the event that the relevant instrument is no longer trading on the relevant exchange.
- e) take any other action as we deem necessary in the given circumstances.

**8. BEST EXECUTION**

8.1. We will take all sufficient steps to obtain the best possible result for our Clients, taking into Account the price, costs, speed of execution, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the Order. The best possible result is determined on the basis of the total consideration representing the price and the costs associated with the execution, which include all expenses incurred by the Client, which are directly related to the execution of the Order.

8.2. It should be noted that if the Client provided us with specific instructions on how to execute his/her Order(s), complying with those instructions may prevent us from taking the steps set out in this Policy. Under such circumstances, our execution in accordance with Client's instructions will be deemed best execution.

**A. PRICES**

8.3. Price is the most important factor for ensuring best execution. As mentioned in **paragraph 4.2 above**, we contracted leading LPs providing us with their prices. Please note that the prices you will see on our trading platforms may differ from the prices you may see on other trading/charting platforms.

- a) **Bid-Ask Spread**: For any given financial instrument, we quote two prices: the higher price (Ask), at which the Client can buy (go long) a financial instrument, and the lower price (Bid) at which the Client can sell (go short); collectively referred to as our prices. The difference between the Bid and the Ask price of a given financial



instrument is the spread, which includes our mark-up, wherever there is a mark-up from our side.

- b) **Pending Orders:** All 'buy' Market Orders open with the Ask Price and close with the Bid Price. All 'sell Market Orders open with the Bid Price and close with the Ask Price. Please note that all Pending Orders turn into Market Orders when triggered.
- c) Our price for a given financial instrument is calculated by referencing the price of the relevant underlying asset, which is obtained from third-party liquidity and data providers. We update our prices as frequently as the limitations of technology and communication links allow. We will not quote any price outside of our operational hours (see execution venues below).
- d) We will at all times, subject to events outside of our control, transmit Bid and Ask Prices through our trading platforms. We shall, in our sole discretion, determine the prices that are executable, and which appear through our trading platforms. The Client accepts that FinPros is solely responsible for determining the validity of these prices at any given time and that in some instances, where the market moves while the Client is placing an Order, the Client may experience slippage (either positive or negative), as described in **paragraph 4.3 et Seq. above**.

### **B. COSTS**

- 8.4. Execution venue costs are not a relevant factor, as FinPros is always the sole execution venue and there are not third-party fees such as clearing, or settlement fees involved in the execution of your Orders.

### **C. SPEED OF EXECUTION**

- 8.5. We place a significant importance in this factor when executing Client Orders and to this end, we maintain high speed connections through multiple servers hosted globally. Our execution is fully automated apart from minimal manual execution. However, the use of any form of unstable connection at the Client's end, whether wireless or dial-up, may result in poor or interrupted connectivity, which may cause delays in the transmission of data between the Client and us.



- 8.6. In that regard, please note that of the use of electronic trading services through the Internet entails certain risks that may lead to undesirable losses. These risks may be associated with the Internet network itself, software, or electronic trading system, in addition to the misuse of the service by the Client.
- 8.7. Thus, the speed of execution and any related slippage the Client may experience is heavily dependent on the quality and stability of the Client's internet connection, bandwidth, technology used (3G, 4G, 5G, analogue, fiber etc.).
- 8.8. Mobile and wireless devices, for instance, are not ideal for trading if speed of execution is important for the Client. Orders triggered from a mobile device or a device with low quality and/or bandwidth connections are more likely to experience slower execution and slippage. The Client acknowledge that he/she is aware and accept these risks which he/she might face while trading via the Internet. FinPros will not be responsible for any failures of communication and/or any interruption or delay of trading via the Internet and will not be liable for errors resulting in the Client's Account balances as a result of any such failures.

**D. LIKELIHOOD OF EXECUTION**

- 8.9. We rely on third-party LPs for prices and available volume of the different financial instruments we offer. Therefore, the execution of Client's Orders will depend on whether there are prices and liquidity available at the time these Orders are received. By having leading LPs, we enhance the likelihood of execution across the instruments we offer. This availability may be subject to variation, especially during abnormal market conditions, such as:
  - a) During market opening times.
  - b) During times of market news and events.
  - c) During periods of significant volatility.
  - d) Where there is a rapid price movement of a particular instrument, to such extent that under the rules of a relevant exchange, trading on said instrument is suspended or restricted.
  - e) Where there is insufficient liquidity for the execution of a specific volume at a specific declared price.
  - f) Where our internal risk limits no longer permit the acceptance of any further Orders on a specific instrument.

