

XTB Limited ORDER EXECUTION POLICY

1. General provisions

- 1.1. XTB Limited (hereinafter, "the Company" or "XTB" or "we") is a Cyprus Investment Firm, authorized and regulated by the Cyprus Securities and Exchange Commission (hereinafter, "CySEC") with License Number 169/12.
- 1.2. We undertake to act honestly, fairly, professionally and in accordance with the best interests of our Clients. In order to make this obligation effective, we have adopted the Order Execution Policy (hereinafter the "**the Policy**"), which determines the detailed principles of executing Orders. The Policy aims at achieving the best possible results for our Clients in accordance with the Investments Services and Activities and Regulated Markets Law of 2017 L.87(I)/2017 ("the Law").
- 1.3. This Policy is an integral part of the "Regulations on the Provision of Services" (hereinafter "**General Terms and Conditions**"). The policy is available on the Company's [website](#) and must be read and interpreted in conjunction with the specified document.
- 1.4. This Policy sets forth the Company's policy and methodology for executing client orders on the best terms in accordance with the Law and, the Commission Delegated Regulation (EU) 2017/565 (the "Regulation") as amended.
- 1.5. This Policy applies to Retail Clients and Professional Clients (as defined in the Company's Client Categorisation Policy found at the Company's [website](#) in the Legal documents Section.) If the Company classifies a Client as an Eligible Counterparty, this Policy does not apply to such a Client.
- 1.6. The Best Execution obligation applies, when the Company executes a transaction on behalf of a client or when transmitting orders to other entities or venues to execute, in relation to Contracts for Differences (CFDs) with the following underlying asset classes: Equities, Indices, Futures, Foreign Exchange, Commodities, Cryptocurrencies.
As a regulated Company, we act in the best interests of the Client. Therefore, we take all the sufficient steps to obtain the best possible results for the Clients. In this respect, we take into account the factors and criteria provided for in the Policy.
- 1.7. We review this Policy at least once a year and whenever a significant change takes place. A significant change is one that has an impact on our ability to obtain the best possible results when executing Clients' Orders. We evaluate if a significant change took place. Then, we consider a correction in relation to the rank of factors influencing the abilities of obtaining the best execution.
- 1.8. We notify the Clients about any changes to the Policy pursuant to the relevant provisions of the General Provisions.
- 1.9. The Client acknowledges that - due to the specifics of the services we provide - the pending orders:
 - with a specific validity term, or
 - without a specific validity term (the so-called "Good Till Cancelled" - "GTC", active until canceled by the Client)on Stocks CFD and ETF CFD, upon completion of a given session, do not retain their priority (order) on the Underlying Exchange in the order sheet. This situation can be of special significance in the case of low-volatility Financial Instruments.
- 1.10. The Company's sole Liquidity Provider (LP)/Execution Venue is its parent company, XTB S.A. Upon receiving a client order the Company subsequently places the client order with its LP/Execution Venue. Client orders are executed at the prevailing market price provided by the LP.
- 1.11. We act in accordance with the relevant provisions of the Law concerning the prevention of conflicts of interests and have adopted the internal procedure concerning the prevention of conflicts of interest.

- 1.12. The Client acknowledges that the transactions entered in Financial Instruments with the Company are not undertaken on a recognised exchange, rather they are undertaken over the counter (OTC) and as such they may expose the Client to greater risks (e.g. counterparty risk) than regulated exchange transactions. If you require more information regarding the consequences of this means of execution please contact us in one of the official contacting methods of the Company.
- 1.13. The detailed information on basic principles of the procedures for a conflict of interest are described in the Conflict of Interest Policy, available on the Company's [Website](#).

2. Area of application

- 2.1. This policy applies when receiving and transmitting Client Orders or executing Orders for the Client for all the types of CFDs offered by the Company.

