# Summary of Best Interest and Order Execution Policy

# 1. Introduction

1.1. This Summary of the Best Interest and Order Execution Policy (the "Policy") is provided to you, our client or prospective client, in accordance with applicable law as amended from time to time. Brave Ltd (the "Company") is required to take all sufficient steps to obtain the best possible result ("Best Execution") on behalf of its clients, whether executing client orders or receiving and transmitting orders for execution.

1.2. By opening a trading account you consent to your orders being executed outside a regulated market, multilateral trading facility or organised trading facility.

# 2. Scope

2.1. This Policy applies when the Company executes client orders in all types of Contracts for Difference ("CFDs") that it offers, and also applies where the Company provides portfolio management services.

# 3. Best Execution Factors

3.1. When executing orders, we take all sufficient steps to obtain the best possible result for our clients, taking into account price, costs, speed, likelihood of execution and settlement, size, market impact and any other consideration relevant to the execution of the order (the "Best Execution Factors"). Where we execute an order on a client's behalf, the best possible result is determined in terms of total consideration — the price of the instrument plus all execution-related costs incurred by the client. In weighing the factors we consider the characteristics of the client, of the order, of the financial instruments concerned, and of the execution venues to which the order can be directed. We treat price and costs as the most important factors, followed by speed, likelihood of execution and settlement, size and nature, and market impact; this weighting does not differ across the asset classes we trade.

## (a) Price — Highest Importance

For each CFD we quote two prices: the higher (ASK) price at which you can buy (go long) and the lower (BID) price at which you can sell (go short); the difference between them is the spread. We quote the prices provided by the Execution Venue, which calculates its own tradable prices by reference to the prices of the relevant underlying asset obtained from reputable third-party reference sources (price feeds). Our prices appear on our trading platforms and are updated as frequently as technology and communications links allow.

The principal way we ensure that clients receive the best price is to calculate the BID/ASK spread by reference to, and in comparison with, a range of underlying price providers and data sources, and to review our Execution Venue regularly (at least annually) to ensure competitive pricing. Although we take every sufficient step to obtain the best possible result, we do not guarantee that our execution price will be more favourable than one available elsewhere.

Pending orders: Buy Limit, Buy Stop and Stop Loss / Take Profit orders on open short positions are executed at the ASK price; Sell Limit, Sell Stop and Stop Loss / Take Profit orders on open long positions are executed at the BID price. We conduct ex-ante and ex-post quality checks — including reviewing system parameters, comparing prices with reputable sources, verifying spread symmetry and checking the speed of price updates — to ensure that prices passed to clients remain competitive.

If the price reaches an order you have set (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop), the order is executed automatically. Under certain trading conditions, however, it may be impossible to execute such orders at your requested price, in which case we have the right to execute at the first available price — for example during rapid price movements, suspensions or restrictions in the relevant market, or at the opening of trading sessions. Minimum levels for placing these orders are specified in the Client Agreement and/or on our website.

### (b) Costs — Highest Importance

Opening a position in some CFD types may require payment of commission or financing fees, disclosed on our website. Commissions may be charged as a percentage of trade value or as fixed amounts. Financing fees ("swap rates") increase or reduce the value of open positions daily throughout the life of the CFD, are based on prevailing market interest rates and may vary over time; details appear on our website. For all CFD types we offer, commissions and financing fees are not built into our quoted prices but are charged explicitly to the client account. Where we transmit orders to a third party for execution, additional venue or third-party fees may apply, as disclosed on our website. The Company may receive a commission or inducement from its liquidity provider in consideration for transmitting client orders; you have the right to contact us for clarification. Any decision not to charge such costs for a period is not a waiver of the right to apply them in future, subject to prior notice as explained in the Client Agreement.

### (c) Speed of Execution — Highest Importance

We place significant importance on the speed of execution of client orders within the limits of technology and communications links. Where a client uses a wireless, dial-up or otherwise poor connection, connectivity to our platform may be unstable, causing orders to be placed with delay and executed at a better or worse prevailing price.

