



Nexus Prime

Order Execution Policy

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Order Execution Policy

1. Introduction

- 1.1. This policy should be read in conjunction with the User Agreement (the contractual agreement that a client enters into when opening an account with Nexus Prime) and if there is anything you do not understand please contact our Customer Support department or seek professional advisory.
- 1.2. In the event of any inconsistency between this policy and the User Agreement, the User Agreement shall prevail.

2. Nexus Prime (“Nexus Prime”, “we”, “our”, “it”)

- 2.1. Nexus Prime offers to both individual and institutional clients, Spot, Margin and Perpetuals pairs across a range of virtual assets. The listing pairs of spot, margin and perpetuals are decided by Nexus Prime.
- 2.2. Trades are directly booked with Nexus Prime via an online trading platform only (there is no facility for telephone or face-to-face trading), and Nexus Prime's liquidity provider is the counterparty to clients' trades. In other words, Nexus Prime's liquidity provider transacts with clients as principal on the basis of a quote. This means that you must open and close every trade with Nexus Prime and cannot close an open trade with a third party. Nexus Prime is therefore the sole execution venue for trades executed by it for you.
- 2.3. Nexus Prime decides which markets to quote, and the times at which those markets are quoted.
- 2.4. All prices offered by Nexus Prime are provided by its liquidity provider.
- 2.5. All trades are executed by Nexus Prime using the Nexus Prime trading platform and for each trade identical trade takes place between Nexus Prime and liquidity provider.
- 2.6. Our liquidity provider acts as principal and we acts as agent on your behalf in all your trades which are bilateral transactions between it and you. Accordingly, there is no aggregation, allocation or re-allocation of your and/or Nexus Prime's own account Orders or transactions.
- 2.7. All trading activity is 100% automated, in respect of both you and Nexus Prime, which ensures the prompt, fair and expeditious execution of client Orders, relative to other Orders or Nexus Prime's own trading interest. All Orders are promptly and accurately recorded and

allocated in strictly

sequential order, unless the characteristics of the Order or prevailing market conditions make this impracticable or your interest requires otherwise (as determined by Nexus Prime in its sole discretion). Nexus Prime will as soon as practicable inform you about any material difficulty relevant to the proper carrying out of Orders upon becoming aware of the difficulty.

- 2.8. All executed trades are immediately viewable on your account, as is the 'profit and loss' associated with closed trades, and as processes are fully automated all reasonable steps are taken to ensure accuracy, which is guaranteed subject to quality of the raw data.
- 2.9. Nexus Prime does not deal on its own account, as its only trading activity is to place an identical trade with its liquidity provider, in respect of each and every client's trade. In order to restrict the misuse of information relating to a pending client Order, Nexus Prime's internal policies stipulates that all employee personal trading activity at a competitor is banned and retrospective approval is required for all other types of trading activity. Accordingly, all reasonable steps are taken to prevent misuse of such information.
- 2.10. Nexus Prime is required to take all reasonable steps to ensure the best possible result when executing your instructions. However, this does not mean that we owe you any fiduciary responsibilities over and above the specific regulatory obligations placed upon us or as may be otherwise contracted between us.

3. Order Execution Policy

- 3.1. We endeavour to execute your orders on the best available terms reasonably available for your orders ("best execution"). In providing best execution, Nexus Prime is required to take into account certain execution factors. Where Nexus Prime executes an order on behalf of a client, the best available terms is determined in terms of the total consideration representing the price of the financial instrument and the costs associated with the execution, which must include all expenses incurred by the client which are directly related to the execution of the order.
- 3.2. In assessing the relative importance of the execution factors, criteria including without limitation the following (the determination of which being solely determined by Nexus Prime) are taken into account:
 - i. The characteristics of the clients;
 - ii. The characteristics of the client order (including, the size and nature of the order);
 - iii. The characteristics of the financial instruments that are the subject of that order; and
 - iv. The characteristics of the execution venues to which that order can be directed. Not all of these criteria will be relevant in each case or are relevant to the Nexus Prime business model, for example: Nexus Prime is the sole execution venue for trades executed by it for its clients.
- 3.3. The execution factors that are considered and their relative importance are set out below. The relative importance attached to these execution factors does not differ across the asset classes

traded by Nexus Prime, nor do they differ depending on whether our liquidity provider executes a hedge or retains the principal risk. The relative importance of the execution factors does not differ regardless of the capacity in which either Nexus Prime or our liquidity provider acts.