3. Place of execution of orders

- 3.1. Upon receiving a client order in relation to CFDs the Company subsequently places the client order with its LP/Execution Venue (i.e. XTB S.A.). Client orders are executed at the prevailing market price provided by the LP.
- 3.2. XTB S.A. transmits the orders to third-party liquidity providers for hedging purposes. XTB S.A. first executes the client order and then execute its own order to liquidity providers. The hedging transaction does not affect in any way the client's order.
- 3.3. Once a year, we publish Information regarding our execution venue in RTS 28 report available on the Company's [Website](#).

4. Order Execution criteria

- 4.1. The Company will take all sufficient steps to obtain the best possible result/outcome ("Best Execution") for its Clients when receiving, transmitting and executing Client Orders, taking into account prices, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order ("Best Execution Factors")
- 4.2. We give the following relative ranks to the above factors in the Order execution process:

Highest Rank:

- a. Price of the Financial Instrument or Underlying Instrument - Prices should to a maximum degree reflect the market prices of Underlying Instruments.

Our price for a given CFD is calculated by reference of the Bid and Ask prices of the relevant underlying asset, which we obtain from third party external reference sources (i.e. price feeders). Our prices can be found on the [Company's website](#) and / or trading platform. We update our prices as frequently as the limitations of technology and communications links allow. We review our third party external reference sources from time to time to ensure that the data obtained continues to remain competitive. We will not quote any price outside the Company's operations time (see Execution Venues below) therefore no orders can be placed by the Client during that time. Certain ex-ante and ex-post quality checks are conducted by us to ensure that prices obtained and subsequently passed on to clients remain competitive. Such checks include, but not limited to, reviewing system settings/parameters, comparing prices with reputable price sources, ensuring symmetry of spread and checking the speed of price updating.

If the price reaches an Order set by you such as: Stop Loss/Limit Loss, Take Profit/Limit Profit, these Orders are instantly executed. However, under certain trading conditions it may be impossible to execute Orders (Stop Loss/Limit Loss, Take Profit/Limit Profit) at the Client's requested price. In this case, the Company has the right to execute the Order at the first available price. This may occur, for example, at times of rapid price fluctuations, if the price rises or falls in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted, or this may occur at the opening of trading sessions. The minimum level for placing Stop Loss/Limit Loss, Take Profit/Limit Profit, for a given CFD, is specified at your Trading Platform.

- b. The speed and probability of concluding a Transaction - the time of execution of the Order should be as short as possible and the percentage of completed Orders should be as high as possible.
- However, we place a significant importance when executing Client's Orders and strive to offer high speed of execution and settlement within the limitations of technology and communications links. For instance, in cases where Clients are using a wireless connection or a dial up connection or any other communication link that can cause a poor internet connection then this may cause unstable connectivity with our trading Platforms resulting to the Client placing his Orders at a delay and hence the Orders to be executed at better or worst prevailing price offered by us.

High Rank:

- a. Order execution costs such as: spreads, swap points/overnight financing– we set by them at the most competitive level. For opening a position in some types of CFDs the Client may be required to pay commission or financing fees.

Financing Fee: In the case of financing fees, the value of opened positions in some types of CFDs is increased or reduced by a daily financing fee "swap rate" throughout the life of the CFD (i.e. until the position is closed). Financing fees are based on prevailing market interest rates, which may vary over time.

Calculation of swap points/overnight financing corresponding to the value and type of an Open Position takes place at midnight every day of the week, according to the daily rate.

The above swap point/overnight financing calculation rule does not apply to the Open Position at the end of the day for selected Financial Instruments which can be found on the Company's [website](#).

The detailed swap point/overnight financing calculation rules can be found on the Company's [website](#).

The spreads for the list of financial instruments can be found on the [Company's website](#) and/or Platforms.

Should we, at any time, decide to charge additional fees such as Client Account maintenance fees, we shall provide Clients prior notice of at least five (5) business days and such fees will be disclosed at the Company's [website](#).

- b. Order volume - it may affect the price due to the available liquidity of a given Financial Instrument or Underlying Instrument.

A lot is a unit measuring the transaction amount and it is different for each type of CFD. Please refer to the Company's [website](#) and/or Platform for the value of minimum size of an Order and each lot for a given CFD type. Please refer to the Company's website and/or Platform for the value of the maximum volume of the single transaction. We reserve the right to decline an Order due to its size as explained in the Client Agreement.

