1. **OVERVIEW**

1.1. AvaTrade Middle East Limited (referred to below as “AvaTrade”, “we”, “us” or “our”) is committed to conducting business with our Clients in an honest, fair and professional manner and to act in the best interests of our Clients. When we execute orders on your behalf, we will provide you with “best execution”.

1.2. Best execution requires us to take sufficient steps to obtain the best possible result for our clients, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to order execution.

2. **SERVICES**

2.1. We provide margin services covering CFDs and Options in FX, commodities, metals and indices, equities, bonds and Exchange traded funds. We decide what markets we will make available and we publish the prices at which we will trade. AvaTrade transacts with clients as principal on the basis of a quote. This means that you must open and close every trade with AvaTrade and cannot close an open trade with a third party. AvaTrade is therefore the sole execution venue for trades executed by it for you.

3. **BEST EXECUTION**

3.1. When executing your orders, we will take sufficient steps to achieve the best possible outcome for you.

3.2. We act as principal in all dealings and as the sole execution venue for your orders which are not executed on a regulated exchange or multilateral trading facility. Our Platform is fully automated for pricing and Order execution. When you place an Order to enter into or close a trade, you are giving the Platform an instruction to place an Order on your account on the basis of the Prices generated by our Platform.

Your Orders are executed exclusively via a bilateral transaction with us through our Platform, and not through a transaction on any exchange, multilateral trading system or other external execution venue. We provide best execution by ensuring that in arriving at our bid/offer prices we use the market price from our counterparty banks and liquidity providers for the underlying product to which your order relates.

We are required to take a number of factors into account when considering how to deliver best execution. We have rated Price as the most important followed by Cost; Speed of execution; Likelihood of execution; Size of order; Likelihood of settlement and Market impact.

a) **Price: the relative importance attached is HIGH**

For any given financial instrument, we will quote two prices: 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) it. Our price for a given financial instrument is calculated by reference to the price of the relevant underlying asset, which we obtain from third party
external reference sources. All prices can be found on our trading platforms. We update prices as frequently as the limitations of technology and communications links allow. We review third party external reference sources on a continual basis to ensure that the data obtained continues to remain competitive. If the price reaches an order set by you such as: Close at loss, Close at Profit, Trailing stop, Market Order or Limit Order these orders are instantly executed. However, under certain trading conditions it may be impossible to execute orders (Close at loss, Close at Profit, Trailing stop, Market Order, Limit) at the Client's requested price. In this case, we will execute the order at the first available price.

b) Cost: the relative importance attached is HIGH

Our bid-offer spreads are derived from the prices quoted by our liquidity providers. AvaTrade aims to provide competitive spreads relative to the market and the differences in spreads is a reflection of the volatility associated with the relevant underlying instrument. A mark-up is added to the core spread provided by our liquidity providers. The mark up for FX is calculated using the mid bid-offer price and adding our maximum mark-up which reflects the furthest distance which our spreads will be from the core FX spread. FX spreads and non-CFD mark-ups per instrument can be found on our Trading Conditions and Charges webpage.

In addition, for opening positions the Client may be required to pay financing fees, the amount of which is also disclosed on our website.

Any open futures trade held at the close of the market for the relevant underlying financial instrument may be rolled over to the next trading period. Where an automatic rollover occurs, the original position remains open and continues trading on the next contract. In these cases, an adjustment is made to the client’s equity in order to reflect the difference between prices of the expired and new contract.

c) Speed of Execution: the relative importance attached is HIGH

We place a significant importance when executing Client’s Orders and strive to offer high speed of execution within the limitations of technology and communications links.

d) Likelihood of Execution: the relative importance attached is HIGH

The likelihood of execution depends on the availability of prices of other market makers/financial institutions. In some case it may not be possible to arrange an Order for execution, for example, during news times, trading session start moments, during volatile markets where prices may move significantly up or down and away from declared prices, where there is rapid price movement, where there is insufficient liquidity for the execution of the specific volume at the declared price or where a force majeure event has occurred. In the event that we are unable to proceed with a new open Order with regard to price or size or other reason, the Order will not be executed. In addition, AvaTrade is entitled, at any time and at its discretion, without giving any notice or explanation to the Client, to decline or
refuse to transmit or arrange for the execution of any Order or Request or Instruction of the Client in circumstances explained in our Terms and Conditions.

Slippage may occur when trading in Financial Instruments. Slippage means that when at the time that an Order is presented for execution, the specific price showed to the Client may not be available; therefore, the Order will be executed close to or a number of pips away from the Client’s requested price. Slippage is the difference between the expected price of an Order, and the price the Order is actually executed at. If the execution price is better than the price requested by the Client, this is referred to as positive slippage. If the executed price is worse than the price requested by the Client, this is referred to as negative slippage. Slippage more often occurs during periods of illiquidity or higher volatility making an Order at a specific price impossible to execute. Slippage can occur also during Closed at Loss, Close at Profit, Trailing Stop and other types of Orders. We do not guarantee the execution of your Pending Orders at the price specified. However, we confirm that your Order will be executed at the next best available market price from the price you have specified under your pending Order.

e) Size of order: the relative importance attached is LOW
The minimum size of an order may vary based on the minimum nominal contract size as set down on our Trading Conditions and Charges webpage.

