



AFSG Order Execution Policy

1. Introduction

- 1.1 AFS Global Limited (hereinafter referred to as AFS or the “Company”) is incorporated in Labuan, Malaysia with a registration number LL14899. Our registered office is located at Unit B, Lot 49, 1st Floor, Block F, Lazenda Warehouse 3, Jalan Ranca-Ranca, 87000 F.T. Labuan, Malaysia. AFS is authorized and regulated by the Labuan Financial Services Authority and has a License number **MB/18/0025** to carry out Money Broking and other permitted services as defined in the Client Agreement & Risk Disclosure. You can check this on the LFSA’s register by visiting the LFSA’s website <https://www.labuanibfc.com/areas-of-business/financial-services/money-broking/list-of-money-brokers> or by contacting the LFSA at:

Phone (General):	0060 87 591 200
Customer Relations:	0060 87 591 215
Fax (General):	0060 87 453 442
Fax (Communication Dept):	0060 87 428 200
Email:	communication@labuanfsa.gov.my

Level 17, Main Office Tower
Financial Park Complex
Jalan Merdeka
87000 Labuan, Malaysia

- 1.2 According to the Guidelines on Money Broking Business in Labuan IBFC, other relevant laws and Company’s good standards of practice, the Company is required to provide its clients and potential clients with a summary of its Order Execution Policy (hereinafter the “Policy”).
- 1.3 According to Art 1.2 above, the Company is required to take all reasonable steps to obtain the best possible result (or "best execution") on behalf of its clients either when executing client orders or receiving and transmitting orders for execution. These rules require firms to put in place an execution policy which sets out how it will obtain best possible execution for its clients and to provide appropriate information to its Clients on its order execution policy. In the case that the client has opted to be categorized as an eligible counterparty, he/she may not be subject to section 6 of the Policy.
- 1.4 This Policy forms part of the Client Agreement. Therefore, by entering into the Client Agreement with the Company, you are also agreeing to the terms of our Order Execution Policy relating to financial instruments provided by the Company, the contract specifications of which are available online at www.afsg.trade (the "Financial Instruments"), as set out in this document.

Unless otherwise defined, any defined terms in this Policy will have the same meaning given in LABUAN FINANCIAL SERVICES AND SECURITIES ACT 2010.

2. Scope and services

- 2.1 The Policy is effective from 1st of June 2018 and applies to retail and professional clients.
- 2.2 This Policy applies when executing transactions with you for the Financial Instruments provided by the Company. The Financial Instruments provided by the Company are Contracts for Difference; it is up to the Company discretion to decide which types of Financial Instruments to make available and to publish the prices at which these can be traded. The Company provides the client with live streaming prices through its trading platform, "Quotes" as received from its third-party liquidity providers. The Company is always the counterparty to every trade; therefore, if the Client decides to open a position then that position can only be closed with the Company.

3. Order type definitions

- 3.1 **Buy stop:** This is an order to buy at a specified price ('the stop price') that is higher than the current market price.



3.2 **Sell stop:** This is an order to sell at a specified price ('the stop price') that is lower than the current market price.



3.3 **Buy limit:** This is an order to buy at a specified price ('the limit price') that is lower than the current market price.



- 3.4 **Sell limit:** this is an order to sell at a specified price ('the limit price') that is higher than the current market price.



- 3.5 **Stop Loss:** this is an order that may be attached to an already open position to close a position at a specified price ('the stop loss price'). A 'stop loss' may be used to minimize losses.

Warning: Price slippage and price gaps could occur at any time, especially in volatile and/or hectic markets and/or market news, and this will result to the position not being closed at the stop loss set by the client but at a worst price. Therefore, the loss amount will exceed the amount set at the stop loss price level and depending on the size of price slippage/price gap and the difference could be big.

- 3.6 **Take Profit:** this is an order that may be attached to an already open position to close a position at a specified price ('the take profit price'). A 'take profit' may be used to secure profits.

Warning: Price slippage and price gaps could occur at any time, especially in volatile and/or hectic markets and or market news, and this will result to the position not being closed at the take profit set by the client but at a better price. Therefore, the profit amount will exceed the amount set at the take profit price level and depending on the size of price slippage/price gap and the difference could be big.

4. Execution elements

- 4.1 **Prices:** AFS Global receives price feeds from reputable price feed service providers. Having reliable price feeds from reliable price feed providers is important especially during abnormal market conditions such as times of extreme volatility; under these conditions and even if a certain number of liquidity providers decide to widen the spreads or stop quoting prices at all, the Company is still able to provide clients with competitive prices.