If the Client wishes to execute a large size Order, in some cases the price may become less favorable considering the liquidity in the market. We reserve the right not to accept a Client's Order, in case the size of the Order is large and cannot be filled by the Company.

- c. Technological stability – we make reasonable efforts to ensure the highest quality and stability of technology, and we apply measures aimed at the best possible execution of the Clients' Orders.

Average Rank:

- a. Nature of the Order – it may affect the price due to the available liquidity of a given Financial Instrument or Underlying Instrument. We execute Clients' Orders in the sequence they are received, unless otherwise stated in the Agreement, the conditions of the Order specified by the Client, due to the nature of the Order, or if such a sequence of Order execution is not in the Client's interest.
- b. Likelihood of Execution and Settlement - it may not be possible, in some cases, to arrange an Order for execution, for example but not limited to, in the following cases: during news times, trading session start moments, during volatile markets where prices may move significantly up or down and away from declared prices, where there is rapid price movement, where there is insufficient liquidity for the execution of the specific volume at the declared price, a force majeure event has occurred.

The Financial Instruments offered by the Company are CFDs. CFD trading can only be settled in cash. The Company shall proceed with the settlement of all transactions upon the execution and/or time of expiration of the specific transaction.

In the event that we are unable to proceed with an Order with regard to price or size, or other reason, the Order will be either rejected or partially filled.

In addition, we are entitled, at any time and at our discretion, without giving any notice or explanation to the Client, to decline or refuse to transmit or arrange for the execution of any Order or Request or Instruction of the Client in circumstances explained in the Client Agreement/General Terms and Conditions. Without prejudice to General Provisions, we have the right to close at market prices and or limit the size of Client Open Positions and to refuse new Client Orders to establish new positions in any of the following cases:

1. We consider that there are abnormal trading conditions.
2. The value of Client collateral falls below the minimum margin requirement.
3. At any time equity (current balance including open positions) is equal to or less than a specified percentage of the margin (collateral) needed to keep the open position.
4. In case of fraud or Abusive Trading of the Client.
5. The system of the Company rejects the Order due to trading limits imposed on the Account.

6. When the Margin Level reaches the Stop Out Level – 50% (ratio of Equity to Margin in the Client Account), the Client positions will start closing automatically at market prices starting with the most losing Order and we have the right to refuse a new Order. Stop Out level is available on the Website and/or the Platforms.
7. When the Client fails to take a measure of the General Provisions.
8. When the Client is holding a position Open on Future after the official expiry date.

In order to improve speed and likelihood of execution we carry out certain ex-ante and ex-post quality checks. Such checks include, but are not limited to, symmetric slippage checks, number of trades to slippage and comparing our average speed of execution with industry standards.

- c. Market impact - some factors may rapidly affect the price of the Underlying Asset from which the Company's quoted price is derived and may also affect other factors listed herein. We will take all sufficient steps to obtain the best possible result for its Clients.

Low Rank

- a. Other factors – low rank.

We do not consider the above list exhaustive. Nevertheless, whenever there is a specific instruction from the Client, we shall make sure that the Client's order shall be executed following the specific instruction.

- 4.3. With regard to retail clients, the best result is determined in general, taking into account the price and costs (total consideration) associated with the execution an Order (covering all the expenses incurred by the Client, directly related to the execution of such an Order).
- 4.4. We immediately notify the Client about all circumstances that prevent the execution of the Order.
- 4.5. We rely on our counterparty XTB S.A. (Liquidity provider) to execute Clients' Orders.

5. Quotation of prices

- 5.1. On Trading Days, we systematically quote Financial Instruments Prices on the basis of the prices of the corresponding Underlying Instruments.
- 5.2. A detailed description of Trading Days of Financial Instruments is available in the Specification Table for CFDs on forex, indices, commodities, cryptocurrencies available on the Company's [Website](#). Specification table for CFDs on shares and ETFs can be found [here](#).
- 5.3. Transaction prices are quoted in the Trading Account on the basis of current prices made available by Reference Institutions indicated on the Company's [Website](#).
- 5.4. A detailed description of the process of forming Financial Instrument Prices for CFD instruments based on cryptocurrencies is available on the Company's [Website](#).
- 5.5. We use our best efforts to ensure that the transaction prices do not differ materially from the prices of Underlying Instruments published in real time by reputable information services.

