StoneX®

StoneX Europe Ltd

Best Execution Policy

April 2025

StoneX®

Contents

1. Introduction

StoneX Europe Ltd (hereinafter the 'Company' or 'SEL' or 'we' or 'our') which is a member of StoneX Group Inc, is incorporated under the laws of the Republic of Cyprus with Registration number HE 409708 and is authorised and regulated by the Cyprus Securities and Exchange Commission under license number 400/21.

This Policy has been created and is provided to the Company's clients (our Clients or prospective Clients) in accordance with Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and Other Related Matters Law 87(I)/2017, as subsequently amended from time to time ('the Law').

SEL has formed its Order and Best Execution Policy (hereafter 'OBEP'), in a way to take all sufficient steps to obtain the best possible result for the clients, on an ongoing basis, when executing their orders with consideration to factors such as price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order. **Nevertheless, where there is a specific instruction from the client the investment firm shall execute the order following the specific instruction. By following a client's specific instruction(s), SEL will have met the best execution obligation. Should a client's specific instruction only apply to part of an order, the remaining parts of the order will be subject to the provisions of the Policy.**

WARNING: It is noted that the specific instruction may prevent the Company from taking the steps described in the Policy to obtain the best possible result for the Client.

By agreeing to our Terms & Conditions (Client Agreement), you are also agreeing to the terms of this Policy which forms part of the Agreement as defined in the General Terms and this policy should be read in conjunction with the General Terms (the contractual agreement that a client enters when opening an account with SEL); if there is anything you do not understand please contact our Client Services department at support.en@forex.com

2. Scope

This Policy applies in respect to the execution of orders on CFDs and Margined FX products offered by SEL, on behalf of any Client of the Company who has concluded a distance contract with SEL and has been categorised by the Company as a retail or professional client. This Policy does not apply to any Client that has been categorised by the Company as an Eligible Counterparty.

This policy is not intended to cover all eventualities and all circumstances that may be relevant to a specific order placed with the Company. It is rather designed to serve as an appropriate disclosure of the principles underpinning the order transmission and execution arrangements made by SEL. This document provides appropriate information in good time to the Company's clients or potential clients with regards to its services, the financial instruments and execution venues and all costs and related charges.

SEL is obliged to ensure that it takes all sufficient steps, when receiving and executing clients' orders, to obtain the best possible result on a total consideration basis.

3. Execution Model

SEL generally offers derivatives where the underlying trades on an exchange or in an OTC market. Our clients can take positions in these instruments through Contract for Differences (CFDs) on indices, equities, bonds, options, commodities, spot FX, spot metals, cryptocurrencies, ETfs.

CFDs are bilateral contracts and SEL is therefore the customer's counterparty and subsequently acts as the sole execution venue for all the orders for its clients. All trades are executed outside a trading venue and are executed Over-The-Counter (OTC) between the clients and SEL who acts as a market maker. Clients are dealing with the Company and not with the underlying market, thus no client orders are transmitted to an organised Exchange. Prices for all offered tradable instruments are quoted through our trading platforms.

SEL provides its clients with access to trade through its proprietary web platform, a downloadable app on desktop, a mobile or tablet and/or the MetaTrader 5 (MT5) Platform.

SEL executes all transactions with its clients on a Matched Principal basis. This means that SEL interposes itself between the buyer and the seller in a transaction and as a result will match all client transactions with one or more entities of the StoneX Group Inc, throughout the execution, with both sides executed simultaneously, and where the transaction is concluded at a price where SEL makes no profit or loss, other than a previously disclosed commission, fee or charge for the transaction.

4. Best Execution Factors

The following execution factors are taken into consideration by our Company in order to deliver best execution to our clients, and we assign the relevant importance to each of those factors:

HIGH IMPORTANCE

Execution factor: Price

For any financial instrument included in SEL's offering, the Company will quote two prices, the ASK which is the higher price at which the Client can place a buy order, and the BID which is the lower price at which the Client can place a sell order. Collectively these are referred to as the Company's price. The difference between the BID and ASK price is the spread.