All trade execution is subject to size considerations. AvaTrade neither executes any trades above normal market size, nor offers greater liquidity than the ‘underlying market’. AvaTrade will not make a ‘partial fill’ of any trade. Every market quoted has an absolute minimum and maximum permitted trade size. The minimum size of trade can be found by selecting the ‘financial instrument details’ tab on the trading platform; and the maximum size of trade is dependent not only on normal market size and market conditions, but also internal risk management factors and is, at all times, at the discretion of AvaTrade.

f) Likelihood of settlement: the relative importance attached is LOW
The Financial Instruments offered by AvaTrade do not involve the delivery of the underlying asset, so there is no settlement as there would be for example if the Client had bought shares.

3.3. Market Orders

When executing your Limit Order, the Order will be executed taking into account the conditions offered at the time the Order is eventually executed. AvaTrade guarantees all Limit orders will be executed at the specified rate, not a better rate.

Also, please note that at the time we receive your order there may be no functioning market or Exchange which is open for trading on which the underlying product is traded. At such times the market may be illiquid, trade halted or suspended, and other influences may affect the price and we reserve the right not to execute your order under such conditions.
4. BEST EXECUTION CRITERIA

4.1. We will determine the relative importance of the above Best Execution Factors by using our commercial judgment and experience in the light of the information available on the market and taking into account:

a) the characteristics of the client, including the categorisation of the client as retail or professional;

b) the characteristics of the client order;

c) the characteristics of the financial instrument that is the subject of the order.

5. SPECIFIC INSTRUCTIONS

5.1. Where you provide us with specific instructions as to how to execute a particular order, this may impact on our ability to provide execution in accordance with the criteria outlined above. A transaction for which a trailing stop or other limit has been set will be closed at that level if the limit or stop price is reached. A specific instruction may prevent us from taking the steps in this policy to obtain the best possible result for you.

5.2. Generally, equity instruments have no expiry date, however, should a transformation event be announced based on a takeover or a re-organisation, the date of the event may be used as the expiry date. Individual Equities may at some stage partake in a Corporate Action; these can include Dividends, Rights Issues, Stock/Reverse Splits, Mergers, Acquisitions and Takeovers etc.

6. EXECUTION OF CLIENT ORDERS

6.1. AvaTrade will satisfy the following conditions when carrying out Client Orders:

a) ensure that orders executed on behalf of Clients are promptly and accurately recorded and allocated;

b) carry out otherwise comparable Client orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable;

c) inform you about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

7. NO AGGREGATION

7.1. We will not combine your order with those of other clients for execution as a single order.

8. CONTRACT DETAILS

8.1. Full details of the trading conditions for all products are available on our Trading Conditions and Charges webpage.
8.2. Should you require any further information and/or have any questions please direct your request and/or questions to our Support Team via our [Contact Us] page.

9. **MONITORING**

AvaTrade will regularly monitor the effectiveness of its Order Execution Policy in order to identify and, where appropriate, correct any deficiencies and to ensure that it complies with all regulatory requirements and obligations.

The monitoring is conducted at various frequencies and covers trading on the trading platform of all asset classes, and focuses on three key execution factors: price, costs and speed.

9.1. **Price:**

a) Ensuring due regard to its bid/offer prices being reflective of the market price and movement for the underlying reference product to which the CFD relates.

b) The price for a given contract is calculated by reference to the price of the relevant underlying financial instrument. This price is obtained through AvaTrade Ltd from a range of independent third-party reference sources, various nominated independent financial market data providers, who source their price feeds from relevant exchanges. Each provider’s price feed is subjected to numerous defined checks and verifications, which are carried out by AvaTrade Ltd at individual financial instrument level, before being presented to AvaTrade, and onto their clients.

(i) **Costs and Spreads:**

a) As there is only one execution venue, cost is deemed the most important aspect to the client, assuming price movements track the underlying market fairly.

b) Spreads and costs are monitored via numerous internal protocols, processes and examination of records.

(ii) **Speed:**

a) In the event of price slippage between the time that a client requests a trade and its execution, AvaTrade operates symmetric price slippage, and closely monitors this aspect to ensure absolute adherence to this philosophy.

These checks and verifications are separately monitored by AvaTrade, as ownership of best execution monitoring resides with AvaTrade.

10. **REVIEW OF THE ORDER EXECUTION POLICY**

10.1. A review will be carried out whenever a material change occurs that affects the firm’s ability to obtain the best possible result for its client orders on a consistent basis using the methods described in this Policy. Should there be any material changes to our order execution arrangements or this Policy, we will notify you via email.
11. CONTACT DETAILS

11.1. Should you require any further information and/or have any questions please direct your request and/or questions to our Support Team via our Contact Us page.