

ORDER EXECUTION AND BEST EXECUTION POLICY

Earn
Online Broker

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1. Introduction

Top Markets Solutions Ltd (“the Company”), operating under the trade name Earn, is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (license number 158/11).

Following the implementation of the Markets in Financial Instruments Directive 2014/65/EU II (MiFID II) in the European Union and its transposition in Cyprus with the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017), Company is required to provide its clients and potential clients with its Order Execution Policy (hereinafter the “Policy”).

Under the above legislation, Company is required to take all sufficient steps to act in the best interest of the Client when receiving and transmitting orders for execution and to obtain the best possible result (or “best execution”) for its clients either when executing Client Orders or receiving and transmitting orders for execution. In addition, these rules require investment firms to put in place an order execution policy which sets out how they will obtain best execution for their clients and to provide appropriate information to their Clients on their order execution policy.

2. Scope of Policy

The Policy applies to retail and professional Clients. Therefore, if the Company classifies a Client as an eligible counterparty, this Policy does not apply.

This Policy applies when executing transactions with a client on the financial instruments provided by the Company as Contracts for Differences (CFD’s).

CFD’s are contracts relying on an underlying financial instrument, and it is at the Company’s discretion to decide which types of CFD’s to make available to its clients and to publish the prices at which these can be traded.

The Client is trading on the outcome of the price of the underlying financial instrument. The trading takes place in the OTC market; therefore, the Client may be trading with Company as a counterparty (whereby the Company will be acting as a principal) or with a third financial institution/Market Maker (whereby the Company will be acting as an agent). If the Client decides to open a position in a CFD with the Company, then the off-setting transaction can only be placed with the Company.

3. Legal framework

The Company applies the following regulatory framework when assuring its Best Execution obligations:

- the Law 87(I)/2017 regarding the provision of investment services, the exercise of investment activities and the operation of regulated markets and other related matters (the “Law”);
- the Commission Delegated Regulation (EU) 2017/565, supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organizational requirements and operating conditions for investment firms;
- the Commission Delegated Regulation (EU) 2017/575, supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards concerning the data to be published by execution venues on the quality of execution of transactions;
- the Commission Delegated Regulation (EU) 2017/576, supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution;
- CySEC Directive DI87-09, for the restriction of Marketing, Distribution or Sale of CFD’s to retail clients;
- Section 9 of the Questions and Answers of the European Securities and Markets Authority

("ESMA") as amended from time to time, with respect to the provision of CFD's and other speculative products to retail investors;

- Section 1 of the Questions and Answers of the European Securities and Markets Authority ("ESMA") as amended from time to time, on investor protection topics;
- CySEC Circular C343

4. General terms of Client Order execution/handling

The procedure for handling the Client's Order instructions:

- the Client sends the instruction through the Client Terminal;
- the Client Terminal sends the instruction to the server;
- the instruction is verified for validity with respect to the Company's trading conditions;
- the instruction is verified for sufficiency of funds in the Client's Account;
- the valid/verified Client's instruction is placed in the queue;
- the server receives the result of the execution process;
- the server sends the execution information to the Client Terminal;
- the execution information is exposed to the Client

The Client accepts that the Company bears no responsibility for any instructions that may be misinterpreted due to a technical or other error. The Client accepts that once the Company receives an instruction it cannot be cancelled or deleted, except where the Company agrees to such cancellation or deletion. The Client also accepts that the Order will be deemed executed only after all required verifications are completed, and the execution is logged in the Trading Server's record.

All Client Orders are processed in a general queue, generally on a first-in first-out basis. However, depending on the time required to process a Client Order, it may be possible that the sequence of Orders is reversed, so that an Order submitted earlier will have been logged as executed at a later time compared to the next Order in the queue. The Client accepts that the time of processing and execution of Market and Pending Orders will depend on the length of the order queue in the Company's Trading Server, and thus cannot be guaranteed by the Company.

The Company shall satisfy the following conditions when carrying out client orders:

- ensure that orders executed on behalf of clients are promptly and accurately recorded and allocated;
- carry out otherwise comparable client orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the client require otherwise;
- inform a retail client about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

The Company shall not misuse information relating to pending client orders and shall take all reasonable steps to prevent the misuse of such information by any of its relevant persons.

5. Margin trading

The Company provides leverage to the Client. Leverage depends on the maximum leverage of the Account selected by the Client during account registration as well as on the specific settings of the financial instruments (stated in the "Trading Conditions" section on the Company's Website). The Client understands that for certain asset classes, margin requirements shall be enforced by the Company at the same level regardless of the maximum leverage of the Account selected by the Client.

In order to open a position, the Client is required to deposit funds (“Initial Margin”). Information about the Initial Margin requirement for each financial instrument can be found on the Company’s Website. Initial Margin is blocked on the Client’s Account at the moment a position is opened. Margin requirements for opening a position as well as maintaining open positions will also depend on the Client’s total exposure (all open positions by instrument). Where different margin requirements may apply, the Company will publish the exact thresholds for position volumes for each asset class on the Website.

Free margin can be withdrawn by the Client at any time or it can be used to open new positions. While the Client has open positions, Equity size can change depending on related market price movements. Therefore, Equity level should be above Stop Out level at all times in order for open positions to be maintained. Should Equity decrease to a level deemed to be dangerously low, the Client shall receive a Margin Call, i.e. an automated warning from the Company notifying of the risk of possible Stop Out. The levels of Margin Call and Stop Out shall depend on the Client’s Account type, details can be found on the Company’s Website.

Required Margin cannot be withdrawn by the Client or used to increase total open positions.

Margin Stop Out Rule

If the Equity falls below the Stop Out level, the Company has the right to completely or partially close one or several of the Client’s Open Positions without giving any prior notice to the Client. The forced Close of the Position depends on the possibility to efficiently execute position at the Market Price and it doesn’t depend on the amount of profits/losses of such Open Position or any other factors. A Forced Close will be executed in the general queue of orders in the Company’s Trading Server, at a price available at the exact time of execution, which may be different from the price that triggered the Stop Out. The Client accepts that the Company is not responsible for any losses resulting from the exercise of Stop Out due to lack of margin in the Client Account resulting from, inter alia, any delays in the crediting of Client’s inbound deposits.

The Client accepts that it is his sole responsibility to monitor the level of margin in their accounts, and to pre-empt Stop Outs by depositing, in good time, additional funds as required to maintain open positions, or proactively manage open positions in a way that leaves sufficient margin in the accounts. The Company will notify the Client in advance about potentially insufficient margin in their accounts by issuing a Margin Call. The level at which a Margin Call shall be triggered is specified on the Company’s website.

If, in case of a Forced Close, the amount of funds in the Client’s trading account becomes negative, the Client, depending on his Categorization, may be entitled to be paid compensation to his trading account that would offset the account balance to zero (“Zero Balance Protection”).