The Company's price for a given CFD is calculated by reference to the price of the relevant underlying asset, which the Company obtains from its Liquidity Provider, StoneX Financial Limited. These prices are derived from authorized and regulated exchange price feeds during normal market hours or from top tiered investment banks and other Electronic Communication Networks (ECNs) in the case of FX and/or top tiered banks for every underlying product via Bloomberg and Reuters. The Company's prices can be found on the Company's website or trading platforms. The Company updates its prices as frequently as the limitations of technology and communications links allow. When we quote market prices outside of their normal market hours (or when they are closed) prices may be wider in comparison to prices during normal market hours. In the case of Grey Markets, pricing is synthetically adjusted by our Liquidity Provider in accordance to underlying volatility and/or market events. During these times the obligation to provide best execution can only be diminished as there is no exact underlying price.

The Company reviews its third-party external reference sources from an ongoing basis to ensure that the data obtained continues to remain competitive. Certain ex-ante and ex-post quality checks are conducted by the Company to ensure that prices obtained and subsequently passed on to clients remain competitive.

Such checks include, but not limited to, reviewing system settings/parameters, comparing prices with reputable price sources, ensuring symmetry of spread and checking the speed of price updating.

Execution Factor: Cost

The services provided by Company are subject to the payment of fees such as brokerage fees/ commissions, Swaps/Rollover, additional position fees/commissions on Swap Free accounts and other fees. For Standard accounts the commissions are incorporated into the Company's quoted price (Spread). Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amounts. For keeping a position overnight in some types of CFDs the Client may be required to pay or receive financing fees "Swap/Rollover". Spreads and Swap rates, appear in the Contract Specifications on our Platform.

SEL's price includes its mark up on the price received from our Liquidity Provider and these are closely monitored to safeguard that the company retains competitive pricing and within the market levels per product. SEL fees are regularly reviewed and benchmarked against peers' fees.

Clients will be required to pay a separate commission charge per each trade to open or close an open position and SEL may pass on some charges arising from the underlying instruments traded. Such charges may include, but not be limited to, borrowing charges or stamp duty.

The Company's Costs and Charges Policy provides a detailed list of all applicable costs and charges.

Execution Factor: Speed of Execution

The Company strives to offer high speed of execution and therefore places high importance when executing Client orders within the limitations of technology and communications links.

Considering that SEL is the counterparty to all client's trades, the trades are generally executed nearly instantaneously. In certain circumstances though, trades might not be executed simultaneously. For example, due to illiquidity in the underlying instrument or if there is something unusual about the nature of the order. In such circumstances there may be Trading desk involvement in the execution process.

Execution Factor: Likelihood of execution and settlement

The Company endeavours to provide the highest possible execution rates to its clients. Likelihood of execution is the probability of execution of a market or limit order on a particular instrument. In some cases, it may not be possible to arrange an execution of an order due to underlying market conditions or due to erroneous orders that may be within the acceptable parameters. Likelihood of execution is assessed with data on transactions that have failed to execute, have been cancelled or modified.

In the event where the Company is unable to proceed with an order regarding price or size or other reason, the order will not be executed or will be executed only partially.

In addition, the Company is entitled, at any time and at its discretion, without giving any notice or explanation to the Client, to decline the execution of any Order or Request or Instruction of the Client.

The Company monitors its rejection rates on an ongoing basis to ensure that the likelihood of execution is at the highest possible rate.

MEDIUM IMPORTANCE

Execution Factor: Transaction size

Where the size of the order is large compared to the available liquidity in the market for the instrument in question, the execution criteria of 'size' will become of high importance. This may mean that price and cost are de-prioritised, and trades may be executed in a manner that prioritises achieving a higher executed quantity. SEL will still make every effort to achieve the best possible price for the trade, and at the lowest cost, but this strategy may result in a worse average unit price being achieved than if a lower transaction size was settled. This process will take place within certain limits, to be determined at the time of placing the trade order, and it is unlikely that any transaction will ever be executed without any reference whatsoever to the price and cost.

Execution Factor: Nature of the trade order

Any particularities of the client order or the relevant financial instrument may affect the way in which that order will be executed. Liquidity, volume, and structure of the order can concretely affect the execution price.

5. Relevant Best Execution Criteria

The Company will determine the relative importance of the above best execution factors by using its commercial judgment and experience in the light of the information available on the market and taking into account the below described criteria:

5.1. The Characteristics of the client, including the categorization of the client as retail or professional

5.2. The Characteristics of the Client's Order

5.3. The Characteristics of the Financial Instruments that are the subject of that order; and

5.4. The Characteristics of the execution venue

6. Price Slippage

Slippage is when an order is filled at a price other than the requested price. StoneX Europe Ltd adheres to best practice with regards to price slippage and client orders placed on our trading platforms are set to a default setting for slippage tolerance (they can be adjusted by the client if required). Any price movement that moves 'against' the client within their defined tolerance, will result in slippage. Where a price movement occurs outside of their tolerance, it will result in a rejection, whereas a price movement 'in favour' of the client may be unlimited. Given this unlimited nature, we expect that the net results across multiple orders, should demonstrate asymmetric improvements for orders. Overall, the distribution will be in favour of the client.

