



## ORDER EXECUTION POLICY

### Introduction, Purpose & Scope

I.W.G. International Wealth Group Limited (hereinafter, “the Company”) is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (hereinafter, “CySEC”) with License number 380/19.

The purpose of this Policy is to establish effective arrangements for obtaining, when the Company is executing Client orders or transmitting Clients’ orders to third parties, the best possible result for its Clients.

This section aims to set out those arrangements and to ensure compliance with legislative requirements and the departmental and general procedures, which are set within this Manual.

The best execution policy applies to the Company’s retail and professional Clients and regards to all financial instruments. The present provision does not apply to Clients that have been classified as eligible counterparties.

On a non-standard basis and where it is commercially expedient for a Professional Client to elect treatment as an Eligible Counterparty, the obligations under Company’s Best Execution Policy will not apply.

The Company’s best execution policy applies in cases where the Company agrees to execute an order on behalf of a Client and the Client lawfully relies on the Company to protect his/her interests

Under the legislation, the Company is required to take all reasonable steps to act in the best interest of its Clients and to reasonably obtain the best possible result (or “best execution”) for its clients when providing either the investment service of reception and transmission of clients’ orders on behalf of clients. In addition, these rules require Cyprus Investment Firms including the Company to put in place a relevant Policy and to provide among others appropriate information to their Clients on their Order Execution Policy and its best execution criteria.

This Policy applies to both retail and professional clients. So, if the Company classifies a client as an Eligible Counterparty, this policy does not apply to such a client.

This Policy applies when the Company provides the investment services of reception and transmission of orders in relation to one or more financial instruments and/or execution of orders on behalf of clients. Investment advice and Portfolio Management services.

The Policy outlines the process that the Company follows in executing trades, and the steps reasonably taken to consistently obtain the best possible result for clients through its Order Execution Policy. It is noted however that when executing an order following a specific client instruction, the Company will seek to ensure that execution of the order is in line with those instructions and will consider that it has discharged its best execution obligations.

The Company acts as an agent (i.e. on behalf of its clients) in relation to clients’ transactions with the Execution Venue(s). This means that when a position is opened for a client then that open position can only be closed with that Execution Venue(s). For more information with regards to the Execution Venue(s).



## Legal Framework

In accordance with section 28(1)(a) of Law 87(I)/2017, must take all sufficient steps to obtain, when executing orders, the best possible result for its clients taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order. Nevertheless, where there is a specific instruction from the client the CIF shall execute the order following the specific instruction.

In addition, under section 28 (4) CIFs must establish and implement an order execution policy to allow the CIF to obtain, for its Clients' orders, the best possible result.

The legal fundamentals for best execution are set in:

- (a) Section 28 of Law 87(I)/2017,
- (b) Section 5, Chapter III of Commission Delegated Regulation (EU) 2017/565,

## Best Execution Obligations & Factors

In accordance with section 28(4) of Law 87(I)/2017, the Company is required to document the process and procedures it applies to Client orders in order to obtain the best possible result in accordance with the factors discussed in the previous section.

The documenting of the Company's Best Execution Policy is necessary in order to ensure that the Company has a comprehensive approach to meeting the requirement of best possible result for Client orders and also to ensure that there is an actual and sound control over execution practices and procedures.

The Company's Best Execution Policy implements all relevant requirements of section 28 of Law 87(I)/2017. It further implements the relevant requirements of Section 5, Chapter III of Commission Delegated Regulation (EU) 2017/565.

The Company is required to take into account a number of factors when transmitting order for execution on behalf of clients. Consequently, the Company is taking all reasonable steps to obtain the best possible results for its clients by taking into account the following factors when transmitting orders for execution on behalf of clients against the Company' quoted prices as these are provided by its Liquidity Provider(s)/Execution Venue(s):

The Company is required under section 28(1)(a) of Law 87(I)/2017 to take all sufficient steps to obtain the best possible result for its Clients, taking into account the following factors, provided that there are no specific instructions from the Client to the Company about the way of execution of his/her orders:

- Price – the price offered by the relevant execution venues for the transaction;
- Costs –include transaction costs (clearing and settlement fees)
- Speed of execution and settlement – the time it takes to complete the transaction through the relevant execution venues;



- Likelihood of execution and settlement – the likelihood that a transaction will be completed through a relevant execution venue;
- Size and likely market impact – the size of the order in absolute terms, and/or relative to liquidity on the relevant execution venues, taking into account how the size of the transaction affects (best) execution outcome for the client (with regard to pricing or any other relevant execution factor);
- Nature of the order – any particularities of the client order or the relevant product, that may affect (the manner of) carrying out of that order; and
- Any other consideration – any other circumstances relevant to the carrying out of an order, including prevailing market conditions.