6. Execution Practices in CFDs

- a. Slippage

You are warned that Slippage may occur when trading in CFDs. This is the situation when at the time that an Order is presented for execution, the specific price showed to the Client may not be available; therefore, the Order will be executed close to or a number of pips away from the Client's requested price. So, Slippage is the difference between the expected price of an Order, and the price the Order is actually executed at. If the execution price is better than the price requested by the Client, this is referred to as positive slippage.

If the executed price is worse than the price requested by the Client, this is referred to as negative slippage. Please be advised that Slippage is a normal element when trading in CFDs. Slippage more often occurs during periods of illiquidity or higher volatility (for example due to news announcements, economic events and market openings and other factors) making an Order at a specific price impossible to execute. In other words, your Orders may not be executed at declared prices.

It is noted that Slippage can occur also during Stop Loss/Limit Loss, Take Profit/Limit Profit and other types of Orders. We do not guarantee the execution of your Pending Orders at the price specified. However, we confirm that your Order will be executed at the next best available market price from the price you have specified under your pending Order.

b. Types of Order(s) available in CFDs trading

The particular characteristic of an Order may affect the execution of the Client's Order. Please see below the different types of Orders that a Client can be placed:

1. Market Order(s)

A Market order is an Order to buy or sell a CFD at the current price. Execution of this order results in opening a position. CFDs are bought at ASK price and sold at BID price. Stop Loss and Take Profit Orders can be attached to a Market Order.

2. Pending Order(s)

This is an Order to buy or sell a CFD in the future at the best available price once a certain price is reached.

A Pending Order is an Order that allows the user to buy or sell a CFD at a pre-defined price in the future. These Pending Orders are executed once the price reaches the requested level. However, it is noted that under certain trading conditions it may be impossible to execute these Orders at the Client's requested price. In this case, the Company has the right to execute the Order at the first available price. This may occur, for example, at times of rapid price fluctuations of the price, rises or falls in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted, or there is lack of liquidity, or this may occur at the opening of trading sessions.

It is noted that Stop Loss/Limit Loss and Take Profit/Limit Profit may be attached to a Pending Order. Also, pending Orders are Good Till Cancelled.

3. Take Profit/Limit Profit

Take Profit/Limit Profit Order is intended for gaining the profit when the financial instrument (i.e. CFDs) price has reached a certain level. Execution of this Order results in complete closing of the whole position. The Order can be requested only together with an open market or a pending Order and it is also executed at stated prices.

This type of Order is set above the current price in case of long positions and below the opening price in case of short positions.

4. Stop Loss/Limit Loss

Stop Loss/Limit of Loss Order is used for minimising of losses if the CFD price has started to move in an unprofitable direction. If the CFD price reaches the stop loss/limit loss level, the whole position will be closed automatically, thus eliminating the incurrence of additional losses. Such Orders are always

connected to an open position or a pending Order. They can be requested only together with a market or a pending Order. This type of order is always set below the current price for long positions, and above the opening price for short positions.

7. Order Execution

7.1. General Provisions

- 7.1.1. The stop Orders and the limit Orders may be placed only when a given Financial Instrument is traded. However, with the reservation that we may accept this order types on a selected Trading Platform for selected Financial Instruments specified in the Tables of Conditions outside the Trading Days, can be found [here](#).
- 7.1.2. The stop Orders and the limit Orders at the opening of the market are always executed at the best price we can offer at a given moment without having to obtain additional confirmation from you. In the case of a stop Order, this price can be less beneficial than the one you indicated in the Order. The market, limit and stop Orders opening a new position can be executed only if the total nominal value of Open Positions including position that will be opened, expressed in Euro, does not exceed the Maximum Nominal Portfolio Value.
- 7.1.3. We can cancel a pending Order if the Balance in your Trading Account equals 0, of which fact you will be informed beforehand, or if the Free funds in your Trading Account are significantly insufficient for the execution of the pending Order.
- 7.1.4. You can conclude a Reverse Transaction – Hedging transaction to the currently owned Open Position in the Trading Account if, after its conclusion, you have sufficient balance to maintain your open positions.

