



**BLACKWELL
GLOBAL**

**BLACKWELL GLOBAL INVESTMENTS (CYPRUS)
LIMITED**

Order Execution Policy

Version 2.0

Introduction

Blackwell Global Investments (Cyprus) Limited (“the Company”), whose registered office is at 10-12 Emmanuel Rhoides Street, Ayia Zoni District, CY 3031, Limassol, Cyprus is authorised and regulated by the Cyprus Securities and Exchange Commission (CySec) under license number 159/11. This Straight Through Processing (STP) / Electronic Communication Network (ECN) Order Execution Policy sets forth **Blackwell Global Investments (Cyprus) Limited** policy and execution methodology for Client execution on the best terms in accordance with Markets in Financial Instruments Directive (MiFID) 2004/39/EC and the Investment Services and Activities and Regulated Markets Law of 2007 (L.144(I)/2007). This Order Execution Policy provides the procedures and methods the Company applies to ensure the prompt, fair and expeditious execution with best trade execution condition for the Client.

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

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

1 Scope

- 1.1 This Order Execution Policy applies both to Retail and Professional Clients when executing transactions for the Financial Instruments provided by the Company via the STP/ECN model. The Company provides the Client with live streaming prices, “Quotes”, as received from its third party liquidity providers. The Company is always the agent to every trade; furthermore if the Client decides to open a position in a Financial Instrument with 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 favourable than one which can be obtained elsewhere.
- 1.2 This Policy applies when the Company executes Client’s orders provided that the following criteria are satisfied:
 - The Client has not been categorised as “eligible counterparty” for the related service / transaction
 - The Client is dealing in financial instruments covered by Company’s license
 - Specific instructions given by the Client do not prevent the Company from providing to the Client this Policy

2 Execution Factors

2.1 In general all Client orders will be executed in accordance with the time of their reception. All reasonable steps will be taken in order to obtain, when executing orders, the best possible result for Clients taking into consideration a range of different factors as required by MiFid and the relevant local legislation. The Execution Factors that the Company will take into account when executing orders will include:

i. **Price of the financial instrument**

The Company provides its prices which are derived from its liquidity providers. The Company reviews its liquidity providers at least once a year, to ensure that the prices obtained continue to be competitive. The Company updates its prices as frequently as the limitations of technology and communications links allow. For any given Financial Instrument the Company will quote both the higher price (ASK) at which the Client can buy (go long) that Financial Instrument and the lower price (BID) at which the Client can sell (go short) that Financial Instrument. The difference between the lower and the higher price of a given Financial Instrument is the spread. "Buy Limit", "Buy Stop" and "Stop Loss", "Take profit for opened short positions" orders will be executed at the ASK price, and "Sell Limit", "Sell Stop" and "Stop Loss", "Take profit for opened long positions" will be executed at the BID price. The Company will do all reasonable efforts to ensure that the Client receives the best spread and that its calculation is made with reference to a wide range of data sources and underlining price providers. The Company will not quote any price outside market operations time therefore no orders can be placed by the Client during that time. The market operates from Sunday 10:00 PM GMT to Friday 9:00 PM GMT during summer season (approximately April to October) and from Sunday 9:00 PM GMT to Friday 10:00 PM GMT during winter season (approximately October to April).

ii. **Costs**

The Company does not incorporate any commissions or fees into its quoted price; nevertheless for opening positions in some financial instruments a commission or a financing fee might be applied. The fees and commissions are available on the Company's website and/or in the individual agreement signed with the client. (a) Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amount and (b) In the case of financing fees, the value of opened positions in some types of Financial Instruments is increased or reduced by a daily financing fee "swap" throughout the life of the contract. Financing fees are based on prevailing market interest rates, which may vary over time. Details of daily financing fees applied are available in the Contracts specifications in the Company's website and Electronic Trading Platform.

iii. **Speed of execution**

The Company acts as agent on the Client's behalf; therefore, the Company will endeavor to find the best Execution Venue (Liquidity Provider) for the execution of the Client's orders for the Financial Instruments provided by the Company, taking in to consideration the criteria

selected by the client for his order. The Company is doing all reasonable efforts to offer a high speed of execution within the technological and telecommunication limitations and it is not responsible for the poor performance of Client's technology, internet connection or any other resources that might result in Client's delay in the transmission of data between the Client and the Company. This delay may result in sending to the Company out of date "market orders" which might be executed at a better or worse prevailing market price offered by the Company via its Electronic Trading Platform.