For stops and limits, the expectation is that no stops will be filled at a better price, and no limits will be filled at a worse price. On occasions, particularly around market opens, and other events, we would expect to see significant differences between the pending order level and the executed level. For the purposes of assurance, the outliers are reviewed daily.

It should also be noted that when we execute orders in the underlying market for a client, SEL will pass on the average price of the full volume of the hedge and will pass on any price improvement achieved.

7. Liquidity Sourcing

All prices offered by SEL are provided by our Liquidity Provider, StoneX Financial Limited, which is a member of StoneX Group Inc, authorised and regulated by the Financial Conduct Authority in the United Kingdom.

To justify its use of a single price provider and ensure that this choice enables it to meet the best execution obligation, SEL, on a regular basis, will assess the market landscape, using a combination of the skills, expertise and experience of its staff together with relevant metrics (focusing on volume, frequency of trading, resilience and/or execution price related information), to determine if the selection of its price provider makes SEL competitive and current with the market.

SEL's reliance on a single Liquidity Provider does not absolve it from any of its best execution obligations. As part of our ongoing commitment, the service provided by StoneX Financial is consistently reviewed on a number of criteria such as the regulatory status of the liquidity provider, the ability to deal with large volume of orders, the competitiveness of pricing.

As defined by our business model, the Client is never the counterparty of our Liquidity Provider and only trades with the StoneX Europe Ltd.

8. Monitoring and Review

SEL has implemented a governance structure to ensure that its best execution arrangements deliver the best possible result on a consistent basis in terms of total consideration (the price of the financial instrument and the cost for the client related to execution).

SEL is utilizing an internal system, based on data derived from its trading platforms, that allows a thorough examination and analysis of the factors affecting best execution services.

The Best Execution monitoring tool is not intended to ensure best execution, but rather to monitor whether the Company has the required arrangements in place and fulfils its obligation to offer best execution services to its clients.

Reviews are conducted by the Brokerage Department and are scheduled on an ongoing basis. These consist of, but are not limited to, review of execution factors and quality of execution, review of independent price data providers; and review of the process of applying mark-ups to derive prices offered to retail clients review of potential Price Providers to determine whether the selection of SFL as the single Liquidity Provider is still appropriate.

SEL reviews this Policy and its order execution arrangements at least annually. A review will be carried out whenever a material change occurs that affects the firm's ability to continue to obtain the best possible result for its client orders on a consistent basis using the methods described in this Policy.

9. Client Communications

In addition to the above, the Company will review this Policy on an annual basis and whenever there is a material change, as defined below, that could impact the parameters of Best Execution. During the review of this Policy SEL endeavour to ensure its effectiveness, to ensure that the Company continue to comply with the regulatory requirements/obligations and that the intended best execution outcomes can be successfully achieved on an on-going basis. If at any time the Company identifies any deficiencies, SEL shall take appropriate remedial actions and, where necessary, SEL shall amend this Policy to give effect to the actions carried out. Amendments to this Policy shall be effective immediately. The Client can always find the latest published version of this Policy on the Company's website www.forex.com/ie under the Terms and Policies tab.

The Company shall notify its clients of any material change to its order execution arrangements by means of electronic communication. In addition, SEL will provide to its clients, within reasonable time, upon client's request, documented evidence which demonstrates clearly that SEL executed the clients' orders in accordance with this Policy.

Full details of the trading conditions, including trading hours, for particular products are available through the details link for each instrument on the Trading Platform(s).

Should the client require any further information and/or have any questions and/or reasonable requests for information about the Company's execution policies and arrangements and how these are reviewed, please direct your request and/or questions to SEL Client Management team and the Company's officers will respond within reasonable timeframe.

Additionally, clients may also visit our website https://www.forex.com/ie/terms-and-policies/important-information/ where the Company's policies and procedures, including the RTS28 report are included.

Material Change: A material change shall be a significant event that could impact parameters of best execution, such is, inter alia, price, cost, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.