



ORDER EXECUTION POLICY

1. Introduction

Vstar Limited ("the Company") is authorized and regulated by the Financial Services Commission under license number GB21026599. The Company operates under the Financial Services Act 2007, the Securities Act 2005, the Securities (Amendment) Act 2021, as amended from time to time.

2. Purpose

This Order Execution Policy provides the procedures and methods the Company applies to ensure the prompt, fair and expeditious execution with best trade execution condition for the client. Upon acceptance of a client order for securities listed on regulated markets and outside, the Company will endeavor to execute that order in accordance with the following policy, unless otherwise instructed by the client in respect to order execution.

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

The Company is always the counterparty (or principal) to every trade; therefore, if the Client decides to open a position in a Financial Instrument with the Company, then that open position can only be closed with the Company. The Company does not guarantee that when executing a transaction, the client's price will be more favorable than one which can be obtained elsewhere.

This Policy applies when the Company executes client's orders provided that the following criteria are satisfied:

- The client is dealing in financial instruments covered by Company's license
- Specific instructions given by the client do not prevent the Company from providing to the client this Policy
- The Company did not provide the client with direct market access through an electronic interface which links only to a particular execution venue.

3. Legal Framework

In accordance with the Financial Services Act 2007, the Securities Act 2005, the Securities (Amendment) Act 2021, investment firms must take all reasonable steps to obtain, when executing orders, the best possible result for their clients considering price, costs, speed, likelihood of execution, size, nature or any other consideration relevant to the execution of the order. Nevertheless, whenever there is a specific instruction from the client, the investment firms shall execute the order following the specific instruction.

In addition, investment firms must establish and implement an order execution policy to allow them to obtain, for its clients' orders, the best possible result.

4. Execution Factors

In general, all client orders will be executed in accordance with the time of their reception. All sufficient steps will be taken in order to obtain, when executing orders, the best possible result for clients.

Where the Company executes an order on behalf of a Client, the best possible result shall be determined in terms of the total consideration, representing the price of the financial instrument and the costs relating to execution, which shall include all expenses incurred by the Client which directly relate to the execution of the order. For determining the relative importance of the execution factors, the following criteria are taken into account:

- The characteristics of the Client;
- The characteristics of the Client order;
- The characteristics of Financial Instruments that are the subject of that order;
- The characteristics of the Execution Venues to which that order can be directed.

The Execution Factors that the Company will take into account when executing orders will include:

i. **Price of the financial instrument**

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 BID and the ASK 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.

The main way in which the Company will ensure that the Client receives the best price will be to ensure that the calculation of the bid/ask spread is made with reference and compared to a range of underlying price providers and data sources. The Company reviews regularly or at least once a year its Execution Venue to ensure that relevant and competitive pricing is offered.

Despite the fact that the Company takes every sufficient step to obtain the best possible result for its Clients, it does not guarantee that when executing an Order its price will be more favorable than one which might be available elsewhere.

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.

ii. **Re-quoting**

In some cases, the Company may be providing a secondary quote to the Client after an Order has been submitted; the Client must agree to this re-quote before the order is executed. The Company shall provide re-quotes if the requested price of the Client is not available at the specific time of execution. The secondary quote provided to the Client is the next available price received by the Company from its liquidity providers. It is noted, that re-quotes are not applicable for accounts or currency pairs with Market Execution or for Pending Orders.

iii. **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 high 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. 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. 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.

iv. **Partial Fills**

This is the practice of executing an order in parts if there is not enough liquidity in the market at the time in order to fill-in the full order at a specific price. Partial fills may be executed at different prices.

v. **Costs**

The Company does not charge commission fees, however, for opening a position in some types of CFDs the Client may be required to pay financing fees, depending on specific factors which are disclosed on the Company's website.

Commissions: Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amounts. More information on commissions can be found on the Company's website.

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. Details of daily financing fees applied are available on the Company's website. For all types of CFDs that the Company offers, the commission and financing fees are not incorporated into the Company's quoted prices and are instead charged explicitly to the Client account.