**E. LIKELIHOOD OF SETTLEMENT**

8.10. All transactions are settled upon execution.

## **9. OTHER EXECUTION CONSIDERATIONS**

### **A. CURRENCY VALUATION**

9.1. We may provide a currency conversion quote from your Account's base currency to the currency of the relevant financial instrument. This will not be reflected as an actual currency conversion in your Account, but only serves the purpose of indicating the valuation in the base currency.

### **B. SIZE OF ORDER**

9.2. The minimum size of an Order is 0.01 lots. We may place limits on maximum Order sizes from time to time, and we reserve the right to decline an Order as per our 'Client Agreement – Terms & Conditions of Business'. We will make every effort to fill Orders irrespective of the volumes. This however may be achieved at the 'best available price' as per the available market liquidity at the time of execution (see '**Likelihood of Execution**').

9.3. In that regard, please note that FinPros reserves the right to raise the minimum Order size to 0.1 for Accounts with an equity or balance above 10,000 units of currency.

9.4. We reserve the right to place a cap on the number of contracts and/or a limit on the total net position value per profile, for a given instrument. Where this occurs, we will make all possible efforts within reason to provide Clients with prior notice.

### **C. UNEXPECTED AND UNFORESEEABLE MARKET EVENTS**

9.5. In Order to protect FinPros and all of our Clients against the potential adverse consequences of certain unexpected and unforeseeable Market events, *i.e.*, when the market is highly volatile, FinPros might take any or all of the following steps, including but not limited to:

- a. Restrict the opening of Orders;
- b. Decrease/Increase leverage;
- c. Widen/Narrow Spreads;
- d. Decrease/Increase Margin Requirements;
- e. Impose Volume Restrictions;
- f. Suspend trading.

9.6. FinPros shall inform its Clients of the actions it is taking during such unexpected and unforeseeable Market events, which can cause the market to be highly volatile. FinPros may do so via email to the Client's registered email address provided by the Client during the Account Opening procedure and/or through the Company's website.

9.7. Under these circumstances, the price of any Financial Instrument might be affected making it impossible for the Company to execute any type of Order at the declared price. In such circumstances, the ability to execute Orders on a timely basis will become the primary factor.

**D. MANIFEST ERROR**

9.8. We may, without your consent, at any time amend the terms of any Order or open Position based on any error that we reasonably believe to be a Manifest Error.

9.9. If, in our discretion, we choose to amend the terms of any such Order or open Position due to a Manifest Error, the amended terms will equal those, which we reasonably believe would have been fair at the time the Order was placed had the Manifest Error not occurred.

9.10. In deciding whether an error is a Manifest Error we will act reasonably, and we may (but not obliged to) take into account any relevant factors including, without limitation, the state of the Market at the time of the Manifest Error or any error in, or lack of clarity of, any information source or pronouncement upon which we base our quoted prices. Any financial commitment that you have entered into or refrained from entering into in reliance on an Order placed with us will not be taken into account in deciding whether or not there has been a Manifest Error.

9.11. In the absence of our fraud, willful default or negligence, we will not be liable to you for any Loss, cost, claim, demand or expense following a determination of a Manifest Error (including where the Manifest Error is made by any information source, commentator or official on whom we reasonably rely) or any action (or omission) taken (or omitted) by us as a result.

9.12. If a Manifest Error has occurred and we choose to exercise any of our rights under this clause, and if you have received any monies from us in connection with the Manifest Error, you agree that those monies are due and payable to us on our written demand and you agree to return an equal sum of those monies to us within the period stated in our written demand.

9.13. If a Transaction or Open Position is based on a Manifest Error, we may (in addition to our other rights) without your consent do any or all of the following:

- a. amend the terms of a Transaction to reflect what we consider to have been the fair terms at the time the Transaction had been entered into had there been no Manifest Error;
- b. Close Out the Transaction and any Open Positions resulting from it;
- c. adjust or suspend your Account;
- d. treat the Transaction as void from its inception;

- e. refrain from taking action to amend or void the Transaction; or
  - f. any other action that we believe is appropriate in the circumstances.
- 9.14. We will exercise our rights under the above clauses reasonably, in good faith and as soon as reasonably practical after we become aware of the Manifest Error.
- 9.15. To the extent reasonably practicable, we will give you prior notice of any action we take under the above clauses; but if it is not reasonably practicable, we will give you notice as soon as reasonably practicable afterwards.
- 9.16. In the absence of fraud or gross negligence on our part, to the extent permitted by law we are not liable to you for any Loss, cost, claim, demand or expense that you incur or suffer (including loss of profits or indirect or consequential losses), arising from or connected with the Manifest Error including if the Manifest Error arises from an information service on which we rely.