7.2. Best Execution Criteria

When executing client orders, we take into account the following criteria for determining the relative importance of the Best Execution Factors referred in paragraph 4 above:

- i. The characteristics of the Client including the categorization of the Client as Retail or Professional;
- ii. The characteristics of the Client order;
- iii. The characteristics of the Financial Instruments that are the subject of that order;
- iv. The characteristics of the execution venues to which that order can be directed.

We shall determine the relative importance of the above execution factors by using its commercial judgment and experience in the light of the information available on the market and taking into account the remarks included in paragraph 4. For CFDs, we assign the following importance level to the Best Execution Factors.

Factor	Importance Level	Remarks
Price	High	We give strong emphasis on the quality and level of the price data that we receive from external sources in order to provide our clients with competitive price quotes.
Costs	High	We take all reasonable steps to keep the costs of your transactions as low and competitive, to the extent possible.
Speed of Execution	High	Execution speed and the opportunity for price improvement are critical to every trader and we

		repeatedly monitor these factors to ensure we maintain our high execution standards.
Likelihood Execution	of High	Even though we reserve the right to decline a Client order we aim to execute all Clients' orders, to the extent possible.
Likelihood settlement	of Medium	See relevant description in Best Execution Factors (point 4 above).
Size of order	Medium	See relevant description in Best Execution Factors (point 4 above).
Market Impact	Medium	See relevant description in Best Execution Factors (point 4 above).

For retail Clients, the best possible result shall be determined in terms of the total consideration (unless the objective of the execution of the order dictates otherwise), 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 by the third-party entity, including execution venue fees, as applicable.

Regarding the execution of clients' orders, please note that the Company's sole Liquidity Provider (LP)/Execution Venue is its parent company, XTBS.A. Upon receiving a client order the Company subsequently places the client order with its LP/Execution Venue. Client orders are executed at the prevailing market price provided by the LP. The Company has implemented objective and independent procedures for assessing and monitoring XTBS.A to ensure that best execution is consistently delivered to its clients..

7.3. Specific rules for CFDs.

Standard Account

- 7.3.1. An Order to execute a Transaction on a CFD for a Standard Account may be placed in the following manner:
- by placing a a market Order at a current CFD price published in the Trading Account;
 - by placing a limit Order (buy limit; sell limit; take profit "t/p");
 - by placing a stop Order (buy stop; sell stop; stop loss "s/l").
- 7.3.2. Market Orders on a CFDs for a Standard Account are executed at VWAP (Volume Weighted Average Price). The prices shown in the Trading Account before placing a market Order are only indicative and not binding. The final price of executing a Transaction will be provided after its execution, as price may be changed due to market volatility A market Order will be rejected if the Order volume exceeds the liquidity available in XTBS.A at the given moment.
- 7.3.3. Limit Orders on a CFD for a Standard Account are executed at the price indicated by the Client or at a better price. For Standard Accounts in the market execution mode, the method is different. If the Order volume possible to be executed at the price indicated by the Client or better exceeds the liquidity available at the given moment, the Order shall be executed at the maximum available volume. Its remaining part shall be active until the moment of Order execution or cancelling.
- 7.3.4. **Stop Orders on a CFD for a Standard Account** are performed at market prices binding at the moment of activating the level of these Orders. **Stop Orders for Standard Accounts in the market execution mode** are performed in accordance with the rules of execution of a market Order after the market has achieved or exceeded the price level indicated by the Client. In the case of **market mode execution**, if the Client's Order

volume exceeds the available liquidity, the Order is rejected. The **stop loss Order** after rejection is restored with the parameters determined by the Client and executed at the first available market price after the activation condition has been met.

