



**FOW**

ORDER  
EXECUTION  
POLICY



## **ORDER EXECUTION POLICY**

FOW Business Financial Ltd. (hereinafter referred to as the "Company", "FOW Business", "We" or "Us"), is incorporated under the laws of England and Wales with company number 12352783 having its registered office at 20-22, Wenlock Road, London, England N1 7GU.

The purpose of this Order Execution Policy is to ensure that FOW Business has adequate processes in place to provide "best execution".

The Company shall apply the Policy upon acceptance of an order and also when a client gives no specific instruction on the method of execution. Nevertheless, when the client gives a specific instruction on an order, we will execute the order following such instruction. If the Company receives a specific instruction on an order, this may prevent us from implementing the Policy to achieve the best possible result for the execution of the order.

## **SCOPE AND SERVICES**

This Order Execution Policy shall apply when the Company provides the investment services of reception and transmission of order in relation to one or more financial instruments and/or execution of orders on behalf of clients.

We shall always act as principal (counterparty) when executing orders by clients. Although the Company takes every reasonable step to achieve the best possible result for its clients, we cannot guarantee that when executing a transaction, the client's price will be more favorable than one, which might be available elsewhere.

The Financial Instruments provided by the Company are Contracts for Difference (CFD) of an underlying asset and it is up to the Company's



sole discretion to decide which type of CFDs to make available from time to time and to publish the prices at which these can be traded in line with the prices offered by its Liquidity Provider.

This Policy will not apply when we are not executing an order on client's behalf, for example where:

- • We manage with you as a principal on the basis of a published quote
- • We execute with you as counterparty for our own account
- • We are following your specific instructions to execute your order in a particular manner or at a particular price
  - we are following your specific instructions to execute a specific part or aspect of an order.

## ORDER EXECUTION VENUE

Execution venues are the entities with which the orders are placed or to which FOW Business transmits orders for execution. The Company will enter into all transactions with the client as principal (counterparty) and act as the sole execution venue for all client orders. The client shall open and close a position of any particular financial instrument with us through our trading platform.

Provided that there is only one possible venue, best execution is achieved by execution on that venue. Clients note that best execution is a process, which considers a variety of factors, not an outcome.

When FOW Business is carrying out a client's order, the Company shall execute the order following its execution policy, however Company does not guarantee that the exact requested price will be obtained at all times and, in any event, the factors may lead to a different result in a particular transaction.



The Client acknowledges and consents that the transaction entered in Financial Instruments with the Company's Execution Venue are not undertaken on a recognized exchange or a Multilateral Trading Facility ("MTF"), rather they are undertaken through the Company's Trading Platform (i.e. Over-The Counter) and, accordingly, they may expose the Client to greater risks than regulated exchange transactions.

Solely the Execution Venue establishes the terms and conditions and trading rules. The Client can only close an open position of any given Financial Instruments during the opening hours of the Company's Trading Platform. The Client also has to close any open position with the Execution Volume.

## **FACTORS IN DETERMINING EXECUTION VENUE**

Factors that we consider in selecting the entities with which your orders are placed or to which we transmit your orders for execution, in respect of a particular financial instrument include:

- • Credit worthiness of the counterparties on the venue or the central counterpart
- • Cost of execution
- • Depth of liquidity
- • General prices available
- • Quality and cost of clearing and settlement
- • Relative volatility in the market
- • Speed of execution

In some markets, price volatility may mean that timeliness of execution is a priority. In other markets that have low liquidity, the fact of execution may itself constitute best execution.



## **MEANING OF BEST EXECUTION**

Best Execution means that we have established this Policy to ensure that we achieve the best possible result across all orders on a consistent basis.

Complying with our best execution we do not require to make a transaction by transaction analysis. Instead, we are required to take all reasonable steps to obtain the best result overall when executing orders on your behalf.

## **BEST EXECUTION FACTORS**

The Company shall take all reasonable steps to obtain the best possible result for its clients taking into account the following factors when executing Clients' orders against the Company's quoted prices, as provided by its Liquidity Provider / Execution Venue:

### **1) Price**

FOW Business produces its own tradable prices from information obtained from third party external sources (e.g. execution venue, liquidity provider, banks etc.) that generally provide liquidity to the global market.

For any given Financial Instrument, the Company will quote two prices as offered by the Liquidity Provider: the higher price (ASK) at which the client can buy (go long) that Financial Instrument, and the lower price (BID) at which the client can sell (go short) that Financial Instrument. The difference between the lower and the higher price of a given Financial Instrument is the SPREAD.



The Company will ensure that the client is given the best execution by ensuring that the calculation of the spread is made with reference to a selection of underlying price providers and data sources.

The Company updates its prices as frequently as the limitations of technology and communication links allow. The Company will not quote any price outside its operations time; therefore, the client can place no orders during that time.

## **2) Costs**

For opening a position in some types of Financial Instruments, clients may be required to pay a financing fee or a commission that may be charged in the form of a percentage of the overall value of the trade or as a fixed amount.

In case of any financing fees, the value of opened positions in some types of Financial Instruments is increased or decreased by daily financing fee (“swap”), throughout the life of contract. These financing fees are based on prevailing market interest rates, which may vary over time.

For all types of Financial Instruments, we offer, the commission and financing fees are not incorporated into the Company’s quoted price and are charged explicitly to the client account.

## **3) Speed of Execution**

Prices changes in the course of time and the frequency of the change depends on the different financial instruments and market conditions. We are committed to provide the highest possible speed of execution within the limitations of technology and communication links.



In case clients undertake transactions on an electronic system, they may be exposed to risks in relation to the system, including but not limited to the failure of hardware, software, servers and Internet. The result of any system failure may be that clients' orders are either not executed or are not executed according to their instructions.

