Frontbroker

FrontB Holdings LTD

Rules of Trading Policy

Frontbroker

1. Introduction

FrontB Holdings LTD is a company registered in Mauritius and whose Registered Office is at c/o Legacy Capital Co Ltd, Suite 201, Level 2, The Catalyst, 40 Silicon Avenue Mauritius, which is regulated by the Financial Services Commission of Mauritius (the "Company" and/or "Frontbroker").

This Rules of Trading Policy shall be read in conjunction with our Legal Documents being the standard terms of business.

2. Objective a Scope

The objective of the present Rules of Trading Policy (the "Policy") is to provide a comprehensive summary of the steps and factors that comprise the trading process as well as the specific rules applicable to the same steps and factors. This Policy is dedicated to all Clients of the Company, its respective partners and vendors as well as the general public accordingly.

3. Product

The product as offered by the Company are Over the Counter (the "OTC") Derivative Contracts for Difference having various underlying assets (e.g., FX pairs, Commodities, Indices, Cryptocurrencies, Precious Metals, etc.).

3.1. Type

Trading CFDs on Commodities allows an investor to speculate on the price movement of the underlying precious metal commodity without actually owning the underlying commodity. A CFD on Commodities is an agreement between you and FrontB Holdings Ltd to exchange the difference in price of the underlying over a period of time. It allows an you as an investor to speculate on rising or falling prices of the underlying asset. The difference to be exchanged is determined by the change in the reference price of the underlying. By trading CFDs, the investor will not take delivery of the underlying asset at any point during the duration of the trade. CFDs Commodities are always traded on the basis of the underlying asset and involves the simultaneous buying and selling of the underlying asset.

3.2. Objective

A CFD is not a listed instrument but is traded as an Over the Counter (OTC) contract between the Client and the Company. The objective of trading CFDs is to speculate on the price movements of the underlying commodity, using leverage, without taking delivery of the currency at any time. For example, if you believe the underlying asset will increase in value, you will buy it (also known as "going long") with the intention of selling it later at a higher price. On the other hand, if you believe that the underlying will weaken in value, then you will sell the underlying (also known as "going short") with the intention of buying it later at a lower price. The difference between the price at which you buy and sell (or vice versa) equates your profit minus any other costs (see details below). CFDs are leveraged products that requires you to deposit a smaller amount of cash as margin rather than paying the full value of your exposure. Trading with leverage can magnify both the profits and losses you make in relation to the investment. The level of leverage depends on the margin requirement for the individual

CFD. Margin trading requires extra caution, because while you can realize large profits if the price moves in your favour, you might experience extensive losses if the price moves against you.

3.3. Intended Investor

CFDs are intended for investors who have knowledge and experience with leveraged products, i.e. Investors who comprehend the key concepts of margin, leverage, and the risks of loss, and who have the financial means and ability to bear losses in excess of their initial invested amount. CFDs are highly volatile. In addition, CFDs are intended for investors with high risk tolerance that intend to use the products for short-term investment, speculative trading and/or hedging of exposure of an underlying asset.

3.4. Term

CFDs generally have no maturity date or minimum holding period. The decision of when to open or close a trading position lies solely on the Client. There is no recommended or minimum time period for holding this product. You may be forced due to the volatility of the market to buy or sell your CFDs at a price that will significantly impact your invested capital.

3.5. Risk

We have classified this product as “high” risk class. This is due to the high likelihood of losing your entire investment and facing losses that can exceed your account balance. CFDs are not protected against any adverse future market performance. Spreads may vary and the market may be subject to high volatility that can generate losses rapidly. CFDs are leveraged products, requiring only a proportion of the notional value to be deposited as initial margin. Using leverage, you gain larger exposure to a financial market by tying up only a relatively small amount of your capital. Trading with leverage can magnify both the profits and losses you make in relation to the investment.

You may buy or sell CFDs in a currency which is different to the currency that your account is denominated in. When you deal in a CFD that is denominated in a currency other than the base currency or a currency you have on a deposit in your account with us, all margins, profits or losses in relation to that CFD are calculated using the currency in which the CFD is denominated. The final return you will get depends on the exchange rate between the two currencies (i.e. conversion of profit/loss quoted in the quote currency into the currency in which your account is denominated).

