



ICLOUDFX

**ORDER EXECUTION
POLICY**



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ORDER EXECUTION POLICY

1. Introduction

IcloudFX LTD (hereinafter referred to as 'the Company') is an Investment Firm, which is authorized and regulated by the FSCR with License No. 07907.

IcloudFX LTD's duty is to act honestly, fairly, professionally and in the best interest of the client. The Company is required to take all sufficient steps to obtain the best possible result when executing or transmitting clients' orders.

2. Scope of Policy

This Policy provides an overview of the execution process, the factors which affect the execution of orders and specifically upon market volatility and sudden market movements. In addition, the sole execution venue offered by the Company is presented, as well as an overview of the available financial instruments and order types.

When the Company executes a client order will always act as a principal and not as agent, this means that clients deal with the Company and not with the underlying market. The Company ensures to deliver the best possible execution rate but cannot guarantee that the execution rate given to the client will be more favorable than a rate that may have been available elsewhere.

The main purpose of this policy is to help clients understand how the Company executes client orders and help them to make an informed choice on whether to use Company's services. You should ensure that you have read and understood the contents of this Policy.



By entering into an agreement with the Company you are agreeing to the terms of this Policy.

For the purposes of this Policy; an Order is the instruction to buy or sell a financial instrument, a Trade is the execution of the Order and a Position is the total of all Trades for a specific financial instrument.

3. Best Execution Obligation

Best Execution is the process by which the Company seeks to obtain the best possible result when executing client orders. The company has obligation to ensure that all sufficient steps are taken into account when executing client orders, including price, costs, speed, the likelihood of execution and settlement, size and nature upon client characteristics.

3.1 Execution Venues

The Company acts as principal and not as agent on the client's behalf for all trades in the instruments provided by the Company and, therefore, is the sole venue for execution of the clients' orders. As a result, the company does not delegate its best execution obligations to another party and retains the responsibility of delivering the best execution to its clients. Further, the company transfers the market risk arising from clients' transaction to the parent company.

The Company's internal procedures and high-performance standards ensure its clients receive the best possible result when dealing with their orders and does not transfer its execution responsibilities to any other counterparty. The company ensures that all- sufficient steps have been taken for the continuity of high performance, while continuously monitors the capacity and efficiency of trading platforms and update the software and servers where is deemed necessary. In case of technical failure of the trading platforms and/or quote feeds, the company may not be able to execute an order or may need to cancel/adjust the price of any trade which is executed wrongly. Your agreement to this Policy shall constitute your prior consent for us to execute orders outside a Trading Venue.

3.2 Trading Hours

Trading hours of each financial instrument appear on the Company's website. Trading hours may change due to several factors such as Holidays, unusual market conditions which affect liquidity, or circumstances out of Company's control. The Company aims to update the trading hours as necessary to reflect these changes.



3.3 Specific Instructions

In case the Clients give specific instructions regarding Order execution or transmission, the Company shall execute their orders in accordance to the given instructions. Clients should be aware that the provision of specific instructions may prevent the Company from implementing its Order Execution Policy in obtaining the best possible result for the execution or transmission of an Order.

4. Trading Instruments, Platforms and Services

4.1 Trading Instruments

This Policy is applicable to the financial instruments and their trading conditions as publicly available on the Company's website and can be traded through the Trading Services below. The offered financial instruments are Contracts for Difference (CFDs) and it is up to the discretion of the Company to discontinue trading and/or pricing at any time. There is no physical exchange of the assets, there is no central clearing of the transactions and they are traded 'over-the-counter' ('OTC').

Best Execution applies when the Company executes a client order in financial instruments and products including;

- Spot and Forward on Currencies,
- Spot on Metals,
- Futures on Metals, Commodities and Indices,
- CFDs on Cryptocurrencies,
- CFDs on Shares
- Vanilla Options on Currencies, Metals, Commodities, Indices and Cryptocurrencies.

CFDs are speculative products which are traded with leverage and are not appropriate for all investors. By investing in CFDs, you assume a high level of risk which can result in the loss of all of your invested capital. Thus, you should never invest more than you are willing to lose. Further, Clients should consider whether CFDs are appropriate for them according to their financial status before initiating a trade. Trading CFDs require constant monitoring and may not be appropriate for persons who cannot devote time in this respect. If you do not have enough knowledge and experience to trade, we suggest you seek independent advice before you invest. If you still do not understand these risks after consulting an independent financial advisor, then you should refrain from trading at all.