## **E. PROHIBITED TRADING TECHNIQUES**

### **a) Artificial Intelligence Software**

- 9.17. It is absolutely prohibited to use any software, which we determine, in our sole discretion, to have as its purpose to apply any kind of artificial intelligence analysis to our trading platform(s) and/or computer system(s) with an ultimate goal to gain unfair advantage and exploit our trading platform(s); in the event that we determine, in our own discretion, that any such artificial intelligence software has been used, or is being used, we reserve the right to take all action as we see fit, including, without limitation, completely blocking access to our trading platform(s), blocking and/or revoking your Access Codes and/or terminating your Account. Under these circumstances, we reserve the right to seize any profits and/or revenues generated directly or indirectly by exercising any such prohibited trading activity and or charge you with extra fees. In addition, we shall be entitled to inform any Interested third parties of your breach of this clause; we have, and will continue to develop any tools necessary to identify fraudulent and/or unlawful access and use of our trading platform(s); any dispute arising from such fraudulent and/or or unlawful trading activity will be resolved by us in our sole and absolute discretion, in the manner we deem to be the fairest to all concerned; that decision shall be final and/or binding on all participants; no correspondence will be entered into.
- 9.18. Moreover, it is absolutely prohibited to use any software in such a way, which can cause serious negative impact on the performance of our servers and may prevent us from achieving the best possible result for our Clients as regards the execution of their orders. In the event that we identify any such activity, we reserve the right to take all action as we see fit, including, without limitation, completely blocking access to our trading platform(s), blocking and/or revoking your Access Codes and/or immediately terminating your Account. Moreover, you acknowledge that once your Account has been terminated we

may liquidate any outstanding contracts/positions you have with us. In view of the above, please note that you will be strictly prohibited from opening any new trading Account(s) and trade with us. Nonetheless, in cases where you may successfully open an Account and trade with us due to any technical and/or human error, we reserve every right to immediately close your Account upon identification, nullify any profit/loss generated and refund the original amount of deposit, excluding any deposit and withdrawal charges.

**b) Arbitrage**

- 9.19. Internet, connectivity delays, and price feed errors sometimes create a situation where the price(s) displayed on our trading platform(s) do(es) not accurately reflect the market rates. In that regard, we reserve the right, in our sole discretion, not to permit the use of trading strategies aimed at exploiting errors in prices and/or concluding trades at off-market prices and/or by taking advantage of internet delays (commonly known as **"arbitrage"**, **"sniping"** or **"churning"** hereinafter, collectively, referred to as **"Arbitrage"**) on our trading platform(s) and/or in connection with our services.
- 9.20. Any indication or suspicion, in our sole discretion, of any form of Arbitrage (including but not limited to risk free profiting), abuse (including but not limited to participant's trading activity patterns that indicate that the participant solely aims to benefit financially without being genuinely interested in trading in the markets and/or taking market risk), internal hedging in coordination with other parties, abuse of our 'no negative balance' policy, fraud, manipulation, cash-back arbitrage or any other forms of deceitful or fraudulent activity, may, in our sole discretion, render all related Orders, transactions and/or contracts void, without prior notice being required.
- 9.21. Furthermore, in those instances, we reserve the right, in our sole discretion and without prior notice being required: (a) to make the necessary corrections or adjustments on the Account(s) involved (including, without limitation, adjusting the price spreads available to the Client); (b) to restrict the Account(s) involved access to streaming, instantly tradable quotes (including, without limitation, providing manual quotations only and submitting any Orders to our prior approval); (c) to retrieve from the Account(s) involved any historic trading profits that we can document as having been gained through such abuse of liquidity at any time during the Client relationship; (d) to terminate the Client relationship and/or close all Accounts involved (including, without limitation all other Accounts held by the same Account holder with us) immediately by giving written notice; and/or (e) to inform any interested third parties.
- 9.22. Furthermore, in these circumstances, you will be strictly prohibited from opening any new Account(s) and trade with us. Nonetheless, in cases where you may successfully open an Account and attempt to trade with us due to any technical and/or human error, we reserve every right to immediately close your Account upon identification, nullify any

profit/loss generated and refund the original amount of deposit, excluding any deposit and withdrawal charges.

