

Finovative AI

Best Execution Policy

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1. INTRODUCTION

1.1 This Best Execution Policy (the “Policy”) outlines how Finovative AI Ltd. (also referred to as “Finovative AI”, the “firm”, “we”, “us”, or “our”) takes the necessary steps to ensure the best possible outcome (“best execution”) for our clients when we receive and transmit their orders for execution through trading venues. This Policy applies to Finovative AI in its role as an Agency broker and should be read alongside the terms set out in the Finovative AI Client Agreement.

1.2 Finovative AI Ltd. is an international business company registered in Switzerland, under registration number: CHE-498.237.014.

1.3 This Policy forms an integral part of our Client Agreement (also available on our website). By entering into an agreement with Finovative AI, you acknowledge and agree to the terms outlined in this Policy.

2. OVERVIEW

2.1 Your order will be placed through Finovative AI’s trading platform and immediately transmitted to our range of liquidity providers using a straight-through processing model.

2.2 When we provide brokerage services related to financial instruments (as listed in Annex 1), Finovative AI will take all reasonable steps to deliver the best possible overall result for you. This means striving for “best execution,” while taking into account the nature and size of your order, the speed and likelihood of execution and settlement, the available market prices, market conditions, and a balanced evaluation of sometimes overlapping or conflicting execution factors (further explained in section 9).

2.3 Finovative AI aims to apply consistent standards and execution processes across all clients, markets, and financial instruments in which it operates.

2.4 We also strive to offer you and other market participants access to tradable prices on a fair and non-discriminatory basis whenever possible. However, due to the diversity of markets and instruments, and the various types of orders you may submit, the relevance of specific factors can vary with each transaction.

3. CLIENTS

3.1 Finovative AI works with Private Clients, Professional Clients, and Eligible Counterparties.

3.2 Finovative AI is committed to handling all orders and expressions of interest fairly and consistently. Once a client has been classified for a specific financial instrument, they cannot request to be reclassified for a single transaction that falls within their usual trading activities.

3.3 In rare cases, exceptions may be considered, but only with the consent of Finovative AI. Please note that Finovative AI reserves the right to decline services if a reclassification is requested.

4. EXECUTION VENUES

4.1 Finovative AI receives pricing data from multiple liquidity providers. Having access to several providers is especially valuable during volatile market conditions, as it allows us to continue offering competitive pricing even in times of high market stress. We have selected a number of liquidity providers and execution venues to which client orders are transmitted for execution. These providers also supply us with essential trading technology.

4.2 Finovative AI has identified a list of venues where we most frequently transmit client orders and which we believe offer the best chance of achieving optimal results, based on key execution factors outlined below. It is important to note that one of our liquidity providers shares common ownership with Finovative AI. While this may present a potential conflict of interest, it is carefully managed in line with our Best Execution Policy.

4.3 When selecting venues for order execution, Finovative AI takes reasonable steps to ensure that each venue chosen offers the best possible trading outcomes for our clients. Our selection process includes reviewing client classifications under the venue's scope and assessing factors such as:

- The type and nature of transactions the venue handles
- Whether the venue is an established and regulated firm

- The presence of robust risk management systems
- The venue's reputation and credibility in the market
- Financial strength and creditworthiness
- Quality of compliance and risk policies
- Proven performance in the relevant market (OTC, regulated, or MTF)
- History of regulatory compliance, with no significant issues
- Completion of due diligence questionnaires and submission of required verification documents

4.4 Additional selection criteria includes:

- The ability of Finovative AI to display only the pricing provided by its liquidity sources
- Access to Bid and Ask prices via our trading platforms (subject to certain limitations)
- The timing and availability of price feeds, including possible latency or periods of low activity that may affect price reliability
- The efforts made by liquidity providers to meet quoted prices and circumstances of any pricing failures
- The percentage of trades executed at quoted bid/offer levels and how performance is measured
- Evaluation of whether sufficient liquidity is available for each instrument
- We only allow clients to trade if we are confident that their orders can be successfully executed
- Fees may vary between clients depending on individual agreements and trading volume

5. EXECUTION FACTORS

The liquidity providers used by Finovative AI apply their own judgment when determining the key factors to ensure the best possible outcome for your trades. The main execution factors considered in the markets where Finovative AI operates include, but are not limited to:

5.1. Price and Execution Costs

Prices and execution costs are highly prioritized in the operation of our platforms and the processing of your orders.