In addition, where the Company transmits orders for execution to another third party, the Client may be required to pay additional costs (whether Execution Venue fees or other fees paid to a third party involved in the transaction), the amount of which is disclosed on the Company's website.

Note that the Company nevertheless may obtain a commission/inducement from its Liquidity Provider in consideration for the transmission of Clients Orders for execution to the Liquidity Provider. The Client has the right to contact the Company for more clarifications in relation to these commissions. Should the Company at any period of time decide not to charge such costs, it shall not be construed as a waiver of its rights to apply them in the future, with prior notice to the Client as explained in the Client Agreement found on the Company's website. Such notice

may be sent personally to the Client and/or posted on the Company's website. Further information can be found in the Company's website support@vstartrade.com.

vi. **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. 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 the Company's trading platform 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 the Company.

The Company executes the Client Order in CFDs as a principal to principal against the Client, i.e. the Company is the Execution Venue for the execution of the Client's orders for the CFDs provided by the Company.

vii. **Likelihood of execution and settlement**

In some cases it may not be possible to arrange an order for execution, for example, but not limited to, in the following cases: during news times, trading session start moments, 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.

However, the Company reserves the right to decline an order of any type or to offer the Client a new price for "market order" under certain market conditions such as volatile market conditions, opening gaps on trading session start moments, during news announcements, on gaps where the underline instrument has been suspended or restricted on a particular market, if there is insufficient liquidity for the execution of the specific volume at the requested price.

Where the Company may transmit orders for execution to a third party (another Execution Venue), the likelihood of execution depends on the pricing and available liquidity of such other third party.

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

The Company shall proceed to a settlement of all transactions upon execution of such transactions. The Financial Instruments of CFDs offered by the Company do not involve the physical delivery of the underlying asset, so they are not settled physically as there would be for example if the Client had bought shares. All CFDs are cash settled.

viii. **The size of the order**

The actual minimum and maximum size of an order that the Client can place is different for each type of CFD and may vary between different types of account groups. The relevant size of the minimum/maximum size of order is provided to the Client, through the trading platform, once the Client selects to place an order for a specific CFD. The Company reserves the right to decline an Order in case the size of the Order is large and cannot be filled by the Company or for any other reason as explained in the Client Agreement

ix. **The nature of the order**

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

- a) **Market Order:** This is an order to buy or sell at the current market price that is available. The system automatically aggregates the volume received from third party liquidity providers and executes the 'market order' at VWAP ('Volume- Weighted Average Price') that is the average and best available price at the time of the execution. Once the 'market order' is triggered it shall be subject to the conditions described in the 'Good 'til Cancelled' section.

- b) **Good 'til Cancelled ('GTC')** (= Expiry): this is an execution setting that the client may apply to 'pending orders'. The order may remain 'live' and pending for execution until the order is triggered and treated as a market order or cancelled by the client.
- c) **Instant Order:** this is an order to either buy or sell at the 'ask' or 'bid' price (respectively) as it appears in the quotes flow at the time the client presents the order for execution.
- d) **Pending Order:** A pending order is an order to buy or sell a financial instrument in the future once a certain price specified by the Client is reached. The Company offers four types of pending orders. Buy Limit, Buy Stop, Sell Limit and Sell Stop. Stop Loss and/or Take profit limits can be attached to this type of order. The Client may modify an order before executed but has no right to modify or remove "Stop Loss", "Take Profit" and "Pending Order" orders if the price has reached the level of the order execution.
- e) **Stop Orders:** this is an order to buy or sell once the market reaches the 'stop price'. Once the market reaches the 'stop price' the 'stop order' is triggered and treated as a 'market order'*. If the 'stop order' is not triggered it shall remain in the system until a later date subject to the conditions described in the 'Good 'til Cancelled' section. For CFDs on FX, spot metals, equities and indices, 'stop orders' should be placed a minimum number of pips away from the current market price in order for these to be valid. Stop Orders placed within the current bid-ask spread will be automatically removed.
- f) **Stop Loss:** this is an order to minimize losses. Once the market reaches the 'stop loss price' the order is triggered and treated as a 'market order'*. If the 'stop loss' is not triggered it shall remain in the system until a later date. For CFDs on FX, spot metals, equities and indices, 'stop loss' orders should be placed a minimum number of pips away from the current market price in order for these to be valid. 'Stop Loss' orders placed within the current bid-ask spread will be automatically removed.
- g) **Take Profit:** this is an order to secure profits. Once the market reaches the 'take profit price' the order is triggered and treated as a 'limit order'. If the 'take profit' is not triggered it shall remain in the system until a later date. For CFDs on FX, spot metals, equities and indices, 'take profit' orders should be placed a minimum number of pips

