

Best interest and order execution policy

Version 6, April 2023

1. Introduction

- 1.1 This Summary Best Interest and Order Execution Policy (“the Policy”) is provided to you (our Client or prospective Client) in accordance with the Investment Services and Activities and Regulated Markets Law of 2017 L. 87(I)/2017, as subsequently amended from time to time (“the Law”) and as per Sections 5 and 6 of the Commission Delegated Regulation 2017/565. Pursuant to the Law, Key Way Investments Ltd (“the Company”) operating trading name ‘CAPEX.com’, is required to take all sufficient steps to obtain the best possible result for its Clients when receiving and transmitting Client Orders and when executing Client Orders, and to comply, in particular, with the principles set out in the Law when providing investment services.

By opening a trading account (Client Account) with the Company, the Client also agrees/consents to the fact that his/her orders will be executed OTC (over the counter) and, therefore, outside Regulated Market (e.g., Licensed European Stock Exchange) or a Multilateral Trading Facility (e.g., European Financial Trading System), or an Other Trading Facility as defined in L.87(I)/2017, thus exposing the Client to greater risk.

The Company executes Clients’ Orders on Contracts for Difference (“CFDs”) in forex pairs, stocks, commodities, indices, cryptos, bonds, exchange traded funds (ETFs), thematix and currency pairs.

Moreover, the Company receives and transmits Clients’ Orders in relation to Transferable Securities (hereinafter the “Securities”). The Company acts as an agent with respect to Securities’ dealing trades with clients which means that all Clients’ Orders on Securities will be received and transmitted for execution to a third-party Execution Broker, that being EXT Ltd. EXT Ltd routes orders to the multilateral trading facility or third parties that can execute trades on stock exchanges by the prices of stock exchange. All prices quoted by the Company are provided by Safecap Investments Ltd, Finalto Financial Services Limited, and Finalto Trading Limited, and are indicative of the market price at which the Clients’ Orders will be executed; execution of Clients’ Orders will be arranged by EXT Ltd.

For the purposes of this Policy, Clients’ Orders will refer to orders submitted from clients on CFDs and/or Securities.

2. Scope

- 2.1 This Policy applies to both Retail and Professional Clients (as defined in the Company's Client Categorization Policy. If the Company classifies a Client as an Eligible Counterparty, this Policy does not apply to such a Client, however the general obligations for the execution of the said clients orders' still apply. Additionally, the policy should be read in conjunction with the Company's [Conflict of Interest Policy](#) found on the Company's website, as well as the [Company's Terms & Conditions](#).
- 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. The Policy also applies when receiving and transmitting Client Orders for all the Securities offered by the Company.

3. Best Execution Factors

- 3.1 The Company shall take all sufficient steps to obtain the best possible results for its Clients when receiving, transmitting and executing Clients' Orders and obtain the best possible results for its Clients taking into account the following factors when dealing with Clients' Orders: price, costs, speed, likelihood of execution and settlement, size, market impact or any other consideration relevant to the execution of the order. We do not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as priority factor.

a. Price:

For any given CFD, the Company will present 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, Stop Loss, and Take Profit for an opened short position, are executed at ASK price. Such orders as Sell Limit, Sell Stop, Stop Loss, and Take Profit for an 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 (i.e., price feeders plus a fixed mark-up with added costs). The Company when executing clients' orders under its Dealing on Own Account License, executes the orders at the same prices as obtained from its price feeders. The Company's prices can be found on the Company's Website and/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 Venues below) therefore no orders can be placed by the Client during that time. To ensure the Company offers competitive prices and better execution for its clients, the Company monitors the execution of the orders per instrument and per client, comparing the executed prices, as well as the spread and the swaps against an independent and reputable source used by the Company. The latency of the orders is also monitored to ensure fairness of execution. In addition, the Company monitors and reviews the statistics related to the symmetry of any observed slippages (positive vs negative) taking into account the number of orders, the volume of orders (i.e. in pips) and the value of orders.

For any given Security available on the Company's Platform, the Company will present a buy and sell price. This quote is only indicative of the market price at which the client can Buy the Security or Sell their existing shareholding. Therefore, Clients' Orders may be executed at a different price than the quoted price or the last reported price at the time of Order entry.

This indicative price is obtained from third-party providers, who source their prices from a number of exchanges and other execution venues.

If the price reaches an Order set by you, the Order is automatically executed. In volatile markets, especially at or near the open or close of the standard trading session, execution may be at a substantially different price from the quoted price (please also refer to the "Slippage" explanation under point 4 of this policy), or the last reported price at the time of Order entry. Volatile or illiquid markets may result in partial executions or execution of large Orders in several transactions at differing prices. Opening prices may differ substantially from the closing prices of the previous day.

