
SUMMARY OF BEST INTEREST AND ORDER EXECUTION POLICY

1. Introduction

1.1. This Summary of Best Interest and Order Execution Policy (“the Policy”) is provided to you (our Client or prospective Client) in accordance with the Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and Other Related Matters Law 144(I)/2007, as subsequently amended from time to time (“the Law”). Pursuant to the Law, Royal Forex Ltd (“the Company”) is required to take all reasonable steps to act in the best interest of its Clients when receiving and transmitting Client Orders and to achieve the best execution results when executing Client Orders and to comply, in particular, with the principles set out in the Law when providing investment services.

Further to this, the Client also agrees/consents to the fact that his orders will be executed outside Regulated Market (e.g. Licensed European Stock Exchange) or a Multilateral Trading Facility (e.g. European Financial Trading System).

2. Scope

2.1. This Policy applies to both Retail and Professional Clients (as defined in the Company’s Client Classification Policy). If the Company classifies a Client as an Eligible Counterparty, this Policy does not apply to such a Client.

2.2. This Policy applies when receiving and transmitting Client Orders or executing orders for the Client for all the types of Contracts for Difference (“CFDs”) offered by the Company.

3. Best Execution Factors

3.1. The Company shall take all reasonable steps to obtain the best possible results for its Clients taking into account the following factors when executing Clients’ Orders:

3.1.1. For Clients requesting to trade in CFDs:

(a) Price: For any given CFD, the Company will quote two prices: the higher price (ASK) at which the Client can buy (go long) that CFD, and the lower price (BID) at which the Client can sell (go short) that CFD. Collectively, the ASK and BID prices are referred to as the Company’s price. The difference between the lower and the higher price of a given CFD is the spread. Such orders as Buy Limit, Buy Stop and Stop Loss, Take profit for opened short position are executed at ASK price. Such orders as Sell Limit, Sell Stop and Stop Loss, Take profit for opened long position are executed at BID price. The Company’s price for a given CFD is calculated by reference to the price of the relevant

underlying asset, which the Company obtains from third party external reference sources. The Company's prices can be found on the Company's website or trading platforms. The Company updates its prices as frequently as the limitations of technology and communications links allow. The Company reviews its third party external reference sources from time to time to ensure that the data obtained continues to remain competitive. The Company will not quote any price outside the Company's operations time (see execution venue below) therefore no orders can be placed by the Client during that time.

If the price reaches an order such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop, these orders are instantly executed. However, under certain trading conditions it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop) 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, Take Profit, Buy Limit, Buy Stop, Sell Limit and Sell Stop orders, for a given CFD, is specified under your Trading Agreement.

(b) Costs: The provision of the Services by the Company is subject to payment of fees such as brokerage fees / commissions, Swaps/Rollover and other fees. It is noted that the brokerage fees / commissions are incorporated into the Company's quoted price (Spread). For keeping a position overnight in some types of CFDs the Client may be required to pay or receive financing fees "Swap/Rollover". Spreads and Swap rates, appear in the Contract Specifications on our [Website](#) and/or Platform. Any additional Company fees (such as account maintenance fees or inactivity fees) also appear on the [Website](#) and/or Platform.

(c) Speed of Execution: The Company does not execute the Client Order in CFDs as a principal to principal against the Client, i.e. the Company is not the Execution Venue (as defined in Commission Directive 2006/73/EC implementing MiFID) for the execution of the Client's Order. The Company transmits Client Orders or arranges for their execution with a third party(ies). However, the Company places a significant importance when executing Client's orders and strives to offer high speed of execution within the limitations of technology and communications links.

(d) Likelihood of Execution: The Company transmits Orders for Execution or executes it with another party, so execution may sometimes be difficult. The likelihood of execution depends on the availability of prices of the market makers/financial institutions. In some case it may not be possible to arrange an Order for execution, for example but not limited 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. In the event that the Company is unable to proceed with an Order with regard to price or size or other reason, the Order will not be executed. In addition, the Company is entitled, at any time and at its 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.

(e) Likelihood of settlement: The Financial Instruments (i.e. CFDs) offered by the Company do not involve the delivery of the underlying asset, so there is no settlement as there would be for example if the Client had bought shares.

(f) Size of order: The actual minimum size of an order is different for each type of Account. 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 for the value of minimum size of an order and each lot for a given CFD type. The Company reserves the right to decline an order as explained in the agreement entered with the Client. Please refer to the Company's website for the value of the maximum volume of the single transaction.

(g) Market Impact: Some factors may rapidly affect the price of the underlying instruments/products from which the Company's quoted price is derived and may also affect other factors listed herein. The Company will take all reasonable steps to obtain the best possible result for its Clients.

4. Execution Practices in Financial Instruments

(a) Slippage

You are warned that Slippage may occur when trading in Financial Instruments. 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 financial instruments. 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. Slippage may appear in all types of accounts we offer.

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It is noted that Slippage can occur also during Stop Loss, Take 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.

5. Best Execution Criteria

Under the Law, the Company will determine the relative importance of the above Best Execution Factors by using its commercial judgment and experience in the light of the information available on the market and taking into account:

- (a) The characteristics of the Client order.
- (b) The characteristics of the Financial Instruments that are the subject of that order.
- (c) The characteristics of the execution venue to which that order is directed.

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, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order, as applicable.

6. Client's Specific Instruction

6.1. Whenever there is a specific instruction from or on behalf of a Client for the execution of an Order, the Company shall 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 may prevent the Company from taking the steps in the Policy to obtain the best possible result for the Client.

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

7. Execution on Client Orders

7.1. The Company shall satisfy the following conditions when carrying out Client Orders:

- (a) ensures that orders executed on behalf of Clients are promptly and accurately recorded and allocated;

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- (b) carries out otherwise comparable Client orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable;
 - (c) informs a retail Client about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

8. Execution Venues

8.1. Execution Venues are the entities with which the Orders are placed. For the purposes of Orders for the Financial Instruments, third Financial Institution(s) will be the Execution Venue and not the Company. A list of these financial institution(s) will be made known to Clients in a durable medium or may be publicized on the main [website](#) of the Company. The list may be changed at the Company's discretion by giving at least one business day prior notice to the Clients.

8.2. 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 than regulated exchange transactions.

9. Client's Consent

By entering into a Client Agreement with the Company for the provision of Investment Services, the Client is consenting to an application of this Policy on him.

10. Amendment of the Policy and Additional Information

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate according to the terms of the Client Agreement between the Client and the Company.

Should you require any further information and/or have any questions please direct your request and/or questions to clients@royalforex.com. Otherwise you can send a message from your Trader's Room.