

AFK Capital (PTY) Ltd

ORDER EXECUTION POLICY

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Order Execution Policy

1. INTRODUCTION

- 1.1. Levetrade (hereinafter referred to as the 'Company') is an investment firm that operates as a global broker. Levetrade is a product of AFK Capital (PTY) LTD, an authorised financial services provider, licensed and regulated by the Financial Sector Conduct Authority (FSCA) in South Africa, with FSP No. 51875 and reg. No. 2021 / 311713 / 07, located at The Capital Trilogy, Menlyn Main Amarand Ave, Waterkloof Glen, 0181 Pretoria, Gauteng, South Africa.
- 1.2. AFK Capital (PTY) Ltd is incorporated in South Africa as an International Broker Company with the registration number K2021311713.

2. ACKNOWLEDGEMENT

- 2.1. This policy covers the website www.levetrade.com and all its related sub-domains and mobile applications that are registered and operated by AFK Capital (PTY) Ltd.
- 2.2. This Policy applies to existing clients, prospective clients, clients who have terminated their contractual relationship with the Company and website visitors (hereinafter jointly referred to as the "Clients" or "you") who are accessing or using the Company's website(s) and mobile applications (hereinafter referred to as the "Platforms").
- 2.3. The client acknowledges that the Firm's official language is the English Language.

3. SCOPE

- 3.1. The Policy applies to Retail and professional Clients.
- 3.2. The Financial Instruments provided by the Company are Contracts for Difference (CFDs) of an underlying asset and it is up to the Company's discretion to decide which types of CFDs to make available from time to time and to publish the prices at which these can be traded in line with the prices offered by its Liquidity Provider.

4. BEST EXECUTION FACTORS

- 4.1. The Company takes all sufficient steps to act in the best interest of its customers when executing Customer's Orders and obtain the best possible result for Customers taking into account the following factors when dealing with Customers Orders: price, cost, speed, likelihood of execution and settlement, size, nature and other considerations of the transaction, market impact or any other consideration relevant to the execution of an order as applicable.

- 4.2. The Company does not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as priority factor.
- 4.3. The Company when executing Clients' Orders is required under the relevant regulatory framework to assign a relative importance on the following execution factors:
- a. **Price:** For the Company's Financial Instruments the Company will quote two prices: the higher price (ASK) at which the Client can buy (go long), and the lower price (BID) at which the Client can sell (go short). Collectively, the ASK and BID prices are referred to as the Company's price. The difference between BID and ASK price is known as spread. The Company's prices can be found on the Company's website and/or trading platforms. The Company updates its prices as frequently as the limitations of technology and communications links allow. The Company reviews its third-party external reference sources in frequent periods to ensure that the data obtained continues to remain competitive. The Company will not quote any price outside the operations time of the Company's trading platform for trading in any particular financial instrument (as indicated on the Company's website; therefore, no orders can be placed by the Client during that time. Without notice, the Company reserves the right to cancel the trades and profit or loss generated from them if the trades were executed outside trading hours via any means.
 - b. **Costs:** For opening a position in some types of instruments that the Company offers the Client may be required to pay a mark-up on spread and an overnight financing fee ("swap") if the Client wishes to hold his position overnight. The amount of the costs is disclosed on the Company's website and/or trading platforms. Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amounts. Details of daily financing fees applied are available on the Company's website and/or trading platforms. For all types of Financial Instruments that the Company offers, the commission and financing fees are not incorporated into the Company's quoted price and are instead charged explicitly to the Client account.
 - c. **Speed of Execution:** Due to the levels of volatility affecting both price and volume, the Company seeks to provide Client orders with the best execution available. 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 communication links. In case where the Clients use a wireless connection or a dial up connection or any other communication link that can cause a poor internet connection, which can cause unstable connectivity with the Company's trading platform, resulting to the Client placing his orders at a delay and the orders being executed at a better or worse prevailing price offered, the Company does not accept any liability in case of such incident.
 - d. **Likelihood of Execution:** There would be cases where it may not be possible to arrange the order for execution. That is because we rely on third-party Liquidity Providers for prices and available volume. Therefore, the execution of Clients' orders will depend on whether there are prices and liquidity available at the time these orders are received. The

availability on execution may be subject to variation, especially during abnormal market conditions, such as:

- i. During market opening times
- ii. During times of market news and events
- iii. During periods of significant volatility
- iv. Where there is a rapid price movement
- v. Where there is insufficient liquidity for the execution of the specific volume at the declared price or a force majeure event has occurred.
- vi. Where the Company's internal risk limits no longer permits the acceptance of any further orders on a specific instrument

e. Likelihood of settlement: The Financial Instruments of CFDs offered by the Company do not involve the delivery of the underlying asset, so there is no settlement.

f. Size of Order: The minimum size of an order may be different for each asset type and/ or financial instrument. A Lot is a unit for measuring the transaction amount and is different for each type of CFD. Please refer to the website and/or platform for the value of minimum size of an order or minimum Lot for a given CFD. The Company reserves the right to decline an order as entered with the Client.

g. Market Impact: Some factors may rapidly affect the price of the underlying instruments/products from which the Company's quoted price is derived and may also affect other factors listed herein. The Company will take all reasonable steps to obtain the best possible result for its clients.

h. Partial Fills: This is the practice of executing an order in parts if there is not enough liquidity in the market at the time in order to fill-in the full order at a specific price. Partial fills may be executed at different prices.