- 4.2 **Re-quoting:** this is the practice of providing a secondary quote to the client after an 'instant order' has been submitted; the client must agree to this quote before the order is executed. AFS will re-quote 'instant orders' if the requested price originally specified by the client is not available. The secondary quote provided to the client is the best possible price available received by AFS from its third-party liquidity providers. AFS does not requote 'pending orders'.
- 4.3 **Slippage:** at the time that an order is presented for execution, the specific price requested by 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. If the execution price is better than the price requested by the client this is referred to as 'positive slippage/price gap'. In contrast, if the execution price is worse than the price requested by the client this is referred to as 'negative slippage/negative gap'. Please be advised that 'slippage' is a normal market practice and a regular feature of the foreign exchange markets under conditions* such as illiquidity and volatility due to news announcements, economic events and market openings. The AFS automated execution software does not operate based on any individual parameters related to the execution of orders through any specific client accounts.
- * Please note that this is not an exhaustive list.*

Warning: Price slippage and price gaps could occur at any time, especially in volatile and/or hectic markets and or market news, and this will result to the position not being closed at the stop loss/take profit set by the client but at a worst/better price. Therefore, the loss/profit amount will exceed the amount set at the stop loss/take profit price level and depending on the size of price slippage/price gap and the difference could be big.

- 4.4 **Commission:** the client shall be charged commission when trading CFDs on futures contracts; further information is available online at: <https://www.afsg.trade/products/spreads-and-commissions>
- 4.5 **Mark-up (Spread):** in the context of Metaorder 4, the clients shall be charged a mark-up per product above the prices received by the company from its liquidity providers.

5. Order type execution

- 5.1 **Instant Orders:** this is an order to either buy or sell at the 'ask' or 'bid' price (respectively) as it appears in the quotes flow at the time the client presents the order for execution.
- 5.2 **Pending Order(s):**

Stop orders: this is an order to buy or sell once the market reaches the 'stop price'. Once the market reaches the 'stop price' the 'stop order' is triggered and treated as a 'market order'*. If the 'stop order' is not triggered it shall remain in the system until a later date subject to the conditions described in the 'Good till Cancel' section. In terms of Contracts for Difference ('CFDs') on FX, spot metals and futures 'stop orders' should be placed a minimum number of pips away from the current market price.

Limit orders: this is an order to buy or sell once the market reaches the 'limit price'. Once the market reaches the 'limit price' the 'limit order' is triggered and executed at the 'limit price' or better. If the 'limit order' is not triggered it shall remain in the system until a later date subject to the conditions described in the 'Good till Cancel' section. In terms of CFDs on FX, spot metals and futures 'limit orders' should be placed a minimum number of pips away from the current market price.

Take profit: this is an order to secure profits. Once the market reaches the 'take profit price' the order is triggered and treated as a 'limit order'. If the 'take profit' is not triggered it shall remain in the system until a later date. In terms of CFDs on FX, spot metals and futures 'take profit' should be placed a minimum number of pips away from the current market price.

Pending Order Modification/Cancellation: the client may modify/cancel a 'pending order' if the market did not reach the level of the price specified by the client.

NOTE: Most of the orders shall be automatically executed by AFS Meta Trader 4, as described above. But, it should be noted that AFS reserves the right, at its absolute discretion, to manually execute in whole or in part an order of 5 lots or above, for major currency pairs; the same practice applies but for smaller size for orders on minor currency pairs and other products.

6. Order Type Execution

6.1 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. Prices, costs and currency conversion carry the highest importance when executing transactions for our clients.

6.2 Price

Bid – Ask spread: For any given Financial Instrument the Company 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) that Financial Instrument; collectively referred to as the Company's prices. The difference between the lower and the higher price of a given Financial Instrument is the spread.

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.

The Company's price for a given Financial Instrument is calculated by reference to the price of the relevant underlying financial instrument, which the Company obtains from the price service providers. The Company updates its prices as frequently as the limitations of technology and communications

links allow. The Company will not quote any price outside Company's operations time (see execution venue below) therefore no orders can be placed by the Client during that time.

6.3 **Costs:**

- a. For opening a position in some types of Financial Instruments the Client may be required to pay commission or other fees, if applicable; these amounts are disclosed in the contract specifications available in the Company's website.

Commissions:

Commissions will be charged as a fixed amount and can be found on the Company website at: <https://www.afsg.trade/products/spreads-and-commissions>

- b. **Financing fee:** In the case of financing fees, the value of opened positions in some types of Financial Instruments is increased or reduced by a daily financing fee "swap" throughout the life of the contract. Financing fees (swap) are based on the overnight rate, which may vary, plus reasonable mark-up spread. The swap rate and mark-up could vary depending on the specific instrument and the overnight rate on of currency.

We reserve the right to apply interest rate swap on all open positions. Depending on the position held and the interest rates of the currency pair involved in a transaction the client may either be credited or debited with financing

For all types of Financial Instruments that the Company offers, the commission and financing fees (if applied) are not incorporated into the Company's quoted price and are instead charged explicitly to the Client account.

6.4 **Currency conversion**

The Company may provide a currency conversion quote from the Client's base currency to the currency of the relevant Financial Instrument. This will not reflect and actual conversion of currency in the Client's account and serves the purpose of calculating consideration in the base currency only.

6.5 **Speed of execution**

As explained in the 'Execution Venues' section of this Policy, the Company acts as principal and not as agent on the Client's behalf; therefore, the Company is the sole Execution Venue for the execution of the Client's orders for the Financial Instruments provided by the Company. 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. The use of wireless connection 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 transmission of data between the Client and Company's when using the Company's electronic trading platform.

