



Client Order Execution Policy

1. Introduction

- 1.1. This policy is issued pursuant to, and in compliance with the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on Markets in Financial Instruments (MiFID II) and Amending Directive 2002/92/EC and Directive 2011/61/EU and with the implementation in Cyprus Law 87(I)/2017, as subsequently amended from time to time ("the Law") that applies to EXT LTD ("EXT").
- 1.2. This Policy sets forth information and the principles and methods governing EXT's arrangements for Client order execution on the best possible terms, and serves as a basis for EXT's Clients consent to EXT's order execution procedures when buying or selling Financial Instruments via EXT.
- 1.3. This Policy applies to EXT's execution of orders of Retail clients and Professional Clients, meaning a client meeting the criteria laid down in Annex II of MiFID II.
- 1.4. All Client orders are promptly and accurately recorded and allocated on platforms, that are in use of EXT and details of executed trades are maintained on the platforms indefinitely.

2. Financial Instruments to which this Policy applies

- 2.1. This Policy applies to Financial Instruments as defined in our license, including Stocks, Bonds, Exchange Traded Funds ("ETFs"), Futures, Options (OTC and exchange traded), Foreign Exchange Forwards (including rolling FX Spot), Foreign Exchange Options, Contracts for Difference ("CFDs"), Certificates, Warrants and Mutual Funds. Some of these Financial Instruments are due to their nature traded OTC.
- 2.2. The trading conditions and Charges for the above Financial Instruments are available in the Online Facility.

3. EXT's approach to best execution

- 3.1. Best execution is owed to our clients when:
 - 3.1.1. we execute orders on behalf of our clients; and/or



- 3.1.2. where so individually agreed, we provide the service of portfolio management and when we execute the decision to deal on behalf of our client's portfolio; and/or
- 3.1.3. we provide the service of reception and transmission of orders for execution.
- 3.2. When executing orders on Client behalf in relation to Financial Instruments, EXT will take all reasonable steps to obtain the best possible execution result. In absence of specific Client instructions, EXT will consider a combination of the following execution factors for the purpose of delivery to Client of the best possible result:
- 3.2.1. Price;
 - 3.2.2. Cost of the total execution;
 - 3.2.3. Speed;
 - 3.2.4. Likelihood of execution and settlement;
 - 3.2.5. Size, nature and type of the order;
 - 3.2.6. Rules of the respective execution venue, if applicable;
 - 3.2.7. Any other consideration relevant to the execution of the order "Best Execution".
- The obligation to obtain the best possible result for our clients is referred to as our obligation of best execution.
- 3.3. When executing Client orders, EXT is entitled to consider the following criteria to determine the relative importance of the aforementioned execution factors:
- 3.3.1. Characteristics of the Client order;
 - 3.3.2. Characteristics of the Financial Instruments that are subject to the Client order (in particular in relation to OTC financial instruments); and
 - 3.3.3. Characteristics of the execution venues to which the Client order can be directed.
- 3.4. When considering provision of the best possible result for the Client, EXT is also entitled to consider the objective of the Client on an individual basis. In this case total consideration may no longer be a decisive factor, and EXT may consider instead of immediate price and cost if those are significant in delivering the best possible result in terms of total consideration. These factors may be:
- 3.4.1. speed of execution;
 - 3.4.2. likelihood of execution and settlement;
 - 3.4.3. size and nature of order;



3.4.4. market impact; and

3.4.5. any other implied costs.

3.5. Whenever there is a specific instruction from or on behalf of a Client, EXT will, to the extent possible, execute the relevant part of Client order in accordance with this specific instruction. Please note that a specific instruction from a Client may prevent EXT from taking the steps that it has described in this Policy to obtain the best possible result for the execution of orders. Trading rules for specific markets may also prevent EXT from following certain of the Client's instructions. To the extent that a Client instruction is not complete, EXT will determine any non-specified components of the execution in accordance with this Policy.

3.6. Due to systems failures or other unavoidable reasons, EXT may execute orders in a method that differs from the method selected pursuant to this Policy. Even in such a case, however, EXT endeavours to execute orders on the best terms available at that point.