The Company does not accept any liability in the case of such a failure. The use of wireless or dial-up connection or any other form of unstable connection at the client's end may result in poor or interrupted connectivity or lack of signal strength causing delays in the data transmission between us and the client when using FOW Business Trading Platform. The delay may cause sending to the Company orders that are out of date (on old prices). In this case, we shall update the price and execute the order at the market price available.

#### **4) Likelihood of Order Execution**

FOW Business strives to provide its clients with the fastest execution reasonably possible. We execute clients' orders at the requested price. However, there may be trading conditions causing orders not be filled at the requested price but at the best available price. This may occur, for example, during periods of volatile market conditions, when trading session starts or on possible gaps where the underlying financial instruments have been restricted or suspended on a particular market.

Although the Company executes all orders placed by the client, it reserves the right to decline an order of any type or execute the order at the first available market price.

The Company reserves the right to modify its spread. The client may experience widened spreads and execution at the best available price considering the current market conditions.



In the case of any technical communication failure, as well as any incorrect reflection on the quotes feed, FOW Business may at its sole discretion not execute a certain order or change the opening and/or closing price of the order.

#### **4) Size of the Order**

All orders are placed in lot sizes. A lot is a unit measuring the transaction amount and it is different per each financial instrument. Details of the lot sizes are available on the website.

The Company makes every effort to fill the order of the Client irrespective of the volume. If the client wishes to execute a large size order, in some cases the price may become less favorable considering the liquidity in the market. The Company reserves the right not to accept a client's order, in case the size of the order is large and cannot be filled by us.

#### **5) Nature of the Order Execution**

The type of the order can affect its execution. Below are given the different types of orders that client can place with us:

**Market Order:** Also known, as Instant Order is an order to buy or sell at the price available at a given time. The order will usually be filled at the price the client sees on FOW Business' trading platform. There may be cases that the price will be different: if the market has moved while the client is placing his order, the price will differ. The client may place a Stop Loss to limit his loss or a Take Profit to limit his profit.



## **Pending Order:**

Clients are allowed to buy and sell a financial instrument at a pre-defined price in the future, i.e. place the order at the best available price once a given price is reached. The Company monitors the Pending Order and when the price provided by the Liquidity Provider reached the price specified by the Client, the Pending Order will automatically become a Market Order. We offer four types of pending orders in our trading platform:

- Buy Limit • Buy Stop • Sell Limit • Sell Stop

Clients may also set a Stop Loss and/or Take Profit on pending orders. The Client may modify an order before it is executed.

**Trailing Order:** To close a position, clients may use the following orders:  
**Stop Loss:** The order closes a position at a price less profitable for the client as compared to the current price when making the order.

**Take Profit:** The order closes a position at a price more profitable for the client as compared to the price when making the order.

## **6) Market Impact**

Some factors including unusual market conditions may affect the price of the underlying financial instruments from which the price, quoted by FOW Business is derived. These factors may influence the criteria that the Company takes into consideration in order to ensure the best possible result for its clients. Clients hereby fully and conclusively accept all risks related to the formation of the Company's price, including without limitation unfavorable changes in the market conditions, and acknowledge that the Company has taken all reasonable



steps to ensure the best possible result for its clients under the current circumstances.

## **BEST EXECUTION CRITERIA**

FOW Business will generally consider the following best execution criteria for determining the relative importance of the execution factors:

- • the details of the execution venue
- • the record of the client with the Company
- • the characteristics of the order
- • the specification of the financial instruments that are the subject of the order

The best possible result shall be determined in terms of the total consideration (unless the objective of the order execution dictates otherwise), representing the price of the financial instrument and the costs directly or indirectly 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 applicable).

## **CLIENT'S SPECIFIC INSTRUCTIONS**

Where we have accepted your instructions regarding the execution of your order, we will follow those instructions to the extent it is possible for us to do so, whether or not we have given you advice on any aspect of your order.



This Order Execution Policy will not apply where we accept and follow your specific instructions in executing an order or a specific part of an order. That is said, this Policy may apply to other aspects of the order to the extent that they are not covered by your instructions. For example:

- • Where you instruct us to execute an order for you at a particular price (for example, a subscription to subscribe for units in a fund, structured product or other securities at a specific price) we will execute the order at a specific price that we have quoted to you
- • Where you instruct us to execute your order on a particular venue, we will not be responsible for selecting the venue
- • When you instruct us to execute your order at particular time or over a particular period, regardless of the price available, we will endeavor to execute your order at that time or over that period in the best possible manner, but will not be responsible for the timing.

If the client gives a specific instruction to the Company as to how to carry out an order and the Company has accepted this instruction, we shall arrange - to the extent possible - for the execution of the client's order strictly in accordance with the given instruction. However, the specific instruction may prevent us from taking the steps in this Policy to achieve the best possible result for the client.

Certain trading conditions may prevent FOW Business from strictly following the client's instructions. This may result in being unable to apply this Policy.



## **CLIENT CONSENT**

This Policy forms part of the Account Opening Agreement between the Company and the Client. Therefore, by entering into an agreement with the Company, the Client also agrees to the terms of this Order Execution Policy, as presented in this document.

## **REVIEW AND MONITORING**

FOW Business shall monitor on a regular basis the effectiveness of its order execution arrangements and order execution policy to deliver the most favorable result to its clients and to identify and correct any errors or problems that may occur. The Company reserves the right to correct any deficiencies in this Policy and to make improvement to its relevant execution arrangements wherever deemed necessary.

It should be noted that the Company will not notify clients separately of changes to the Policy and clients should refer to the website for the most up-to-date version of the Policy.

## **ENQUIRIES**

For further ORDER EXECUTION enquiries, please contact us at [support@fowbusiness.com](mailto:support@fowbusiness.com)