### (d) Likelihood of Execution — Medium Importance

We arrange execution of client orders with third parties (the Execution Venue), so execution may sometimes be difficult and depends on the availability of the venue's prices. It may not be possible to arrange execution, for example, during news events, at trading-session openings, in volatile or fast markets where prices move significantly away from declared levels, where liquidity is insufficient for the specific volume at the declared price, or where a force majeure event has occurred. Where we cannot proceed with an order as to price, size or otherwise, the order will not be executed, and we are entitled at any time, at our discretion and without notice or explanation, to decline or refuse to transmit or arrange execution of any order in the circumstances explained in the Client Agreement. Because we transmit orders to another venue, the likelihood of execution depends on that venue's pricing and available liquidity. To improve speed and likelihood of execution we perform ex-ante and ex-post checks, including symmetric-slippage checks, monitoring the number of trades subject to slippage, and comparing our average execution speed with industry standards.

### (e) Likelihood of Settlement — Low Importance

We settle all transactions upon their execution. The CFDs we offer do not involve physical delivery of the underlying asset and are cash settled.

### (f) Size of Order — Low Importance

The minimum order size may differ per account type. A lot is a unit measuring the transaction amount and differs per CFD type; minimum sizes and lot values appear on our website. For large orders the price may become less favourable, and we reserve the right to decline an order that is too large to fill or for any other reason explained in the Client Agreement.

### (g) Market Impact — Medium Importance

Some factors may rapidly affect the price of the underlying products from which our quoted prices are derived and may also affect the other factors listed here. We take all sufficient steps to obtain the best possible result for our clients. The list above is not exhaustive, and the order in which the factors are presented is not an order of priority; nevertheless, whenever a client gives a specific instruction, we ensure the order is executed in accordance with it.

### 3.2. Types of Orders in CFD Trading

**Market Orders** — an order to buy or sell a CFD as promptly as possible at the prevailing market price; execution opens a trade position. CFDs are bought at the ASK price and sold at the BID price. Stop Loss and Take Profit orders may be attached. Market Orders are offered on all account types.

**Pending Orders** — an order to buy or sell a CFD in the future at the best available price once a certain price is reached. We offer Buy Limit, Buy Stop, Sell Limit and Sell Stop orders, executed once the price reaches the requested level. Under certain trading conditions it may be impossible to execute these at the requested price, in which case we may execute at the first available price — for example during rapid fluctuations, suspensions, lack of liquidity or session openings. Stop Loss and Take Profit may be attached to a Pending Order; Pending Orders are good till cancelled and offered on all account types.

**Take Profit** — intended to capture profit when the price reaches a set level; execution closes the whole position. It is always connected to an open, market or pending order. The platform checks long positions against the BID price (the order is set above the current BID) and short positions against the ASK price (the order is set below the current ASK).

**Stop Loss** — used to minimise losses when the price moves unfavourably; when the price reaches the stop level, the whole position is closed automatically. It is always connected to an open, market or pending order. The platform checks long positions against the BID price (the order is set below the current BID) and short positions against the ASK price (the order is set above the current ASK).

### 3.3. Execution Practices — Slippage

You are warned that Slippage may occur when trading CFDs: at the moment an order is presented for execution, the specific price shown may not be available, and the order will be executed close to, or a number of pips away from, the requested price. Slippage is the difference between the expected price and the actual execution price; it is positive where execution is better than requested and negative where worse. Slippage is a normal element of CFD trading, occurs more often during illiquid or volatile periods (news announcements, economic events, market openings and other factors), may appear on all account types, and can affect Stop Loss, Take Profit and other order types. We do not guarantee execution at the specified price, but we confirm that your order will be executed at the next best available price from the price you specified.

### 3.4. Trading Account Types

The Company offers different account types, whose initial minimum deposits, spreads, costs and commissions may differ. Further information appears on the Company’s website.