The Company does not provide Direct Electronic Access as defined in the Law.

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 or Security, is specified under your Trading Agreement.

b. Costs:

For opening a position in some types of CFDs the Client may be required to pay commission, swap fees or conversion fees (where the currency of the account is different than the CFD currency pair or currency denomination of the CFD) the amount of which is disclosed on the Company's website.

Commissions: Commissions are charged in relation to Clients' Orders either in the form of a percentage of the overall value of the trade or as fixed amounts.

For each Buy or Sell Order that the Company transmits with respect to UK, USA and EU Securities, the Company charges commission fees. In relation to Clients' Orders on EU and UK Securities, the Company shall charge commission fees based on the order's volume (i.e. on total cost of the Securities that are part of the order), while in relation to Clients' Orders on USA Securities, the Company shall charge commission fees based on the order's size (i.e. on the quantity of Securities that are part of the order). For more information, please find available on our website the Summary of Charges and Fees.

The spreads for the list of CFDs and Securities can be found on the Company's website and/or the Platform(s).

Swap Fee: In the case of Swap 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 contract. Swap fees are based on prevailing market interest rates, which may vary over time. Details of daily swap fees applied are available on the Company's website. For all types of CFDs that the Company offers, the commission and Swap Fees are incorporated into the Company's quoted price.

It is also noted that Client Account may be charged with additional fees such as Client Account maintenance fees/inactivity fees, found on the Company's website. 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.

c. Speed of Execution:

The Company executes the Client Orders through its Straight Through Process (STP) model. The Company transmits Client Orders or arranges for their execution with a third party(ies).

In relation to Clients' Orders on CFDs, the Company may execute such orders as a principal to principal against the Client, i.e., the Company to be the Execution Venue for the execution of the Client's Order. The Company will not act as an Execution Venue for the execution of Clients' Orders on Securities.

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 Platforms resulting in 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.

d. Likelihood of Execution:

In relation to Clients' Orders on CFDs, the Company transmits Orders for Execution or executes them with another party, or it may act itself as the counterparty to a client transaction. In relation to Clients' Orders on Securities, the Company transmits such orders for execution by another party.

The likelihood of execution of Clients' Orders on CFDs depends on the availability of prices of the market makers/financial institutions to which clients' orders are transmitted to and/or the Liquidity Providers the Company holds own accounts with. The likelihood of execution of Clients' Orders in Securities depends on the relative liquidity of the venue available for execution. In some cases, it may not be possible to arrange for the execution of a Client's Order, for example in, but not limited to, 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, upon restrictions that may be imposed from the liquidity provider of execution venue, a force majeure event has occurred.

In the event that the Company is unable to proceed with a Client's Order with regards to price or size or other reason, such order will be either rejected or partially filled.

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 <https://capex.com/en/company/legal-documents>.

In relation to Clients' Orders on Securities, the Company does not accept such orders outside the market hours of the relevant Security. All Securities are traded in accordance with the trading hours of the exchange on which the instrument is traded.

e. Likelihood of settlement:

In relation to Clients' Orders on CFDs offered by the Company, these do not involve the delivery of the underlying asset, so there is no physical settlement - all CFDs are financially (i.e., cash) settled.

In relation to Clients' Orders on Securities offered by the Company, the Company will take into consideration the likelihood of the Order's settlement which depends on local markets.

f. Size of order:

The actual minimum size of an order is different for each type of Account.

In relation to CFDs, 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 the minimum size of an order and each lot for a given CFD type, as well as of the minimum size of an order on Securities. The Company reserves the right to decline an order as explained in the agreement entered with the Client. Please refer to the <https://capex.com/en/company/legal-documents> for the value of the maximum volume of the single transaction. It is noted that in relation to Clients Orders' on Securities, the maximum size of a trade is dependent on normal market size and market conditions.

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. The Company reserves 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.

g. Market Impact:

Some factors may rapidly affect the prices of Securities as well as the prices of the underlying instruments/products from which the Company's quoted price of a CFD is derived, and may also affect other factors listed herein. The Company will take all sufficient 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. Nevertheless, whenever there is a specific instruction from the Client, the Company shall make sure that the Client's order shall be executed following the specific instruction.

4. Execution Practices

Slippage:

You are warned that Slippage may occur when trading in CFDs and/or Securities. 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, including CFDs and/or Securities. 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.

In addition to the above, it is also noted with respect to Clients' Orders on Securities, that quoted prices are always indicative of the price at which such orders will be executed.