4.2 Trading Services

The Company provides the trading services listed below;

- Direct Phone Dealing
- Dealing via the Company Live Chat Service
- Direct Online Trading via the Trading Platforms listed below;

4.3 Proprietary platforms

- Web Trading Platform for desktop devices
- Web Trading Platform for mobile devices
- Vanilla Options Platform
- iOS Application (Compatible with iPhone™, iPad™)
- Android Application

4.4 Non-proprietary platforms

- MetaTrader 4 (MT4) – proprietary rights of Metaquotes Software Inc.
- MetaTrader 4 (MT4 mobile version) – proprietary rights of Metaquotes Software Inc.
- WebTrader – proprietary rights of Metaquotes Software Inc.
- WebTrader mobile version – proprietary rights of Metaquotes Software Inc.

The Client acknowledges that all Orders and Trades in financial instruments entered with the Company, are not undertaken on a recognized exchange, therefore clients can only open, modify or close during the Company's trading hours as displayed on the Company's website. In cases of technical failure on any of the trading platforms, the Company reserves the right not to execute an order or to cancel a trade.

4.5. TradingView

easyMarkets offers you the access to TradingView social network. TradingView is provided to various jurisdictions as the Company may deem necessary from time to time. The Client acknowledges, agrees and confirms that certain trading conditions via TradingView shall differ in comparison with the trading conditions available in our proprietary platform. Such trading conditions, include but is not limited to: (a) Market orders opened manually or closed manually by the Client via TradingView, are subject to slippage, (b) Vanilla Options, Forward Deals, easyTrade and dealCancellation are not available in TradingView Platform.



5. Order Types and Execution Elements

The Order Types and Execution Elements that constitute the Order Execution on the Company's proprietary platforms and the third-party platforms provided by Metaquotes Software Inc. (hereinafter 'MT4' and 'WebTrader') are described below. Where the text does not explicitly specify a platform then the text applies to all platforms.

5.1 Market Orders – Day Trading

These are orders to buy or sell a financial instrument at the current market rate.

Proprietary platforms will provide the requested market rate for execution or reject the market order when a rapidly moving market causes the market rate requested for execution to be significantly different from the prevailing market rate.

Non-Proprietary platforms will not reject market orders based on the difference between the requested and prevailing market rate. The executed rate can be different from the requested rate, if the requested market rate is no longer available due to a rapidly moving market. The difference between the executed rate and the requested rate can be either in favor or against the client. The Company does not manually intervene in any way.

Opening a market order on **Proprietary** platforms requires the Amount at Risk (which corresponds to the stop loss amount from all open positions) to be collected upfront. Further, for retail clients, total Margin is required to open a new day trading order and is aligned with the leverage policy which lies under the European Securities and Markets Authority (ESMA) Decisions under Article 40 of Regulation (EU) No 600/2014 as per below:

- 1:30 for Major Currency Instruments
- 1:20 for Non-Major Currency Instruments, Gold and Major Indices (including UK 100 (FTS), France 40 (CAC), Germany 30 (DAX), EU Stocks 50 (ESX), US 500 (SPI), US 30 (DOW), US Tech (NDQ), Japan 225 (NKI), Australia (ASX))
- 1:10 for Commodities other than Gold and Non-Major Indices (including China 50 (CNX), Hong Kong (HSX), India 50 (IND), Swiss 20 (SWI) USD Index (USX), Fear (VXX))
- 1:5 for individual equities (Shares)
- 1:2 for Cryptocurrencies



The tradable balance represents the amount available for trading and it is Balance minus the greater of Total Margin or Total Amount at Risk. Once the trade is closed, the Amount at Risk is returned. For retail clients, a new market order will not be opened if the CFD Margin Level (CFD Equity/Total Margin), as calculated and shown within the terminal is or by executing the order will go below 70%.

Similarly, for both retail and professional clients, **Non-Proprietary** platforms will not allow a market order to be opened if the Margin Level as calculated and shown within the terminal is or by executing the order will go below 100%. Notable is that for retail clients, leverage rationale follows the above mentioned guidelines that fall under European Securities and Markets Authority (ESMA) Decisions under Article 40 (No 600/2014).

If the client has been considered as eligible to be recategorized as elective professional client, where has already prove that is experienced enough to potentially assume higher risk and fulfill the criteria as described in Client Categorization Policy, then our company is able to provide higher leverage.