Whenever there is a specific instruction from the Client, the Company always executes the order following that specific instruction of the Client. By doing so the Company is deemed to have complied with the best execution requirement to the extent of that instruction, in accordance with the provisions of section 28(1)(a) of Law 87(I)/2017 and Article 64(2) of Commission Delegated Regulation (EU) 2017/565.

Best possible result will vary depending on the nature of the Client, the type of product and the available market for that product.

Section 28(1)(b) of Law 87(I)/2017 defines that in situations where the Company executes an order on behalf of a Retail Client, the best possible result shall be determined in terms of the “total consideration”, representing the price of the financial instruments and the costs related to execution. This shall also 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.

If the Client is classified as a Professional Client, all other factors specified above such as speed (of execution), likelihood of execution (liquidity of the market in that particular product) and (likelihood of) settlement, size (of the order) and nature or any of Best Execution Criteria

In accordance with Article 64(1) of Commission Delegated Regulation (EU) 2017/565, in order to define the significance of the above execution factors the Company takes into consideration the following execution criteria:

- (a) Characteristics of the Client including its classification as a Retail or Professional Client
- (b) Characteristics of the Client Order (e.g. size of the order)
- (c) Characteristics of the financial instruments related to the Client Order (e.g. equities, fixed income securities, derivatives, liquid or illiquid securities)
- (d) Characteristics of the execution venues to which the Client Order may be directed (e.g. regulated market, MTF, OTF, an SI, a Market Maker, Liquidity Provider or other OTC arrangement)



When executing orders or taking decision to deal in OTC products including bespoke products, the Company checks the fairness of the price proposed to the client, by gathering market data used in the estimation of the price of such product and, where possible, by comparing with similar or comparable products.

### Purpose of the Policy

The Company's Best Execution Policy establishes the principles and guidance for standards in relation to the execution of orders or transactions as well as management of Client orders or arranging for an intermediary to do so on the Company's behalf.

In particular, the Company's Best Execution Policy sets out the key aspects applicable to the execution process, namely:

- a) Execution factors and criteria to achieve Best Execution
- b) The execution process followed by the Company
- c) The order management process and
- d) Disclosures and Client consents required by the Company.

The Company's obligations under its Best Execution Policy relate to relevant MiFID business activity undertaken in financial instruments where the product is not listed or traded in a Regulated Market, MTF or OTF. The fact that a transaction may be specific to Client requirements does not preclude the application of Best Execution requirements.

Through its trading process, the Company takes all reasonable steps to obtain the best possible result in the execution of orders, taking account of all relevant execution factors.

The relative importance of these factors may change depending on the specific order at hand. The Company considers these factors taking into account information about market

conditions, the nature of the financial product, the characteristics of the client, and the characteristics of the potential execution venues

Each of these factors will play a part in determining the priority of the execution factors for any specific order. While price will often have a priority ranking, the ultimate transaction price is function of the priority given to the other factors.

The list of factors used to select an Execution Venue is generally based on evaluation of a number of quantitative and qualitative factors that may include (as applicable), but are not limited to, the Company's analysis of the intermediaries or execution venues it uses in order to transmit client orders for execution:

- likelihood of execution – accuracy, clearance and error/dispute resolution;
- capacity to execute at the best price;



- overall costs of trades including commissions or fees;
- speed of execution;
- nature & size of deals;
- ability to deliver reliable and timely execution and settlement;
- clearing and settlement capabilities;
- Intermediary's ability to handle large trades;
- quality of service;
- creditworthiness;
- reputation;
- financial stability;
- trading controls;
- regulatory compliance; and
- system connectivity.