9.23. We have, and will continue to develop any tools necessary to identify fraudulent and/or unlawful access and use of our trading platform(s); any dispute arising from such fraudulent and/or or unlawful trading activity will be resolved by us in our sole and absolute discretion, in the manner we deem to be the fairest to all concerned; that decision shall be final and/or binding on all participants; no correspondence will be entered into.

**c) Algorithmic trading or high-frequency algorithmic trading techniques**

9.24. We do not allow Clients to use 'algorithmic trading' or 'high-frequency algorithmic trading' techniques when using our trading platform(s), without our prior written consent.

9.25. For the purposes hereof:

**a. 'algorithmic trading'** is defined as 'trading in financial instruments where a computer algorithm automatically determines individual parameters of Orders such as whether to initiate the Order, the timing, price or quantity of the Order or how to manage the Order after its submission, with limited or no human intervention, and does not include any system that is only used for the purpose of routing Orders to one or more trading venues or for the processing of Orders involving no determination of any trading parameters or for the confirmation of Orders or the post-trade processing of executed transactions',

whereby, a system shall be considered as having no or limited human intervention where, for any Order or quote generation process or any process to optimize Order-execution, an automated system makes decisions at any of the stages of initiating, generating, routing or executing Orders or quotes according to pre-determined parameters';

**b. 'high frequency algorithmic trading'** is defined as 'an algorithmic trading technique characterized by:

- (i) infrastructure intended to minimize network and other types of latencies, including at least one of the following facilities for algorithmic Order entry: co-location, proximity hosting or high-speed direct electronic access;
- (ii) system-determination of Order initiation, generation, routing or execution without human intervention for individual trades or Orders; and
- (iii) high message intraday rates which constitute Orders, quotes or cancellations;'

whereby, a 'high message intraday rate' is understood as 'the submission on average of any of the following:



- (i) at least 2 messages per second with respect to any single financial instrument traded on a trading venue;
  - (ii) at least 4 messages per second with respect to all financial instruments traded on a trading venue"; and
  - (iii) where only messages concerning financial instruments for which there is a liquid market are to be included in the calculation.
- 9.26. Where we give Clients permission to use algorithmic trading and/or high-frequency algorithmic trading techniques, we may disclose, without prior notice to the Client(s) involved being required, information on the computer algorithms to the FSA or other competent authorities, Trading Venues, Liquidity Providers and such other persons as are required by the Applicable Laws, Rules and/or Regulations.
- 9.27. Furthermore, in these circumstances, we reserve the right, in our sole discretion and without prior notice to the Client(s) involved being required, to take any action in connection with such algorithmic trading and/or high-frequency algorithmic trading techniques or any Orders generated by such algorithmic trading and/or high-frequency algorithmic trading techniques, which we, in our sole discretion, deem necessary in Order to ensure compliance with the Applicable Laws, Rules and/or Regulations.
- 9.28. In particular, any such actions which we may take in connection with such algorithmic trading and/or high-frequency algorithmic trading techniques or any Orders generated by such algorithmic trading and/or high-frequency algorithmic trading techniques, may include, without limitation, any of the following:
- a. the implementation and maintenance of limitations on the ratio of unexecuted Orders to transactions entered through such algorithmic trading and/or high-frequency algorithmic trading techniques;
  - b. the implementation and maintenance of restrictions to limit, block, cancel or otherwise restrict the use of our trading platform(s) in relation to any aspect of such use (hereinafter "**Limits**"), including, without limitation:
    - (i) Instruments;
    - (ii) Orders;
    - (iii) positions and other risks taken;
    - (iv) messages;
    - (v) methods of trading (for example, using algorithmic trading and/or high-frequency algorithmic trading techniques);

- c. increasing or decreasing the rate of execution of Orders to transactions entered through such algorithmic trading and/or high-frequency algorithmic trading techniques;
  - d. imposing additional 'Pre-Trade Risk Controls', consisting of any of the above-mentioned Limits to all or certain 'Orders' placed via our trading platform(s) by a computer algorithm, including controls filtering Order price and quantity;
  - e. imposing additional 'Post-Trade Risk Controls', consisting of any of the above-mentioned Limits to all or certain 'trades, positions, strategies and Instruments relating to Orders' placed via our trading platform(s) by a computer algorithm, including controls filtering Order price and quantity;
  - f. implement and maintain Limits on the minimum tick size that may be executed via our trading platform(s) on the Trading Venue; and/or
  - g. take any other action as we deem fit in Order to maintain Orderly trading conditions.
- 9.29. You hereby expressly acknowledge and agree that any such actions taken by us may cause Orders to be delayed, executed, partially executed, amended or cancelled.