A Client trading on **Proprietary** platforms has the ability to use the trading tool 'dealCancellation' and cancel a losing day trade for one hour, three or six hours, for a fee. The fee calculation is based on the realised volatility of the selected product and it is paid once the Client initiates a day trade order. The trade that used the trading tool 'dealCancellation' can be cancelled with zero P&L at any time before the expiration time and the Amount at Risk provided upfront for the trade will be returned to the account balance. The fee paid is non-refundable and the 'dealCancellation' cannot be renewed once it is expired or exercised. For retail clients, once dealCancellation expires, the market order is subject to the CFD Margin Level % rule and may get stopped out due to low CFD Margin level.

5.2 Limit Orders

These are orders to buy or sell a financial instrument at a pre-defined rate. A buy Limit Order requires the pre-defined rate to be lower than the current market rate, while a sell Limit Order requires the pre-defined rate to be higher than the current market rate. On **Proprietary** platforms, once the market rate reaches the pre-defined rate, the limit order is triggered, and a market order is executed at the pre-defined rate. On **Non-Proprietary** platforms, once the market rate reaches the pre-defined rate, the limit order is triggered, and a market order is executed at the next available rate.

On **Proprietary** platforms, the limit order requires the Amount at Risk to be available for collection upfront. A limit order will require Total Margin only when becomes Day Trading Order. For retail clients, a limit order will be executed into a Market Order



only if the CFD Margin Level as calculated and shown in the platform is or by executing the order stays above 70%. Otherwise, the system will reject the execution of the Limit Order and the Amount at Risk will be returned.

On **Non-Proprietary** platforms will not allow the execution of Limit Order into a Market Order if the Margin Level as calculated and shown within the terminal is or by executing the order will go below 100%, for both retail and professional clients. In such a scenario the system will delete the Limit Order. In all other cases, in all platforms, once set a Limit Order will remain active until the client cancels it. This is known as Good 'Til Cancelled (GTC).

5.3 Stop Orders

These are orders to buy or sell a financial instrument at a pre-defined rate. A buy Stop Order requires the pre-defined rate to be higher than the current market rate, while a sell Stop Order requires the pre-defined rate to be lower than the current market rate. On **Proprietary** platforms, once the market rate reaches the pre-defined rate, the limit order is triggered, and a market order is executed at the pre-defined rate. On **Non-Proprietary** platforms, once the market rate reaches the pre-defined rate, the limit order is triggered, and a market order is executed at the next available rate.

On **Proprietary** platforms, the Stop Order requires the Amount at Risk to be available for collection upfront. Stop Order will require Total Margin only when becomes Day Trading Order. For retail clients, a stop order will be executed into a Market Order only if the CFD Margin Level as calculated and shown in the platform is or by executing the order stays above 70%. Otherwise, the system will reject the execution of the Stop Order and the Amount at Risk will be returned.

On **Non-Proprietary** platforms will not allow the execution of Stop Order into a Market Order if the Margin Level as calculated and shown within the terminal is or by executing the order will go below 100%, for both retail and professional clients. In such a scenario the system will delete the Stop Order. In all other cases, in all platforms, once set a Stop Order will remain active until the client cancels it. This is known as Good 'Til Cancelled (GTC).

5.4 Forward Orders

These are orders to buy or sell at a Forward Rate in a future pre-defined date. The Forward Rate is derived from the current market rate and the Forward Points. The Forward Points are derived from the predefined future date, and the interest rate differential among the buying currency and the selling currency. The Forward Points can be either positive or negative.



The executed Forward Rate can be different from the requested Forward Rate, if the requested Forward Rate is no longer available due to a rapidly moving market. The difference between the executed Forward Rate and the requested Forward Rate can be either in favor or against the client. Forwards are only available on **Proprietary** platforms and they will be automatically rejected where the executed Forward Rate will be significantly different than the requested Forward Rate. The Company does not manually intervene in any way.

Opening a Forward order requires the Amount at Risk (which corresponds to the stop loss amount from all open positions) to be collected upfront. Further, for retail clients, Total Margin is required to open a new Forward order and is aligned with the leverage policy

- 1:30 for Major Currency Instruments
- 1:20 for Non-Major Currency Instruments

Therefore, for retail clients, the tradable balance represents the amount available for trading and it is Balance minus the greater of Total Margin or Total Amount at Risk. Once the trade is closed, the Amount at Risk is returned. A new Forward order will not be opened if the CFD Margin Level (CFD Equity/Total Margin), as calculated and shown within the terminal is or by executing the order will go below 70%.