The Company shall reserve the right to change the maximum leverage level available to the Client, as well as margin requirements for specific financial instruments, at its own discretion.

6. Quotations

The Company will provide to the Clients real time Quotes reflecting financial instrument prices and liquidity levels available on the markets in respective instruments, including those of the Execution Venues and Liquidity Providers. A Quote provided to the Client by the Company may differ from quotes provided to the Client by other parties or sources. The Client accepts that the Company will not be bound by, or obliged to act based on quotes provided to the Client by any third parties.

The Company has the right to suspend the provision of Quotes in case of lack of liquidity in a respective financial instrument, or technical deficiencies, delays or other circumstances that prevent the timely

delivery and updating of Quotes to the Client, or in cases of Manifest Error in the Quotes.

The Client understands that the Spread provided by the Company is not fixed (i.e. it is floating), and depends on market conditions and thus may be outside the Company's control. Furthermore, during rollover time spread is normally expected to be widened beyond its average boundaries. Information about spreads that is published in the Company Website is based on historical data and thus is purely informational, and cannot be construed as a guarantee of the same or similar levels of spread to be provided to the Client in the future.

In cases when the Company can no longer provide Quotes for a certain financial instrument, the Company will have the right to put such instrument into the close-only mode, or close all positions in such instruments at the last available market prices.

7. Orders

Order types

a. Market Order

"Market Order" is an Order executed against a price that the Company has provided based on the Volume Weighted Average Price which is the average and best available price at the time of execution. Under Market Execution there are no re-quotes and the Order is executed at the best available price on the market depending on the depth of the market. The Client may attach to a Market Order a Stop Loss (MetaTrader 4 & 5) and/or Take Profit (MetaTrader 4 & 5).

The Company undertakes to make an effort to maintain its servers and Terminals. However, the Client understands that there is no software which can be absolutely reliable. In case it is impossible to send the Order through the Terminal, it is recommended for the Client to use telephone services. The Client acknowledges that obtaining of the Market price at the real market can take some time, depending on the volatility, current size of transactions, and total number of Orders in queue for execution at any given moment.

As a result of the Extreme Market Situation, there can be delays of different duration. The Company undertakes to make the best efforts to minimize such delays. However, it is not possible to completely avoid them under the conditions of the real market.

In all cases of absence of the required liquidity the Client's Order may be declined or the execution time may be increased.

b. Pending Order

"Pending Order" is an Order to be executed at a later time at the price that the Client specifies or at the best available price on the market at the time of execution. Execution of any Pending Order is carried out when (and if) the market price is equal to or crosses the price specified in the Order. The Client accepts that under certain market conditions, such as high market volatility, illiquidity or market gaps, the execution price may vary significantly from the Client preset level. The following types of Pending Orders are available: Buy Limit (MetaTrader 4 & 5), Buy Stop (MetaTrader 4 & 5), Sell Limit (MetaTrader 4 & 5), Sell Stop (MetaTrader 4 & 5), Buy Stop Limit (MetaTrader 5) and Sell Stop Limit (MetaTrader 5). The Client may attach to a Pending Order a Stop Loss (MetaTrader 4 & 5) and/or Take Profit (MetaTrader 4 & 5).

In order to place the Pending Order, the Client specifies the Instrument, a number of lots, a type of the Order and the price, the level of which assigns the start of the execution of the Order. The Client bears full responsibility for accuracy of the transferred information indicated in the Order.

Pending Orders may be placed not closer than Limit or Stop Order Level from the current Market price. In exceptional cases, such as the Extreme Market Situation, deviation from this rule can take place. In such cases Pending Orders shall be placed at the best possible price at the market suitable for the Client. Pending Orders are GTC (Good Till Cancelled) Orders, until they are cancelled by the Client, or not executed, or removed due to insufficient margin. Pending Orders presented for execution, but not complied with the margin requirements, shall be cancelled immediately without the Client's consent.

Any Pending Orders may be cancelled or changed by the Client during the Company's operational hours in case the Pending Order was not yet passed for execution (activation) – there is no order freeze level. The Client has no right to change or remove Stop Loss, Take Profit and Pending Orders if the price has reached the level of the order execution or the 'freeze level' (MetaTrader 4), however the Client may close the trade at any time.

Pending Orders to 'Close' a position are always adhered to the position or the Pending Order. All the Pending Orders to 'Close at once' are also cancelled without the Client's consent if and as soon as the corresponding Position has been closed, or the corresponding Pending Order has been canceled. Any change is equated to a new Market Order and carried out according to the rules described above. In case an Order is placed incorrectly, "Invalid Price" message will be shown to the Client.

According to the Terminal Manual, below are the types of Pending Orders available:

Buy Limit: buy provided the future "ASK" price is equal to the pre-defined value. The current price level is higher than the value of the placed Order. Orders of this type are usually placed in anticipation of that the security price, having fallen to a certain level, will increase.

Buy Stop: buy provided the future "ASK" price is equal to the pre-defined value. The current price level is lower than the value of the placed Order. Orders of this type are usually placed in anticipation of that the security price, having reached a certain level, will keep on increasing.

Sell Limit: sell provided the future "BID" price is equal to the pre-defined value. The current price level is lower than the value of the placed Order. Orders of this type are usually placed in anticipation of that the security price, having increased to a certain level, will fall.

Sell Stop: sell provided the future "BID" price is equal to the pre-defined value. The current price level is higher than the value of the placed Order. Orders of this type are usually placed in anticipation of that the security price, having reached a certain level, will keep on falling.

Buy Stop Limit: a combination of the first two types being a Stop Order for placing Buy Limit. As soon as the future Ask price reaches the value indicated in the Order, a Buy Limit Order will be placed at the level, specified in the Order. The current price is lower than that, reaching which the Pending Order will be placed.

Sell Stop Limit: a Stop Order for placing Sell Limit. As soon as the future Bid price reaches the value indicated in the Order, a Sell Limit Order will be placed at the level, specified in the Order. The current price is higher than that, reaching which the Pending Order will be placed. The Pending Order price is higher than the price of its placing.

Stop Loss: used for minimizing of losses if the security price has started to move in an unprofitable direction. If the security price reaches this level, the position will be closed automatically. Such Orders are always connected to an open position or a Pending Order. The brokerage company can place them only together with a Market or a Pending Order. Terminal checks long positions with BID price for meeting of this Order provisions, and it does with ASK price for short positions. To automate Stop Loss

Order following the price, one can use Trailing Stop.

Take Profit: used for gaining the profit when the security price has reached a certain level. Execution of this Order results in closing of the position. It is always connected to an open position or a Pending Order. The order can be requested only together with a Market or a Pending Order. Terminal checks long positions with BID price for meeting of this order provisions, and it does with ASK price for short positions.

