

APM Capital Limited
1009, 10, Al Khatem Tower, ADGM Square,
Al Maryah Island, Abu Dhabi, United Arab Emirates

www.apmcapital.ae

APM Capital 

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APM Capital Limited Order Execution Policy

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1. Purpose

APM Capital Limited (“APM”, the “Firm”, “we”, “our” “us” or the “Company”), registered under the laws of Abu Dhabi Global Market (“ADGM”) under Financial Services Permission Number 200034 and authorized and regulated by the Financial Services Regulatory Authority (“FSRA”), having its registered office at 1009, 10, Al Khatem Tower, Abu Dhabi Global Markets Square, Abu Dhabi, United Arab Emirates,) is committed to treating our clients (‘you’, ‘your’, ‘yours’) honestly, transacting with you in a professional and transparent manner, and to act in your best interests when providing you with our Trading Services.

This document provides a summary of our Order Execution Policy (the “Policy”) which applies to APM’s execution of orders for all types of financial instruments on behalf of retail and professional clients. However, given the differences in market structures and the structure of financial instruments, it may be difficult to identify and apply a uniform standard of, and procedure for, best execution that would be valid and effective for all classes of instrument. Best execution obligations will therefore be applied to take into account the different circumstances surrounding the execution of orders for particular types of financial instruments. This Policy has been updated as of March 2023.

We take all sufficient steps to obtain the best possible result for you in relation to trading financial instruments. We would also like to provide appropriate information to you about our Policy. Please note that you provide your consent to the terms in this Policy when you agree to the declaration in the Account Opening Form.

2. What Is Best Execution?

Best execution is the requirement to take all reasonable steps to obtain, when executing orders, the best possible result for clients. To do this, APM takes into account execution factors such as price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order.

The relative importance of execution factors will depend on the characteristics of the client, their order, the financial instrument and execution venue or market.

We must also act in accordance with the best interests of our clients when passing client orders to other entities for execution. Aside from the explicit best execution rules explained in this policy, we have an overriding duty to act honestly, fairly and professionally in accordance with the best interests of our clients.

3. Scope

This Policy sets out the principles that we follow to obtain the best results for our clients when executing orders, that we refer to as “Best Execution”. Although the regulations that we adhere to make a distinction between retail and professional clients, when we execute orders in financial instruments this Policy applies equally to both categories. The Policy is intended to provide you with a general overview as to how APM is committed to conducting business with you in an honest, fair, and professional manner with your best interests in mind. This Policy applies to all clients classified by us as Retail Clients or Professional Clients that trade with us. In relation to order execution, we must take all sufficient steps to obtain the best possible result when executing client orders or when placing orders with, or transmitting orders to, other entities to execute.

APM Capital provides access to a wide range of investment services and products to our clients through different accounts:

- Contracts for difference (‘CFDs’) are provided through a CFD Account; and
- Direct Market Access (‘DMA’) to the world’s global derivatives markets are provided through a DMA Account,

(each an ‘Account’ and together, the ‘Accounts’). This Policy applies to all Accounts’ orders, although we explain in more detail how our Policy applies to CFDs in Section 7.

This Policy may be amended from time to time. Any amendment to this Policy shall be deemed to be accepted by you when you place an Order on the System, or by entering a Transaction through the System after the date on which the amendment to this Policy is published on our Website. It is your responsibility to ensure that you have the most updated version of this Policy.

Capitalized terms used in this Policy shall have the same meaning as such terms are used in our Terms of Business, unless otherwise defined in this Policy.

4. Disclaimer

You hereby acknowledge that there are inherent risks in trading in Instruments. This Policy is not intended to inform you of all the risks associated with trading in financial instruments, it is intended to provide, in sufficient detail, all the information that you may require in order to understand how we obtain the best possible results for you.

Upon acceptance of your order and when there is no specific client instruction regarding the execution method, we will execute the order in accordance with this Policy.