If the client has been considered as eligible to be reclassified as elective professional client, where has already prove that is experienced enough to potentially assume higher risk and fulfill the criteria as described in Client Categorization Policy, then our company is able to provide higher leverage.

5.5 Vanilla Options (easyTrade)

A bought Vanilla Option gives the buyer the right, but not the obligation, to buy (known as a 'Call Option') or sell (known as a 'Put Option') an underlying financial instrument at a pre-defined rate (known as the 'Strike') at a pre-defined date (known as the 'Expiry'). When buying a Vanilla Option, the buyer pays the Premium for the abovementioned right on opening and this is collected from the account balance.

An easyTrade deal is a bought Vanilla Option; where the buyer can buy (Up) a Call Option or sell (Down) a Put Option of an underlying financial instrument at a pre-defined rate and expiry time. When buying an easyTrade deal, the buyer pays the



Premium (Risk) and this is collected from the account balance. At the closing of the deal, the Current Payout amount is returned in the account balance.

Vanilla Options are only available on **Proprietary** platforms.

5.6 Stop Loss & Take Profit Orders

A Stop Loss Order is a request to close an open trade when the market is moving against the trade at a pre-defined rate, while a Take Profit is a request to close an open trade when the market is moving in favor of the trade at a pre-defined rate.

The execution of all Stop Loss Orders and all Take Profit Orders is guaranteed in all platforms. In the Proprietary platform, the requested rate for Stop Loss and Take Profit is the same as the executed rate (no slippage). In the Non-Proprietary platforms, Stop Loss and Take Profit Orders are executed at the prevailing market rate (subject to slippage).

When a deal is closed due to a Stop Out, it will be closed at the prevailing market rate.

Modification of the Stop Loss and Take Profit attached to market orders or forward orders are subject to the trading hours of each financial instrument. On **Proprietary** platforms, Stop Loss on limit and stop orders cannot be modified, while Take Profit cannot be placed on stop orders.

5.7 Stop Out

For retail clients, when Margin Level (%) drops at or below 50%, the system will automatically start closing some or all the CFD open trades (Market Orders - Day Trading Orders and/or Forward Orders). For retail clients, in all platforms, trades will stop closing either when the Margin Level is brought back above 50% or when there are no open trades left. In **Proprietary** platforms, the system will start closing deals due to stop out starting from the least profitable when compared against other open deals using the following calculation: $\text{CFD Open P\&L} / \text{Required Margin} * 100$. In **Non- Proprietary platforms**, the system will start closing deals starting from the least profitable.

For elective professional clients, the system will automatically start closing deals starting from the least profitable when the margin level (%) drops at or below 30%.

Worth mentioning that the Stop Out is on a higher priority than Stop Loss and Take Profit and therefore, the platform will close each trade at the prevailing market rate instead of the pre-defined rates.



In case the client balance goes negative after all positions close, the Company will cover the negative balance and will not request from Clients to cover the required amount, regardless of their categorization (e.g. Retail or Professional).

5.8 Stop Loss, Take Profit, Limit and Stop Orders Distance

In anticipation of amplified volatility, such as ahead of major announcements, or thin liquidity, such as the re-commencement of trading following a break (for instance, following the weekend or a holiday) the Company reserves the right to widen the distances it will allow Clients to set their Stop Loss, Take Profit, Limit and Stop Orders rate, without any prior notice to Clients.

6. Execution Factors

The definition of best possible result will vary as the Company must take into account the below execution factors and determine their importance;

- Price, is the Company's quoted market rates at which the order is executed.
- Costs, are any additional charges that may be incurred in executing the order over and above Company's normal charges.
- Speed of Execution, can be particularly important in fast moving markets.
- Likelihood of Execution and Settlement, the best price obtain does not have relevance if the Company cannot execute the order or if the transaction fail to be completed.

Best Execution is determined based on the total amount paid to or by the client, including the price of the order and all expenses incurred which are related to the execution of the order; such as venue execution fees and any other fees paid to third parties for the execution of the order.