## 4. Best Execution Criteria

4.1. In executing client orders, we determine the relative importance of the Best Execution Factors by reference to the characteristics of the client, of the order, of the financial instruments that are its subject, and of the execution venue to which it is directed, applying our commercial judgement and experience in light of available market information. We assign the following importance levels:

| Factor | Importance | Remarks |
|---|---|---|
| Price | High | We place strong emphasis on the quality of the price data received from external sources so as to provide clients with competitive quotes. |
| Costs | High | We take all sufficient steps to keep transaction costs as low and as competitive as possible. |
| Speed of Execution | High | Execution speed and the opportunity for price improvement are critical to every trader; we monitor this factor continuously to maintain high execution standards. |
| Likelihood of Execution | Medium | Although we reserve the right to decline a client order, we aim to execute all client orders to the extent possible. |
| Likelihood of Settlement | Low | See the description in Section 3. |
| Size of Order | Low | See the description in Section 3. |
| Market Impact | Medium | See the description in Section 3. |

4.2. For the purposes of delivering Best Execution where more than one competing execution venue could execute an order, our own commissions and costs for executing the order on each eligible venue are taken into account when assessing and comparing the results that would be achieved for the client on each venue. We do not structure or charge commissions in a way that discriminates unfairly between execution venues.

## 5. Client’s Specific Instruction

5.1. Whenever there is a specific instruction from or on behalf of a client (for example, completing the required fields on the trading platform when placing an order) relating to an order or a specific aspect of it, the Company will arrange, to the extent possible, for execution strictly in accordance with that instruction.

**WARNING:** A specific instruction from a client may prevent the Company from taking the steps it has designed and implemented in this Policy to obtain the best possible result in respect of the elements covered by that instruction. The Company is nevertheless considered to have satisfied its obligation to take all sufficient steps to obtain the best possible result for the client. Trading rules for specific markets or market conditions may also prevent the Company from following certain client instructions.

## 6. Execution of Client Orders

6.1. In carrying out client orders, the Company ensures that orders executed on behalf of clients are promptly and accurately recorded and allocated, and carries out otherwise comparable orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the client require otherwise.

# 7. Execution Venues

7.1. Execution venues are the entities with which orders are placed and executed. The financial institution acting as execution venue is Brave Ltd's appointed liquidity provider(s); the list may be changed at the Company's discretion on at least one Business Day's prior notice to clients. We evaluate and select execution venues on criteria including: the regulatory status of the institution; its ability to handle large order volumes; execution speed; the competitiveness of commission rates and spreads; its reputation; ease of doing business; the legal terms of the relationship; its financial standing; and qualitative criteria such as clearing schemes, circuit breakers and scheduled actions. We weigh these criteria using our commercial judgement and experience in light of available market information.

7.2. We work with third-party venues that enable us to obtain the best possible result for the execution of client orders on a consistent basis. Where only one execution venue is possible, Best Execution is achieved by executing there. Best Execution is a process that weighs various factors, not an outcome: we must execute in accordance with this Policy, but we do not guarantee that the exact price requested will be obtained in all circumstances, and the factors may lead to a different result in a particular transaction.

7.3. You acknowledge that transactions in financial instruments with the Company are not undertaken on a recognised exchange or regulated market but over the counter (OTC), and may therefore expose you to greater risks than regulated exchange transactions.

7.4. Before deciding which execution venues to use, the Company compares and performs due diligence on different liquidity providers, evaluating among other parameters: pricing frequency (ticks per second); speed of communication and execution; the occurrence and frequency of price freezes; depth of liquidity; whether, when dealing back-to-back, the overall cost (total consideration paid by clients) is competitive with the industry; and, when dealing back-to-back, the symmetry of slippage for every order type. The Company places great significance on the choice of its liquidity providers, striving to offer Best Execution to its clients on a consistent basis.

7.5. The Company randomly selects a sufficiently large sample of trades to ensure, with a high statistical confidence level, that it constantly obtains the best possible results for clients, drawing samples across different time periods, instruments and CFD types, including trades executed under irregular market events.

# 8. Client's Consent

8.1. By entering into a Client Agreement with the Company for the provision of investment services, you consent to the application of this Policy to the business relationship between you and the Company; this Policy forms part of the Client Agreement found on the Company's website.

# 9. Amendment of the Policy and Additional Information

9.1. The Company reserves the right to review and/or amend this Policy and its arrangements whenever it deems appropriate, in accordance with the Client Agreement. The Company will not notify clients separately of changes other than substantial material changes, and clients should therefore refer from time to time to the Company's website for the most up-to-date version.

9.2. Should you require further information or have questions about this Policy, please contact our customer support team at support@bravefx.trade.