away from the current market price for these to be valid. 'Take Profit' orders placed within the current bid-ask spread will be automatically removed.

- h) **NOTE:** Most of the orders shall be automatically executed by Company's Platform as described above. But it should be noted that the Company reserves the right, at its absolute discretion, to manually execute in whole or in part an order of 100 lots or above, for major currency pairs. The same practice applies for orders of a significant size for minor currency pairs. In addition, orders may be manually executed at the discretion of the Company in the event of a reasonable suspicion of arbitrage practices unrelated to market inefficiencies, including, but not limited to, latency arbitrage and swap arbitrage.

x. **Any other relevant factors**

The Company considers, but without the list being exhaustive, as relevant factors that might affect the execution of Clients Orders, fundamental announcements and unusual market conditions such as low liquidity or/and high volatility. The Company may execute at such times the orders manually which can have an impact on the price and speed the orders are executed. The Company will take all enough steps to obtain the best possible result for its Clients but during times of high demand manual pricing and/or execution may cause delays in processing an order which in turn can have an impact on the price and speed at which the order is executed. Furthermore, in the case of any communication or technical failure, as well as any incorrect reflection on the quotes feed, the Company reserves the right not to execute an order or change the opening and/or closing price of a particular order.

The Company will determine the relative importance of the Execution Factors by using its commercial judgment and experience in the light of the information available on the market and taking into account the Execution Criteria described below. Demonstrating best execution does not necessarily involve a transaction-by-transaction analysis, but rather involves an assessment of a record of transactions over a period indicating that overall the best results are achieved by executing orders on the client's behalf on the Execution Venues and in the manner described in this Order Execution Policy.

In certain markets and trading situations such as "over the counter" (OTC) markets there may not be an equivalent publicly available market price for the instrument being traded. In such

situations the Company will use its experience and commercial judgment to take into account all relevant information available to it and apply this Order Execution Policy with a view to achieving the best possible result in terms of the total consideration.

In some cases, as a result of a system failure or otherwise the Company may have no alternative but to execute an order using a method other than the method it has selected based on this Order Execution Policy. In such cases, the Company will endeavor to execute the order on the best terms possible.

In the absence of specific client instructions, the Company will take into consideration all factors that will allow it to deliver the best possible result in terms of the total consideration, representing the price of the financial instrument and the costs related to execution which shall include all expenses incurred by the client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. Speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transaction costs may be given precedence over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to the client. The Client may request the Company to execute upon receipt instructions conveyed by telephone or any other written means of communication that each of the present and future account holders, attorneys and duly authorized representatives shall give individually to the Company, even if these instructions are not followed by a confirmation in writing. The Company does not accept any liability in case of miscommunication, error in the identification of the person giving the instructions or other errors on its part related to such means of communication and which may involve losses or other inconvenience to the Client. We are under no obligation to accept an Order from a Client through the above means of communication. However, we shall normally do so if you have sufficient funds in your Account with us, you are not otherwise in breach of the Agreement, and it is possible to execute such Order. Factors such as the size of your Order and liquidity available in the Financial Instrument you wish to trade will impact whether and when it is possible to execute your Order.

The Company has the right, at its own discretion, to start closing Clients positions once the minimum margin levels are not maintained starting from the most unprofitable one.

