

GLOBAL MARKETS GROUP LIMITED

BEST EXECUTION POLICY

**Authorised and regulated by the Financial Conduct Authority under Firm
Reference No.: 744501**

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BEST EXECUTION POLICY – MASTER SHEET – VERSION CONTROL

Date	Details of Amendment	Amended by	Distributed to Staff?	Distribution Date
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18/01/2016	Additional Prime Broker added	Nick Cooke	Yes	18/01/2017
12/11/2017	New Prime Broker	Nick Cooke	Yes	12/11/2017

1. INTRODUCTION

Usage of this Best Execution Policy must be in conjunction with Global Markets Group Ltd (hereinafter referred as the “Company”) Compliance Manual and other company policies and procedures currently in effect and as amended from time to time and which are available to the Client upon request.

Reference to the Compliance Officer throughout this policy includes in his / her absence, his / her appointed deputy. For the benefit of clarity an appointed deputy will be defined as any one person from:

- (i) The Managing Director (hereinafter referred as the “MD”), being a Financial Conduct Authority (hereinafter referred as the “FCA”) Approved Person;
- (ii) In the absence of (i) above, another Director of the Company, also being an FCA Approved Person and in association with (iii) below;
- (iii) The Compliance Assistant (if required).

References to the masculine include the feminine and items in italics have their meaning defined in the FCA Handbook’s Glossary. Please refer to the Compliance Department if you require further information. This Best Execution Policy must not be reproduced, or provided to third parties without prior reference to the Compliance Officer and their subsequent approval.

1.1 Sponsor

This Policy is approved and sponsored by the Company’s Executive Management and will be reviewed annually by the Company’s Compliance Officer and updated if required. Any queries and / or suggestions for change to the Policy should be addressed to the Company’s Compliance Officer.

Ongoing monitoring of the Company’s adherence to the policy will occur via the monitoring from the line management of the operations of the brokerage department and the frequent and systematic testing to be performed as the first line of defence of the policy. The second line of defence will be maintained by the Compliance Officer. The second line of defence should be adequately equipped to challenge the conclusions reached by execution desks in order to mitigate the potential for conflicts of interest that may result from front-office staff providing the sole scrutiny of their own performance. The third line of defence of the policy will be maintained through the outsourcing of health checks/internal audits for ad hoc assessment of potential weaknesses as well as general health checks covering all areas as the

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Company evolves and grows. The three lines of defence set a clear governance structure for escalation and resolution of issues, which underpins the delivery of best execution on a consistent basis.

1.2 The Company's regulated status

The Company is currently authorised and regulated by the FCA under Firm Reference Number (hereinafter referred as the "FRN") 744501 as a Matched Principal Broker. The company is registered in England and Wales under company number: 09493910. Henceforth, by agreeing to the terms of this Policy you will also be acknowledging to agree with the terms and conditions of the Company.

1.3 The Company's products and services

The Company provides Internet based services, including (i) brokerage, (ii) software, and (iii) ancillary services at <http://www.gmgmarkets.com/en/> (the Company's website) and operates online trading platforms for trading in financial instruments (hereinafter referred as the "Trading Platform"). Information regarding the full range of products that the Company offers can be found on the Company's website. Further information about the Company can be found on the FCA's website.

The Company's core business is providing liquidity to professional, institutional (small funds and FX retail brokers) and retail clients in FX, Contracts for Difference and similar instruments. Clients trades will be executed through the Trading Platform, MetaTrader 4 and FIX API. Trades will be immediately matched through Destek Markets UK Limited (regulated and authorised by the FCA under License Number 539949), our Prime Broker who are connected to multiple liquidity providers (please refer to Section 3.1. Execution Venues) aggregated via a technology partner, Gold-I, using a Straight Through Processing Model.

1.4 The Company's Best Execution Policy

Following the implementation of the Markets in Financial Instruments Directive (hereinafter referred as the "MiFID") in the European Union and pursuant to Section 11.2 of the FCA's Conduct of Business Sourcebook (hereinafter referred as the "COBS"), the Company is required to provide its Clients and potential Clients with a summary of its Best Execution Policy. Under the above legislation, the Company is required to take all reasonable steps to obtain the best possible result (hereinafter referred as the "Best Execution") on behalf of its Clients taking into account the execution factors, either when executing Client orders, or receiving and transmitting orders for execution. Although the Company will take sufficient steps to achieve the best overall trading result for you, the policy cannot guarantee that when placing an instruction to execute, that the price will always be better than one which is or which might have been available elsewhere. Senior management and the Compliance department are

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responsible for ensuring that robust business practices are operating in all clients' trading activities to deliver Best Execution on a consistent basis and for promoting a culture that proactively identifies and manages conflicts of interest. The Company aims to select execution venues that are able to provide you with "Best Execution" subject to and taking into account the nature of your orders, the prices available to the company in the market, the nature of the market in question and a reasonable assessment of the sometimes overlapping and conflicting execution factors. The Company aims to provide all market participants with access to (where possible) tradable prices on a non-discriminatory basis. However, the diversity in those markets and instruments, and the kind of orders that you may place, mean that different factors will have to be taken into account in relation to any particular transaction.