5. Types of Order(s) available in trading

The particular characterizing 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:

a. Market Order(s)

A market order is an order to buy or sell a CFD or a Security as promptly as possible at the prevailing market price. Execution of this Order results in opening a trade position. CFDs and/or Securities are bought at ASK price and sold at BID price. Securities are bought at BUY price and sold at SELL price. Stop Loss and Take Profit orders can be attached to a market order.

b. Pending Order(s)

This is an Order to buy or sell a CFD or a Security in the future at the best available price once a certain price is reached. The Company offers the following types of Pending Orders: Buy Limit, Buy Stop, Sell Limit or Sell Stop Orders to trading accounts for CFDs.

A Pending Order is an Order that allows the user to buy or sell a CFD or a Security at a predefined 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 next best 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 a lack of liquidity, or this may occur at the opening of trading sessions.

It is noted that Stop Loss and Take Profit may be attached to a Pending Order. Also, pending Orders are good till cancel.

c. Take Profit

Take Profit Order is intended for realizing the profit when the financial instrument (i.e., CFDs or a Securities) price has reached a certain level. Execution of this Order results in a 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 Bid price in case of long positions and below the opening price in case of short positions. The Company's trading platform closes a long position at Bid Price, and a short position at Ask Price.

d. Stop Loss

Stop Loss Order is used for minimizing losses if the CFD or a Security price starts moving in an unprofitable direction. If the CFD or the Security price reaches the stop 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. Under this type of orders, the Company's trading platform checks long positions with Bid price to meet the provisions of this order (the order is always set below the current Bid price), similarly, the platform checks Ask prices for short positions (the order is always set above the current Ask price).

The Company notes that it cannot guarantee that Clients' Orders will always be executed, at least not at the level requested (Market Orders, Take Profit and Stop Loss orders). Depending on underlying market conditions, most notably liquidity factors, Clients' Orders may be partially filled if the alternative would be an outright rejection of the Order. The Company will never partially fill a Client's Order as an alternative to filling it in its entirety.

6. Best Execution Criteria

When executing and/or transmitting Client Orders, the Company takes into account the following criteria for determining the relative importance of the Best Execution Factors referred in paragraph 3 above:

- a. the characteristics of the client including the categorization of the client as retail or professional;
- b. the characteristics of the Client Order;

- c. the characteristics of financial instruments that are the subject of that order;
- d. the characteristics of the execution venues to which that order can be directed.

The Company determines the relative importance it assigns, in accordance with the abovementioned criteria, to the Best Execution Factors by using its commercial judgment and experience in light of the information available on the market and taking into account the remarks included in paragraph 3. For all financial instruments provided including CFDs and Securities, the Company assigns 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 and fair price quotes. The Company compares prices from different Execution venues in order to provide you with the best price.
Costs	High	We take all sufficient 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 of Execution	High	Even though we reserve the right to decline a Client Order we aim to execute all Clients' orders, to the extent possible.
Likelihood of settlement	Medium	See relevant description in Best Execution Factors (point 3 above).
Size of order	Medium	See relevant description in Best Execution Factors (point 3 above).
Market Impact	Medium	See relevant description in Best Execution Factors (point 3 above).
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 and fair price quotes. The Company compares prices from different Execution venues in order to provide you with the best price.
Costs	High	We take all sufficient steps to keep the costs of your transactions as low and competitive, to the extent possible.

Where the Company executes an order on behalf of a Retail Client and/or a Professional Client, 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 CFD or Security 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.

For the purposes of delivering best execution where there is more than one competing Execution Venues to execute an Order for a CFD, in order to assess and compare the results for the Client that would be achieved by executing the Order on each of the execution venues (see Paragraph 9 below) that is capable of executing that Order, the Company's own commissions and costs for executing the Order on each of the eligible Execution Venues shall be taken into account in that assessment. The Company shall not structure or charge their commissions in such a way as to discriminate unfairly between Execution Venues.

7. Client's Specific Instruction

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 any specific instructions from a Client may prevent the Company from taking the steps that it has 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. However, it shall be considered that the Company satisfies its obligation to take all sufficient steps to obtain the best possible result for the Client.

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

8. Execution of Client Orders

8.1 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.

- b. carries 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 requires otherwise.
- c. informs a Client about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

The Company does not aggregate Client' order with another Client order.

9. Execution Venues

Execution Venues are the entities with which the Orders are placed for final execution.

An "Execution Venue" means a regulated market (e.g., stock exchange), a multilateral trading facility, a systematic internalizer or a market maker or another liquidity provider or an entity performing in a third country a function similar to any of the abovementioned.