5. Best Execution Criteria

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

- The characteristics of the client
- The characteristics of the client order
- the characteristics of financial instruments that are the subject of that order
- The characteristics of the execution venues to which that order can be directed

The best possible result (or “Best Execution”) shall be determined in terms of the total consideration, representing all the factors stated below.

6. Best Execution Factors

We will take all sufficient steps to obtain the best possible result for our Clients, when executing orders, taking into account the price, costs, speed, likelihood of execution, size, nature or any other consideration relevant to the execution of the order.

In relation to the best execution criteria, for orders that are not wholly covered based on your specific instructions, we shall take into consideration the execution factors and their relevant importance in the order presented below:

A) Price – High Importance

Price is one of the most important factors in order for the Company to meet its best execution obligations. The Company receives its prices from its Liquidity Providers and uses price aggregation technology to detect and quote the best Bid and Ask quote from the LPs to the trading platform. We do not however guarantee that our quoted prices will be at a price which is as good, or better, than one might have been available elsewhere.

- Bid-Ask Spread: For any given financial instrument, we quote two prices: the higher price (Ask), at which the Client can buy (go long) a financial instrument, and the lower price (Bid) at which the Client can sell (go short); collectively, referred to as the Firm's prices. The difference between the Bid and the Ask price of a given financial instrument is the spread, which includes Company's mark-up.

- Pending Orders: Such orders as 'Buy Limit', 'Buy Stop' and 'Stop Loss'/'Take Profit' for opened short positions are executed at the ASK price. Such orders as 'Sell Limit', 'Sell Stop' and 'Stop Loss'/'Take Profit' for opened long positions are executed at the BID price.
- Our price for a given financial instrument is calculated by referencing the price of the relevant underlying asset, which is obtained from third-party liquidity and data providers. We update our prices as frequently as the limitations of technology and communication links allow. We will not quote any price outside of our operational hours. The Company regularly, and at least once a year, reviews the pricing of and quality of service offered by its liquidity providers, to ensure that the prices obtained remain competitive and that their service is of high standards.

B) Costs – High Importance

- The Client may be required to pay 'Financing Fees' (swaps or rollover fee) and/or commissions. Financing Fee: In the case of Financing Fees, the value of open positions in some types of Financial Instruments is either increased or reduced by a daily financing fee ('swap') until the open position is being closed. Financing fees are based on prevailing market interest rates, which may vary over time.
- Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amount.

C) Speed of Execution – High Importance

We place a significant importance in this factor when executing Client orders and to this end we maintain high speed connections through multiple servers hosted globally within the limitations of technology and communications links. However, the use of any form of unstable connection at the Client's end, whether wireless or dial-up, may result in poor or interrupted connectivity, which may cause delays in the transmission of data between the Client and us.

As the Client places Orders through the Company's Electronic Trading Platforms, the Client is exposed to risks associated with that, including the failure of hardware and software (e.g. Internet connectivity issues, server downtimes, etc). This may result that your Order is either not

executed in accordance with your expectations or it is not executed at all. The Company does not accept any liability in the case of such a failure.

D) Likelihood of Execution – Medium Importance

The Company is the sole Execution Venue for the execution of the Client's Orders for the Financial Instruments provided by the Company and, as such, it strives to execute, in whole, all Orders placed by the Clients. However, it reserves the right to decline or partly fill in any Order or to execute the order at the first available market price without providing any justification to Client. We rely on third-party LPs for prices and available volume of the different financial instruments we offer. Therefore, the execution of Client's orders will depend on whether there are prices and liquidity available at the time these orders are received. By having various LPs, the likelihood of execution across the instruments we offer is high. This availability may be subject to variation, especially during abnormal market conditions, such as:

- a) During market opening times.
- b) During times of market news and events.
- c) During periods of significant volatility.
- d) Where there is a rapid price movement of an instrument, to such extent that under the rules of a relevant exchange, trading on said instrument is suspended or restricted.
- e) Where there is insufficient liquidity for the execution of a specific volume at a specific declared price.
- f) Where the Company internal risk limits no longer permit the acceptance of any further orders on a specific instrument.