iv. **Likelihood of execution and settlement**

The Company acts as agent and not as principal on the Client's behalf; therefore, the Client's orders for the Financial Instruments provided by the Company and all orders opened with the Company will be closed only with the Company's Liquidity Providers. The Company seeks to provide Client orders with the fastest execution reasonably possible. The Company strives to execute Client's orders at the requested price. All Clients' orders except pending orders shall be executed at the available market prices. Client's pending orders are executed by the Company at the requested price. However the Company relies on third party liquidity providers for prices and available volume ("market depth") and therefore execution of Client's orders will depend on the pricing and available liquidity of the providers. The Company reserves the right to decline an order of any type under certain market conditions such as volatile market conditions, opening gaps on trading session start moments, during news announcements, on gaps where the underlying instrument has been suspended or restricted on a particular market, if there is insufficient liquidity for the execution of the specific volume at the requested price. Under these circumstances the orders may not be filled at the requested price but instead at the best available market price derived from Company's liquidity providers. Upon execution of the transactions the Company shall proceed to a settlement of such transactions.

v. **The size of the order**

The unit measuring the transaction amount is the Lot and is different for each type of Financial Instrument. Details of the value of each Lot for a given Financial Instrument can be found in the Contracts specifications in the Company's website. The Company reserves the right to decline a Client's order or to execute the order partially if it is too large and cannot be filled by the Company with the available market depth derived by the Company from the liquidity providers. This applies to Buy Stop, Sell Stop, Buy Limit, Sell Limit, Market Order, Stop Loss and Take Profit Orders.

vi. **The nature of the order**

The Client can place with the Company the following types of orders:

- a) **Market Order:** It is an order to buy or sell at the price available at the time of placing the order. The Company will usually fill the order at the price that the Client sees and chooses in the Client Terminal which is derived from the liquidity provider(s) and from the market liquidity. However, it is possible at certain times for the order not to be executed at the requested price if the market has moved while the Client was placing the

order. The order will be executed close to the Client's requested price. The Client may attach "Stop Loss" to limit his loss and/or "Take profit" to limit his profit. A stop loss and/or take profit may be attached to a market order only after the market order has been confirmed as an open position.

- b) Pending Order: A pending order is an order to buy or sell a financial instrument in the future once a certain price specified by the Client is reached. The Company offers four types of pending orders. Buy Limit, Buy Stop, Sell Limit and Sell Stop. Stop Loss and/or Take profit limits can be attached to this type of order. The Client may modify an order before it is executed but has no right to modify or remove "Stop Loss", "Take Profit" and "Pending Order" orders if the price has reached the level of the order execution.

vii. **Any other relevant factors**

The Company considers, but without the list being exhaustive, as relevant factors that might affect the execution of Clients Orders, fundamental announcements and unusual market conditions such as low liquidity or/and high volatility.

Furthermore in the case of any communication or technical failure, as well as any incorrect reflection on the quotes feed, the Company reserves the right not to execute an order or change the opening and/or closing price of a particular order.

- 2.2 The Company will determine the relative importance of the Execution Factors by using its commercial judgment and experience in the light of the information available on the market and taking into account the Execution Criteria described below. Demonstrating best execution does not necessarily involve a transaction-by-transaction analysis, but rather involves an assessment of a record of transactions over a period indicating that overall the best results is achieved by executing orders on the Client's behalf on the Execution Venues and in the manner described in this Order Execution Policy.
- 2.3 In certain markets and trading situations such as "over the counter" (OTC) markets there may not be an equivalent publicly available market price for the instrument being traded. In such situations the Company will use its experience and commercial judgment to take into account all relevant information available to it and apply this Order Execution Policy with a view to achieving the best possible result in terms of the total consideration.
- 2.4 In some cases as a result of a system failure or otherwise the Company may have no alternative but to execute an order using a method other than the method it has selected based on this Order Execution Policy. In such cases, the Company will endeavour to execute the order on the best terms possible.
- 2.5 In the absence of specific Client instructions in Retail Client order, the Company will take into consideration all factors that will allow it to deliver the best possible result in terms of the total consideration, representing the price of the financial instrument and the costs related to execution which shall include all expenses incurred by the Client which are directly related to the execution

of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. Speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transaction costs may be given precedence over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to the Retail Clients).