Pending Orders are sent for execution only after they have been triggered, i.e. the conditions specified by the Client for the activation of the Order have been detected in the market by the Company. A trading transaction resulting from a Pending Order is only deemed executed after the Company has been able to verify and confirm that all conditions specified for the Order by the Client do hold.

All Pending Orders are executed in the common order queue in the Company's Trading Server, at the prices available at the moment of the Order's execution. The Client accepts that the price at which a Pending Order is executed may be different from the activation price specified by the Client, and the difference may be both to the Client's benefit or loss.

The Client may submit an instruction to place, amend or cancel a Pending Order only during the active trading hours for the relevant financial instrument. Such instruction may be declined by the Company if at the moment of submission:

- the respective trading position has been closed already or is in the process of being closed;
- the respective Pending Order is being processed;
- the respective Pending Order has already been cancelled.

Processing and execution of Pending Orders only takes place during trading hours of the respective financial instruments.

The Company will have the right to delete any Pending Orders that have been cancelled by either the Client or the Company from the Client's Account history, after a one-month term lapses since the cancellation date.

The Company will have the right to cancel a Client's Pending Order in case the balance of the Client's Account doesn't allow for the required margin for the execution of such order at the current price level to be maintained.

8. Execution of Pending Orders to open a position

Once activation conditions specified by the Client for a Pending Order are triggered, the Order will be processed in the following steps:

- a new position is provisionally opened in the Client's Account;
- margin requirements are calculated with respect to the total open positions in the Client's Account, including the provisionally opened position;
- the resulting free margin is determined;
- if the resulting free margin exceeds zero, the provisionally opened new position is confirmed;
- if the resulting free margin is below zero, the Company will have the right to cancel the provisionally opened new position and delete the respective Pending Order

9. Accuracy of execution

Pending Orders are executed at the market price available at the moment of Order Execution. If the specified order price is not available on the market, the Order will be executed at the next best available

price. During the Extreme Market Situation, the quotation becomes complicated due to the significant price change and in some (exclusively seldom) cases in general becomes impossible for several minutes. In this case, once there is any availability to obtain the Market price, the Order shall be executed at such price. The given price can differ from the one originally placed in the Order.

During the market closing (a night break between sessions and around the clock on days off) execution of Pending Orders is not possible.

A Pending Order which is an Open Order at the close of the trading session shall remain valid also in the next session.

10. Execution of Take Profit and Stop Loss Orders

In cases where market conditions have resulted in Pending Orders to open and to close the same position being activated simultaneously, such Pending Orders will be executed in the following steps:

- the Pending Order to open a position will be executed as described above;
- upon execution of the Pending Order to open a position, if current market conditions satisfy the conditions of the Pending Order to close the same position, then the latter Order will be processed;
- if current market conditions no longer satisfy the conditions of the Pending Order to close the same position, then the latter Order will be removed from the queue and will not be executed.

11. Validity of Orders

For financial instruments that are quoted 24 hours a day, all Pending Orders will have GTC («Good Till Cancelled») status and will be accepted for indefinite periods of time. The Client can limit the validity term of such Orders by indicating the desired «Expiry» date and time for the Order.

For financial instruments that are not quoted 24 hours, but instead have limited trading sessions, the Company will have the right to cancel Pending Orders that have not been activated by the end of the trading session.

12. Refusal to execute Orders and execution errors

The company reserves the right to refuse the execution of an instruction for trading financial instruments if the Company has reasonable grounds to believe that the execution of the Client's Order may:

- affect the orderly function of the market;
- contribute to the laundering of illegal funds;
- affect in any manner the orderly function of the Trading Terminal;
- contribute to market manipulation, fraudulent activity, voluntary or involuntary engagement by the Client in arbitrage not related to market inefficiencies, including but not limited to latency and SWAP arbitrage.

The Client also accepts that the Company has the right to refuse the execution of an Order (including a Pending Order) in cases where:

- it has reasonable grounds to believe that the quote applicable to the Order doesn't reflect actual market conditions due to any reason;
- Free Margin in the Client's Account is not sufficient to open the position as per the Order;
- the Order is submitted at a non-market price;
- the Order is submitted during the clearing period between 00:00 and 00:05 (Trading Server time zone);
- the Order is submitted at the time of an Extreme Market Situation;

- there is a technical failure resulting in the Trading Platform's temporary inability to process Orders;
- the Order is rejected by the Execution Venue where it has been sent for execution;
- the number of Client's Open Positions is in excess of the maximum limit of positions for the Trading Server;
- Stop Loss Order has been submitted at the Order's opening price

The Client accepts that the Company has the right to refuse the execution of an Order in the cases described herein above.

In case of a technical failure on the trading platform causing a price feed error which results in a Client Order to be closed or a pending order to be activated (a common example may be a Spike), the Company reserves the right to take steps to revert the consequences of such error to the original state, including but not limited to restoring activated orders to the pending state and changing opening/closing prices in relation to Orders created for the purposes of restoring a Client's position prior to the failure. In any case terms of such Orders will be equivalent to those set prior to the error. Order re-opening price shall take place within present market conditions at the time of such re-opening.

13. Slippage

Volatile market conditions (e.g. important economic news, market opening, etc.) can create conditions for a slippage. This may result in a Client's Order being triggered (Pending) and/or filled (Market) at a different price level from one originally requested by the Client. In this situation the Order will be executed at the price closest to the one originally requested.

In itself, slippage is the difference between the requested price and the actual price of execution. 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. Slippage can also occur in relation to Stop Loss orders, Limit orders, and others.

The Company does not guarantee the execution of Clients' Pending Orders at the originally requested price. As such, the Company shall strive to ensure that the Orders are executed at the best available market price closest to the price originally requested in the Pending Order.

14. Latency

Any and every Order request submitted by the Client requires time to be processed by the Company. This time includes the technical aspects of receiving the request, checking its terms, identifying whether it is possible to satisfy requested terms (e.g. provide the price requested regardless of whether it is an opening or closing of a market Order or triggering of a Pending Order or acceptance of modifications to the Order, i.e. limit levels), and executing the request at the originally requested or the next best possible conditions. Such time period is referred to as latency. The Company shall take the necessary steps from its side to ensure the lowest possible rates of latency in executing Client's Orders.

The Client shall be duly informed that latency can be (negatively, i.e. increase) affected by a variety of technical and non-technical factors, including but not limited to such examples as volatile market conditions which may lead to increased load on the Trading Servers of the Company resulting in the necessity for a longer time period required for a request to be processed, or short-term technical failure of the Trading Server preventing it from being able to properly receive and process requests.