3.7. Best execution control tool are described in Annex 3 to this Policy.

4. Best execution criteria

4.1. The procedure for routing determinations is mainly based on four criteria and is regularly reviewed by EXT Hence to determine the best way to execute an order for a Client EXT takes into consideration:

4.1.1 Price Improvement and Overall Consideration of Costs: Orders are routed to market makers and/or market centres where opportunities for price improvement exist. The criteria to be used by other market-makers and/or market centres include:

4.1.1.1. Automatically matching incoming market and limit orders to pending limit orders,

4.1.1.2. Cross transactions where price improvement can be offered to one or both sides of the trade;.

4.1.2 Speed and Likelihood of the Execution: Due to the levels of volatility affecting both price and volume, EXT seeks to provide Client orders with the fastest execution reasonably possible although delays may occur;

4.1.3 Size Improvement: In routing orders, EXT seeks markets that provide the greatest liquidity and thus potential for execution of large orders. EXT also seeks opportunities for Client orders to benefit from order-size commitments offered by third parties;



4.1.4 Overall Execution Quality: When determining how and where to route an order, EXT is focusing on prompt and reliable execution which is being continuously evaluated (Section 9 of this Policy).

5. Execution of client orders

5.1. EXT uses automated systems to route Client orders for execution. When a Client order is received by EXT, it is routed to the execution venue that EXT considers to generally provide the best possible result EXT may execute orders outside regulated markets and multilateral trading facilities.

In this respect, by accepting this Policy and any agreement attached herewith, the Client provides its consent to EXT for executing orders outside regulated markets and multilateral trading facilities.

5.2. For instruments admitted to trading and official listing on a regulated market or stock exchange (i.e. Bonds, Stocks, Futures and ETFs), EXT routes orders to the multilateral trading facility or third parties that can execute a Client order on a stock exchange at the prices of a stock exchange.

5.3. For OTC products (CFDs, (rolling) FX Spot, FX Forwards and FX Options), EXT routes orders to the appropriate market maker firms for the execution by prices provided by them on trading platforms. For OTC traded CFDs on single stocks execution is benchmarked to the pricing and liquidity on the primary regulated market or an appropriate stock exchange for a relevant stock.

5.4. Prices of non-listed units in Mutual Funds (e.g. unit trusts or open-ended investment companies) are set at a future "valuation point" and the exact price of such units is therefore not known in advance. Execution price for such order will be provided by the liquidity provider of EXT according to the fund manager's rounding rules.

5.5. There may be delays in execution of orders, including orders placed through online trading systems.

Some orders placed through online trading systems may be handled manually. When high traffic in electronic orders causes a backlog, EXT, as well as its counterparties to which orders are sent for execution, must sometimes discontinue normal automatic execution procedures and turn to manual execution, leading to possible delays in execution. In order to minimize such a risk, EXT has in place procedures and arrangements which to the furthest extent possible provide for the prompt, fair and expeditious execution of Client orders.

5.6. Execution of orders is monitored 24/7 and the execution venue can be changed (switched off) manually in the following cases:

5.6.1. In case of potential risks to the safety of client's funds – credit risk events;



- 5.6.2. In case of technical problems, or if a counterparty is not responsive at all, when it can be switched off until the technical problems are solved;
 - 5.6.3. Any other events which potentially possess threats to EXT's or the Client's funds integrity;
 - 5.6.4. Periodic evaluation of the executing venue/counterparty shows upgrade of the service level, reduction of costs and better conditions, which basically means that a counterparty becomes higher rated and moves up in execution line.
- 5.7. Standard execution venue failure – applicable only for FX, CFD, transferable securities and other exchange traded instruments. OTC instruments, like Eurobonds or OTC Futures and Option, are handled on a case by case basis by determining the best price by the price range of extensive trading.

To provide continuity and fault-tolerance, EXT uses smart order routing in case of execution venue failure which may be caused by the following reasons:

- 5.7.1. Technical disconnection of the venue;
- 5.7.2. Lack of free funds on account with a counterparty providing execution venue;
- 5.7.3. Unsuitable characteristics of the client order.