E) Size of Order – Low Importance

The minimum size of an order may be different for each asset type and/or financial instrument. A Lot is unit measuring the transaction amount and it is different for each type of Financial Instrument.

Please refer to the website and/or platform for the value of minimum size of an order or minimum Lot for a given CFD type. The Company reserves the right to decline an order as explained in the Client Agreement entered with the Client.

F) Likelihood of settlement – Low Importance

All transactions are settled upon execution.

G) Market Conditions – Low Importance

Some market factors may affect rapidly the Company's quoted price of the Financial Instruments. These factors may, in turn, affect some of the other execution factors listed above. The Company takes all reasonable steps to obtain the best possible result for its Clients.

The Company does not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as priority factor.

7. Specific Instructions

Where the client provides the Company with a specific instruction in relation to his/her/it order or any part of it, including selection of execution venues, the Company will execute that order in accordance with those specific instructions and, in doing so, it will have complied with its obligations to provide the best possible results to the extent that those instructions are followed. However, the Company would like to warn its clients that any specific instruction may prevent the Company from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.

8. Corporate actions

Dividends:

- a) Clients holding long positions on the applicable share and/or spot index at the ex-dividend date will receive a dividend in the form of a cash adjustment (deposit, paid into their trading account).
- b) Clients holding short positions on the applicable share and/or spot index at the ex-dividend date will be charged the dividend amount in the form of a cash adjustment (withdrawal, deducted from their trading account).

- c) We reserve the right to increase margin requirements prior to the release of a dividend.
- d) Stocks may be offered as a dividend. The dividend amount will be calculated using the share price to determine the cash adjustment (see Fractional Share Adjustments):

Fractional Share Adjustments: In the event the corporate action results in a fractional position, the fractional component may be represented as a cash adjustment independent of the handling for the non-fractional position. The adjustment value will equal the fractional position times the adjusted closing price on the day prior to the ex-date.

Other Corporate Actions (including, but not limited to Stock Splits and Rights Issue): An appropriate adjustment on the Client's position will be made to mirror the economic impact of a corporate action.

Earnings Announcements: We may increase margin requirements and limit maximum exposure on the relevant symbols prior to earnings announcements.

De-listing: In the event of a share being de-listed, the Client's position will be closed at the last market price traded.

For certain corporate actions not specifically mentioned in this section, including, but not limited to Mergers, Acquisitions and Leveraged Buyouts, we reserve the right to:

- a) increase margin requirements;
- b) suspend or halt trading in the relevant instrument;
- c) limit the maximum exposure (order size) to the relevant instrument;
- d) close the positions in the event that the relevant instrument is no longer trading on the relevant exchange;
- e) take any other action as we deem necessary in the given circumstances.

9. Execution Venues

Execution Venues means a regulated market or a multilateral trading facility (MTF) or a systematic internalize or a market maker or another liquidity provider or an entity performing in a third country a function similar to any of the abovementioned, with which the Company places client's orders for execution or to which it transmits orders for execution.

For the purposes of orders for the financial instrument provided by the Company, the Company acts as principal and not as agent on the Client's behalf; therefore, the Company is the sole Execution Venue for the execution of the Client's orders.

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

Where the Company were to apply different fees depending on the Execution Venue (which is not the case at present given that we are your sole Execution Venue), we will explain these differences in sufficient detail to allow you to understand the advantages and disadvantages of the choice of a single Execution Venue. Costs should include execution fees, including fees for the submission, modification or cancellation of orders or quotes withdrawals, as well as any fees related to market data access or use of terminals. The relevant costs may also include clearing or settlement fees or any other fees paid to third parties involved in the execution of the order when they are part of the services provided by the execution venue.

The Company will never invite clients to choose an execution venue, however in case the company takes such action fair, clear and not misleading information shall be provided to prevent the client from choosing one execution venue rather than another on the sole basis of the price policy applied by the firm.