It is important to emphasize that increased latency may also be the result of technical complications on the side of the Client, i.e. caused by Internet connection delays and/or failures, technical complications (hardware outages), among other possible reasons.

15. Submitting Orders by the phone

Order can be submitted via telephone services provided for this purpose (telephone number +357 22024154). The Client should undergo an authorization procedure. The Account number (which has the same number as the contract) and the login (login into Trading Terminal) are required for this purpose. After authorization is confirmed the Client can submit/change/delete Orders. A sample of a telephone transaction between the Client and the Trading Desk of the Company is presented below.

1. Authentication (account number, telephone password, if any; if none – account check questions);
2. Order management

Market order (opening a position):

Client: buy 1 lot EUR/USD

Trading Desk: 1.2980

Client: ok

Trading Desk: Position 234564

Order management (closing a position):

Client: close position 234564 (buy 1 lot EUR/USD)

Trading Desk: 1.2990

Client: ok

Trading Desk: closed

Pending Order management (placing an order):

Client: buy stop 1 lot EUR/USD at 1.2975

Trading Desk: buy stop 1 lot EUR/USD at 1.2975, ok?

Client: ok

Trading Desk: order 274421

Pending Order management (change/delete):

Client: order 274421 (buy stop 1 lot EUR/USD at 1.2975), change to 1.2965

Trading Desk: order 274421 (buy stop 1 lot EUR/USD at 1.2975), change to 1.2965, ok?

Client: ok

Trading Desk: changed

The Client is responsible for the accuracy of the transmitted instructions through telephone service. All instructions sent by phone have the same force as the Orders transmitted through the Trading Terminal by means of the Internet and are carried out by the same rules.

16. Execution factors

The Company shall take all sufficient steps to obtain the best possible results for its Clients taking into account the factors below when executing Client Orders against the Company's quoted prices.

1. **Price:** the Company shall, for any given instrument, quote two prices: the higher price (ASK) at which the Client can buy (go long) with the instrument, and the lower price (BID) at which the Client can sell (go short) with the instrument; collectively they are referred to as Company price. At any time, the present difference between the lower and the higher price of a given instrument, at the same time, is the spread. Such orders as Buy Limit, Buy Stop, Stop Loss and/or Take profit for opened short position are executed at ASK price. Such orders as Sell Limit, Sell Stop, Stop Loss and/or Take Profit for opened long position are executed at BID price. Such orders as Buy Stop Limit are placed at the

future ASK price when it reaches the value indicated in the order. Such orders as Sell Stop Limit are placed at the future BID price when it reaches the value indicated in the order. The Company price for a given instrument is calculated by reference to the price of the relevant underlying financial instrument, price which Company obtains from third-party external reference sources (liquidity providers or LP's). The Company updates its prices as frequently as the limitations of technology and communications links allow. The Company reviews its utilized third-party external reference sources at least once a day, to ensure that the data obtained continue to be competitive. The Company will not quote any price outside the Company's operations time (see Execution Venue below), therefore, no orders can be placed by the Client during that time. If the price touches an order such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop, Buy Stop Limit and/or Sell Stop Limit these orders are executed at once. But under certain trading conditions it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop, Buy Stop Limit and/or Sell Stop Limit) at the price declared by Client. In this case the Company has the right to execute the order at the best available price on the market. This may occur, for example, at times of rapid price movement consequent, but not limited to, the release of major economic news of any kind and/or 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, Limit, Buy Stop, Sell Limit, Sell Stop, Buy Stop Limit and/or Sell Stop Limit orders for a given instrument which applies when setting SL or TP limits to an order, is 4 pips in each direction. For Market orders, the level is 3 pips. When a trade is within the freeze limits, such order cannot be modified by the trader. It basically forbids placing stop limits and protection too close to the market price. Therefore, the Company reserves the right to increase minimum levels for placing above mentioned orders to reasonable extent under abnormal market conditions, which cannot exceed standard stop/limit level more than 3 times. If the Company is about to increase the minimum level for placing the aforementioned orders on a permanent basis, the Company will update the Contract Specification on the Website as soon as practically possible.

- 2. Costs:** the Company determines as a factor the price of the financial instrument and the costs relating to execution including 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. The Company distinguishes between explicit external costs and explicit internal costs. Subject to Best Execution obligations, explicit external costs may be considered to be commissions, fees, taxes, exchange fees, clearing and settlement costs or any other costs passed on to the Client by intermediaries participating in the transaction, and explicit internal costs are Company's own commissions. Remuneration (including spread/commission) for completing an Order: the internal commissions and costs for executing an order will be taken into account when assessing where to execute the order, in case there is more than one competing venue available. For opening a position in some types of CFD's the Client may be required to pay commission or financing fees, the amount of which is disclosed on the Company Website. Commissions may be charged either in the form of a percentage of the overall value of the trade or as a fixed amount. In the case of financing fees, the value of opened positions in some types of CFD's is increased or reduced by a daily financing fee "swap rate" throughout the life of the contract. 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 Website. For all types of CFD's the Company offers, the commission and financing fees are not incorporated into the Company's quoted price and are instead charged explicitly to the Client Account. Where multiple parties are charged in a transaction, the Client is informed of the value of monetary and non-monetary benefits received by the Company in compliance with Article 24(9) of Directive 2014/65/EU. Cost transparency data are posted quarterly at [earn.eu/mifid II disclosures](http://earn.eu/mifid-II-disclosures) page of the Website.

3. **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 at all times. The Client may request the Company to execute upon receipt of instructions conveyed by telephone, e-mail or any other written or oral 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 misunderstanding, error in the identification of the person giving the instruction or other errors on its part related to such method of communication and which may involve losses or other inconveniences for the Client. If the Client undertakes transactions on an electronic system, he will be exposed to risks associated with the system including the failure of hardware and software (Internet / Servers). The result of any system failure may be that his order is either not executed according to his instructions or not executed at all. The Company does not accept any liability in the case of such failure. The Company reserves the right not to execute instructions transmitted by telephone or email. Telephone conversations will be recorded, and the Client will accept such recordings as conclusive and binding evidence of the instructions.
4. **Likelihood of Execution:** the Company in some cases may act as principal whereby it will be the Execution Venue for the execution of the Client's orders for the CFD's. In other cases, the Company may act as agent whereby some other Financial Institution (to be disclosed to the Client) will be the Execution Venue. The Company will post quarterly statistics related to the likelihood and quality of execution at [earn.eu/mifid II disclosures](http://earn.eu/mifid-II-disclosures) page of the Website.
5. **Likelihood of Settlement:** the Company shall proceed to settlement of all transactions upon execution.
6. **Size of Order:** the size of an order is measured in lots. The minimum size of an Order is 0.01 lots (subject to specific Account settings). A lot is a unit measuring the transaction amount and it may be different for different types of CFD's. Please refer to the Company Website for the value of each lot for a given CFD type. In addition, the Company reserves the right to decline an order as explained in the agreement entered with the Client. The Company makes every effort to fill the Order of the Client irrespective of the volume. However, if this is achieved, it may be at best available price, different from declared price, as the market liquidity may allow at the time of execution
7. **Market Impact:** some factors may rapidly affect the price of the underlying financial instruments from which the Company's quoted price is derived and may also affect the rest of the factors herein.