The Company executes de facto all client orders outside a Trading Venue due to the nature of products it offers and/or distributes to Clients. Additional risks may be incurred when executing transactions Over the Counter. These risks arise as orders executed outside a Trading Venue will not be subject to the rules of Trading Venues, which are designed to provide for a fair and orderly treatment of orders. Also, a settlement risk may be incurred as transactions will be subject to counterparty risk and will not be covered by the relevant clearing and settlement rules similar to those applicable for a regulated market or similar multilateral trading systems such as MTFs or OTFs.

As stated above, in case the client provides specific instructions in relation to any aspect of the carrying of a client order (for instance, where the client instructs the Company to execute the order on a particular venue, at a particular time or at a particular price), or otherwise selects specific parameters of the transaction, then the Company executes the transaction in accordance with these instructions or parameters and it does not have discretion over how (that aspect of) the order is executed. As a result, by following a specific instruction from the client, the Company satisfies the obligation to provide the client with best execution in relation to that order. It is noted however that if a specific instruction is provided by the client, this may prevent the Company from following some or all of the steps in this policy that are designed to obtain the best possible result for the execution of orders.

In executing client orders the Company's own commissions and the costs for executing the order on each of the eligible execution venues shall be taken into account in that assessment. The Company does not receive any remuneration, discount or non-monetary benefit for routing client orders to a particular execution venue.



## Monitor & Review

The Company monitors the effectiveness of this policy in various ways. Multiple functions including the Heads of Reception and Transmission and Execution, and the Risk Management, and Compliance functions all participate in order to monitor execution quality.

Regulatory wise, the Policy will be reviewed at least annually, or as necessary to keep pace with any changes. When reissued, amendments are forwarded to the concerned Departments and members of the Company in order to be aware of those amendments.

The functions of the Internal Audit and Compliance shall review at least once a year the Best Execution Policy in order to identify any regulatory scarcities in the said policy. Such deficiencies must be communicated to the Senior Management for immediate rectification.

The Company will at least on an annual basis review its Best Execution Policy and any relevant order execution arrangements in order to assess and examine whether the requirement for providing best execution to its clients is achieved on a consistent basis. The Company will assess the effectiveness of the Policy and relevant execution arrangements to identify and where appropriate correct any deficiencies by implementing improvements.

The Company reserves the rights to review and amend this Policy at any given time it deems suitable and appropriate, without notice to the Client. The Policy is available for review at any given time on the Company's website and any new version will be effective from the time of posting on the website, we therefore ask you to review our website on a regular basis to ensure that you have read and understood the latest version.

The latest version of this Policy is available on the website of the Company ([www.interwealthgroup.com](http://www.interwealthgroup.com)).

## Consent of the Client

This Policy applies to the investment services provided by the Company. By entering into a contract with the Company for investment services or by giving the Company orders for execution, the client is deemed as giving its consent to this Policy unless the Company is expressly notified otherwise.

## Order Handling

When executing orders on behalf of clients, the Company ensures the prompt and accurate recording and allocation. In the event that the Company receives comparable orders from two or more clients, the orders will be executed promptly and sequentially unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the client require otherwise.

## Aggregation and Allocation

According to its order execution arrangements and operational framework, the Company does not generally aggregate any client orders with other client orders or any transactions for its own account.

## Execution Venues



The Company uses third-party Intermediaries when carrying out an order on the client's behalf, the execution venue shall always be disclosed to the clients. Some of the third-party entities with whom the Company collaborates with for the transmission of client orders for execution includes: Interactive Brokers, Novia Global, STM Group, Quilter, Moventum, Sovereign etc. The above is a non-exhaustive list, the Company may place an order with a different third-party execution venue in accordance with the client's order.

## Reporting

The Company is subject to best execution reporting obligations under MiFID II. This includes the publication of data on the quality of execution for each class of financial instrument as listed in Appendix A of Law 87(I)/2017. The content and format of the data to be made public is specified and will include, but is not limited to, details on price, cost, speed and likelihood of execution. The Company is further required to publish on an annual basis a list of the top five execution venues for each class of financial instruments traded.