4. Transactions

4.1. Deposit

Deposits to your trading account held with the Company may be made using any of the following payment methods:

i. by online bank transfer;
ii. by same day bank transfer; or
iii. by international telegraphic transfer;
iv. by electronic payment options provided by Frontbroker.

The Company reserves the right to remove or restrict the payment methods that you use to deposit and withdraw money from your trading account.

The Client must have sufficient cleared funds deposited in an account before Company opens an order on their behalf. Frontbroker will indicate to the Client, where applicable, the sum required as the Deposit for each Order (where applicable).

Frontbroker may impose other fees and charges for using the services, by providing Notice to the Client. If the Client does not consent to the charges, the Client can terminate the Agreement immediately and the charges will not apply to the Order prior to the Notice being given by the Company.

The Company is not responsible for any fees or charges imposed by Third-Party banks or other counterparties, which are incurred by the Client in connection with the use of the services.

All Deposits to the trading account must be made in United States dollars (USD) or any other currency that the Company may agree to accept.

If Frontbroker becomes aware or has reason to believe that the money deposited you have deposited have come from someone other than you or a funding method in someone elses name, it reserves the right to decline your deposit, return the money to the source of origination, void any transactions and terminate the business relationship with.

In a scenario where the Company is not satisfied that a deposit originated in an account in your name, it reserves the right to ask you for documents to justify the same before Frontbroker decide whether to credit the deposited amount to your trading account or reject the deposit.

The Company shall not be liable under any circumstances for any direct, indirect or consequential loss (including any loss of profits) incurred as a result of a delay in funds reaching the Client's trading account.

In order to successfully **deposit** funds to the trading account, the Client must be the holder of fully established and verified trading account with FrontB Holdings LTD and follow the steps:

a) The Client must log into the trading account. From the dashboard, the Client must select the Live trading account they wish to deposit funds into;
b) Once the trading account is identified, the Client must click the green button "Deposit";
c) The Client, as landed in the Deposit page, shall now select the payment method to be used, card payment;
d) The Client shall enter the amount to be deposited and click "Deposit" to continue. At this stage the Client may receive some specific merchant instructions to follow;
e) Unless any blockers identified, the funds deposited will be credited to the Client's trading account and reflected in the Balance of the respective trading account.

4.2. Withdrawals

Provided that a Free Balance is available in your trading account, you can ask Frontbroker to pay some or part of that Free Balance to you. In order to proceed with a successful **withdrawal**, the Client must follow the steps:

a) The Client must log into the trading account. From the dashboard, the Client must select the Live trading account they wish to withdraw funds from;
b) Once the trading account is identified, the Client must click the white button "Withdraw";
c) The Client, as landed in the Withdrawal page, shall now select "Manual Withdraw" if they want to perform the withdrawal back to their source of deposit /bank account or "Internal Transfer" if they wish to transfer funds between different trading accounts;
d) For the "Manual Withdraw" the Client must complete the details of the requested withdrawal: Account name, Bank account, Bank address, Swift, Bank name, Amount to withdraw in USD. The Platform will automatically evaluate whether the requested Withdrawal amount does not exceed the Free Balance and the fees that will be applicable to this Withdrawal.
e) The Client shall evaluate the details of the Withdrawal and unless any blockers identified, they should click "Withdraw" to continue. At this stage the Client may receive some specific merchant instructions to follow;
f) The withdrawn funds will be credited to the Client's bank account in due course considering the time necessary to process the transaction.

The Company may choose to withhold some or all of the withdrawal that you request at its own discretion if:

i. Frontbroker requires you to maintain a certain amount of money in your trading account to meet our margin Obligations/requirements;
ii. Frontbroker is entitled to withhold the amount under these terms; or
iii. In line with section 2.6 of the Client Agreement.

The Company will inform you as soon as reasonably possible shall it decide to withhold any part of your Free Balance.

Frontbroker has the right to refuse to act on Instructions to send funds to a bank account or any other account if it has a reason to believe this destination account is held in a different name than the trading account name.