5.1.1 Our automated systems aim to achieve the best possible result for each transaction. Prices for CFDs are referenced from the prices of the underlying financial instruments, which are sourced from third-party liquidity providers to ensure accuracy and competitiveness. Finovative AI may include its own spread or fees, so prices might differ from those seen on exchanges or from market makers, but we always strive to offer the best available price on the underlying asset.

5.1.2 We do not quote prices outside of market hours. Prices on our platforms come directly from our liquidity providers, and may differ from those visible on external platforms. Finovative AI reserves the right to determine which prices are executable. Clients should disregard prices from other providers when trading with us.

5.1.3 While prices are continuously generated, technical issues like internet delays, connection problems, or system errors may cause discrepancies. Such situations can result in prices that do not accurately reflect real market rates, potentially leading to data loss or incorrect execution.

5.1.4 These technical disruptions may also result in price changes between the moment an order is placed and when it is executed. The actual outcome depends on the trading platform and account type.

5.1.5 Finovative AI reserves the right to reverse or adjust trades (even confirmed ones) to reflect a fair market value if mispricing due to technical issues has occurred.

5.1.6 Significant deviations between requested and executed prices may occur in volatile conditions, including:

- At market open
- During key news or political events (e.g. elections)
- When price swings are extreme
- In events where trading halts or restrictions are triggered by the exchange
- If there's insufficient liquidity for the desired volume

5.1.7 A "Manifest Error" refers to a clear pricing mistake by us or a source we rely on, considering market conditions. We may use available information to determine if such an error occurred.

5.1.8 We'll always act fairly in these situations, but losses from actions taken based on incorrect prices won't be considered in our error assessment.

5.1.9 In the event of a Manifest Error, Finovative AI may:

- Adjust the trade to fair terms
- Void the transaction entirely

5.1.10 We're not liable for losses arising from Manifest Errors unless such error was caused by our willful misconduct or fraud, confirmed by a final court ruling.

5.1.11 Price slippage may occur if your requested price isn't available at the time of execution; the trade may execute close to or a few pips away from your requested level. (See Section 6 for details.)

5.1.12 Our commitment remains: to always deliver the most favorable price possible for our clients, regardless of order type.

5.2. Likelihood and Speed of Execution

5.2.1 Orders are executed quickly and automatically through our trading platforms. However, slippage may still occur (see Section 6).

5.2.2 As we rely on third-party liquidity providers, the execution of your orders depends on their available prices and volumes.

5.2.3 Client orders are sent instantly to our liquidity providers with no manual handling. In rare cases (e.g. power outages or network issues), manual intervention may be required, as described in our Client Agreement.

5.2.4 We may decline verbal instructions if call recordings are unavailable, voice quality is poor, or identity cannot be confirmed.

5.2.5 We reserve the right to ask for instructions via alternative communication methods.

5.2.6 We are not responsible for any losses due to delayed or unreceived client messages.

5.3. Size, Nature, and Characteristics of the Order

5.3.1 Most trades involve one lot or less and are highly liquid. However, not all venues support all instruments, so order nature can affect venue selection.

5.3.2 Finovative AI may impose trade or position size limits for specific instruments and will try to inform clients in advance.

5.3.3 Trade volumes are measured in lots, with minimum sizes listed on our website.

5.4. Client Characteristics

5.4.1 We mainly serve Private Clients, but also support Professional Clients and Eligible Counterparties.

5.4.2 Private Clients receive the highest level of protection, and our processes reflect that.

5.5. Spreads

5.5.1 Finovative AI applies balanced mark-ups to raw spreads where needed, ensuring our average spreads remain highly competitive. During active sessions (e.g., EU/US), spreads are typically tighter.

5.5.2 Spread details are available on our website and prominently displayed on the platform. Market conditions may cause spreads to vary.

5.5.3 Website spread info is indicative only. Clients are advised to monitor news and communications from Finovative AI that could impact volatility and widen spreads.

5.6. Overnight/Swap (Financing) Fees

For some instruments, open positions incur a daily financing fee (swap), calculated based on prevailing interest rates. Full fee details are available on our website.

5.7. Currency Conversion

We provide currency conversions using the live cross-spot rate between your account's base currency and the CFD instrument's currency.

Example: If your account is in EUR and you trade GBP/JPY, your profit/loss will be displayed in EUR using the current EUR/JPY rate from our platform.

5.8. Likelihood of Settlement

Financial instruments traded on our platforms are settled on a non-delivery basis—no physical asset delivery is involved, and thus, no settlement takes place.