4. Price: the relative importance attached is HIGH

- 4.1. The price for a given pair is calculated by reference to the price of the relevant underlying financial instrument.
- 4.2. This price is obtained through liquidity provider from a range of independent third party reference sources, various nominated independent financial market data providers, who source their price feeds from relevant exchanges.
- 4.3. Various providers are used in order to both ensure a spread of reliance and protection against data redundancy, and are prioritised at individual financial instrument level according to past experience in terms of providing a consistent service, taking into account factors such as frequency of updates and reliability.
- 4.4. Where this is a futures price it is already impacted by relevant market factors such as, for example, time prior to expiry of current contract period and interest, and therefore there are no further adjustments to take into account these factors.
- 4.5. Nexus Prime does not accept any Market Orders outside the market hours of the relevant underlying financial instrument, and futures are traded in accordance with the trading hours of the exchange on which the underlying financial instrument is traded.

5. Costs: the relative importance attached is HIGH

- 5.1. For all financial instruments a Spread is applied by the Company on the quoted prices. The Spread may take into account factors such as liquidity and volatility conditions in the underlying markets. You should always check the applicable Spread and make sure you are aware of an instrument's properties before you start trading.
- 5.2. Further information in relation to the spreads for each instrument may be found via the 'info' link for each specific instrument on the trading platform and the FAQ section of the website. In certain circumstances (such as increased volatility or illiquidity in relation to the underlying market concerned) Nexus Prime reserves the right to alter the spreads offered.
- 5.3. In other circumstances, clients may be charged overnight funding fees, and adjustments made for dividend payments. Further information on the fee calculations is set out in the User Agreement, the 'info' link for each specific instrument on the trading platform, the Key

Information Document which can be found on the Company's website and the FAQs section of the website.

- 5.4. Any open pair trade held at the close of the market for the relevant underlying financial instrument may be rolled over to the Nexus Prime trading period. Where an automatic rollover occurs, the original position remains open and continues trading on the Nexus Prime contract. In these cases, an adjustment is made to the client's equity in order to reflect the difference between prices of the expired and new contract. Nexus Prime may also make a spread adjustment at the time of rollover, in which case the client will be notified both before and after the rollover. Further details are available via the 'info' link for each specific instrument on the trading platform and the FAQs section of the website.
- 5.5. Nexus Prime will charge a Currency Conversion Fee for all trades on instruments denominated in a currency different to the currency of your trading account. For any conversion required to be effected from one currency to another for your trades, the Company is entitled to charge a Currency Conversion Fee of the trade's realised net profit and loss. Such Currency Conversion Fee will be reflected in real time into the unrealised net profit and loss of an open position and will be charged once the position is closed.

6. Speed and Likelihood of Execution and Settlement: the relative importance attached is HIGH

- 6.1. In almost all circumstances, so long as the client has sufficient margin available on their account for the trade and so long as the trade size requested is equal to or under the maximum size permissible, the trade will be executed at the level requested.
- 6.2. In certain circumstances, for example: speed of internet communications and market volatility; where the quoted price is no longer representative of the 'underlying market' price, but within a predetermined permitted tolerance level, then the client's trade will be executed at the best price available at that time, irrespective of whether the market movement is in a beneficial or detrimental direction, in accordance with Nexus Prime's Order Execution Policy. However, when volatility is such that the price has moved more than the predetermined permitted tolerance levels, then the client's trade request will be rejected.
- 6.3. Slippage can occur at any time, but is most likely to occur during periods of high volatility, overnight and at market open.
 - i. It occurs when the market moves suddenly in any direction, and in the time taken for a client's acceptance of a price to be received, that price is no longer available and the client's trade is executed at the best price available at that time.
 - ii. This applies in the event of either advantageous or disadvantageous price movements.

- iii. Slippage is the difference between the expected price of a trade, and the price at which the trade was actually executed.
 - iv. The price is then said to have 'slipped' from one level to another, as the market has 'gapped' from one level to another.
 - v. In most cases an Order, when triggered by market price action, will be filled at the same, or very close to the same price as requested.
 - vi. If the market 'gaps' overnight, it will open at the start of the trading day at a price sharply different to the closing price of the previous trading session.
 - vii. Any Order whose activation price is between Nexus Prime's closing quote of the previous day's trading and their opening quote of the Nexus Prime day's trading session, will be filled at the first price Nexus Prime can reasonably obtain with reference to the 'underlying market'. If any market gaps from one quoted price to another due to any market sensitive piece of information (such as a profit warning or an economic data release), then any Order in place between these prices will be activated.
- 6.4. Any customer Order found to have been executed in the knowledge of price-sensitive, non-publicly available information, will be dealt with by Nexus Prime in accordance with applicable market abuse regulation.
- 6.5. A trade which has a Guaranteed Stop Order set against it will be closed at the specified level if it is reached.
- 6.6. Nexus Prime does not accept any Orders outside the market hours of the relevant underlying financial instrument, and futures are traded in accordance with the trading hours of the exchange on which the underlying financial instrument is traded.
- 6.7. When executing your Limit Order, the order will be executed taking into account the conditions offered at the time the Order is eventually executed. This includes but is not limited to the Leverage ratio, which may be different from the Leverage ratio at the time the Order was placed.
- 7. Trade size and nature: the relative importance attached is LOW as not applicable to Nexus Prime's business model**
- 7.1. All trade execution is subject to size considerations.
 - 7.2. Nexus Prime neither executes any trades above normal market size, nor offers greater liquidity than the 'underlying market'.
 - 7.3. Nexus Prime will not make a 'partial fill' of any trade.