7.3.5. The highest possible limits:

- a. for buy limit Orders – the current Ask price;
- b. for sell stop Orders – the current Bid price.

The lowest possible limits:

- a. for sell limit Orders – the current Bid price;
- b. for buy stop Orders – the current Ask price.

Professional Account

7.3.6. An Order to execute a Transaction on a CFD for a Professional Account may be placed in the following manner:

- a. by placing a market Order at the current price of a CFD published in the Trading Account;
- b. by placing a limit Order (buy limit; sell limit; take profit "t/p");
- c. by placing a stop Order (buy stop; sell stop; stop loss "s/l").

7.3.7. Market Orders on a CFD for a Professional Account are executed at VWAP (Volume Weighted Average Price). The prices shown in the Trading Account before placing a market Order are only indicative and not binding, as price may be changed due to market volatility. The final price of executing a Transaction will be provided after its execution. A market Order will be rejected if its volume exceeds the liquidity available in XTb at the given moment

7.3.8. Limit Orders on a CFD for a Professional Account are executed at the price indicated by the Client or at a better price. If the Order volume possible to be executed at the price indicated by the Client or better exceeds the liquidity available at the given moment, the Order is executed at the maximum available volume. Its remaining part will be active until the moment of Order execution or cancelling.

7.3.9. **Stop Orders (including stop loss Orders) on a CFD for a Professional Account** are executed at market prices valid at the moment of activating these orders, in accordance with the rules of executing a market Order. If at the moment of activation, the Order volume exceeds the available liquidity, the Order shall be rejected. The **stop loss Order** after rejection is restored with the parameters determined by the Client and executed at the first available market price after the activation condition has been met.

7.3.10. The highest possible limits:

- a. for buy limit Orders – the current Ask price;
- b. for sell stop Orders – the current Bid price.

The lowest possible limits:

- a. for sell limit Orders – the current Bid price;
- b. for buy stop Orders – the current Ask price.

7.4. Detailed rules for Stock CFDs and ETF CFDs.

7.4.1. Due to the characteristics of Stock CFDs and ETF CFDs, the rules of placing and executing Orders on these instruments may differ in some respects from the standard CFD rules indicated above. Prior to entering into any Stock CFD or ETF CFD Transaction, you should be aware of how different Order types for these types of Financial Instruments are executed and how it may influence the price of a Transaction.

7.4.2. An Order to execute a Transaction on Stock CFD or ETF CFD may be placed in the following manner:

- a. by placing a market Order at a current price of a Stock CFD or ETF CFD, published in the Trading Account;
 - b. by placing a limit Order (buy limit; sell limit; take profit "t/p");
 - c. by placing a stop Order (buy stop; sell stop; stop loss "s/l").
- 7.4.3. Market Orders on Stock CFDs and ETF CFDs are executed at the best possible market price. The price of order execution may differ from the price stated on the Trading Account before the Order was placed. The price presented on the Trading Account is for information purposes only and is not binding. The final price of executing a Transaction will be provided after its execution, as price may be changed due to market volatility. If an Underlying Instrument on the Underlying Exchange is suspended, pursuant to the rules binding at a given Underlying Exchange, the market Order placed during the suspensions shall remain active until trading is resumed or the Order is rejected.
- 7.4.4. Limit Orders on Stock CFDs or ETF CFDs are executed at the price indicated by the Client or at a better price. If the Order volume possible to be executed at the indicated by you or better exceeds the liquidity available at the given moment, the Order shall be executed at the maximum available volume. Its remaining part shall be active until the moment of Order execution or cancelling.
- 7.4.5. Stop Orders on Stock CFDs or ETF CFDs are executed at market prices binding at the moment of activating a given level of this Order, pursuant to the rules of market Order execution.
- 7.4.6. The highest possible limits:
- a. for buy limit Orders – the current Ask price;
 - b. for sell stop Orders – the current Bid price.
- The lowest possible limits:
- a. for sell limit Orders – the current Bid price;
 - b. for buy stop Orders – the current Ask price
- 7.4.7. Limit Orders and stop Orders on Synthetic Stocks, Stock CFDs or ETF CFDs, placed without a specified time limit remain active until the Order is fully executed or cancelled by the Client.