Upon reasonable and proportionate request, the Company will, within a reasonable timeframe, provide clients with information regarding this Policy and the performance of the Company in handling of its orders.

## Price

BID/ASK: For any given Financial Instrument (hereinafter the "Instrument"), the Company will quote two prices as these are provided by and derived from its Liquidity Provider(s)/Execution Venue(s):

- i. the higher price (ASK) at which the client can buy (i.e. go Long) that Instrument, and;
- ii. the lower price (BID) at which the client can sell (i.e. go Short) that specific Instrument.

The ASK and BID prices collectively are referred to as the Company's price. The difference between the lower and the higher price of a given Instrument is the spread.

- a. Pending Orders: Such orders as Buy Limit, Buy Stop and Stop Loss, Take profit for opened short position are executed at ASK price. Such orders as Sell Limit, Sell Stop and Stop Loss, Take profit for opened long position are executed at BID price.
- b. Company's price: The Company's prices can be found on the Company's website. The Company updates its prices as frequently as the limitations of technology and communications links allow. The Company will not quote any price outside the Company's operations time (see Execution Venue section 6 below) therefore, no orders can be placed by clients during that time. The Company does not guarantee that when transmitting clients order(s) for execution to the Execution Venue, the Company's price will be the most favorable for clients than one which might be available elsewhere. The main way in which the Company ensures that clients receive the best execution price is to ensure that the calculation of the BID/ASK spread is made by the Liquidity Provider(s) / Execution Venue(s) with reference to a range of external data sources and independent price providers. The Company reviews its Execution Venue's external reference sources at least once a year, to ensure that the data obtained continue to be competitive.



Costs: For opening a position in some types of Instruments clients may be required to pay a commission or financing fees, if applicable, the details of which costs and fees are disclosed and available on the Company Website under Contract Specifications. The Company takes all reasonable steps to ensure that clients are informed of such costs prior to clients opt to engage in trading.

- a. Commission(s) may be charged either in the form of a percentage of the overall value of the trade or as fixed amount.
- b. Financing Fee(s) are based on prevailing market interest rates, which may vary over time. Details of daily financing fees applied are available on the Company' website under Contract Specifications. In the case of financing fee(s) the value of opened positions in some types of Instruments is increased or reduced by a daily financing fee "swap rate" throughout the life (i.e. duration) of the contract.

For all types of Instruments offered by the Company, the commission(s) and financing fee(s) are not incorporated into the Company' quoted price but are instead charged explicitly to the clients' account.

### Speed

Although the Company acts as an agent, (i.e. on behalf of its clients) in relation to clients' transactions in with the Execution Venue(s), the Company places a significant importance when executing clients' orders and strives to offer high speed of execution within the limitations of technology and communications links at all times.

The technology and the means of communication used by clients are important elements in relation to the transmission of their orders for instance the use of wireless connection or dial-up connection or any other means of communication that may result in poor or unstable connectivity may cause delays between the transmission of data between the Client and the Company Consequently, such failure of hardware and software (i.e. Internet / Servers etc.) may result for clients' orders to be either:

- a. placed at a delay and consequently orders to be transmitted for execution at a better or worse prevailing market price offered by the Company. (as provided by its Liquidity Provider(s) / Execution Venue(s)), or;
- b. not transmitted for execution according to clients' instructions, or;
- c. not transmitted for execution at all due to the orders placed at a delay resulting to the Company receiving outdated "markets orders".

Clients acknowledge and accept that the Company does not accept any liability in the case of such a failure.