Where there is more than one competing venue to execute an Order Company's own commissions or fees for executing the Order on each of such execution venues will be taken into account. For the purposes of preventing unfair discrimination between execution venues the

Company will not charge a different commission or spread for execution on different execution venues other than to reflect actual differences in the cost to the Company of executing on those venues.

The Company shall not receive any remuneration, discount or non-monetary benefit for routing client Orders to a particular execution venue which may lead to a conflict of interest. This particularly includes instances where such execution venues (e.g. internalisers matching client orders) are also connected parties with the Company. Under the same principle, the Company should not be bound to use services of connected intermediaries (e.g. liquidity providers of the same group) for executing a client Order if the overall cost of such execution, including the intermediary's fee, unfairly exceeds the cost of execution of such an Order through another immediately available intermediary with no specific benefit for the Client (e.g. favorable maintenance or custody fee).

The company will not pay or be paid any fee or commission, or provide or be provided with any nonmonetary benefit in connection with the provision of an investment service or an ancillary service, to or by any party except the client or a person on behalf of the client, other than where the payment or benefit:

- a) is designed to enhance the quality of the relevant service to the client; and
- b) does not impair compliance with the investment firm's duty to act honestly, fairly and professionally in accordance with the best interest of its clients.

The existence, nature and amount of the payment or benefit referred to in the first subparagraph, or, where the amount cannot be ascertained, the method of calculating that amount, will be clearly disclosed to the client, in a manner that is comprehensive, accurate and understandable, prior to the provision of the relevant investment or ancillary service. Where this payment or benefit vary depending on the client, the company will also inform the client about the maximum payment or benefit or range of payment or benefit that may be payable. Where applicable, the company will also inform the client on mechanisms for transferring to the client the fee, commission, monetary or nonmonetary benefit received in relation to the provision of the investment or ancillary service.

The payment or benefit which enables or is necessary for the provision of investment services, such as custody costs, settlement and exchange fees, regulatory levies or legal fees, and which by its nature cannot give rise to conflicts with the company's duties to act honestly, fairly and

professionally in accordance with the best interests of its clients, is not subject to the requirements set out in the first subparagraph.

10. Receipt and transmission of orders and use of brokers (including Company's affiliated and third-party brokers)

Subject to any specific instructions that may be given by a client, the Company may transmit an order that it receives to another Company's entity or to an approved third-party broker, for execution. In doing so, the Company will act in the best interests of the client. The Company will monitor the quality of this service from receipt and transmission of the order to final execution. The Company may also execute client order via other brokers, including an affiliate of the Company or a third party broker.

The obligation to provide best execution applies to all types of financial instruments and is not based on whether or not the instrument is listed in the EEA. Therefore, the Company will require its affiliates and other third-party brokers to apply best execution.

11. Liquidity Providers / Price Providers / Brokers

In order to select its Liquidity Providers / Price Providers / Brokers the Company considers the following criteria (the list is not exhaustive), if applicable:

- Their regulatory status;
- Their Financial strength;
- Rating;
- Reputation;
- Perceived creditworthiness - Credit risk rating (if available);
- Whether offered prices are as good as or better than, other competitors;
- Competitiveness of Commission rates, spreads and fees;
- Costs: whether imposes, or its use results in, charges that are higher or lower than its competitors;
- Ability to deal with large volumes;
- Order sizes that typically accepts;

- Promptness of execution;
- How quickly tends to complete an order;
- The depth of trading opportunities - and thus, the likelihood that will be able to complete the client order;
- Whether and how well performs in executing different types of orders (buy, sell, limit order, etc);
- Past history in executing orders;
- Clearance and settlement capabilities;
- Ability to settle customer's orders according to the customer's instructions;
- Provision of delegated regulatory reporting;
- Market share;
- Tenure;
- Reliability of technology;
- Quality of service;
- Quality of Execution (i.e. speed of execution, rejections, slippage, etc)

12. Evidence of best execution

Upon reasonable request from a client, and provided that the order was subject to the Policy, the Company will demonstrate to the client that it has executed its order in accordance with this Policy. In the absence of evidence to the contrary, the records of the Company will constitute conclusive evidence of the actions taken by the Company to obtain Best Execution on behalf of its clients. The Company keeps all records relating to its trading activities and versions of this Policy, for a minimum period of 5 years in accordance with the local regulatory requirements.

