



EXECUTION POLICY

VPFX FINANCIAL SERVICES L.L.C.

www.vpfxmena.com



DISCLAIMER

VPFX Financial Services L.L.C. (SCA License no: 20200000242) is an authorized and registered limited liability company under the law of the Securities Commodities Authorities (SCA), United Arab Emirates, under its exclusive partnership with VPFX Limited (Malaysia) to exclusively facilitate our UAE Nationals and Residents. However, VPFX Financial Services is not authorized to hold clients assets or money and all services are provided only on introduction and promotion basis.

1. Scope

- a. Ventura Prime FX Limited (hereafter referred to as “Ventura Prime FX”, “VPFX”, ‘us’, ‘we’ and ‘our’ as appropriate) provides mainly automated execution- only services to retail and professional clients (“client”) in the following instruments:
 - Contracts-for-difference (“CFD”) on forex
 - Stocks
 - Indices
 - Commodities
- b. VPFX deals as principle acting as the counterparty to most of its clients’ trades, which places huge trust in the Firm to offer the best execution to its clients. VPFX executes clients’ orders at the best price offered by our credited Liquidity Providers.
- c. The system is set up to automatically select the best available price and show it to the clients on our online platforms. VPFX considers ‘price’, ‘cost’ and ‘speed’ as highly important execution factors, and other execution factors such as size and likelihood of execution having relatively lower importance.

2. Trading Platforms

- a. VPFX customers can trade using the following trading platforms (“platforms”):
 - Web Trader
 - Meta Trader (MT5)
- b. Trading is subject to trading hours’ restrictions and is provided by investment instruments on the platforms.

3. Execution Venues

- a. VPFX provides two types of execution venues. Primarily, VPFX operates as a principal which means that the Company is the counterparty of client transactions.
- b. In rare circumstances, the Company also operates as an agent whereby client transactions are received and transmitted to other reputed and regulated liquidity providers.

4. Price

- a. VPFX provides a two-way pricing quoted live across all its products to clients, which can be accessed on VPFX platforms. VPFX aims to provide clients with fast, reliable and uninterrupted prices.

- b. VPFX receives raw price data for all trading instruments from its Liquidity Providers (“LPs”) and Data Providers such as regulated markets, multilateral trading facilities (MTFs), executing brokers, etc. VPFX avoids over-reliance on any single provider and manages its risk in compliance with its Risk Management Framework.
- c. Each LP is carefully on-boarded, and due diligence is performed by Risk and Compliance departments to ensure that the LP can offer the best possible prices to VPFX’s clients. For example, upon adding a new LP, the Risk and IT department perform detailed tests to confirm the speed and accurateness of raw inputs by comparing it against independent benchmark services.
- d. LPs and all data sources are reviewed continually by the Risk department. All pricing sources are subject to due diligence before they are activated. If a pricing source is to be re-activated a review of its due diligence will be required.
- e. After receiving the raw data, it is fed to VPFX’s price engines, which have the purpose of delivering to the end user terminal a smooth and consistent flow of quotes in accordance with target and average spreads disclosed on the website.
- f. VPFX has developed an in-house application that tracks price level discrepancies and latency of all price feeds.
- g. In the rare circumstances where a client is unable to execute trades on the Firm’s system (e.g. due to internet connectivity issues), VPFX allows clients to submit instructions via phone or e-mail. When running client instructions over the telephone, VPFX aims to quote the price as if the client is trading through the trading platforms subject to any delays due to the manual process of trading over the phone/e-mail.
- h. VPFX confirms the execution of clients trades immediately after the client indicates the desired action. If a trader is confirmed by telephone, the client may request confirmation of the execution in writing.

5. Cost

- a. Spreads and commissions are the critical aspects of the expenses VPFX clients can incur, and VPFX always aims to ensure that these are reasonably competitive compared to other operators in the CFD market (e.g. Spreads are monitored continuously by VPFX’s Risk department).
- b. The costs the client will incur in executing an order with VPFX will be related to the spread and commissions. Spreads are dynamic and are dependent on several factors including market liquidity and volatility.

- c. Information on “spreads”, “swaps” and “commissions” is available for the various securities at where the target spread applied, along with average spreads, updated weekly, commissions and swaps (where applicable) are displayed.
- d. For transparency purposes, further details of the spreads, commissions and other costs for each underlying instrument will be provided on VPFX’s website. Clients are encouraged to understand the associated costs prior to executing with VPFX fully.

6. Speed, Size, and Likelihood of execution

- a. VPFX’s clients receive immediate execution capability, meaning that, if a client sees a price on the screen, in most cases the trade is executed at the displayed price. VPFX provides latency allowance on orders; if our system executes the market price moves before a request, the order is filled at the order price if the difference between the order and market prices is still within the relevant slippage parameter. On the other hand, if latency causes the difference between the order and market prices to be higher than the relevant slippage parameter, the order is rejected.
- b. Being the main counterparty to client trades, VPFX is ready to absorb trade requests up to the maximum trade size set for each trading instrument. Maximum trade size is available in the contract specifications of each instrument on each trading platform.
- c. VPFX determines the maximum size of trade available to clients for each CFD instrument. Regardless of the type of order VPFX executes any order at VWAP (Volume-Weighted Average Price) should the size of an order exceed the tradable size at the time of the execution. Depending on the tradable size, VPFX’s clients may experience that their orders may be executed at a less favorable price.
- d. However, under all circumstances, VPFX pays due regard to ‘slippage’ and passes on positive slippage to clients in case the market moves in favor of them.

