



# STARTRADER South Africa

## Best Execution Policy

STARTRADER is a brand name of STARTRADER International (Pty) Ltd, an authorised Financial Service Provider ("FSP") registered and regulated by the Financial Sector Conduct Authority ("FSCA") of South Africa under license number 52464, and located at 18 Cavendish Road, Claremont, Cape Town, Western Cape 7708, South Africa.

## Contents

1. INTRODUCTION .....	3
2. OVERVIEW .....	3
3. CLIENTS.....	3
4. EXECUTION VENUS.....	4
5. EXECUTION FACTORS.....	5
6. PRICE SLIPPAGE .....	7
7. FEES AND COSTS .....	7
8. PAYMENT FOR ORDER FLOW .....	8
9. CONTRACT FOR DIFFERENCE (CFD).....	8
10. CONFLICTS OF INTEREST .....	8
11. MONITORING AND REVIEW .....	9
12. NO FIDUCIARY RELATIONSHIP .....	9
13. EXEMPTIONS FROM THE PROVISION OF BEST EXECUTION .....	10

## **Best Execution Policy**

### 1. INTRODUCTION

- 1.1 This Best Execution Policy (the "Policy") summarises the process of how STARTRADER International (Pty) Ltd (also referred to as "STARTRADER", the "firm", "us", "we" and "our") takes reasonable steps to obtain the best possible result (or "best execution") for its clients (also referred to as the "client", "you", "your" and "yourself") when receiving and transmitting orders to liquidity providers and other execution venues. This Policy is applicable to STARTRADER as an agency broker and should be read in conjunction with the terms of STARTRADER' Client Agreement.
- 1.2 The regulations govern this Policy include the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002). STARTRADER International (Pty) Ltd is incorporated in South Africa under registration number 2022/435897/07 and is authorised and regulated by the Financial Sector Conduct Authority (FSCA) under FSP license number 52464.
- 1.3 This Policy forms part of our Client Agreement, which is also available on our website. Therefore, by entering into an agreement with STARTRADER, you also agree to the terms of this Policy.

### 2. OVERVIEW

- 2.1 Client orders are generated on the STARTRADER MT4 trading platform and are transmitted directly to our liquidity providers. STARTRADER does not act as principal to client trades, but rather as an agency broker transmitting orders for execution.
- 2.2 When providing brokerage services in relation to financial instruments (as set out in Annex 1), STARTRADER will take all reasonable steps to obtain the best possible outcome for client orders. In doing so, we consider a range of execution factors, including the nature and size of the order, price, costs, speed, likelihood of execution and settlement, the characteristics of the market, and a reasonable assessment of the sometimes overlapping or conflicting execution factors (as detailed in Section 9 of this Policy).
- 2.3 STARTRADER' objective is, wherever possible, to apply consistent standards and operate transparent processes across all markets, client categories, and financial instruments available through our platform.
- 2.4 STARTRADER seeks to provide access to tradable prices on a fair and non-discriminatory basis. However, due to the diversity of markets, instruments, and order types, different factors may take precedence in determining the best possible result for a particular transaction

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### 3. CLIENTS

- 3.1 STARTRADER categories its clients as Retail Clients, Professional Clients, or Eligible Counterparties, in accordance with the definitions under the Financial Advisory and Intermediary Services Act, 2002 (FAIS Act) and applicable FSCA rules.
- 3.2 STARTRADER is committed to handling client orders and expressions of interest in an equitable and consistent manner. Once a client has been classified for the purposes of a particular instrument, that classification will normally apply consistently and may not be altered for individual transactions of the same type.
- 3.3 In exceptional circumstances, and subject to STARTRADER' consent, a client may request reclassification. STARTRADER reserves the right to decline such requests where it is not satisfied that the reclassification is appropriate or compliant with applicable regulatory requirements.

## **Best Execution Policy**

### 4. EXECUTION VENUES

4.1 STARTRADER receives price feeds from multiple liquidity providers. Having access to more than one liquidity provider helps ensure continuity of pricing, particularly during abnormal market conditions (e.g., extreme volatility), and allows us to continue providing clients with competitive and reliable prices. All client orders are transmitted to our appointed liquidity providers or execution venues for execution. Certain of these providers also act as technology providers that support our electronic trading platform.

4.2 STARTRADER has identified a panel of liquidity providers and execution venues that it most regularly uses for transmitting client orders. These providers are selected on the basis that they offer the best prospects for achieving the best possible results for our clients, taking into account the execution factors set out in this Policy. One of our liquidity providers has common shareholdings with STARTRADER. This is recognised as a potential conflict of interest, which is managed in accordance with our Conflict of Interest Policy and monitored under our Best Execution Policy.