13. Monitoring / Reviewing

The Company will review and monitor the effectiveness of this Order Execution Policy and arrangements to identify and, where appropriate, correct any deficiencies. It will assess, at least annually, whether the execution venues included in this Order Execution Policy enable the Company to provide the best possible result for the client's orders and whether it needs to make

changes to its execution arrangements. If at any time we identify any deficiencies, we shall take appropriate remedial action and, where necessary, we shall amend this Policy to give effect to the action we have carried out. Amendments to this Policy shall be effective immediately.

Furthermore, a review will also be carried out whenever a material change occurs that affects the ability of the Company to continue to obtain the best possible result for the execution of its client orders on a consistent basis using the venues included in this Order Execution Policy. The Company will not notify its clients individually of changes, other than substantial material changes to this Order Execution Policy and therefore the Client should refer from time to time to the Company website where the latest and most up to date Execution Policy will be available.

We shall also provide you, within a reasonable time, should you request, documented evidence which demonstrates clearly that we have executed your Orders in accordance with this Policy and information about our Order Execution Arrangements.

For the purpose of this Policy, we shall maintain records of the prices for individual financial instruments shown on our Electronic Trading Platform, including details about costs, speed and likelihood of execution, for a minimum period of five (5) years. We shall also keep records which evidence our ongoing monitoring of best execution and which demonstrate our compliance with best execution obligations to any Competent Authority.

The Company considers that the following factors, the list is not exhaustive, constitute Material Change:

- Change of execution venues (Liquidity Providers / Price Providers / Brokers)
- Significant delay in the execution of orders
- Significant deviation between “positive slippage” and “negative slippage”
- Significant increase in the number of re-quotes
- Significant deviation of the quoted prices compared with the average market price
- Any change to the relative importance of execution criteria and relevant factors as described in this policy
- Changes of the platform(s) used by the Company for execution of client’s orders

14. Prior Consent

When establishing a business relationship with the Client the Company is required to obtain client's prior consent to its Order Execution Policy.

The Company is also requiring client's express prior consent in the event that their orders will be executed or transmitted for execution outside of a regulated market or multilateral trading facility ("MTF"). This Company's Order Execution Policy provides for the possibility that client's orders may be executed or transmitted for execution outside a regulated market or an MTF. The Client is informed that the Company always acts as principal (counterparty) and is the sole execution venue, which is not a regulated market or a multilateral trading facility ("MTF").

The Company may obtain the above consents in the form of a general agreement. The Company will treat clients who have either received the Execution Policy or agreed to receive it in any electronically format or via the internet and have accepted the Terms of Business of the Company, as Clients who have given consent to the Policy as well as given consent to the Company to execute or receive and transmit an order for execution outside a regulated market or MTF.

15. Important Information

CFDs are not eligible for sale in certain jurisdictions or countries. The Policy is not directed to any jurisdiction or country where its publication, availability or distribution would be contrary to local laws or regulations, including the United States of America. The Policy does not constitute an offer, invitation or solicitation to buy or sell CFDs. It may not be reproduced or disclosed (in whole or in part) to any other person without prior written permission. The Policy is not intended to constitute the sole basis for the evaluation of the client's decision to trade in Contracts for Difference (CFDs).

Thanks to the cooperation with the leading providers, we can offer our clients a high level of the liquidity, which provides fast and secure execution of all transactions.

The Company will obtain the best possible result for the client in respect of the elements covered by their instructions.

16. Requests for further Information

The client has the right to make reasonable and proportionate requests for information about this policy or company's order execution arrangements and how they are reviewed by the company. The company will clearly provide relevant information to the client as soon as possible.

Vstar Limited

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