6. PRICE SLIPPAGE

6.1 Our automated system always aims to achieve the best possible outcome for your trade — this is one of the most important factors for our clients. However, there may be situations where the exact price you request isn't available at the moment of execution. In such cases, the trade will be executed as close as possible to your requested price — which may be slightly higher or lower (measured in pips).

If the execution price turns out to be better than what you requested, this is known as “positive slippage.”

6.2 Conversely, if the execution price ends up worse than your requested price, it's referred to as "negative slippage."

Slippage is a normal part of trading and is widely accepted across the forex and stock markets — especially under fast-changing or uncertain conditions.

6.3 Price slippage commonly occurs during times of:

- Low liquidity
- High volatility triggered by major news or economic announcements
- Market openings
- Data feed delays or latency
- Internet speed or connectivity issues

(This list is not exhaustive, and other factors may also lead to slippage.)

6.4 Whether it's positive or negative, any slippage will be passed on to you as part of your execution result.

7. FEES AND COSTS

7.1 Finovative AI does not apply different fees based on which execution venue is used. However, the venues themselves may have varying fees or costs, and these may be passed on to you.

All combined charges — including fees, costs, or commissions — that you are responsible for are already factored into the prices quoted by the firm.

7.2 In some markets, there may be separate commission fees when opening and closing trades. When applicable, these charges will be clearly communicated to you in advance.

8. PAYMENT FOR ORDER FLOW

8.1 Finovative AI does NOT receive any 'Payment for Order Flow', meaning we do not earn commission or fees for facilitating transactions with market makers. This ensures that there is no conflict of interest in our execution process.

9. CONTRACTS FOR DIFFERENCE (CFD)

9.1 Finovative AI understands that when you close an open position, you must close the contract with us, even if a better price is available elsewhere. The price for a CFD product is based on the price of the relevant underlying instrument. Finovative AI adds its spread and fees to this price, which may result in a difference from exchange or market maker quotes on the underlying asset. However, we strive to provide the best possible terms on the underlying instrument.

10. CONFLICTS OF INTEREST

10.1 Finovative AI acknowledges that conflicts of interest may arise between the firm and its clients. The platform on which orders are processed will show the best available price from one of our selected liquidity providers, which we have determined (based on several execution factors) to be suitable for specific market orders.

10.2 While this could potentially create a conflict of interest, Finovative AI takes proactive steps to manage, reduce, and prevent any potential or actual conflicts. We have established internal systems to ensure that similar client orders are executed in sequence and promptly, unless the nature of the order or market conditions make it impractical or not in the client's best interest.

11. MONITORING AND REVIEW

11.1 Finovative AI will regularly monitor the effectiveness of its order execution arrangements and best execution policy to identify and, when necessary, implement improvements to our processes.

11.2 On an ongoing basis, Finovative AI will evaluate whether the execution venues continue to provide the best possible outcome for clients, or if any adjustments to execution arrangements are necessary.

11.3 Finovative AI will review its order execution arrangements and best execution policy at least once a year, or whenever significant changes occur that affect the firm's ability to consistently secure the best possible result for executing client orders using the venues outlined in this policy.

11.4 Finovative AI will inform you of any major changes to its order execution arrangements or best execution policy, as detailed above, either by email or through notifications on our website.

12. NO FIDUCIARY RELATIONSHIP

12.1 Finovative AI's commitment to provide you with "best execution" does not establish a fiduciary relationship beyond the specific regulatory obligations it is bound to, or those which may be otherwise agreed between Finovative AI and yourself.

12.2 You are solely responsible for your investment decisions, and Finovative AI will not be liable for any trading losses that occur as a result of those decisions.

13. EXEMPTIONS FROM THE PROVISION OF BEST EXECUTION

13.1 Despite our commitment to best execution, Finovative AI does not guarantee "best execution" in certain cases, as outlined in the following exemptions:

13.2 Eligible Counterparties

13.2.1 If you are classified as an Eligible Counterparty, you will not be entitled to the protections of best execution.

13.3 Client Instructions

13.3.1 If you provide Finovative AI with specific instructions regarding your order or any part of it, including requesting that your trade be executed on a particular venue, we will follow those instructions when executing your order.

13.3.2 However, please note that by following your instructions, Finovative AI will be deemed to have taken all reasonable steps to provide the best possible outcome for you, but only in relation to the aspects of the order or instructions that you specified.