In the above cases smart order routing will place the order with next execution venue in line. If the order cannot be placed, it shall be rejected completely. If the order size is too large for the market or the market depth is too thin then the same strategy applies. In (b) case smart order routing is the temporary measure only until funds arrive to account with this counterparty providing specific execution venue. EXT keeps records on such rejects and evaluates fault-tolerance of the counterparty for further possible changes of rating according to the scoring system.

6. Execution venues

- 6.1. EXT uses several external financial institutions and brokers to execute orders for different Financial Instruments.
- 6.2. Before including a counterparty in the list of execution venues, EXT performs the following assessments:
 - 6.2.1. Initial pre-screening of conditions – at this stage EXT evaluates if a counterparty is able to offer better service, additional markets, better financing rates or faster execution. This phase mostly is undocumented;
 - 6.2.2. Due Diligence checks – at this stage EXT evaluates legal and regulatory status of a counterparty. This phase is documented;



6.2.3. Risk Assessment – at this stage EXT evaluates financial and other risks. This stage is documented;

6.2.4. Technical compatibility – at this stage EXT evaluates general integration possibilities of a counterparty's systems with EXT's trading facility.

EXT may include a counterparty in the list of execution venues only upon successful completion of the aforementioned procedures and subject to continuous evaluations according to the scoring system.

6.3. List of execution venues/execution venues providers (counterparts) is provided in Annex 1 to this Policy.

6.4. The standard and alternate execution venues (execution line) is provided in Annex 2 of this Policy.

6.5. This list is provided for indicative purposes only and includes those venues on which EXT relies most. However, EXT is entitled to use other venues, at its sole discretion, where it sees appropriate execution of Client orders in compliance with this Policy.

EXT will regularly assess the venues available in respect of any Financial Instruments that it uses for execution to identify those venues, which ensure the best possible result when executing Client orders.

Accordingly, the list of venues may be updated from time to time. EXT shall not notify the Clients about the said updates on an individual bases, therefore EXT invites the Clients to check the list of venues from time to time.

6.6. In choosing an execution venue, EXT shall:

6.6.1. treat each Client order individually. In this respect, EXT will not execute a Client order, whether all or in part, by crossing it with a matching Client order from another Client;

6.6.2. not itself act as an execution venue;

6.6.3. choose a venue that it considers the most appropriate by assessing available venues for ability to ensure on a consistent basis the best possible result;

6.6.4. to the best of its ability not structure or charge its commissions so as to discriminate unfairly between venues, and shall not receive any remuneration, discount or non-monetary benefit for routing Client orders to any specific venue which would infringe the requirements on conflicts of interest or inducements.



7. Effects on order execution

- 7.1. Clients should be aware of the following risks associated with volatile markets, especially at or near the open or close of the standard trading session:
- 7.2. Execution at a substantially different price from the quoted bid or offer or the last reported sale price at the time of order entry, as well as partial executions or execution of large orders in several transactions at different prices;
- 7.2.1. Delays in executing Client orders, which are required to be sent to external market makers or manually routed or manually executed;
- 7.2.2. Opening prices that may differ substantially from the previous day's close;
- 7.2.3. Locked (the bid equals the offer) and crossed (the bid is higher than the offer) markets, which prevent the execution of Client trades;
- 7.2.4. Price volatility is one factor that can affect order execution. When Clients place a high volume of orders with brokers, order imbalances and backlogs can occur. This implies that more time is needed to execute the pending orders. Such delays are usually caused by the occurrence of different factors:
- 7.2.4.1. the number and size of orders to be processed,
- 7.2.4.2. the speed at which current quotations (or last-sale information) are provided to EXT and other brokerage firms; and
- 7.2.4.3. the system capacity constraints applicable to the given exchange, as well as to EXT and other firms.