The Company shall take all sufficient steps to obtain the best possible result for its Clients. Unless there is a specific instruction from the Client, where the Company shall make sure that the Client's order shall be executed according to such instruction, the Company shall assign the following general levels of importance to the Best Execution Factors. Price is the most important execution factor for the Company's Clients.

| Factor | Importance |
|--------------------------|------------|
| Price | High |
| Cost | High |
| Speed of Execution | High |
| Likelihood of Execution | High |
| Likelihood of Settlement | Medium |
| Market Impact | Medium |
| Size of Order | Low |

Any specific instructions from the Client may prevent the Company from taking the steps it has designed and implemented for the purposes of its order execution policy to obtain the best possible results for the execution of the Orders covered by such instructions.

Best Execution Criteria

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 the criteria described below:

- the characteristics of the Client including the categorization of the Client as retail or professional;
- 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.

For retail clients, the best possible result shall be determined 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.

Retail clients are entitled to receive a summary of the applicable cost policy which shall include the link to the most recent execution quality data published in accordance with Article 27(3) of Directive 2014/65/EU for each Execution Venue used by the Company.

Execution Venues and Selection process for Transactions with CFD's

Execution Venue is an entity with which an order is placed. For the purposes of orders for the financial instruments (or CFD's), the Company may act either as a principal (therefore, the Company is the Execution Venue for the execution of Client's orders) or as an agent (therefore, a third financial institution is the Execution Venue).

The Company has established a procedure to monitor and assess its liquidity providers taking into account the following factors which are presented in order of importance:

- Authorized and regulated in a Member State;
- Reputation/experience;
- Professionalism/quality of service;
- Information based on its RTS 27;
- Costs;
- Speed of execution;
- Price transparency;
- Price updates in real time and frequency of price freezing;
- Provision of Negative Balance Protection

The list of Execution Venues for the execution of transactions in CFD's currently includes the following:

| Execution Venue | LEI | Competent Authority |
|-----------------------------|----------------------|---------------------|
| Top Markets Solutions Ltd | 5493004XYMPINHKGCM47 | CySEC |
| SwissQuote Bank SA | H6IQ3SWWWBLDBI06ZX04 | FINMA |
| Finalto (Australia) Pty Ltd | 5493007JQVIXX1SX4U84 | ASIC |
| MTG Liquidity Ltd | 9845002C9B4DR1COEE25 | CySEC |

The Company's operational hours for the trading of CFD's is round – the – clock from 22:00:00 to 22:00 UTC+2 (subject to daylight saving time conditions), Sunday to Friday, except for the 1st of January and the 25th of December. Other holidays will be announced in a timely manner on the Company Website or through the internal mail of the Electronic Trading System.

The Client acknowledges that the transactions entered in CFD's with the Company are undertaken over the counter (OTC) and as such they may expose the Client to greater risks than regulated exchange transactions (e.g. counter-party risk where in case of a default of the Company, there may be failure to satisfy terms of contractual agreement with the Client). For more information regarding these means of execution and the consequences, you can contact the Company at tradingdesk@earn.eu address.

The Company does not receive any remuneration, discount or non-monetary benefit for routing Client Orders to a trading venue or Execution Venue which would infringe the requirements on conflicts of interest or inducements. Third-party payments are only received by the Company if those comply with Article 24(9) of Directive 2014/65/EU.

The Company will take into consideration own commissions and costs for executing the Order on each eligible venue to assess and compare possible outcomes in case there is more than one venue competing to execute an Order. When the fees applied by the Company differ depending on the Execution Venue or entity used, information will be provided to Clients as fair, clear, not misleading and sufficient to allow them to understand both the advantages and the disadvantages of the Company's choice of one Execution Venue or entity over another, including the entire range of fees which may be payable by the Client.

The Company shall be able to demonstrate to its Clients, at their request, that it has executed their Orders in accordance with the Company's Order Execution Policy. To this end, the Company shall provide the Clients with the following details on its execution policy prior to providing the services:

- account of the relative importance the Company assigns to the factors referred to in Article 27(1) of Directive 2014/65/EU, in accordance with the criteria specified in Article 59(1), or to the process of determining the relative importance of those factors;
- list of Execution Venues the Company places significant reliance on in meeting its contractual obligations to take reasonable steps to consistently obtain the best possible results for execution of Client Orders and specifying which venues are used for each class of the instruments (for both retail and professional clients);
- list of factors used in selecting an Execution Venue, including qualitative criteria (such as clearing schemes, circuit breakers, scheduled actions and other considerations), and their relative importance;
- summary of Execution Venue selection process, execution strategies used, procedures used to analyze execution quality, and the results of monitoring verification of acquisition of the best possible results for the Clients.

17. Corporate actions

The Company takes steps to ensure principal corporate actions (as especially applicable to components of CFD's on Stocks and CFD's on Indices) are fully complied with, which are inclusive of but not necessarily limited to the below factors. For factors not listed below, including but not limited to Mergers and Acquisitions (M&A) and Leveraged Buy-outs (LBO), the Company reserves the right to increase margin requirements, suspend trading on an instrument, limit maximum exposure on applicable instrument, close positions in the event an instrument is no longer traded, take other action as may be deemed necessary in the circumstances.

Dividends

Depending on whether a Client holds a long or a short position on the applicable share or an index at the time of ex-date, the Client is either entitled to receive or be charged a dividend amount in the form of cash adjustment on the Trading Account. The Company reserves the right to increase margin requirements prior to related declarations.

Fractional share adjustments

In the event a corporate action results in a fractional position, that component may be represented as a cash adjustment independent of the non-fractional position. That adjustment will equal the fractional position multiplied by the adjusted closing price on the day preceding the ex-date.

Stock splits / reverse splits

In case of an Open Position under the CFD's on shares, with the split made on the Client Account the changes pass automatically to the Terminal.

Example of a Client buying AAA shares:

16.10.2004 – 1000 AAA shares were bought at 75.02;

23.10.2004 – a split occurred with the coefficient 1.70 (the last quote on 23.10.2004 was 76.07)

New volume became $1000 * 1.7 = 1700$ shares at a price of $76.07/1.70 = 44.75$ per share. Thus, the amount of the margin as well as the amount of the Equity and the P/L of the transaction did not change.