8. Orders' time of execution

- 8.1. We execute Clients' Orders in the sequence they are received, unless stated otherwise in the Agreement, the conditions of an Order specified by the Client, nature of an Order or if such sequence of Order's execution is not in the Client's interest. During market opening the standard rules regarding the time of executing Orders indicated below do not apply.
- 8.2. Without prejudice to the General Provisions, an Open Position on CFD (excluding CFDs on shares, ETFs and cryptocurrencies) shall be closed without Client's consent after 365 days from the date of opening the position, at the last available price prior to 23:00 – UTC+1 or at the last available price on a given day if trading concluded earlier, unless:
- a. the Client closes the position;
 - b. We execute the right to earlier closure of your Transaction in the situations described in the General Provisions.

Standard Time of the Execution of the Order

- 8.3. We are not obliged to execute the Client's Order in a standard time.
- 8.4. Company's priority is to execute the order when it is requested by the client without any delay. The Company compares the execution time with other brokers and confirms that the execution time falls in the average execution time in the industry.
- 8.5. There can be delays in executing an Order. An Order may not be executed in the standard time in any of the following situations:

- a. failure of IT systems and tele informatic networks;
- b. suspension or closure of quotations of the Underlying Instruments or other similar situations;
- c. price gaps;
- d. erroneous quotation provided by the suppliers of prices or liquidity;
- e. delays in data transmission;
- f. significant volatility of the prices of the Underlying Instrument;
- g. low liquidity on the Underlying Instrument's market;
- h. exceptional market events on the Underlying Instrument's market;
- i. in the event of the Force Majeure circumstances;
- j. imposing specific conditions of Transaction execution by a particular underlying market;
- k. market opening;
- l. publication of macroeconomic data;
- m. significant market events;
- n. detailed instructions from the Client;
- o. Order execution conditions specific for the given Financial Instruments;
- p. awaiting for a confirmation or execution of the Transaction by the liquidity provider (regarding orders on Equity CFD);
- q. execution a pending Order;
- r. other circumstances specified in the Agreement.

8.6. At the request of the Client, we shall provide information on the time of execution of a given Order and the potential reasons for the delay, in the same manner in which we consider complaints (pursuant to the General Provisions).

9. Spread Changes

We apply the principle of quoting prices of Financial Instruments variable (floating) Spread. For detailed rules of quoting prices please refer to the General Provisions.

10. Order Volume

We shall reject or cancel a Client's Order if its amount exceeds the maximum value . Maximum value for Crypto CFDs provided [here](#).

11. Xstation Trading Platform

11.1 X Station Platform is the platform offered to our clients giving access to financial instruments offered by the Company for trading.

11.

11.2 Any change of the leverage value, following the General Provisions and the Table of Conditions regardless of the cause has no effect on the currently blocked Security Deposit value for the Open Position in xStation Trading Platform. This means that the leverage change affects only new positions and not existing opened positions.

11.3 The Trading Platform servicing the Client's Orders will affect what happens after the conclusion of a Reversed Transaction to the currently owned Open Position in the Client's Account. Reversed transaction considered by the Company as a hedging transaction opened by the client.

In the xStation Trading Platform, the Security Deposit calculated for only one of the two Reversed Transactions – for which the amount of the Security Deposit is higher, according to the Table of Conditions – is blocked. This mechanism also applies if the Transactions have been opened using a different leverage value.

12. Monitoring Order Execution Policy

We monitor the implementation of this Policy by: verifying the quality of quotations (including the marketability of quoted prices), verification of the performed transaction price deviations from the prices on the Trading Platform, monitoring complaints on Orders filed by the Clients, and undertaking an independent assessment of the manner of Order execution as part of an internal control or internal audit.

13. Specific Instructions from or on behalf of a Client

- 13.1. Whenever there is a specific instruction from or on behalf of a Client with regard to the execution of an Order, we arrange – to the extent possible – for the execution of the Client Order strictly in accordance with the specific instruction.

