



ORDER EXECUTION POLICY



A. POLICY OBJECTIVE

This **Order Execution Policy** ("the Policy") provides clients with an overview of how **Cara Markets Limited** ("the Company") executes orders on behalf of its clients. It outlines the factors that affect order execution, including timing and the impact of market volatility. This Policy applies to all clients who place orders with the Company.

B. INTERPRETATION OF TERMS

For the purposes of this Policy:

- **Base Currency:** The first currency in a currency pair that the client buys or sells against the quote currency.
- **Completed Transaction:** Two counter deals of the same size (e.g., opening and closing a CFD position: buy then sell or vice versa).
- **Financial Instrument:** Instruments listed under the Company's license and published on its website. The Company only offers those marketed on its website from time to time.
- **Long Position:** A buy position in CFD trading that appreciates in value if the underlying market prices rise.
- **Margin:** Funds required to open or maintain open positions in CFD transactions.
- **Margin Call:** A notification requiring the client to deposit additional funds to maintain open positions due to insufficient margin.
- **Open Position:** A long or short position that is not yet a completed transaction.
- **Order:** An instruction from the client to trade in financial instruments.
- **Quote Currency:** The second currency in a pair, which can be bought or sold against the base currency.
- **Short Position:** A sell position in CFD trading that appreciates in value if the underlying market prices fall.
- **Slippage:** The difference between the expected price of an order and the price at which it is executed, often occurring during volatility.
- **Transaction:** A CFD or other order executed on behalf of the client under this Policy.
- **Underlying Asset:** The asset in a CFD or other financial instrument (e.g., currency pairs, indices, stocks, etc.).
- **Underlying Market:** The market where the underlying asset is traded.
- **Website:** The Company's official website at

Note: Words importing singular include plural, and masculine include feminine. Headings are for reference only and do not affect interpretation.



C. DISCLAIMER

Trading financial instruments carries inherent risks. This Policy highlights some of the risks but is **not exhaustive**. Clients must understand all risks before placing orders.

D. NO GUARANTEES

The Company will make **commercially reasonable efforts** to execute orders to achieve the best possible results. However:

- **Execution** of orders is not guaranteed.
- Variations may occur in order acceptance, speed, timing, or price due to factors like order type, market volatility, or technical latency.
- This Policy does not form a binding obligation on the Company.

E. MARGIN AND MARGIN REQUIREMENTS

- The Company will **decline an order** if the client's available margin is less than the required amount.
- The Company may automatically **liquidate open positions** or cancel pending orders without prior notice if the margin level falls below the required threshold.
- Clients remain **liable for all losses**, including negative balances. Immediate repayment is required.
- Automated margin call warnings may be issued but are not guaranteed.

F. EXECUTION PRACTICES IN FINANCIAL INSTRUMENTS

- **Slippage:** Orders may not execute at the exact requested price during volatility or illiquid conditions.
 - *Positive Slippage:* Executed price is better than requested.
 - *Negative Slippage:* Executed price is worse than requested.
- Slippage is **normal** during news events, rapid price movements, or stop loss/take profit executions. Orders are executed at the **next best market price**.

G. TYPES OF ORDERS

G.1 MARKET ORDERS

- Execute immediately at the current market price.
- Financial instruments are bought at the **ASK price** and sold at the **BID price**.
- Stop loss and take profit orders may be attached.



G.2 PENDING ORDERS

- Types: Buy Limit, Buy Stop, Sell Limit, Sell Stop.
 - Execute when the market price reaches a predefined level.
 - Execution may occur at the **next available price** during volatility, rapid price changes, or illiquidity.

G.3 TAKE PROFIT ORDERS

- Automatically close positions when the market reaches a specified price level to secure profits.
- Applied to open positions or pending orders.
- Executed at the **specified price** or the next available price.

G.4 STOP LOSS ORDERS

- Automatically close positions when the market reaches a specified price to limit losses.
- Executed at the **first available price** when triggered.

H. CLIENT CONSENT

By placing orders, you agree and consent to be bound by this Policy.

- Any amendments to this Policy will take effect when you **execute an order** in the Company's trading platform.
- You are responsible for ensuring you have the **most recent version** of this Policy.

I. LANGUAGE OF COMMUNICATION

- The primary language of communication is **English**.
- In case of discrepancies between translations, the **English version** shall prevail as the legally binding document.

J. REVIEW OF POLICY

Cara Markets is committed to reviewing and improving this Policy **at least every six months** to ensure effectiveness and compliance.

K. MANAGEMENT COMMITMENT

This Policy is endorsed by management and will be communicated to all employees. It will also be made available to clients for transparency.