In a Split there can be a situation (as in the example above) in which Open Position size won't be multiplied to one lot.

Such Position is served according to the Client Agreement, but can be closed only so that the closed part of the Position was not less than one lot and (simultaneously) the remaining part was multiplied to one lot. If it is not possible, the Position can be closed only entirely.

Earnings announcements

Prior to any announcements of earnings by the issuer or a traded applicable instrument, we reserve the right to increase margin requirements and limit maximum exposure.

De-listing

In case an instrument is closed due to the termination of its existence in the market, the Client's position will be closed at the last available market price of the Closing Day.

18. Futures

While trading CFD's on futures contracts you should remember that futures have their expiry dates. Trading is possible only with the nearest term futures contracts. At the expiry of the contract, all Open Positions in CFD's on futures, if not been closed by the Client before, go to the next term of the contract. Trading with CFD's on futures contracts goes according to the rules described above.

19. Open Position overnight rollover to the next day

In case the Client has left Open Position overnight to the next trading day on any financial instrument,

overnight swap will be charged or added from/to trading Account after trading session closing. Size of swaps is set according to Trading Conditions and can be found on the Company Website in appropriate sections (Trading/Instruments by each Trading Server).

In case the Client has left Open Position overnight to the next trading day on stocks or indices, dividend adjustment may be charged or added from/to trading Account after session closing. Size of commission fee or dividend adjustment is set according to the Trading Conditions.

20. Monitoring execution quality

The Company shall assess, on a regular basis, whether the execution venues included in this Policy for order execution provide for the best possible result for the client, taking into consideration the information published further to RTS 27 and RTS 28, or whether the Company needs to make changes to its execution arrangements. This shall involve a combination of Trading Department and Compliance monitoring.

The Company has procedures and processes in place to analyze the quality of execution, as well as to monitor best execution, by:

- reviewing system settings/ parameters;
- systematically comparing prices provided by its execution venues against external price sources or other venues to ensure there are no significant or systematic deviations in the pricing provided to the clients;
- monitoring quality of execution by reviewing statistics related to frequency of rejections and re-quotes, as well as the symmetry of any observed (positive vs. negative) slippages;
- checking the speed of price updating;
- comparing the Company's average speed of execution with industry standards;
- monitoring any complaints related to the quality of execution in order to ensure any deficiencies are improved.

In addition, the Company shall check on a regular basis whether the Company has correctly applied its Order Execution Policy and if client instructions and preferences are effectively passed along the entire execution chain.

The results of the ongoing execution monitoring shall be escalated to the Company's senior management, which shall decide on the necessary amendments/ improvements in the Company's Order Execution Policy and execution arrangements.

21. Leverage regulations

Specific leverage limits apply for Retail clients. These new rules are designed to offer further protection to retail traders.

Subject to CySEC Directive DI87-09, the Company implements the below measures which supersede any other section in this Order Execution Policy regarding to leverage as long as the measures are in effect.

Leverage limits when you open a position vary according to the volatility of the underlying assets:

- 3,33% (30:1 for major currency pairs) of the notional value of the instrument when the underlying currency pair is composed of any two of the currencies like US Dollar, Euro, Japanese Yen, Pound Sterling, Canadian Dollar or Swiss Franc;
- 5% (20:1 for non-major currency pairs, gold and major indices) of the notional value of the instrument when the underlying index, currency pair or commodity is Euro Stoxx 50 (EUR50),

Financial Times Stock Exchange 100 (UK100), Cotation Assistee en Continu 40 (FRA40), Deutsche Bourse AG German Stock Index 30 (GER30), Dow Jones Industrial Average (US30), Standard & Poor's 500 (US500), NASDAQ Composite Index (USTech100), a currency pair composed of at least one currency which is not listed in the previous point, or Gold;

- 10% (10:1 for commodities other than Gold and non-major equity indices) of the notional value of the CFD when the underlying commodity or equity index is a commodity or any equity index other than those listed in the previous point;
- 50% (2:1 for cryptocurrencies) of the notional value of the CFD when the underlying is a cryptocurrency, or;
- 20% (5:1 for individual equities and other reference values) of the notional value of the CFD when the underlying is a share, or an underlying not otherwise listed above

Detailed information on leverage can be found in the Leverage Policy of the Company.

22. Stop out

As per CySEC Directive DI87-09 definition, 'margin close-out protection' means the closure of one or more of a retail client's open CFD's on terms most favorable to the client when the sum of funds in the CFD trading account and the unrealized net profits of all open CFD's connected to that account falls to less than half of the total initial margin protection for all those open CFD's.

In the event the Client shall set up a Stop Loss exceeding the maximum loss allowed under the Margin Stop Out Rule, the trade will be closed according to the Margin Stop Out Rule.

Negative Balance Protection provides an overall guaranteed limit for losses. This ensures that the maximum losses from trading, including all related costs, are limited to the total funds related to trading the instruments, which are funds available on the Client's Account. In the event a position closes at such price causing the Equity Balance of the Client's Account to fall below zero, the Company shall waive its rights to receive the balance from the Client and set the balance of that Account to zero.

Standardized Risk Warning: the Company replaced its existing risk warning with the standardized risk warning required by the CySEC National Intervention Measures on CFD's.

CFD's 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. This Policy does not constitute an offer, invitation or solicitation to buy or sell CFD's. It may not be reproduced or disclosed (in whole or in part) to any other person without prior written permission. This Policy is not intended to constitute the sole basis for the evaluation of the Client's decision to trade in Contracts for Differences (CFD's).

23. Reporting

Ensuring transparency and the quality of the trades' execution and Company's Execution Venue, the Company publishes its data free of charge on the Company Website. In order to comply with the regulatory requirements, the Company is obliged to summarize and make public on an annual basis in an electronic format, for each class of financial instruments, the top five execution venues in terms of trading volumes where the Client Orders were executed in the preceding year and information on the quality of execution obtained.

Each trading venue and Systematic Internalizer (SI), and for other financial instruments, each Execution Venue, must make available to the public, without any charges, data relating to the quality of execution of transactions on that venue on a quarterly basis which contains key metrics of execution quality quarterly and no later than three months after the end of each quarter, as follows:

- by 30 June, information regarding the time period 1 January to 31 March;

- by 30 September, information regarding the time period 1 April to 30 June;
- by 31 December, information regarding the time period 1 July to 30 September;
- by 31 March, information regarding the time period 1 October to 31 December

The Company is obliged to provide the Client with confirmation of the execution of the Client Order as soon as possible but no later than the next business day following the execution. In case the confirmation is received by the Company from a third party, the confirmation will be provided no later than the next business day following the receipt of the confirmation from a third party.