- 7.4. Every market quoted by Nexus Prime has an absolute minimum and maximum permitted trade size. The minimum size of trade can be found by selecting the instrument 'info' button on the trading platform; and the maximum size of trade is dependent not only on normal market size and market conditions, but also internal risk management factors and is, at all times, at the discretion of Nexus Prime.

8. Trades and Orders

8.1. There are three types of instructions that you may give to execute or initiate a trade with Nexus Prime.

8.2 **Market Order (trade request)** - This is where you give an instruction to immediately buy or sell at a currently quoted price.

8.3 **Limit Order** - This is where you give an instruction to execute an opening trade at a price that is not currently available in the market but may be available at a future date/ time.

8.4 **Close at Loss Order/ and Close at Profit Order** – These are where you give an instruction to execute a closing trade at a price that is not currently available in the market but may be available at a future date/ time.

9. Specific Instructions

9.1. When a client provides Nexus Prime with specific instructions as to how to execute an Order, Nexus Prime complies with its obligations to take all reasonable steps to obtain the best possible result when executing that Order, by following the instructions.

9.2. Specific instructions may prevent Nexus Prime from following its Order Execution Policy.

9.3. To the extent that specific instructions do not cover every aspect of the Order, as is the case with Market Orders, Nexus Prime will apply the Order Execution Policy to those parts or aspects of the Order not covered by the client's instructions.

10. Monitoring and Review

10.1. Nexus Prime will regularly monitor the effectiveness of its Order Execution Policy in order to identify and, where appropriate, correct any deficiencies and to ensure that it complies with all regulatory requirements and obligations.

10.2. The monitoring is conducted at various frequencies and covers trading on the trading platform of all asset classes, and focuses on three key execution factors: price, costs and speed.

- i. Price:
 - a. Ensuring due regard to its bid/offer prices being reflective of the market price and movement for the underlying reference product to which the pairs relates.
 - b. The price for a given pair is calculated by reference to the price of the relevant underlying financial instrument. This price is obtained through our liquidity provider from a range of independent third party reference sources, various nominated independent financial market data providers, who source their price feeds from relevant exchanges. Each provider's price feed is subjected to numerous defined checks and verifications, which are carried out by our liquidity provider at individual financial instrument level, before being presented to Nexus Prime, and onto their clients.
 - c. d) In the event that the price is outside acceptable defined parameters when compared to the previous price received from the same provider, an alert is triggered for the gap to be investigated by our liquidity provider prior to a price being presented to Nexus Prime and onto their clients. Where the price is verified, as the gap is as a result of, for example, market volatility, the price is presented to Nexus Prime and is available for clients to trade.
 - d. e) Price feeds that do not comply to spread limitations are not provided by our liquidity provider to Nexus Prime and therefore are not presented to clients, until they are within a prescribed variance of the prevailing market spread. Instruments with continual low trading volumes and poor market value that result in a wide bid-ask spread will not generally be available to trade.
 - e. f) As the price is obtained through our liquidity provider from a range of independent third party reference sources, various nominated independent financial market data providers, who source their price feeds from relevant exchanges, there are various contingency arrangements that preserve the existence of a price feed from our liquidity provider to Nexus Prime, and onto clients.
- ii. Costs and Spreads:
 - a. As there is only one execution venue, cost is deemed the most important aspect to the client, assuming price movements track the underlying market fairly.
 - b. Spreads and costs are monitored via numerous internal protocols, processes and examination of records.
- iii. Speed:

- a. In the event of price slippage between the time that a client requests a trade and its execution, Nexus Prime operates symmetric price slippage, and closely monitors this aspect to ensure absolute adherence to this philosophy.

10.3. These checks and verifications are separately monitored by Nexus Prime, as ownership of best execution monitoring resides with Nexus Prime.

10.4. Additional monitoring reviews and investigation of any anomalies is undertaken by a senior independent person at Nexus Prime, from the person(s) carrying out the more frequent reviews.

10.5. The best execution obligation requires Nexus Prime to take all reasonable steps to deliver the best possible result for clients. There may be instances where it will be apparent that best execution was not provided. There may be legitimate reasons for this, or it may be that Nexus Prime could have improved the service provided to the client. Nexus Prime will learn from all incidents, take remedial action to rectify any client detriment and correct any deficiencies identified as a result of its best execution monitoring to ensure that best execution is maintained on an on-going basis.