9.1 Execution Venues for CFDs

- 9.1.1 The Company transmits Client Orders on CFDs or arranges for their execution with a third party(ies) known as Straight Through Process (STP). Such arrangement can be made to manage the Company's risk and it shall not jeopardize the quality of execution of the Client's order while all abovementioned best execution criteria/factors shall be followed/applied.
- 9.1.2 The Company uses other third-party Institution(s) as Execution Venues. The Execution Venues currently used by the Company is Safecap Investments Ltd, a company licensed and regulated by the Cyprus Securities and Exchange Commission (License No. 264/15), Finalto Financial Services Limited, a company licensed and regulated by the Financial Conduct Authority (Reference No. 481853) and Finalto Trading Limited, a company licensed and regulated by the Financial Conduct Authority (Reference No. 607305).
- 9.1.3 The list may be changed at the Company's discretion by giving at least one business day prior notice to the Clients. The Company reserves the right to change its Execution Venues at its own discretion.
- 9.1.4 The Company evaluates and selects the third-party Execution Venues it collaborates 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.

9.1.5 The Company selects to work with those third-party venues that enable the Company to obtain on a consistent basis the best possible result for the execution of the Client's orders.

9.1.6 Nevertheless, the Company is licensed to offer the Dealing on Own Account investment service and activity. Thus, the Company may act as principal, i.e., to be the Execution Venue/Counterparty for the execution of the Clients Orders on CFDs.

9.1.7 The Client acknowledges that the transactions entered in financial contracts for differences (CFDs) with the Company are not undertaken on a recognized 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.

9.2 Execution Venue for Shares Trading

9.2.1 The Company does not execute itself Client Orders on Securities with an Execution Venue. The Company uses a third-party broker for routing its clients' orders for further routing to the multilateral trading facility or third parties that can execute trades on stock exchanges by the prices of stock exchange.

9.2.2 The Company has selected the aforementioned Execution Broker through the application of appropriate due diligence and consideration of a number of factors, including the factors provided in section 3 above (as well as both quantitative and qualitative factors), in order to ensure that the selected Execution Broker is able to consistently provide Clients with the best possible result.

In particular, the Company evaluates and selects the Execution Brokers to which it transmits client orders based on a number of criteria including (but not limited to) the criteria provided above in section 9.1.6. 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.

9.2.3 When the Company transmits orders for execution to other entities it ensures that such entities have policies and arrangements that enable the Company to comply with its obligations to act in the best interest of Clients when transmitting orders to other entities for execution.

9.2.4 The Company does not receive any remuneration, discount or major non-monetary benefits for routing its Clients' orders to a particular execution venue or execution entity, which would infringe its obligations with regards to conflicts of interest or inducements.

9.2.5 The Company, before deciding which Execution Brokers to use for Client Orders, it compares different brokers and performs due diligence on them. Some of the parameters that the Company evaluates, include the following:

- Availability of best price for a specific Financial Instrument and liquidity of the Execution Venue or broker
- Speed of communication/execution – the time it takes to place a client order in the market or to execute it
- Fees/Cost of execution as well as cost of clearing and settlement
- Likelihood of execution (access to relevant execution venues)
- Size of the order – whether it has access to markets that provide the greatest liquidity and thus potential for execution of large orders
- Quality of execution and service, both historical and current, based on the review performed
- Quality of any related clearing and settlement facilities
- Technological infrastructure and capabilities of the Execution Broker.

9.2.6 In general, the Company places great significance on the choice of its Execution Brokers as it strives to offer, on a consistent basis, best execution to its Clients.

The Company randomly selects a sufficient and representative sample of executed trades/orders (e.g., different size ranges, types of orders, orders on stocks with limited liquidity, immediately after stock specific news announcements etc.) to ensure, with a high statistical confidence level, that it constantly obtains and will obtain the best possible results for the Clients.

9.2.7 The Company has in place a separate Policy for the Selection of Execution Broker in relation to Securities trading.

10. 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 (i.e., this Policy forms part of the Client Agreement).

11. Amendment of the Policy and Important Disclosures

- 11.1 The Company must monitor the effectiveness of its order execution arrangements and execution policy in order to identify and, where appropriate, correct any deficiencies. In particular, the Company assess, on a regular basis, whether the execution venues included in its policy for order execution, provide for the best possible result for the client or whether the Company needs to make changes to its execution arrangements. The Company must notify clients with whom it has an ongoing client relationship of any material changes to its order execution arrangements or execution policy.
- 11.2 Clients should refer from time to time to the Company's Execution Quality Summary Statement (EQSS) which is uploaded on the Company's website and is updated on annual basis. The EQSS is a summary of the analysis and conclusions that the Company drew from its detailed monitoring of the quality of execution obtained on the execution venues where it executed all client orders during the preceding year.
- 11.3 Should you require any further information and/or have any questions please direct your request and/or questions to support@capex.com.