Further to MiFID II standards RTS27 and RTS28, the Company ensures that it will provide Clients with an ongoing view of the execution they receive in the marketplace. RTS27 requires Execution Venues, market makers and systematic internalizers to publish reports with their transaction data. These reports must be published on a quarterly basis and include data for each trading day. Furthermore, RTS28 requires investment firms to publish annual information every year (End of April), in a summary form, of the quality of execution and disclosure of their top 5 (five) Execution Venues. In due circumstances, the Company's Execution Quality Summary Statement ("EQSS") RTS27 and RTS28 can be found on the Company's Website at earn.eu/mifid_II_disclosures page of the Website.

In cases where the Company provides both the services of order execution as well as reception and transmission of orders, the Company will prepare two separate reports in relation to these services.

Information to be published under RTS28

Reporting data for non-securities financing transactions contains:

- volume of Client Orders as percentage of executed Orders;
- percentage of the executed Orders which were passive, aggressive and directed;
- confirmation that the Company has executed an average of less than one trade per business day in the previous year in a given class of financial instruments.

Reporting data for securities financing transactions contains:

- volume and number of Client Orders executed as a percentage of total executed Orders;
- confirmation that the Company has executed an average of less than one trade per business day in the previous year in a given class of financial instruments.

Summary analysis per class of financial instruments contains:

- relative importance of execution factors (price, cost, speed, likelihood of execution or any others);
- description of close links, conflicts of interests, common ownership;
- description of payments, discounts, rebates or non-monetary benefits received;
- explanation of changes on the list of venues in the policy, if applicable;
- explanation of order execution differences according to Client categorization;
- explanation of precedence, if any, given to other criteria over immediate price and cost when executing retail orders;
- explanation of the use of data or tools relating to the quality of execution by the Company

24. Client consent

This Policy forms part of the Operational Client Agreement. Therefore, by entering into the Operational Client Agreement with the Company, the Client is also agreeing to the terms of our Order Execution Policy for Contracts for Differences (CFD's), as set out in this document and is specifically providing us with explicit consent for the Orders being executed outside a regulated market or multi-lateral trading facility (MTF) or Organized Trading Facility (OTF), which is the case for OTC instruments.

25. Amendments and additional information

The Company reserves the right to review and/or amend this Policy and arrangements whenever it deems this appropriate and/or at least annually. The Company shall inform its Clients as regards the amended version of this Policy by email and by posting on the Company. In case of communication with the Client regarding this Policy as well as its review procedures, the Company shall make the necessary effort to provide any required feedback within a reasonable timespan.

Should you request any additional information about Company Order Execution Policy as well as its reviewing arrangements, please contact the Company at support@earn.eu.

Glossary

In this Policy, the following words shall have the following meanings:

“Account Currency” shall mean the currency that the Client chooses when opening the Account.

“Ask” shall mean the higher price in the Quote being the price at which the Client may buy.

“Balance” shall mean the total financial result of all Completed Transactions and depositing/withdrawal operations on the Account.

“Base Currency” shall mean currency in which the Account and all balances, commission fees and charges relating to the Account are denominated.

“Bid” shall mean the lower price in the Quote being the price at which the Client may sell.

“Business Day” shall mean any day between Monday and Friday, inclusive, other than the 25th of December, or 1 January or any other public holiday, pursuant to the Interpretation Law, Cap.1, as amended and/or as announced by the Company on its Website.

“CFD” (Contracts for Differences), as per Directive DI87-09 definition, shall mean a derivative other than an option, future, swap or forward rate agreement, the purpose of which is to give the holder a long or short exposure to fluctuations in the price, level or value of an underlying, irrespective of whether it is traded on a trading venue, and that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event.

“Client Login” shall mean web interface allowing to use services provided by the Company, as well as a source of information. A Client Login contains personal confidential information which is available only for individual user and protected by authentication settings (login and password). Client Login is located at my.earn.eu as well as through access on the Website of the Company.

“Client Terminal” shall mean the MetaTrader software version 4 and version 5, which is used by the Client in order to obtain information of financial markets in real time, to make technical analysis of the markets, transactions, place/modify/delete Orders, as well as to receive notices from the Company. The software can be downloaded on the Website free of charge.

“Completed Transaction/Closed Position” shall mean two same-size counter-deals (opening and closing a position).

“Contract Size” shall mean a certain number of units of a Security constituting a Lot, as defined in the Trading Conditions.

“Credit” shall mean any amounts of funds credited to the Client’s account by the Company, which doesn’t belong to the Client and is thus not recognized as the Client’s Equity, and that may be used by the Client according to terms and conditions of Credit as provided by the Company

“Currency Pair” shall mean the object of a transaction based on the change in the value of one currency against the other.

“CySEC” shall mean the Cyprus Securities and Exchange Commission.

“Dispute” shall mean either:

- the conflict situation when the Client reasonably believes that the Company as a result of any action or failure to act breaches one or more terms of the Client Agreement, or;
- the conflict situation when the Company reasonably believes that the Client as a result of any action

- or failure to act breaches one or more terms of the Client Agreement, or;
- the conflict situation when the Client makes a deal at an Error Quote (Spike), or before the first Quote comes to the Trading Platform on the Market Opening, or at the Quote received by the Client because a Dealer made a Manifest Error or because of a software failure of the Trading Platform

“Equity” shall mean Balance + Floating Profit - Floating Loss.

“Error Quote (Spike)” shall mean an error Quote with the following characteristics:

- asignificant Price Gap, and;
- in a short period of time the price rebounds with a Price Gap, and;
- before it appears there have been no rapid price movements, and;
- before and immediately after it appears that no important macroeconomic indicators and/or corporate reports are released, and;
- any other criteria which allow the Company to treat this quote as out of the market. The Company shall have the right to delete Error Quotes (Spikes) from the Server’s Quotes Base

“Financial Instrument/Instrument” means any of the instruments specified in Part III of the First Appendix of the Law 87(I)/2017, as amended.

“Expert Advisor” shall mean any automated trading system which is designed to automate trading activities on the Trading Platform. It can be programmed to alert the Client of a trading opportunity and can also trade the Client’s Account automatically managing all aspects of trading operations from sending Orders directly to the Trading Platform to automatically adjusting Stop Loss, trailing stops and Take Profit levels.

“Extreme Market Situation” shall mean a certain trading situation in which it is impossible to execute Orders. The reason can be low volume of transactions at the market, low liquidity, central bank intervention, the publication of important news and other events that lead to the absence of market prices for a certain period of time or to very rapid price changes.

“Floating Profit/Loss” shall mean current profit/loss on Open Positions calculated at the current Quotes.

“Floating Spread” shall mean the spread that is variable throughout the day, depending on market volatility and available liquidity. It may be narrow, however during high volatility it may widen considerably.

“Free Margin/Available Funds” shall mean funds on the Account which may be used to open a position. It is calculated as Equity less Necessary Margin.