7. No Order Aggregation

- a. VPFX general practice is not to aggregate any client orders with other client orders or any transactions for its account.

8. Client-Specific Instructions

- a. If clients provide VPFX with instructions on how to execute an order, complying with those instructions may prevent VPFX from taking the steps that are set out in its Order Execution Policy to obtain the best execution for its clients. In those circumstances, VPFX’s execution in accordance with the client’s instructions will be deemed the best execution.
- b. Also, specific instructions from clients may sometimes rate some execution factors over others: for example, size as a factor may take precedence over price and cost.

9. Client Protection

- a. Despite ensuring that VPFX's clients receive the best execution, VPFX has implemented further measures to ensure that its clients are protected at all times. VPFX also provides that its systems automatically offer default protection to its clients.

10. Stop Loss Orders

- a. Clients have the option to trade "stop loss" and "trailing stop loss" orders. This allows clients to autonomously set the level at which they will sell out to limit losses. If the security price reaches this level, the position will be closed automatically.
- b. Such orders are always connected to an open position or a pending order.

11. Applicability

- a. This policy is only applicable to retail customers.
- b. VPFX's systems have always incorporated the requisite safeguards to protect the customers from encountering negative balances when trading under normal market conditions. Customers are provided with margin monitoring functionality. If the margin level on customer account is equal to, or drops below, 20%, VPFX's system automatically initiates the closing of current open positions, starting from the most unprofitable considering trading hours of particular instruments traded by the customer. Positions will be automatically closed at the current market price. Also, the customers can and should set personal limits for risk management purposes, which can help limit losses and maximize profits.
- c. In the event that there are certain market conditions which cause a significant market gap and thereby making it possible to incur a negative balance while trading, VPFX shall absorb the negative balance. The customer shall therefore be protected against such loss because the purpose of the negative balance protection also provides a backstop in the case of extreme market conditions.
- d. The customer should always maintain the appropriate levels of margin in the trading account as the recommended method of risk management.

12. Automatic Stop Out

- a. VPFX sets minimum margin requirements that result in automatic Stop Out levels to protect clients from losses. If during an open trade, the net worth of the account reaches the "margin level" equal to 20% of the required margins, all positions would be automatically closed.

13. Conflicts of Interest Disclosure

- a. VPFX is the main execution venue as described above, and it acts as the principal counterparty to its clients' trades. However, in rare cases, VPFX acts as an agent and transfers its trades to a reputable counterparty.
- b. Although there is a general conflict of interest when VPFX acts as the principal counterparty or execution venue for its clients, VPFX does not compromise on its commitment to its clients to provide the best execution. Most orders are executed at the 'top of the book', and there is no discrimination in the price for one client vs any other.
- c. VPFX has a robust back-end price feed infrastructure that ensures that prices are fed by several exchanges, MTFs, and by many different liquidity providers.
- d. VPFX is bound by its Order Execution Policy and continuously looking to enhance its best execution monitoring capabilities.
- e. VPFX monitors its Complaints in this respect actively, and it is done independently by the Compliance department, which further ensures to comply with the Firm's best execution obligations. With regards to its clients, VPFX offers the best execution to both retail and professional clients, and its automatic execution flow does not differentiate or treat client orders differently. The variation may apply depending on the client's risk appetite when compared to another. For example, professional clients may choose to take more risk or higher leverage as compared to retail clients.

14. Execution Monitoring

- a. VPFX is continuously monitoring its 'prices' compare to the market through internal monitoring measures and third-party vendor solutions. Prices are monitored around execution time within set thresholds against market price and the underlying instrument.
- b. In the context of Over-The-Counter (OTC) instruments like Forex and Metals, spread plays a critical role in the pricing of these instruments. When monitoring the spread to ensure the most competitive pricing, several key parameters are essential for assessing the efficiency and quality of price feeds during periods of varying market volatility. These parameters include:
 - Latency of Price Feed: The time delay between the actual market movement and the reception of the price feed. A lower latency ensures that traders are getting real-time or near-real-time updates, which is especially important during periods of high volatility, when prices can change rapidly.
 - Frequency of Price Updates: The frequency at which price data is refreshed or updated. More frequent updates help in ensuring that traders are seeing the latest prices, which is crucial when markets are moving fast.

- Complete Representation of Top of the Book Orders: The “top of the book” refers to the best available prices at the highest level of the order book (i.e., the highest bid and lowest ask). A complete representation ensures that traders have access to the most competitive prices by reflecting the true order book, which helps in sourcing the best spreads.

During low, normal, or high volatility periods, these factors become even more important in ensuring that the spread remains competitive and that traders are not faced with excessive slippage or delays in executing their trades. By continuously monitoring these parameters, VPFX can adjust their sourcing strategy to obtain the best possible execution prices for their clients, regardless of market conditions



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