WARNING: It is noted that the specific instruction from or on behalf of a Client with regard to the execution of an Order, may prevent us from taking the steps that we have designed and implemented in this Policy to obtain the best possible result for the execution of those Orders in respect of the elements covered by those instructions. Nevertheless, it shall be considered that we do comply with our obligation to take all sufficient steps to obtain the best possible result for the Client.

- 13.2. Trading rules for specific markets or market conditions may prevent us from following certain of the Client's instructions.

14. Execution on Client Orders

14.1. When carrying out Client Orders the following conditions shall be satisfied:

- (a) we shall ensure that Orders executed on behalf of Clients are promptly and accurately recorded and allocated;
- (b) we shall carry out otherwise comparable Client Orders sequentially and promptly unless the characteristics of the Order or prevailing market conditions make this impracticable, or the interest of the client require otherwise;
- (c) we shall inform a Retail Client about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

15. Execution Venue

Execution Venues are the third-party entities to which the Orders in Financial Instruments (i.e. "CFDs") are placed for final execution. An "Execution Venue" means a regulated market (e.g. stock exchange), a multilateral trading facility, a systematic internalizer or market maker or another liquidity provider or an entity performing in a third country a function similar to any of the abovementioned.

The Execution Venue currently used by the Company is the following:

- a) XTB S.A.

We reserve the right to change its Execution Venues at our own discretion.

We evaluate and select the third-party Execution Venues we collaborate with, based on a number of criteria such as (but not limited to) the following:

- a) Regulatory status of the institution;
- b) The ability to deal with large volume of orders;
- c) the speed of execution;
- d) the competitiveness of commission rates and spreads;
- e) the reputation of the institution;
- f) the ease of doing business;
- g) the legal terms of the business relationship;
- h) the financial status of the institution;
- i) having access to an execution venue on a permanent basis.

The Company places different relative importance on each of the criteria mentioned above by using its commercial judgment and experience in the light of the information available on the market.

We select to work with an execution venue that enables us to obtain on a consistent basis the best possible result for our Clients. We also strive to use Execution Entities that themselves have a MIFID II compliant Order Execution Policy.

16. Payment between the Company and its Execution Venues

We receive fees/commissions, by XTB S.A., on the basis of the Cost-Plus method, resulting from the conclusion of an Intermediary Agreement between the Company and XTB S.A. reflecting the estimated market prices of the Services rendered by XTB S.A. to XTB Ltd and while doing that, we act in the best interest of the Clients.

Additional information on payments and/or non-monetary benefits between the Company and its execution venue, can be found in the document Ex-Ante & Ex Post information about the costs and charges related to the investment service available on the Company's [website](#).

17. Important Disclosures

17.1. The Company undertakes to summarise and make public on an annual basis, for each class of financial instruments, the top five execution venues in terms of trading volumes where the client orders were executed in the preceding year and information on the quality of execution obtained, in accordance to the relevant regulatory requirements.

We publish an annual Execution Quality Summary Statement (EQSS) which will, for each class of financial instruments, include a summary of the analysis and conclusions we will draw from our detailed monitoring of the quality of execution obtained on the execution venues where all Client Orders were executed in the previous year.

The EQSS (which can be found here: <https://www.xtb.com/cy/trading-services/account-information/legal-information>) includes:

- (a) an explanation of the relative importance the Company gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;
- (c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;
- (d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;
- (e) an explanation of how order execution differs according to client categorisation, where the Company treats categories of clients differently and where it may affect the order execution arrangements;
- (f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the Client;
- (g) an explanation of how the Company has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575;
- (h) where applicable, an explanation of how the Company has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

The abovementioned Annual report is released by the end of April each calendar year.

18. Amendment of the Policy and Additional Information

18.1. We reserve the right to review and/or amend its Policy and arrangements whenever we deem this appropriate according to the terms of the Client Agreement between the Client and the Company.

18.2. Should you require any further information and/or have any questions about the Policy please direct your request and/or questions to cs@xtb.com.