

# Order Execution Policy

This Order Execution Policy forms part of the Agreement as defined in the Terms of Business

## 1. CONDUCTING BUSINESS

1.1. We have a general duty to conduct business with you honestly, fairly and professionally and to act in your best interests when executing orders. More specifically, when we execute orders on your behalf, we will provide you with "best execution", meaning that we will operate according to procedures established in order to take reasonable steps to obtain the best possible result for our clients on a consistent basis.

1.2. This Policy is provided to you (our Client or prospective Client) in accordance with the relevant regulations.

1.3. By agreeing to the Terms of Business, you are also agreeing to the terms of this Order Execution Policy ("the Policy").

## 2. INSTRUMENTS

2.1. Swissmain.com (referred hereinafter as "the company", "we", "us" or "our") provides only the execution of orders for trading with contracts for difference ("CFDs") in stocks, FOREX, ETFs, indices, commodities and futures of commodities, indices and cryptocurrencies.

Meridian Banc Ltd., authorized and regulated by VFSC, company reference number 014691 is the primary liquidity provider of SwissMain.com.

## 3. COMMITMENT TO GIVE YOU BEST EXECUTION

3.1. When executing your orders, we will take all reasonable steps to achieve the best possible outcome for you by executing those orders according to this Policy and subject to any specific instructions received from you. This Policy comprises a set of procedures that are designed to obtain the best possible execution result, subject to and taking into account the nature of your orders, the priorities you have identified for us in relation to execution of those orders and the practices relating to the market in question. All this aims to produce a result which provides, in our view, the best balance across a range of sometimes conflicting factors. Our Policy cannot provide a guarantee that, when executing an order, our price will always be better than one which is or might have been available elsewhere.

## 4. DETERMINING WHETHER WE OBTAIN BEST EXECUTION FOR YOU

4.1. We act as principal in all dealings and as the sole execution venue for your orders, which are not executed on a regulated exchange or multilateral trading facility. We are required to take a number of factors into account when considering how to deliver best execution. We have rated price as the most important followed by:

- 4.1.1. cost;
- 4.1.2. size;
- 4.1.3. liquidity of the underlying market;
- 4.1.4. speed; and
- 4.1.5. likelihood of execution and settlement.

4.2. We provide best execution by ensuring that in arriving at our CFD bid/ask prices, we use the market price for the underlying product to which your order relates. We have access to a number of different data sources in order to generate our market price, our objective view of the bids and offers available to arms' length traders. We do not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as a priority factor.

4.3. We will determine the relative importance of the above best execution factors by using our commercial judgment and experience in the light of the information available on the market and taking into account the criteria described below:

- a) **Price:** For any given financial instrument the Company will quote two prices: 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 it (go short). The Company's price for a given financial instrument 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 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.

If the price reaches an order set by you such as: **Stop loss, Take Profit, Market Order or Limit/Stop**, these orders are instantly executed. However, under certain trading conditions it may be impossible to execute orders (**Stop loss, Take Profit, Market Order, Limit/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.

- b) **Costs:** For opening a position in some types of CFDs the Client may be required to pay commission or financing fees, the amount of which is disclosed on the Company's website. Commissions may be charged as fixed amounts. The spreads for the list of financial instruments can be found on the Company's website and trading platform.
- c) **Speed of Execution:** 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.

The Company executes the Client Order in CFDs as a principal to principal against the Client, i.e. the Company is the Execution Venue (as defined in Commission Directive 2006/73/EC implementing MiFID) for the execution of the Client's Order.

- d) **Likelihood of Execution:** The likelihood of execution depends on the availability of prices of other financial institutions/market makers. In some cases, 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 a 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 or will be executed at a different price. 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/Terms of Business.

- e) **Likelihood of settlement:** The Financial Instruments 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/maximum size of an order/position may be different for each type of Client Account.
- 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.

4.4. For all CFDs we take into account factors such as liquidity, volatility, carry interest, expected dividends and any variations in the underlying contract for the reference date of the expiry. As a result of all these varying factors, our bid/offer prices will generally not be the same as the cash price for the underlying product.

4.5. At the time we receive your order, there may be no functioning market or Exchange which is open for trading of the underlying product. Then the market may be illiquid, trade halted or suspended and other influences may affect the price and we reserve the right not to execute your order under such conditions.

## 5. EXECUTION PRACTICES IN THE FINANCIAL INSTRUMENTS

5.1. **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.

There must be noted that the slippage can also occur when we execute a '**stop loss**', '**take profit**' or '**trailing stop**' position at the opening time of the specific market for the underlying asset. When a certain market is open, we would execute any '**stop loss**', '**take profit**', '**trailing stop**' orders: at the

price requested by the Client. In the case with ‘**stop loss**’ and ‘**trailing stop**’ orders, we cover the difference between the price at which the order was submitted and the market price at which this order could be executed. Pending orders for opening a position are not guaranteed and can be executed at a different price during news or high instability. We do not guarantee the performance of your pending orders at that price, but confirm that your order will be executed at the next best possible market price compared to the price that you have specified in your pending order.

## **6. BEST EXECUTION CRITERIA**

6.1. Under our regulations, 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’s order.
- b) The characteristics of the Financial Instruments that are the subject of that order.

## **7. SPECIFIC INSTRUCTIONS**

7.1. Generally, CFDs based on equity instruments have no expiry date, however, should a transformation event be announced based on a takeover or a re-organisation, the date of the event may be used as the expiry date. All pending orders applied to CFDs on equity instruments based on cum-dividend prices will be valid for the ex-dividend price (and vice versa) unless specifically cancelled by the Client. The above is also valid if the CFD is on futures and the Client has a pending order submitted before the roll-over. Hence, the order will be valid after the roll-over towards the next futures contract.

## **8. EXECUTION ON CLIENT ORDERS**

8.1. The Company shall satisfy the following conditions when carrying out Client’s Orders:

- a) Ensures that orders executed on behalf of Clients are promptly and accurately recorded and executed;
- b) Carries out otherwise comparable Client’s 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 execution of orders promptly upon becoming aware of the difficulty.

## **9. NO AGGREGATION**

9.1. We will not combine your order with those of other clients for execution as a single order.

## **10. CLIENT’S CONSENT**

10.1. 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 them.

## **11. MONITORING AND REVIEWING OF OUR ORDER EXECUTION POLICY**

11.1. We will monitor the effectiveness of our order execution arrangements and this Policy. We will assess from time to time whether the venues relied upon by us in pricing our transactions allow us to meet our regulatory obligations on a consistent basis or whether we need to make changes to our execution arrangements or this Policy. Should there be any material changes to our order execution arrangements or this Policy, we will notify you.

## **12. CONTRACT DETAILS**

12.1. Full details of the trading conditions, including trading hours, for particular products are available on our website [www.swissmain.com](http://www.swissmain.com).

12.2. Should you require any further information and/or have any questions, please, direct your request and/or questions to [support@swissmain.com](mailto:support@swissmain.com).

## **13. NO FIDUCIARY DUTY**

13.1. We provide you with access to our Trading Platform and are not acting in any other capacity including as a fiduciary.

13.2. Our commitment to provide you with "**best execution**" does not mean that we owe you any fiduciary responsibilities beyond the specific regulatory obligations placed upon us or as may be otherwise agreed between us.