### Nature of Orders

The specific characteristics of an order can affect the execution of clients' order(s). The Company provides for clients the option to place the following type of Orders for execution:

- a. Market Order is an order to buy or sell which is instantly executed and filled at the prices provided by and derived from the Company's Liquidity Provider(s)/Execution Venue(s) From time to time, the market may



move while clients placing their Market Order and this may result the Market Order to be executed at the next available market price or the Market Order not to be executed at all. Clients may also modify their Market Order by placing a:

- Stop Loss order which is used to minimize and limit clients' loss(es) or;
  - Take Profit order which is used to allow Clients to close a profitable position (i.e. trade) when the price has reached a certain level.
- a. Pending Order is an order to buy or sell which is executed at a later stage at the at pre-defined price in the future. That means that once the price provided by the Company's Liquidity Provider(s)/Execution Venue(s) reaches the pre-defined price specified by the clients, the Pending Order will automatically become a Market Order and consequently executed by the Company's liquidity provider (s) /Execution Venue(s). There are four types of Pending Orders available a) "Buy Limit", b) "Buy Stop", c) "Sell Limit" and d) "Sell Stop". Clients may also attach to any of the abovementioned Pending Orders a "Stop Loss" and/or "Take Profit". The minimum level(s) for placing "Buy Limit", "Buy Stop", "Sell Limit", "Sell Stop", "Stop Loss" and "Take Profit" are disclosed on the Company Website under Contract Specifications. Clients acknowledge and accept that once the price has reached the specified level of the order execution, "Stop Loss", "Take Profit" and rest of "Pending Orders" can neither be changed nor removed.

### Size of order

All order is placed in lot sizes. A lot is a unit measuring the transaction amount and it is different for each type of Instrument. Details of the lot sizes for a given Financial Instrument type are available in the Contract Specifications on the Company's website. Clients acknowledge and accept that even though in some cases there is no maximum size of an order which the Client can place with the Company, the Company reserves the right to decline an order, in case the size of the order is large and cannot be filled.

Clients further acknowledge and accept that while the Company makes all reasonable efforts to fill clients' orders irrespective of the volume, it may be the case that such orders are filled at the next best available price, instead at the available market price as derived from the Company's Liquidity Provider(s)/Execution Venue(s).

### Likelihood of Execution

As it is explained in the Execution Venue section of this Policy, the Company acts as an agent (i.e. on behalf of its clients) in relation to clients' transactions with the Execution Venue(s). This means that when a client opens a position on the Company's platform then that open position can only be closed with that Liquidity Provider(s)/Execution Venue(s) at the prices derived from the Liquidity Provider(s)/Execution Venue(s).



As mentioned under “Size of Order” while the Company accepts and transmits for execution all clients’ orders, it reserves the right to decline an order of any type. For instance, in case the size of the order is large and cannot be filled.

Clients accept and acknowledge that while the Company makes every possible effort and take reasonable steps to ensure fast execution of clients’ orders by liquidity providers /execution venues, clients are exposed to hardware and software failure. Consequently, such failure of hardware and software (i.e. Internet / Servers etc.) may result for clients’ orders to be either:

- a. placed at a delay and consequently orders to be executed at a better or worse prevailing market price offered by the Company as provided by its Liquidity Provider(s) / Execution Venue(s), or;
- b. not executed according to clients’ instructions, or;
- c. not executed at all due to the orders placed at a delay resulting to the Company receiving outdated “markets orders”.

Clients further acknowledge and accept that while the Company makes every possible effort and take reasonable steps to provide its Clients with best execution under the prevailing market conditions and consequently ensure that “Buy Limit”, “Buy Stop”, “Sell Limit”, “Sell Stop”, “Stop Loss” and “Take Profit” are executed at the available Market Price, under certain trading conditions it may be impossible to ensure execution of the orders at the available market price and instead these are executed at the next best available market price derived from its Liquidity Provider(s) / Execution Venue(s). For instance, orders may be executed at the next best available price in the following cases (list non-exhaustive):

- a. During periods of volatile market conditions where prices may move up or down and deviate from the clients declared price
- b. During news announcements
- c. On opening gaps (when trading session starts) or on possible gaps where the underlying instrument has been suspended or restricted on a particular market
- d. In cases of insufficient liquidity for the execution of the specific volume at the declared price

### **Market Impact**

The Company as mentioned and described herein, at all times takes all reasonable steps in order to ensure the best possible results for its clients. However, various factors may not only rapidly affect the Company’s quoted prices as derived from its Liquidity Provider(s) / Execution Venue(s) but also affect the rest of the factors herein (i.e. parameters, criteria) which the Company takes into consideration for ensuring the best possible result for its clients.