6.6 Likelihood of execution

As it is explained in the Execution Venue section of this Policy, the Company acts as principal and not as agent on the Client's behalf; therefore, the Company is the sole Execution Venue for the execution of the Client's orders for the Financial Instruments provided by the Company. However, the Company relies on its price service providers for prices, therefore execution of the Client's orders will depend on the pricing and available liquidity of the price feed providers. Although the Company executes all orders placed by the Clients, it reserves the right to decline at any time and with no prior notice an order of any type.

Orders: Market Order, buy Limit, sell Limit, sell Stop, buy Stop, stop Loss, take Profit on Financial Instrument are executed in the manner explained in 'Order Execution' section above. It should be noted that the price at which a trade is executed at may vary significantly from original requested price during abnormal market conditions. This may occur, for example, at the following cases:

- a. During Market opening,
- b. During news times,
- c. During volatile markets where prices may move significantly up or down and away from declared price,
- d. Where there is rapid price movement, 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,
- e. If there is insufficient liquidity for the execution of the specific volume at the declared price.

6.7 The Company strives to provide the best possible price to its clients, and makes every effort and necessary arrangements to do so.

6.8 Likelihood of settlement

The Company shall proceed to a settlement of all transactions upon execution of such transactions.

6.9 Size of order

The minimum size of an order is 1,000 units of base currency. Although there is no maximum size of an order where the Client can place with the Company, 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 a best possible price available, as the market liquidity may allow at the time of execution. (See 'Likelihood of Execution')

6.10 Market impact

Some factors may affect rapidly the price of the underlying financial instruments from which the

quoted Company price for its Financial Instruments is derived. These factors may influence some of the factors listed above. The Company will take all reasonable steps to obtain the best possible result for its Clients.

The Company does not consider the factors at paragraphs 6.2 to 6.9 exhaustive and the order in which the above factors are presented shall not be taken as priority factor. Nevertheless, whenever there is a specific instruction from the client the Company shall make sure that the Client's order shall be executed following the specific instruction.

The Company will determine the relative importance of the above 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:

- a. the characteristics of the client including the categorization of the client as retail or professional
- b. the characteristics of the client order
- c. the characteristics of financial instruments that are the subject of that order
- d. the characteristics of the execution venues to which that order can be directed

The best possible result for a client 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.

7. Execution venues

- 7.1 The Company is operating as a Matched Principle Broker carrying out Matched Principle Trading as defined in the Client Agreement & Risk Disclosure.

For the purposes of orders for the Financial Instrument provided by the Company, the client can consider the Company as the Execution Venue for the execution of the Client's orders.

- 7.2 The Company operation time: round-the-clock from 22:00:01 GMT Sunday through to 22:00:00 GMT Friday. Non-working periods: from 22:00:01 GMT Friday through 22.00.00 GMT Sunday. Holidays will be announced through the internal mail of the trading terminal supplied by the Company.
- 7.3 The Company places significant reliance to the above Execution Venue based on the above mentioned factors set out at paragraph 3 and their relative importance. It is the Company's policy to maintain such internal procedures and principles in order to determine the relative importance of these factors and to act for the best interest of its Clients and provide them the best possible result (or "best execution") when dealing with them.

- 7.4 The Client acknowledges that the transactions entered in Financial Instruments with the Company are not undertaken on a recognized exchange, rather they are undertaken through the Company's Trading Platform and, accordingly, they may expose the Client to greater risks than regulated exchange transactions. Therefore, the Company may not execute an order, or it may change the opening or closing price of an order in certain cases including but not limited to instances of a technical failure of the trading platform. The terms and conditions and trading rules are established solely by the counterparty which in this case is the Company. The Client is obliged to 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 position with the same counterparty with whom it was originally entered into, thus the Company.

8. Monitor and review

- 8.1 The Company will monitor and assess on a regular basis the effectiveness of this Policy and the order of its order execution arrangements and, in particular, the execution quality of the procedures explained in the Policy in order to deliver the best possible result for the client, and, where appropriate, the Company reserves the right to correct any deficiencies in this Policy and make improvements to its execution arrangements.
- 8.2 A review will of this Policy be carried out whenever a material change occurs that affects the ability of the Company to continue to the best possible result for the execution of its client orders on a consistent basis using the venues included in this Policy.
- 8.3 The Company will notify its affected clients on any material changes in its Policy or order execution arrangements.

9. Client consent

- 9.1 When establishing a business relation with the Client, the Company is required to obtain the Client's prior consent to this Policy.
- 9.2 By entering into the Client Agreement, the Client consents that is informed that any orders placed with the Company for the Financial Instruments offered by the Company, the Company acts as the principal and the Company is the sole Execution Venue which is a non-regulated market.

10. Important information

CFDs 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. The Policy does not constitute an offer, invitation or solicitation to buy

or sell CFDs. It may not be reproduced or disclosed (in whole or in part) to any other person without prior written permission. The Policy is not intended to constitute the sole basis for the evaluation of the client's decision to trade in Contracts for Difference (CFDs).

11. FAQs

Questions regarding the Policy should be addressed, in the first instance, to the Customer Support Department.