8. Types of orders

- 8.1. Given the risks that arise when trading in volatile markets, the Client may want to consider using different types of orders to limit risk and manage investment strategies. It should be noted that the following descriptions of order types may apply only to some and not all types of Financial Instruments..
- 8.2. Market order: With a market order the Client instructs to execute a trade of a certain size as promptly as possible at the prevailing market price. Such order means an instruction to execute it without regard to price changes. Therefore, if the market price moves significantly during the time it takes to fill a Client's order, the order will most likely be exposed to the risk of execution at a price substantially different from the price when the order was placed.



- 8.3. Limit order: With a limit order, the Client sets the maximum purchase price, or minimum sale price, at which the trade is to be executed. As a limit order may be entered away from the current market price, it may not be executed immediately. A limit order means giving up the certainty of immediate execution in exchange for the expectation of getting an improved price in the future. Limit orders may be routed to a stock exchange without human intervention.
- 8.4. Stop order: Different from a limit order, a stop order allows selling below the current market price or buying above the current market price if the stop price is reached or breached. A stop order is therefore a “sleeping” order until the stop price is reached or breached.
- 8.5. Stop Limit Order: A stop limit order is a variation of a stop order as described in Section 8.4 with a lower (higher) limit price to suspend trading if the price falls (rises) too far before the order is filled restricting trading to a predefined price range.
- 8.6. Time Weighted Average Price order: This order type requires to specify the total desired quantity, the size of each part ("chunk") and an interval in milliseconds. Following this, the order will be split into parts of a specified size so that they are placed in turns at a given time interval at the market price. This order is available only for a selected number of instruments where market condition and system design allowed it to do so.
- 8.7. Trailing Stop Order: is a variation of stop loss order that follows the price. Using a trailing stop it is possible to minimise losses without having to limit the profits. When placing this type of order, quantity and price distance in the currency of the instrument must be specified. If the market moves in the direction you want, the stop order follows along and triggers only after the specified distance is passed against the desired movement. This order is available only for a selected number of instruments where market condition and system design allowed it to do so.

9. Direct Electronic Access

EXT provides market access to its clients via sub-delegation from DEA providers. Taking into account the market access structure EXT performs due diligent assessment of prospective DEA clients to ensure that they meet the requirements of MiFID II regulations and the rules of the trading venue to which it offers access:

- a) the governance and ownership structure of the prospective DEA client;
- b) the types of strategies to be undertaken by the prospective DEA client;
- c) the operational set-up, the systems, the pre-trade and post-trade controls (provided in Annex 4 to this Policy) and the real time monitoring of the prospective DEA client. EXT allowing DEA clients to use third-party trading software for accessing trading venues ensures that the software includes pre-



trade controls that are equivalent to the pre-trade controls set out in MiFID II.

- d) the responsibilities within the prospective DEA client for dealing with actions and errors;
- e) the historical trading pattern and behaviour of the prospective DEA client;
- f) the level of expected trading and order volume of the prospective DEA client;
- g) the ability of the prospective DEA client to meet its financial obligations to the DEA provider/DEA sub-provider;
- h) the disciplinary history of the prospective DEA client, where available.

EXT shall carry out an annual risk-based reassessment of the adequacy of its clients' systems and controls, in particular taking into account changes to the scale, nature or complexity of their trading activities or strategies, changes to their staffing, ownership structure, trading or bank account, regulatory status, financial position and whether a DEA client has expressed an intention to further sub-delegate the market access.

EXT, during the hours it is sending orders to trading venues, monitors in real time all algorithmic trading activity that takes place under its trading code, including that of its clients, for signs of disorderly trading, including trading across markets, asset classes, or products, in cases where the firm or its clients engage in such activities.

The real-time monitoring of algorithmic trading activity is undertaken by the trader and by the risk management function.

Staff members in charge of the real-time monitoring respond to operational and regulatory issues in a timely manner and initiate remedial action where necessary.

EXT ensures that the competent authority, the relevant trading venues and, where applicable, DEA providers, clearing members and central counterparties can at all times have access to staff members in charge of real-time monitoring.

The systems for real-time monitoring identifies unanticipated trading activities undertaken by means of an algorithm.

10. Regular review of execution quality and execution venue

- 10.1. EXT reviews its execution practices on a regular basis and whenever a material change occurs that affects EXT's ability to obtain the best possible result for the execution of Client orders; and, accordingly, shall review this Policy.