5. Client Classification

All APM clients will be treated as Retail clients for the purposes of Best Execution, although they may be classified Retail or Professional. Treating all clients as Retail clients provides the greatest level of protection to our clients under the ADGM's Financial Services Regulatory Authority (FSRA) rules and regulations. APM will always aim to achieve Best Execution when carrying out transactions on your behalf.

6. Achieving Best Execution

6.1 Best Execution Factors

Our Policy comprises a set of procedures that are designed to obtain the best possible execution result for you subject to and taking into account several criteria. These are called Execution Factors:

- a) **Price** – this is the price a Financial Instrument is executed at.
- b) **Costs** – this includes implicit costs such as the possible market impact; explicit external costs e.g. exchange or clearing fees; and explicit internal costs which represents APM's own remuneration through commission or spread.
- c) **Speed** – this is the time it takes to execute your transaction including settlement.
- d) **Likelihood of execution and settlement** – the likelihood that APM will be able to complete your transaction.
- e) **Size** – this is the size of the transaction executed for a client, accounting for how this affects the price of execution.
- f) **Nature** of the transaction or any other consideration relevant to the execution of the transaction – this is how the particular characteristics of a client transaction can affect how Best Execution is received.

Price

For the most frequently traded (liquid) instruments, market price will be the overriding factor in attaining best execution. With other factors, such as costs remaining equal, our execution arrangements will drive APM to find the most advantageous (best) price available. This will be the case for the majority of orders for clients where the size of the order does not limit APM's choice of venue. However, in some circumstances, for some of our clients, the orders, financial instruments or markets and other execution factors may become more important than price in obtaining the best possible execution result.

Costs

We consider the costs payable by you to execute an order of high importance in obtaining the best possible results for you because such costs are a component of the total consideration

payable by you. Accordingly, costs such as execution fees, fees for the submission of orders and fees related to market data access will be considered.

The price and costs together are also known as Total Consideration.

Where explicit costs (such as exchange fees or settlement/custody costs) would make the overall consideration of the execution prohibitive because of the cost of many small executions on an order book, for example, this cost as an execution factor may become the most important.

In some circumstances other costs (e.g. overseas brokerage commissions) may be the most important factor. Although other factors might be more favourable to the execution of your order, where these costs have an adverse impact on your total consideration, APM will consider cost to be of higher importance than other factors.

Speed of execution

Similarly, the speed of execution may be important for some types of order, or client. Speed will be a high priority for a client executing an order in a liquid equity in a fast market or for a high-frequency trading client.

Likelihood of Execution and Settlement

In some instances, APM's ability to execute and settle the order will be the primary factor to be considered. Where the instrument is illiquid (i.e. rarely traded), the size of the order is prohibitive, or some other factor impacts the order, the Policy ensures that actually executing and settling the order takes precedence over other factors.

To deliver a better overall result for the client and achieve Best Execution, we will consider the likelihood of execution and settlement as taking precedence over total consideration. This will become the most important factor.

Size and Nature of the order

The best price in a market is usually represented by the opportunity to trade in a particular size (i.e., number of shares, units, contracts etc.) which may not match the size of the client's order. Where the order is bigger than the typical quoted size, then the part of the order executed over and above the threshold may only be available at a less favourable price.

Any other consideration relevant to the execution of the order

We will also take into account any other factor relevant to the order that it believes warrants consideration in terms of how that order should be executed. This could simply be whether it is a buy or sell order, a limit order, or the market that the instrument is traded on.

6.2 Client Specific Instructions

Where the client provides APM with a client-specific instruction in relation to an order, we will follow that instruction when executing the trade as far as it is reasonably and commercially possible and in accordance with regulatory and compliance requirements.

By following the client specific instruction, we will have satisfied the obligation to provide the client with Best Execution in relation to the relevant part of the transaction to which the instruction applied. Any remaining portion of the order not covered by these instructions may still be applicable for Best Execution in accordance with the criteria laid out in this Policy.

Examples of these instructions may include, but are not limited to, requests to execute on a particular venue or to execute an order over a particular timeframe. To the extent the client gives APM an instruction, this instruction overrides the Best Execution obligation for the scope of that particular part of an order, as any client specific instruction may prevent us from taking the steps that have been designed and implemented in the Best Execution Policy.