“Hedged Margin” shall mean the Margin required by the Company sufficient to open and maintain Matched Positions. The details for each Instrument are in the Trading Conditions.

“Indicative Quote” shall mean a Quote at which the Company has the right not to accept any Instructions or execute any Orders.

“Initial Margin” shall mean the Margin required by the Company to open a position. The details for each Instrument are in the Trading Conditions.

“Instruction/Order” shall mean an instruction from the Client to the Company to open/close a position or to place/modify/delete an Order.

“Latency” shall mean a delay or lapse of time between an Order request and a response to it (processing and execution).

“Leverage” shall mean ratio of the value of transaction and Initial Margin, required for the transaction.

“Long Position” shall mean a buy position that appreciates in value if market prices increase. In respect of Currency Pairs: buying the Base Currency against the Quote Currency.

“Lot” shall mean a portion of Securities’ units (as determined by Contract Size for each Asset Class) in the Trading Platform which can be purchased/sold according to instructions.

“Lot Size” shall mean the volume of a single lot, i.e. portion of units of a Security, as defined in the Trading Conditions.

“Manifest Error” is any error that the Company believes to be obvious, evident and tangible. In deciding whether an error is a Manifest Error, the Company may take into account all relevant information including, but not limited to, prevailing market conditions and, within reason, human error. As such, the Company reserves the right to render void from the outset, or within any reasonable time thereafter, any Order which appears to contain, or be based upon, a Manifest Error. The Company also reserves the right to make any reasonable amendments to the details of the resulting transaction in the Company’s sole discretion and/or to consult with the Client where appropriate in relation to Manifest Errors.

“Margin/Marginal Requirements” shall mean the necessary guarantee funds to maintain Open Positions, as determined in the Trading Conditions for each Instrument.

“Margin Call” shall mean a request from a broker or dealer for additional funds or other collateral to guarantee performance on a position that has moved against the customer.

“Market Execution” shall mean order technology used for executing market orders depending on the depth of the market. Under Market Execution there are no re-quotes and the order is executed at the best available price on the market at the time of execution.

“Market Price” shall mean the price at which the Company may execute the Client’s Order to buy or sell an Instrument at the certain moment.

“Matched Positions” shall mean Long and Short Positions of the same transaction Size opened on the Account for the same Instrument.

“Material Change” shall mean a significant event which has the ability to impact parameters of best execution such as cost, price, speed, likelihood of execution and settlement, size, nature or any other consideration relevant of the execution of the order.

“Necessary Margin” shall mean the Margin required by the Company to maintain Open Positions. The details for each Instrument are specified in the Trading Conditions.

“Open Position” shall mean a Long Position or a Short Position which is not a Completed Transaction.

“Order Level” shall mean the price indicated in the Order.

“Pending Order” shall mean an Instruction from the Client to the Company to open or close a position when the price reaches the Order Level; it is possible there will be a difference between the current price and the execution price in the future.

“Pip” shall mean the smallest price change of any foreign currency.

“Precious Metal” shall mean spot gold or spot silver.

“Price Changed” shall mean a message in the terminal window telling the operation can be executed in view of Market conditions. Such situation takes place very seldom for example when there is an extreme situation on the market.

“Price Gap” shall mean the following:

- the current Quote Bid is higher than the Ask of the previous Quote, or;
- the current Quote Ask is lower than the Bid of the previous Quote

“Professional Client” shall mean a Professional Client for the purposes of the Applicable Regulations as defined in the Client Categorization Document.

“Quote” shall mean the information of the currency price for a specific Financial Instrument, in the form of the Bid and Ask prices.

“Quote Currency” shall mean the second currency in the Currency Pair which can be bought or sold by the Client for the Base Currency.

“Quotes Base” shall mean Quotes Flow information stored on the Server.

“Quotes Flow” shall mean the stream of Quotes in the Trading Platform for each Instrument.

“Rate” shall mean the following:

- for Currency Pairs: the value of the Base Currency in the terms of the Quote Currency, or;
- for Precious Metals: the price of one troy oz. worth of the Precious Metal against the US dollar or any other currency specified in the Trading Conditions for this Instrument

“Request” shall mean a telephone request from the Client to the Company given to obtain a Quote. Such a Request shall not constitute an obligation to make a transaction.

“Required Margin” shall mean funds required to maintain the total Open Position.

“Rollover” shall mean a time period including, amongst others, market opening and session break re-opening in respect to its potential and actual impact on spread widening.

“Security” shall mean privileged and non-privileged shares, treasury bonds, promissory notes, warrants, futures and option contracts, deposit certificates and other securities of every type and description and other property and investments

“Server” shall mean the trading server of MetaTrader Server program, version 4 and version 5. The program is used to execute the Client’s Instructions or Requests, to provide trading information in real-time mode (the content is defined by the Company), in consideration of the mutual liabilities between the Client and the Company, subject to the Client Agreement.

“Short Position” shall mean a sell position that appreciates in value if market prices fall. In respect of Currency Pairs: selling the Base Currency against the Quote Currency.

“Slippage” shall mean difference between the executed price of the Pending Order and price placed by the Client.

“Spread” shall mean the difference between Ask and Bid. It can change depending on the market situation and is determined by the Company.

“Stop Out” shall mean a condition where the Company will close all open positions at the current or most recent prices due to a reduction in the client’s margin to levels that can no longer sustain the open position.

“Swap” shall mean an accrual/charge in relation to the Client’s trading Account applied to positions open overnight.

“System Time” shall mean time in trading terminal.

“Client Agreement” shall mean the agreement between the Company and the Client on terms and conditions for the provision of services, which constitutes a part of the Operative Agreement.

“Account” shall mean the unique personified registration system of all Completed Transactions, Open Positions, Pending Orders and deposit/withdrawal transactions in the Trading Platform.

“Trading Conditions” shall mean principal trading terms (including but not limited to Spread, Lot Size, Initial Margin, Hedged Margin) for each Instrument, displayed on the Company Website.

“Trading Platform” shall mean the MetaTrader software version 4 and version 5 and technical facilities which provide real time Quotes allowing transactions to be made, Orders to be placed/modified/deleted/executed and calculate all mutual obligations between the Client and the Company. The trading platform consists of the Server and the Client Terminal.

“Transaction/Trading Operation” shall mean any contract or transaction entered into by the Client or on behalf of the Client arising under this Operative Agreement.

“Transaction Size” shall mean Lot Size multiplied by number of Lots.

“Unable to quote – please try later” shall mean a terminal window message telling Client’s order was rejected. The order can be rejected in case of its submission without carrying out of transactions.

“Underlying Asset” shall mean whatever can be traded as a CFD instrument.

“Website” shall mean earn.eu or any other page the Company may maintain at times for Client access.