**d) Specific Client Instructions**

- 9.30. When FinPros receives specific Client instructions on how to execute an Order, it shall execute the Order in line with the specific instructions provided by the Client. For the purposes of this Policy, executing an Order following the Client's specific instruction is deemed as satisfying the 'best execution' obligation owed by FinPros to its Clients.
- 9.31. 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, FinPros will seek the best possible result for the Client under the constraints imposed by the specific conditions provided in the Order, e.g. price available on the execution venue, specified by the Client, at the time of transmission of a market Order, price available on the execution venue at the time when it reaches the threshold established by a limit Order, or the price offered by the third party, specified by the Client, operating on a bilateral basis outside trading venues (OTC) within the particular period of time.
- 9.32. Given the possible constraints mentioned above, FinPros hereby informs its Clients that any specific instruction may prevent FinPros from taking all the steps designed in this Policy to obtain the best possible result for the execution of such an Order. For example, trading rules for specific markets or execution venues may prevent FinPros from strictly



following some of the Client's other instructions. By no means, FinPros encourages its Clients to give FinPros specific instructions.

## **10. AGGREGATION, SPLITTING AND ALLOCATION OF ORDERS**

- 10.1. Client Orders may at the discretion of FinPros be aggregated with Orders of any of FinPros' associates and/or other Clients. Furthermore, FinPros may split the Client's Orders as well as aggregate Orders before executing such. Orders will only be aggregated or split where:
- a. the aggregation or split of Orders will be for the benefit of the Client; or
  - b. it is unlikely that the aggregating of Orders and transactions will work overall to the disadvantage of the Client.
- 10.2. By entering into the '**Client Agreement – Terms and Conditions of Business**' with FinPros and giving consent to this Policy, the Client acknowledges that aggregation and split may in single occasions result in the Client obtaining a less favourable price than if the Client's Orders had been executed separately or together, as applicable.
- 10.3. To ensure the fair allocation of aggregated Orders and transactions FinPros performs such allocation in accordance with its '**Order Allocation Policy**'. The policy specifies, inter alia, how the volume and price of Orders determines allocations and the treatment of partial executions. The overriding principle is that FinPros must not unfairly discriminate Clients when allocating Orders executed on an aggregated basis.
- 10.4. Generally, the aggregated Orders executed first, in full or in part, will be allocated first to the Clients who first placed the Orders included into such aggregated Orders. If FinPros aggregates a Client Order with one or more other Orders and the aggregated Order is partially executed, FinPros will allocate the related trades in accordance with its '**Order Allocation Policy**'.

## **11. EXECUTION VENUES**

- 11.1. Execution Venues are the entities with which the Orders are placed, or to which we transmit Orders for execution. For the purposes of Orders for the financial instruments we provide, we act as principal at all times and not as agent. Although we may transmit your Orders for execution to third party liquidity providers, contractually, FinPros is the sole counterparty to your trades and any execution of Orders is done in our name. Therefore, we are the sole Execution Venue for the execution of Clients' Orders.
- 11.2. We operate round-the-clock five days a week, please refer to our website for further information. Holidays will be announced through the internal mail of the trading terminal supplied by us.
- 11.3. The precise trading times for each Financial Instrument are published on our Website and trading platform.

- 11.4. In that regard, please note that, Financial Instruments, our LPs apply certain daily breaks during which no pricing may be available.

## **12. MONITORING AND REVIEW**

- 12.1. We have procedures and processes in place to analyse the quality of execution, as well as to monitor best execution. We measure and monitor the competitiveness of our prices against other major competitors and the speed of our execution. We also monitor the symmetry of slippage and requotes.
- 12.2. Our compliance department and internal audit perform additional independent reviews of the above processes and provide assurance as to their effectiveness. These reviews and assessments are conducted on a regular basis and at least annually. Where necessary, they provide recommendations for improvements, which are then implemented with the aim of keeping the quality of execution to the highest standards. In instances where a material change to our execution arrangements and policy occurs, we will notify our Clients of such changes.

## **13. RECORD KEEPING**

- 13.1. FinPros shall maintain records of all Client Orders placed, including the date and time a Client Order was placed and any details, including, but not limited to, the type of Order, the financial instrument involved and the price it was executed.