7. Best Execution for CFDs and FX orders

APM engages with liquidity providers (LPs) and Prime Brokers (PBs) to provide online and continuous prices in FX and CFD markets to you. APM provides the venue to match your trades and orders with our LPs and PBs, and so will act as a matched principal in the execution and clearing of the CFDs on behalf of you and our LPs and PBs.

We do not access the execution venues ourselves. We will only transmit orders to an approved third party for execution. APM remains solely responsible to our clients for taking all sufficient steps to obtain the best possible result for you, in accordance with the FSRA's regulatory requirements.

Some specific considerations for best execution for CFD and FX trades in addition to those detailed above are identified below.

7.1 Selecting an Execution Venue

We carefully select the leading brokers with whom to execute transactions or transmit orders. Brokers are selected according to the quality of trade execution. Selection would include factors not limited to criteria such as:

- a) Their order execution arrangements and order execution policies so as to satisfy ourselves that they are appropriate and comply with the requirement to provide us with best execution.
- b) Their creditworthiness, reputation, and financial stability.
- c) Their access to markets and quality of service (such as responsiveness and promptness of execution).
- d) Competitiveness of costs and charges.
- e) Ability to handle less liquid instruments and provide consistently competitive spreads.

It is our policy that third party brokerage costs incurred on behalf of Clients will relate solely to the execution of trades and will not include costs for the provision of investment research or other services.

7.2 Size of Order

The way that we execute an unusual order (for example, one that is larger than the normal market size or has unusual features such as an extended or shortened settlement period) may differ from the way it executes a standard order. The Company reserves the right to decline any order. The Company makes every effort to fill the order of the client irrespective of the volume however, if this is achieved, it will be at a best available price, as the liquidity provider may allow at the time of execution.

7.3 Slippage

At the time that an order is presented for execution, a specific price quoted to a client may not be available. This may occur, for example, due to fast moving markets or latency generated by, amongst other things, a client's internet connection. Therefore, the client's order will be executed as close as practicable to the quoted price.

If the execution price is better than the price quoted to the client, this is referred to as "positive slippage". APM will always give its clients the benefit of any positive slippage that occurs with respect to a client's orders. Conversely, if the execution price is worse than the price quoted to the client, this is referred to as "negative slippage". Our clients will be obliged to pay the executed price, even if worse than the specific price quoted to a client. Slippage is normal and regularly occurs in the financial markets for CFDs and FX transactions.

7.4 Speed of Execution

This can be particularly important in fast moving markets. Also, while the internet is generally reliable, technical problems or other conditions may from time-to-time delay or prevent the client from accessing the trading platform and executing trades. Liquidity can affect order execution. When customers place a high volume of orders, order imbalances and backlogs can occur, requiring more time to execute orders. Execution delays can be caused by the number and size of orders and ultimately this will affect the processing speed at which current quotations or last-sale information is provided based on system capacity constraints.

At times of high volatility or dependent on the volume of your trades, your trades will then be executed at the next best price subject to possible slippage. Stop/Limit orders may also be affected by this.

7.5 Likelihood of Execution and Settlement

The best price is of little use if we cannot execute at it or if the transaction fails to complete. As described in this Policy, the Company acts as matched principal to its clients' trades, as such the Company relies on third party liquidity providers for prices and available volume and transmits orders

to these counterparties, therefore the execution of a client's orders will depend on the pricing and available liquidity of the providers.

8. Margin Requirements and Stop-Out Liquidation

Prior to trading, an initial deposit must be made to facilitate executing trades or placing orders. Margin levels are calculated in real time on any open positions that you have.

On our FX/CFD Trading platform, if there is insufficient margin in your account to meet your margin requirement, your account will no longer be capable of opening new positions and may be subject to an automatic Stop-Out procedure. When this occurs, your open position carrying the largest loss will be liquidated first and subsequently each open position with the largest loss will be liquidated thereafter until your available margin is able to satisfy your margin requirement.