4.3 When selecting venues to which trades are transmitted, STARTRADER takes reasonable steps to ensure that the selected venue is capable of providing the best possible trading outcome for clients. In doing so, STARTRADER considers:

- the nature and type of transactions undertaken by the venue;
- whether the venue is an established firm and authorised by a recognised regulatory authority;
- the adequacy of the venue's systems, risk controls, and measures to identify and mitigate potential risks;
- the venue's reputation, financial standing, and credit rating;
- the robustness of compliance and risk management frameworks;
- regulatory history and any enforcement actions; and
- the outcome of our internal due diligence, including review of completed questionnaires and supporting documentation.

4.4 In addition, venue selection takes into account execution-related factors, including:

- prices available to STARTRADER via liquidity providers (clients are shown only those prices communicated to us by such providers);
- the ability to provide consistent bid and ask prices through our trading platforms;
- time availability of prices and management of latency in price feeds (noting that in many markets, trading activity fluctuates and the last quoted price may not always be a reliable indicator of the current market price);
- the steps taken by liquidity providers to honour quoted prices and the circumstances in which failures may occur;
- the proportion of trades executed at the quoted bid/offer;
- the sufficiency of liquidity available for each instrument; and
- the ability to reasonably satisfy ourselves that client orders will be capable of being executed.

4.5 Fees and charges may vary between clients depending on account type, service agreements, and levels of trading activity. Full details are available on our website or as otherwise notified.

## **Best Execution Policy**

### 4.6 Selection Criteria

In addition to the factors already outlined, the selection of execution venues and liquidity providers is also assessed against the following criteria:

- In the markets in which STARTRADER operates, clients are shown only the prices communicated to us by our liquidity providers;
- Bid and Ask prices are made available through our trading platforms, subject to the factors noted below;
- Availability and timeliness of price feeds, including how latency is managed. In many markets, there may be periods of lower or higher trading activity, during which the last quoted price may not always be a reliable indicator of the current market level;
- The ability of liquidity providers to honour quoted prices and the circumstances under which price slippage or failures may occur;
- The proportion of trades that are executed at the quoted bid/offer, and how liquidity providers monitor and report on this;
- The sufficiency of liquidity provided for each instrument, and how this is assessed by the firm;
- The ability of liquidity providers to reasonably ensure that client orders are capable of being executed; and
- Applicable fees and costs, which may vary between clients depending on account type, service arrangements, and trading activity levels.

## 5. EXECUTION FACTORS

When handling orders, STARTRADER transmits them to its liquidity providers for execution. These liquidity providers exercise their own discretion in determining how best to achieve execution. The key execution factors considered in the markets in which STARTRADER operates include, but are not limited to, the following:

### 5.1 Price and Costs of Execution

- Prices and execution costs are given high importance;
- The indicative prices displayed on our trading platforms are sourced directly from third-party liquidity providers. These prices may differ from prices displayed on other platforms or exchanges;
- Spreads may include a mark-up and commissions may apply. Details of spreads and fees are published on our website and trading platform;
- Market volatility, latency in price feeds, technical issues, or insufficient liquidity may result in slippage, where execution occurs at a less favourable price than requested;
- In abnormal conditions (e.g. market open, news releases, extreme volatility, or market gapping), execution prices may vary significantly from the requested price;
- Prices may not be available outside market hours, and continuous price presentation may be interrupted by technical issues (e.g. connectivity failures, system outages, or data errors); and

## **Best Execution Policy**

- STARTRADER and its liquidity providers may treat an obvious misquote or "Manifest Error" as void or adjust the transaction to reflect what is considered a fair market price. In such cases, clients will be treated fairly, but STARTRADER will not be liable for incidental or consequential losses except where a final court judgment determines gross negligence, wilful default, or fraud.

### 5.2 Likelihood and Speed of Execution

- Orders are transmitted automatically and promptly to liquidity providers without manual intervention;
- Execution depends on available liquidity and pricing provided by liquidity providers;
- In rare circumstances (e.g. system or power failures), manual intervention may be required; and
- Verbal instructions may be declined if recording systems are unavailable, identity cannot be verified, or the quality of communication is inadequate.

### 5.3 Size, Nature, and Characteristics of the Order

- The likelihood of execution depends partly on the size and nature of the order and the liquidity available in the relevant instrument;
- STARTRADER may impose limits on trade size, the number of trades, or net position values for certain instruments. Clients will be notified, where possible, if such limits apply; and
- Minimum trade sizes and contract specifications are published on our website.

### 5.4 Characteristics of the Client

- STARTRADER primarily serves Retail Clients but also deals with Professional Clients and Eligible Counterparties; Retail Clients are afforded the highest level of protection under applicable regulations.
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### 5.5 Spreads

- Spreads are sourced from liquidity providers and may include a mark-up applied by STARTRADER;
- Spreads typically vary according to market conditions and may be tighter during highly liquid trading hours (e.g. EU/US sessions);
- Spreads may widen significantly during volatile conditions, illiquidity, or around news events; and
- Indicative spread information is available on our website and trading platforms but is not guaranteed.

### 5.6 Overnight/Swap ("Financing") Fees

- For positions held overnight, financing charges ("swaps") may apply;
- Swap rates are based on prevailing market interest rates as set by liquidity providers; and

## **Best Execution Policy**

- Details of applicable swap rates are available on our website and platforms.