## **14. NO FIDUCIARY RELATIONSHIP**

- 14.1. FinPros' commitment of providing the Clients with "best execution" does not mean that FinPros owes its Clients any fiduciary duty over and above the specific regulatory obligations placed upon it, or as may be otherwise contracted between FinPros and the Client.
- 14.2. The Client remains responsible for his own investment decisions and FinPros will not be responsible for any market trading loss the Client suffers because of those decisions.

## **15. YOUR CONSENT**

- 15.1. We are required to obtain your consent prior to establishing a business relationship with you. By entering into our '**Client Agreement – Terms & Conditions of Business**', you consent and acknowledge that the transactions in financial instruments entered with us are not undertaken on a recognised exchange, but rather through our trading platforms and, accordingly, you may be exposed to greater risks than when conducting transactions on a regulated exchange. Therefore, we may not execute an Order, or we may change the opening or closing price of an executed Order in certain cases, including, but not limited to instances of a technical failure of the trading platform. The trading rules are established solely by the counterparty to your transactions, which is, at all times, FinPros. You are then

only allowed to close an open position in any given financial instrument during our platforms' working hours, as per **paragraph 11.2 above**, and you can only close any such position(s) with us as your sole counterparty and thus you are subject to counterparty risk.

- 15.2. By entering into the 'Client Agreement – Terms & Conditions of Business', you consent that FinPros is, without exception, the sole execution venue for all your Orders and acts as principal and not as agent on the Client's behalf; contractually FinPros is the sole counterparty to the Client's trades and any execution of Orders is done in FinPros' name.
- 15.3. When opening an Account with us you consent to your Orders being executed in accordance with this Order execution Policy, as it is in force, at the time. You consent that FinPros reserves the right to terminate your access to the trading platform(s) or Account(s) or refuse or cancel any Order, immediately in the event that you voluntarily and/or involuntarily partake in arbitrage unrelated to market inefficiencies, including but not limited to, latency arbitrage and swap arbitrage and/or engage in transactions with us contrary to good faith; under such circumstances, FinPros may, in its sole discretion, close any of your Account(s) and recover any losses incurred from such practices. You also accept that FinPros reserves the right to terminate your access to the trading platforms and/or recover any losses incurred immediately, in the event that FinPros determines in its sole discretion that you voluntarily and/or involuntarily undertook to abuse the negative balance protection offered by FinPros (or in any way which is contrary to good faith or the terms of the '**Client Agreement – Terms & Conditions of Business**') either on an individual Account, or multiple Account(s) or multiple profiles and/or between one or more Client(s) of FinPros in accordance with the 'Client Agreement – Terms & Conditions of Business'. For instance, a Client hedging his/her exposure utilising his/her Accounts under the same or different Client profile would constitute an abuse of the Negative balance Protection, as well as a Client requesting a withdrawal of his/her Client Money -notwithstanding any of the provisions of the 'Client Agreement – Terms & Conditions of Business' - when the symbol he/she is trading is not available for trading at FinPros during that specific timeframe.

## 16. IMPORTANT INFORMATION

- 16.1. Specific leverage limits or restrictions on the instruments available may apply in accordance with applicable legislation and/or FinPros' policies.
- 16.2. CFDs are not eligible for sale or distribution in certain jurisdictions or countries. This Policy is not directed to any jurisdiction or country where its publication, availability or distribution would be contrary to local laws or regulations, including, but not limited to the United States of America. Equally, this Policy does not constitute an offer, invitation or

solicitation to buy or sell leveraged products. It may not be reproduced or disclosed (in whole or in part) to any other person without prior written permission. The Policy is not intended to constitute the sole basis for the evaluation of any Client's decision to trade leveraged products.

## **17. CONTACT US**

- 17.1. Questions regarding this Policy should be addressed, in first instance, to our Customer Support Department. You may contact our Customer Support Department via e-mail at [SupportPros@finpros.com](mailto:SupportPros@finpros.com), or via phone on the numbers you will find on the Contact section of our Website.
- 17.2. **'FinPros.com'** is a domain owned by **FQ Holdings LTD**, a Company incorporated in Isle of Man with registration number 018221V. The Domain is operated by **'FinPros Financial Ltd'**, a Company incorporated in Seychelles with registration number 8429300-1, having its registered office at CT House, Office 9A, Providence, Mahé, Seychelles.
- 17.3. The Company is regulated by the Financial Services Authority (**'FSA'**) of Seychelles as a Securities Dealer with License number: SD087.

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