5. BEST EXECUTION CRITERIA

5.1. The relative importance that the Company attaches to the execution factors in any particular case may be affected by the circumstances of the order. They are called the Execution Criteria and they consist of:

- a. Client Characteristics – Professional Clients may have different needs than Retail Clients.
- b. Transaction Characteristics – Such as the potential for it to have an impact on the market.
- c. Financial Instrument Characteristics – such as liquidity and whether there is a recognized centralized market.
- d. Venue characteristics – particular features of the liquidity sources available to the website
- e. Other relevant circumstances – as applicable.

5.2. For Retail Clients, the best possible result 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 and any other fees paid to third parties involved in the execution of the order.

- 5.3. For the purposes of delivering best execution where there is more than one competing execution venue to execute an order, in order to assess and compare the result for the client that would be achieved by executing the order on each of the execution venue that is capable of executing that order, the Company's own commissions and costs for executing the order on each of the eligible execution venue shall be taken into account in that assessment. The Company shall not structure or charge commissions in such a way as to discriminate unfairly between the execution venue.

6. OTHER KEY ASPECTS OF THE FIRM'S EXECUTION ARRANGEMENT

- 6.1. **Slippage:** This situation occurs when there is latency between the quoted and executed price. Latency can lead to slippage i.e. the difference between the expected price of an order, and the price the order is actually executed at. Negative slippage occurs when the executed price is worse than the price requested by the Client. Positive Slippage occurs when the execution price is better than the price requested by the Client. Slippage is more likely to occur when volatility is high, perhaps due to news events, or during times when the currency pair is trading outside peak market hours. Additionally, slippage can occur both to market and pending orders. Pending orders will be executed at the next best available price.
- 6.2. **Requotes:** 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; the Company will requote 'instant orders' if the requested price originally specified by the Client is not available; the secondary quote provided to the Client is the next available price received by the Company from its third party price providers/liquidity providers; the Company does not re-quote 'Pending Orders'

7. TYPES OF ORDER(S) IN FINANCIAL INSTRUMENTS OFFERED BY THE COMPANY

- 7.1. The Company's clients can place the following orders with the Company:
- a. **Market Order:** A Market Order is an order to buy or sell a Financial Instrument at the current price. Execution of this order results in opening a position. Financial Instruments are bought at the ASK price and sold at the BID price. Stop Loss and Take Profit Orders can be attached to a Market Order. Market Orders are offered for all types of accounts and Financial Instruments.
 - b. **Good 'till Cancelled (GTC) (=Expiry):** This is an execution setting that the Client may apply to 'Pending Orders'. The order may remain 'live' and pending for execution until such time as the order is triggered and treated as a Market Order or cancelled by the client.
 - c. **Instant Order:** 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 (“Instant execution”). In Instant Execution, if the requested price is not available (allowing for a plus or minus pre-specified deviation), the next available price will be sent to the client to confirm execution (re-quote); Stop Loss and Take Profit Orders can be attached to an Instant Order; In cases that the Company’s trading platform(s) provide(s) an option to the Client to choose Instant Execution, the Client’s order will be executed as described hereinabove.

- d. **Pending Order(s):** The Company may offer the following types of Pending Orders:
- **Buy Stop:** this is an order to buy a specific quantity of the underlying instrument with the triggering price (‘the stop price’) being higher than the current market price (upon triggering the order becomes Market Order).
 - **Sell Stop:** this is an order to sell a specific quantity of the underlying instrument with the triggering price (‘the stop price’) being lower than the current market price (upon triggering the order becomes Market Order).
 - **Buy Limit:** this is an order to buy an instrument at a specified price (‘the limit price’) that is lower than the current market price (can only be executed at declared or better price).
 - **Sell Limit:** this is an order to sell an instrument at a specified price (‘the limit price’) that is higher than the current market price (can only be executed at declared or better price).
 - **Stop Loss:** this is an order that may be attached to an already open position or a pending position to exit the trade at a specified price (‘the stop loss price’). A ‘stop loss’ may be used to minimize losses, upon triggering it becomes a market order and can be executed at declared, better or worse price.
 - **Take Profit:** this is an order that may be attached to an already open position or a pending position to exit the trade at a specified price (‘the take profit price’). A ‘take profit’ may be used to secure profits and can only be executed at declared or better price.

8. TRANSACTIONS WHERE BEST EXECUTION HAS LIMITED SCOPE – SPECIFIC INSTRUCTIONS

- 8.1. When the Client give to the Company specific instructions in relation to the execution of a particular order, the Company executes the order according to the Client’s instructions and in doing so the Company has delivered Best Execution in respect to the relevant aspect of the order that is subject to the Client’s instructions. However, the Client’s specific instructions may affect the Company’s ability to follow the execution policy and the criteria set in the policy.
- 8.2. The Client acknowledges and accepts that these specific instructions may contradict the Company’s Execution Policy and may not necessarily lead to best execution of his orders. Subject to the specific instructions given by the Client, the Client accepts that the Company will not be held liable for any direct or indirect loss or damage that may result from the execution of his orders. Risks and consequences are to be borne exclusively by the Client.

9. EVENT OF CLIENT DEFAULT OR OTHER LIQUIDATION EVENT

- 9.1. In an event of Client Default (e.g. insufficient margin), or other liquidation event, the Company shall seek to immediately terminate, cancel and close-out all or part of any outstanding positions. The Company retains discretion as to how to handle the close-out, including with respect to order execution, fill quantity, aggregation, priority and pricing.

10. MONITORING AND REVIEW

- 10.1. The Company has processes and procedures which analyse the execution quality and monitor best execution. The Company monitors and measures the competitiveness of its prices and the speed of its execution against industry standards.