### 5.7 Currency Conversion

- Where transactions involve instruments denominated in a different currency from the client's account, profits and losses are converted into the account's base currency;
- Conversion uses prevailing cross-rates provided through the trading platform.

### 5.8 Likelihood of Settlement

- All products offered are cash-settled derivative instruments. No physical delivery of the underlying asset occurs.

## 6. PRICE SLIPPAGE

6.1 The automated trading system seeks to obtain the best overall outcome for client transactions. However, at the time an order is transmitted for execution, the specific price requested by the client may not be available. In such cases, the order will be executed at the next available price, which may be close to or several pips away from the requested price. Where the execution price is more favourable than the requested price, this is referred to as positive slippage.

6.2 Conversely, where the execution price is less favourable than the requested price, this is referred to as negative slippage. Slippage is a normal market occurrence and may arise in foreign exchange, CFD, and other financial markets, particularly under certain conditions.

6.3 Common causes of slippage include, but are not limited to:

- periods of illiquidity or volatility (e.g. during market openings or major news announcements);
- economic or political events;
- delays in market data; and
- the speed or stability of your internet connection.

6.4 In all cases, whether positive or negative, any price slippage will be passed on to you.

## 7. FEES AND COSTS

7.1 STARTRADER does not charge different fees or costs depending on which execution venue is used. However, execution venues and liquidity providers may apply fees or costs, which may be passed on to you. The aggregate value of fees, costs, and any commission applicable to your account will be reflected in the pricing made available to you through the trading platform.

7.2 For certain markets or products, you may also be liable to pay commission charges on the opening and closing of trades. Where such charges apply, they will be clearly disclosed to you in advance or at the time of the transaction.

## 8. PAYMENT FOR ORDER FLOW

**Best Execution Policy**

8.1 STARTRADER does not receive any form of Payment for Order Flow ("PFOF"). This means we do not receive commissions, rebates, or other fees from liquidity providers or market makers in return for transmitting client orders to them. This ensures that our execution arrangements are not influenced by inducements and that no conflicts of interest arise in relation to order routing.

**9. CONTRACTS FOR DIFFERENCE (CFD)**

9.1 When closing out an open position, the client's order will be transmitted to the relevant liquidity provider or execution venue for execution. The price quoted for a CFD product on the STARTRADER platform is derived from the price of the relevant underlying instrument, as provided by our liquidity providers. A spread and/or commission may be applied, meaning the final price may differ from prices available on exchanges or from other market makers. STARTRADER will, however, take all reasonable steps to obtain the best possible result on the underlying instrument, in line with this Policy.

**10. CONFLICTS OF INTEREST**

10.1 STARTRADER recognises that conflicts of interest may arise between the interests of the firm and those of its clients. The trading platform displays prices provided by our chosen liquidity providers, which are selected based on execution quality and other relevant factors. Orders are transmitted to these providers with the aim of achieving the best possible result for clients.

10.2 Although the selection of liquidity providers may create a potential conflict of interest, STARTRADER takes steps to identify, manage, and mitigate both actual and potential conflicts. Internal systems and controls ensure that otherwise comparable client orders are handled sequentially and promptly, unless prevailing market conditions or the characteristics of the order make this impractical or contrary to the client's best interests.

**11. MONITORING AND REVIEW**

11.1 STARTRADER monitors the effectiveness of its order handling and best execution arrangements on an ongoing basis to identify any deficiencies and, where appropriate, implement improvements.

11.2 STARTRADER regularly assesses whether the liquidity providers and execution venues it uses continue to provide the best possible results for clients, and whether changes to its arrangements are required.

11.3 This Policy, together with STARTRADER' order execution arrangements, is reviewed at least annually and whenever a material change occurs that could affect our ability to consistently obtain the best possible results for clients.

11.4 Clients will be notified of any material changes to this Policy or to our execution arrangements, either by email or through an update published on our website.

**12. NO FIDUCIARY RELATIONSHIP**

12.1 STARTRADER' commitment to seeking the best possible result for client orders does not create or imply any fiduciary duty or responsibility beyond the specific regulatory obligations imposed on the firm or as expressly agreed in the Client Agreement.

***Best Execution Policy***

12.2 You remain solely responsible for your own investment and trading decisions. STARTRADER does not provide investment advice, and we will not be liable for any trading losses you incur as a result of those decisions.

**13. EXEMPTIONS FROM THE PROVISION OF BEST EXECUTION****13.1 Eligible Counterparties**

- If you are classified as an Eligible Counterparty, you are not entitled to best execution under applicable regulations.

**13.2 Client Instructions**

- Where you provide STARTRADER with specific instructions in relation to your order, or any aspect of it (including, for example, directing that the order be executed on a particular venue), the order will be handled in accordance with those instructions.
- In such cases, STARTRADER will be deemed to have satisfied its best execution obligations in respect of the part of the order covered by your specific instructions.