6.1 Company's quoted rates (High Importance)

The Company provides live streaming quotes for the financial instruments provided on its platforms. These rates are being reviewed continuously in real time in order to ensure live feeding quotes are competitive and in line with the market (known as "on market"). They are calculated with reference to the rate of the relevant underlying financial instrument, which the Company obtains by the parent company. The Company has access to parent's company systems and assesses the price quality provided and ensures that prices proposed to the client are aligned with market benchmarks. Further, the company has procedures in place to review regularly the feed provided and check the fairness of the price proposed to the client.



More specifically, the Company has in place procedures involving meaningful pre-defined compliance thresholds that are monitored continuously and real time which are aligned with market benchmarks. Those procedures comprise quote validations thresholds that identify off market pricing and reject any possible off market spikes by validating the new and last rate received by the parent company.

The Company does not charge commission fees since they are incorporated into the offered spread quoted in Bid (at which client can sell) – Ask (at which client can buy) rates. The company applies a consistent pricing methodology at all times; in which the offered spread is a mark-up and mark-down from the mid-rates provided by the parent company.

6.2 Trade Costs (High Importance)

Overnight financing fees may apply for some types of financial instruments, and trades in these will be subject to 'rolling fees' if kept open overnight. Rolling fees are not incorporated into Company's quoted rates but are deducted from client's balance. Details on the daily financing fees are available for each financial instrument within each trading platform.

- For the **Non-Proprietary** Platforms, rolling/renewal fees are charged only on weekdays at 00:00GMT, with triple fee on Wednesday. Rolling fees are deducted from the MT4 & WebTrader account balance when the open position is closing.
- For the **Proprietary** Platforms and Trading View, rolling/renewal fees are imposed only to Day Trading Deals which are automatically renewed every night at 22:00 GMT. In case the account balance has insufficient balance, the renewal fee will be deducted automatically from client's credit card. In circumstances a collection of the fee is not viable, the company will inform the client for the uncollected rolling fees via email. If the account balance does not have sufficient balance after 24 hours, then some or all of the open trades will close in order to collect the renewal fees due.

6.3 Speed, Likelihood and Settlement of Execution (Medium Importance)

In its capacity as principal and not as agent on the client's behalf, and as the sole execution venue, the Company seeks to execute clients' orders with the fastest execution reasonably possible and within the limitations of technology and communication links. The Company's order flow logic is designed in such way to accept automatically all orders and without manual intervention. In the case of



technical malfunctions, the Company has the right to cancel an order or trade of any type. It is worth noting that the company does not requote any type of order.

The Company strives to provide the best possible rate to its clients, however under certain circumstances, such as a fast-moving market or before or at the open/close of the trading session, it may not be possible to guarantee the execution of any or all orders. The Company reserves the right to decline an order of any type but will not delay the execution of an order in the hope that market conditions will improve.

The Company proceeds with the settlement of all orders upon their execution.

6.4 Nature and Size of Orders (Low Importance)

Due to market volatility at the time of execution, the rate given may be different from the requested rate (see Order Types and Execution Elements for exact details). The Company may limit the maximum volume of a single trade as well as the maximum total position a client may hold on a financial product or a set of products.

6.5 Negative Pricing

The Company's proprietary and non-proprietary platforms do not support sub-zero prices. Therefore, the Company does not allow the trading of sub-zero (negative) prices. Where the prices of any financial instrument collapse in sub-zero (negative) prices, the Company is obliged to disable the trading for the specific instrument and as a result closure of the existing positions at zero price for the instrument affected will occur.

7. Regular Monitoring and Review of Our Order Execution Policy

The Company monitors the implementation and effectiveness of its Order Execution Policy with regards to the procedures followed and all factors that may affect its Order Execution. The Company reserves the right to correct any limitations and proceed to improvements.

The Company will review and evaluate its Policy at least annually and when a relevant material change occurs. In case of changes to the Policy, the Company will notify all Clients.



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8. Client Consent

The Company is obligated to obtain the client's consent to its Order Execution Policy when commencing a business relationship.

By agreeing to the Terms, Conditions and Clauses described in the 'Client Agreement', the client provides the consents referred to in the paragraph above, where the client is informed that all orders placed with the Company, the Company acts as the principal and not as agent, and it is the sole execution venue, which is a non-regulated market.



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ORDER EXECUTION POLICY

Trade Responsibly: CFDs and Options are complex instruments and come with a high risk of losing money rapidly due to leverage. You should consider whether you understand how CFDs and Options work and whether you can afford to take the high risk of losing your money. Please refer to our full risk disclaimer.