10.2. EXT shall publish the top 5 execution venues EXT has used to execute Client orders or to place or transmit in terms of trading volumes, in the preceding year, as well as report on the quality of execution obtained. These reports will be per class of Financial Instruments for Retail Clients and Professional Clients separately.

The report will be available on a web-site of EXT.

11. EXT's Terms of Business

This Policy shall constitute an integral part of the Agreement with a Client of EXT, as this term is defined in Clause 1 of EXT's Terms of Business.

12. Review Table

Version	Comments	Review date	Approved by
EXT_1.0	Initial Policy	20.11.2021	Compliance Department
EXT_2.1	Update of execution venues	14.12.2022	Compliance Department
EXT_2.5	Update of execution venues	18.12.2023	Compliance Department
EXT_3.0	Added paragraph on DEA. Update of execution venues. General updates of the document.	20.02.2024	Compliance Department



Annex I

Execution Venues

Name	Country of registration	Regulatory authority	Financial instruments
Marex Prime Services	United Kingdom	Financial Conduct Authority (FCA)	Fixed Income
Marex Financial	United Kingdom	Financial Conduct Authority (FCA)	Exchange traded Derivative Contracts
Number One Brokers	Mauritius	The Financial Services Commission, Mauritius (FSC)	Contracts for Difference (CFD), Fractional shares
LMAX Limited	United Kingdom	Financial Conduct Authority (FCA)	Contracts for Difference (CFD), Foreign Exchange Forwards (FX)
XNT Ltd	Malta	Malta Financial Services Authority (MFSA)	Worldwide Transferable Securities and Fixed Income Securities and Contracts for Difference (CFD) and Derivative Contracts, Foreign Exchange (FX), Units in Funds,
XHK Limited	Hong Kong	The Securities and Futures Commission (SFC)	Transferable Securities and Fixed Income and Derivative Contracts
Linear Investments LTD	United Kingdom	Financial Conduct Authority (FCA)	Transferable securities
GTN Middle East Financial Services (DIFC) Limited	United Arab Emirates	Dubai Financial Services Authority (DFSA)	Transferable securities
Velocity Clearing, LLC	United States	FINRA	Stock Options, Transferable Securities



Annex 2

Standard and Alternate Execution Venues

Instrument	Standard Execution Venue*	Alternate execution venue**	
	1st	2nd	3rd
Foreign Exchange (FX);	LMAX Limited	Number One Brokers	XNT Ltd
Contracts for Difference (CFD)	Number One Brokers	LMAX Limited	XNT Ltd
Transferable Securities (US)	Velocity Clearing	Number One Brokers	GTN Middle East
Transferable Securities (EU, UK)	Linear Investments	XNT Ltd	Linear Investments
Fixed Income Securities	Number One Brokers	XNT Ltd	Marex Prime Services
Derivative Contracts (Futures)	Marex Financial	XNT Ltd	Number One Brokers
Derivative Contracts (Futures options)	Marex Financial	XNT Ltd	Number One Brokers
Derivative Contracts (Stock Options)	Velocity Clearing	Number One Brokers	GTN Middle East

* Standard execution venue - for all orders, main criterion is fault tolerant execution

** Alternative execution venue - automated switch in case of failure of the Standard execution venue

Execution is regularly evaluated by the certain criteria: reliability, fault-tolerance, spread, commissions, leverage what may result change in sequence of execution venues.



Annex 3

Best Execution in Daily Operations and Its Control Tools

EXT performs best execution control tests on a yearly basis by analyzing random transactions. The overall system monitoring and control is going on a constant 24/7 basis.

In defining the best execution, the following factors are taken into consideration:

- Types of securities traded
- Broker/dealers (counterparties) used
- Trading venues utilized
- Costs and clients' benefits
- Possible conflict of interest.

The best execution is divided into 3 stages:

- pre-execution, when EXT is choosing the proper previously qualified for cooperation partner
- execution, when functionality of the trading platform and internal controls in place are assessed, and
- post-execution, when information about how EXT detects and resolve trade errors is reviewed and analyzed.