The Company will use all reasonable endeavors to make payments to the Client in accordance with the timing specified in the Client Instructions. However, it shall not be liable under any circumstances for any direct, indirect or consequential loss (including any loss of profits) incurred as a result of a delay in funds reaching the Client's nominated account.

Frontbroker will not be liable if a payee/beneficiary bank fails to process a payment correctly.

Frontbroker is only required to make an international payment to or at the direction of the Client on a particular day if cleared funds have been received by Frontbroker prior to the Cut-off Time for that Day. International payments relating to funds received by Frontbroker after the Cut-off Time for a Day will be made on the next Day. The Client agrees all funds in and out of the Account are subject to Frontbroker's deposits and withdrawals policy on our website.

Frontbroker has the right to charge a transfer fee of USD 20.

5. Trading Process

5.1. Order Opening

In order to successfully open a trading order in Contracts for Differences (the "CFDs"), the Client must be the holder of fully established and verified trading account with FrontB Holdings LTD. The said trading account must be enabled to trading and hold a sufficient balance in order to cover the respective margin requirement. In order **to open** a CFD order, the Client must follow the steps:

a) The Client must log into the trading account, select the respective CFD they want to trade, set the parameters of the order, as minimum:
   - Order type -e.g., Market Order /Pending Order,
   - Size – e.g., 0.1 lot, 1 lot, etc.,
   - Stop Loss /Take Profit,

b) When the above parameters are set, the Client must click "BUY" or "SELL" depending on the direction the Client decided for this order;

c) The Company receives the order for execution. The Dealing Department monitors (in an automated manner) whether the trade complies with the regulatory framework in place as well as the rules of exchange trading (e.g., the depth of liquidity);

d) Unless any blockers are identified, the order is automatically conveyed for execution by a Liquidity Provider (Scenario A) or executed by the Company when dealing on own account (Scenario B);

e) The Client receives a confirmation of their opened order via section "Open Positions" of the Platform where they can see all currently open positions (including: ID, Symbol, Open Time, Volume, Side, Open Price, Current Price, Stop Loss, Take Profit, Swap, Commission, P&L).

5.2. Order Closing

In order to successfully close a CFD trading order, the trading account of the Client must remain enabled to trading and hold a sufficient balance in order to cover any liabilities, cost and charges that may be applicable to the respective trade. In order **to close** a CFD order, the Client must follow the steps:

a) The Client must log into the trading account and in section "Open Positions" identify the order they wish to close;

b) The Client shall carefully review the current status of the selected order as well as consider its impact on the trading account. In case where the selected order is in red, the Client should evaluate the potential effect closing of such order would bear onto their accounts;

c) Having ensured the above, the Client should issue the instruction to close the order at the market price by clicking the respective [X] on the right side of the "Open Positions" section;
d) The Company receives the instruction to close the order. The Dealing Department monitors (in an automated manner) whether the trade complies with the regulatory framework in place as well as the rules of exchange trading;
e) Unless any blockers are identified, the instruction to close the order is automatically conveyed to the respective Liquidity Provider (Scenario A) or the order is closed by the Company when dealing on own account (Scenario B);
f) The Client receives a confirmation of their closed order via section "Closed Positions" of the Platform where they can see all currently open positions (including: ID, Symbol, Open Time, Volume, Side, Open Price, Current Price, Stop Loss, Take Profit, Swap, Commission, P&L, Reason).

6. Best Execution

When executing client orders, the Company is committed to acting fairly, honestly, and professionally at all times, always prioritizing the best interests of its clients. It holds a fiduciary responsibility to secure the best possible execution for client brokerage transactions. Failure to meet this obligation may lead to serious regulatory repercussions. The Company's procedures are aligned with regulatory standards and reflect the understanding that "best execution" is largely a qualitative judgment. Achieving best execution does not solely depend on the lowest commission fees, but rather on the overall quality of execution. In evaluating this, the Company considers a range of factors, including the broker's research quality, execution capabilities, fee structure, financial stability, administrative support, and responsiveness.