APM will endeavour to contact its clients in the event of a margin-call, and before any automatic Stop-out occurs, but will not be held liable if contact is not made in time.

If the market for a specific Instrument is closed (i.e., it is during non-trading hours), APM will not be able to close that Order and the next largest Order for an Instrument in an open market might be liquidated instead in accordance with the foregoing.

Any such stop-out liquidation will be undertaken strictly on a non-managed basis, and we are not responsible for any price movement, whether negative or positive, in respect of the Instrument post-close out. It is your full responsibility to ensure your Account is fully funded to maintain any Open Position or pending Orders.

1. It is your responsibility to ensure that there is still sufficient available equity to cover any costs of carrying a position overnight such as swaps, overnight fees, or dividends. If there is insufficient available equity, then the position may be liquidated.
2. Margins are calculated based on the value of the instrument you are trading converted into your account base currency.

9. Order Types

9.1 General

This is not an exhaustive list of all order types available for execution on the System. If you have any questions about the execution of an order type which is not included in this Policy, it is your responsibility to seek guidance from APM by contacting our Trade Support Department at support@apmcapital.ae

9.2 Market Orders

When you place a market Order, the trading platform will obtain the best market price which is available at the time of execution. You acknowledge that there may be latency between the time you place an Order and the time that Order is executed. Therefore, it is likely that the market price at the time the Order is placed may be different from the market price at the time of execution. On our trading platforms, market Orders shall be executed at the market price which is available at the time of execution. In such instances, Slippage may occur and may be unfavorable to you.

9.3 Limit Orders

Limit orders shall be executed subject to liquidity, and partial fills on limit orders may occur. Prices appearing on charts are for indication purposes only and a price may be shown on the charts without the sufficient liquidity at that price level to fulfil an entire client order.

9.4 Stop and Stop Loss Orders

Order entry tools are provided by APM's on-line trading platforms to allow you to manage your own position. You will be able to enter a limit and stop loss orders at the same time a new position is created.

10. Order Placement

10.1 System Orders

When you place an Order through our platform, we will to the extent practicable and legally possible, execute your Order in accordance with your instructions. In some instances, trading rules for specific Instruments may prevent us from following your instruction.

10.2 Off Market Hours Instructions

If you place an Order through the System outside of market hours, that Order will not be executed until the market re-opens.

10.3 Orders Placed by Telephone

When you place an Order over the telephone with a Dealer, we will to the extent practicable and legally possible, execute your Order in accordance your instructions. In some instances, trading rules for specific Instruments may prevent us from following your instructions. Your Order is executed only when the Dealer has verbally confirmed the fill. Once the Dealer has verbally confirmed your fill, you have bought or sold the specified Instrument and cannot cancel such Transaction and further, your Transaction will be recorded on your Account, but only after such time as is necessary to comply with our internal processes.

11. Event of Client Default or other liquidation event

In a client Event of Default, (e.g., insufficient margin), or other liquidation event, we may seek to immediately terminate, cancel and close-out all or part of any outstanding positions. We retain discretion as to how to handle the close-out, including with respect to order execution, fill quantity, aggregation, priority and pricing.

12. Governance

We have a robust governance framework in place to ensure that there is appropriate oversight over the Company's arrangements to deliver the best possible result for Clients and achieve best execution wherever possible. We regularly review our execution venues and monitor the quality of trade execution as a part of our responsibility.

13. Monitoring and Reviewing the Order Execution Policy

APM will monitor and review its order Execution Policy to ensure we always deliver the best possible result for our clients. We reserve the right to amend or correct any deficiencies of our order execution policy. We will review our order execution arrangements and policy regularly and whenever a material change occurs that affects our ability to continue to obtain the best possible execution for our clients. We will notify you of any material changes to our execution arrangements or our order execution policy by posting updates on www.apmcapital.ae. APM only provides you with access to our Trading Platform(s). We do not have any fiduciary duty or act in any other capacity.