EXT uses technical solution aimed to provide automatic assessment of the order and allocate to the most appropriate counterparty. The settings are managed by the outsourced Technical Support of trading platform provider. Major changes as counterparty inclusion/exclusion and others should be approved by a voting of senior management; regular daily changes such as switching of counterparty or any other auto-routing relating issues online regime are solved by outsourced Technical Support of the trading platform provider according to this Policy and other EXT's instructions.

During the pre-execution EXT is analyzing the current list of available counterparties for different financial instruments, their rates, EXT's balances on the counterparties' accounts and ranking them in the system.



In the following cases:

- system starts providing declines (excluding reasons that customers do not have enough balance on their accounts for the orders provided)
- EXT's balances on the counterparties' accounts have reached low/zero balances
- notifications from counterparties were received about some changes/limits implemented
- any other / new circumstances raised

EXT immediately re-evaluates the counterparties and makes changes within DBS.

EXT's policy is to execute trades individually and, in the order, they are received namely on a "first come, first served" basis, even in the case of partial execution. In principle therefore, EXT does not aggregate Clients' orders.

Due to system failures or other unavoidable reasons, EXT may execute orders in a method that differs from that stated in this Policy. Even in such a case, EXT endeavors to execute orders on the best terms available at that point.

Within the execution stage all the orders are processed automatically by the system, the outsourced Technical Support is monitoring all the notifications provided by the system and following the order executions' statistics.

The automatic system's notifications are divided into 3 main groups:

- infrastructure problems within EXT: might arise in case of technical problems with the network (locally or globally), hardware/software problems and/or hosting company;
- counterparty problems: usually occur if a counterparty changes its settings, like limits, financial instruments identifications, etc., without EXT prior informing; in case of connection loss at counterparty side or between counterparty and stock exchange;
- client problems: usually happen when clients provide incorrect orders, like out of trading time, out of stock exchange defined min/max limits, incorrect size of a lot; clients have insufficient funds on the account for the initiated operation or doesn't have enough rights/proper access.

At the post-execution stage all systems' notifications analyzed within the overall performance and needed amendments in settings are performed.



Annex 4

Sub-delegated Direct Electronic Access

Pre-trade controls

EXT uses following pre-trade controls on order entry on all financial instruments:

- a) price collars, which automatically block or cancel orders that do not meet set price parameters, differentiating between different financial instruments, both on an order-by-order basis and over a specified period of time;
 - ATP automatically blocks orders that do not meet pre-set price parameters on an order by order basis.
- b) maximum order values, which prevent orders with an uncommonly large order value from entering the order book;
 - ATP automatically prevents orders and firm quotes with uncommonly large order values from entering the order book by reference to notional values per financial instruments.
- c) maximum order volumes, which prevent orders with an uncommonly large order size from entering the order book;
 - ATP automatically prevents orders with uncommonly large order size (in units or notional) from entering the order book.
- d) maximum messages limits, which prevent sending an excessive number of messages to order books pertaining to the submission, modification or cancellation of an order.
 - Default configuration:
 - order-requests = { interval = 10s, limit = 25 }
 - order-rejects = { interval = 10s, limit = 50 }
 - modification-rejects = { interval = 10s, limit = 50 }

Post-trade controls

EXT continuously operates post-trade controls:

- a) EXT continuously monitors market and credit risk (margin calls) of the client's trading accounts.



- b) EXT keep records of trade and account information, which are complete, accurate and consistent. EXT reconciles its own electronic trading logs with information about its outstanding orders and risk exposures as provided by the trading venues to which it sends orders, by its brokers or DEA providers, by its clearing members or central counterparties and by its data providers or other relevant business partners. EXT has the capability to calculate in real time its outstanding exposure towards the market side and that of its clients.
- c) For derivatives, the post-trade controls include setting the maximum long and short limits and overall strategy positions, with trading limits set in units that are appropriate to the types of financial instruments involved.
- d) Post-trade monitoring is undertaken by the traders and the risk control function of the investment firm.