3 Execution Criteria

3.1 For determining the relative importance of the Best Execution Factors the following criteria will be taken into account:

- The characteristics of the Client including the categorisation of the Client as retail or professional
- 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.

3.2 Other Execution Factors

Slippage: At the time that an order is presented for execution, the specific price that the Client has requested in his/her Electronic Trading Platform may not be available. Therefore the order will be executed at the next available market price for the volume requested. If the execution price is better than the price requested by the Client it is referred as 'positive slippage'. If the execution price is worse than the price requested by the Client this is referred as 'negative slippage'.

4 Specific instructions

4.1 Where the Client provides the Company with a specific instruction in relation to his/her order or any part of it, including selection of Execution Venues, the Company will execute that order in accordance with those specific instructions and, in doing so, it will have complied with its obligations to provide the best possible results to the extent that those instructions are followed.

4.2 However the Company would like to warn its clients that any specific instruction may prevent the Company from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.

5 Execution Venue

5.1 Execution Venues are entities with which the Company places Client's orders for execution or to which it transmits orders for execution. The Company is connected to various liquidity providers (Banks and/or Broker Dealers) who forward their bid/ask prices to the Company.

5.2 For the purposes of orders for the financial instrument provided by the Company, the Company acts as agent on the Client's behalf; therefore the Banks and/ or Dealer Brokers are the Execution

Venues for the execution of the Client's orders. A comprehensive list of the Company's liquidity providers can be provided upon request.

- 5.3 The Client acknowledges that the transactions entered into with the Company for the financial instrument provided by the Company are undertaken through the trading platform of the Company. The orders will be executed on an 'over the counter' basis rather than on a regulated market or a Multilateral Trading Facility and the Client is exposed to a greater risk of a possible default of the counterparty. The Company reserves the right to decline the execution of an order, or to change the opening or closing price of an order in case of any technical failure of the trading platform, quote feed or any other unforeseen event. The terms and conditions and trading rules are established solely by the counterparty which in this case is the Company. The Client is obliged to close an open position of any given Financial Instruments during the opening hours of the Company's Electronic Trading Platform. The Client also has to close any position with the same counterparty with whom it was originally entered into, thus the Company.

6 Monitoring / Reviewing

- 6.1 The Company will review and monitor the effectiveness of this Order Execution Policy and arrangements to identify and, where appropriate, correct any deficiencies. It will assess, at least annually, whether the Execution Venues included in this Order Execution Policy enable the Company to provide the best possible result for the Client's orders and whether it needs to make changes to its execution arrangements.
- 6.2 Furthermore a review will also be carried out whenever a material change occurs that affects the ability of the Company to continue to obtain the best possible result for the execution of its Client orders on a consistent basis using the venues included in this Order Execution Policy. The Company will not notify its Clients individually of changes, other than substantial material changes to this Order Execution Policy and therefore the Client should refer from time to time to the Company website where the latest and most up to date Execution Policy will be available.

7 Prior Consent

- 7.1 When establishing a business relationship with the Client the Company is required to obtain Client's prior consent to its Order Execution Policy.
- 7.2 The Company also requires Client's express prior consent in the event that their orders will be executed or transmitted for execution outside of a regulated market or multilateral trading facility ("MTF"). This Company's Order Execution Policy provides for the possibility that Client's orders may be executed or transmitted for execution outside a regulated market or a MTF. The Client is informed that the Company always acts as agent the Execution Venues are the Liquidity Providers which are not the regulated market or a MTF.
- 7.3 The Company may obtain the above consents in the form of a general agreement. The Company will treat Clients who have either received the Execution Policy or agreed to receive it in any

electronically format or via the internet and have accepted the Terms of Business of the Company, as Clients who have given consent to the Policy as well as given consent to the Company to execute or receive and transmit an order for execution outside a regulated market or MTF.

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