All trades are conducted electronically, under full regulatory oversight, and with transparency. The Company will not carry out any investment transaction that, to the best of its knowledge and after making all reasonable checks, would violate Mauritius law. Additionally, it will take all necessary steps to verify whether any proposed investment is being made by or on behalf of a foreign investor.

6.1. Execution Factors

In the absence of express instructions from the client, the Company will exercise their own discretion in determining the factors that are needed in order to provide the client with the best possible execution result.

These execution factors in the markets in which the Company operate will include, but are not restricted to the:

- characteristics of the client;
- size, nature and characteristic of the order;
- likelihood and speed of execution;
- price and costs of execution; and

- settled block trades, or positions larger than standard market size, may be crossed at a particular stage in the trading day or kept anonymous to the majority of market participants; unless otherwise directed.

6.2. Execution Venues

The Company is able to transact trades on behalf of the client via the following execution venues:

- liquidity provider;
- Regulated market;
- Where appropriate the customer base of the Company in the OTC markets; and
- Systematic internalizes.

When selecting the venue on which to transact trades, the Company will take reasonable measures to ensure that the selected venue obtains the best possible trading result for the clients, subject to the following factors:

- In the markets in which the Company operates, it can only give clients visibility to prices that have been communicated to them;
- The Company will provide details of all tradable bids and offers (via the platform and subject to the other matters referred to below);
- Time availability of prices – in many markets there are lulls and spikes in trading as negotiations align trading interests at different times and different parts of the curve, accordingly the “last traded” price may not always be available or act as a reliable indicator of current price;
- The Company cannot allow clients to trade in a market unless the Company is reasonably satisfied that the client (via an agent or otherwise) is capable of settling the relevant trade; and
- Fees may vary between clients, based on agreements and levels of activity.

6.3. Monitoring and Review of Best Execution

When executing orders, the Company shall take all reasonable steps to obtain the best possible result under the circumstances for the client, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

The Company shall assess, on a regular basis, whether the execution venues, included in the order execution policy provide for the best possible result for its clients or whether the Company need to make changes to its execution arrangements and/or providers.

The Company is committed to the provision of “best execution" to its clients and is therefore committed to ensuring that the selection process of the liquidity provider(s) is fair, based on the quality of service and delivery, and their reputation as leading providers of deep liquidity within the respective markets, which will also include the provision of better pricing than its competitors or the provision of better liquidity. The Company shall also undertake periodic due diligence and review of the liquidity provider(s) and the quality of the service and execution that is provided.

Frontbroker will monitor the effectiveness of the order execution arrangements and order execution policy in order to identify and, where appropriate, incorporate any amendments to existing procedures. Additionally, the Company will review its order execution arrangements and procedures at least annually or whenever a material change occurs that affects its ability to continue to obtain the best possible result for the execution of client orders on a consistent basis using the venues included in its order execution policy.

7. Costs

The below table shows the costs that may be applicable to your order. The total costs considered include One-off, On-going and Incidental Costs.

Costs		
One-off costs	**Spread**	The spread cost is the difference between the buy and sell price. Half of the spread cost is realized upon opening a trade. For this calculation we have based on average spread. As spreads are variable the size of the spread can vary at different times. The spread cost can be either higher or lower depending on market volatility.
Ongoing costs	**Swap**	It is a Financing Cost and the calculation parameters, are the following: Symbol's fee in Points, Days the trade is held open, Volume in lots, Direction of the trade, Contract Size, Point's value and Conversion rate to trading account's Base Currency. For every night and third night respectively of platform, that a position is held open, a fee charge is subtracted from your account for each of the days/three days the order is open.
Incidental costs	**Currency Conversion**	The fee charged for converting realised profits/losses, any adjustments denominated in a currency other than the base currency of your account. For the purpose of calculations of Costs Over Time, we have used the Stressed Scenario, with Medium Volatility. Depending on current volatile conditions, you could benefit a lower or suffer a higher Currency Conversion fee.

8. Policy Review & Update

This Policy shall be reviewed and updated at least annually in the course of the business operations or whenever any material changes into the regulatory framework governing the operations of the Company or the services or products of the Company arises. The responsibility for the review and update of this Policy lies with the Compliance Department as well ad the management of the Company.