2. SCOPE AND SERVICES

This Best Execution Policy is effective from the day that the Company received its license from the FCA. It applies to both Retail and Professional Clients and applies when executing transactions with the Clients for the financial instruments provided by the Company. It should be stated that for Professional clients the assumption is that they do not rely on firms to achieve best execution. However, in order to reach this conclusion, the Company applies a four-fold cumulative test, which addresses:

- which party initiates the transaction;
- questions of market practice and the existence of a convention to 'shop around';
- the relative levels of price transparency within a market;
- the information provided by the Company and any agreement reached.

It is important that the Company's processes accurately reflect client categorisation requirements on an ongoing basis to determine if you fall as a Retail, Professional or Eligible Counterparty.

2.1 Exemptions from the provisions of Best Execution

Notwithstanding the information in Section 1, the company does not undertake to provide "Best Execution" if you fall within any of the following exemptions:

Eligible Counterparties

If you are classified as an Eligible Counterparty you will not be entitled to best execution under the UK Financial Conduct Authority ("FCA"), or equivalent EU rules. This is in line with Article 24 of MiFID which provides that the best execution obligation under Article 21 will not apply.

Client Instructions

Trading will be undertaken via a Straight Through Processing (MT4 platform or FIX API) where you provide the firm with a specific instruction in relation to your order, or any particular aspect of your order, including an instruction for your trade to be execution on a particular venue, the Company will execute the order in accordance with your instructions.

However please note that in following your instructions, the Company will be deemed to have taken all sufficient steps to provide the best possible result for you in respect of the order, or aspect of the order, covered by your specific instructions.

For the remaining orders placed by the Client, the Company will still be under the obligation to take all reasonable steps to obtain the best possible result, as per the clauses of this Policy and COBS 11.2.2.G.

2.2 Clients

The Company deals with Retail Clients, Eligible Counterparties and Professional Clients as defined by MiFID and by the FCA.

As per COBS 3.3.2.G, the Company will allow upon request the re-categorisation of a client, if they can benefit from a higher degree of protection. The Company will notify clients that are categorised as professional clients or eligible counterparties of their right to request a different categorisation whether or not the Company will agree to such requests. However, the Company needs only to notify a client of a right to request a different categorisation involving a lower level of protection if it is prepared to consider such requests.

Exceptional circumstances may be taken into account at the time, with the consent of the Company.

2.3 Products

It is at the Company's discretion to decide which types of financial instruments to make available, based on its authorisation permissions, and to publish the prices at which these can be traded. The Company, through the Trading Platform, provides the Client with live streaming prices, as received from third party liquidity providers via its Prime Broker. The Company is always the counterparty (or Matched Principal) to every trade; therefore, if the Client decides to open a position in a financial instrument with the Company, then the open position can only be closed with the Company. The Company at no point in the trade flow will assume any risk on its own books nor will be incentivised

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in any way through remuneration models or any other means to benefit from a client's loss in a specific trade. The Company will clearly identify to clients that its operations are those of a broker and its remuneration model will be at all times clear and evident in all communication with the client.

3. THE DUTY OF BEST EXECUTION**3.1 Execution Venues**

The Company has elected to appoint a regulated firm Destek Markets UK Limited (regulated and authorised by the FCA under License Number 739949), as Prime Broker to whom all orders will be transmitted for execution. The Company has selected the Prime Broker based on the technology they use to obtain the best possible outcome for your order. The Prime Broker derives its prices for Spot FX from multiple liquidity providers in the wholesale market. Currently the following banks and non-banks can provide liquidity to the feed and price/execution engine: ANZ, Bank of America, Citi, Commerzbank, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, JP Morgan, Mizuho Bank, Morgan Stanley, Nomura International PLC, RBS, SEB, SG Paris PM, Standard Chartered, State Street, The Bank of Tokyo-Mitsubishi, UBS and Non-Banks: Citadel, Lucid, XTX and Mahi FX. A copy of the Prime Broker's Best Execution Policy can be provided to you upon request.

Although the Company will transmit Client orders for execution to its Prime Broker (matched-principal), contractually the Company remains the sole counterparty to the Clients' trades and any execution of orders is done in the Company's name, therefore the Company is the sole Execution Venue for the execution of Client orders. When selecting the Prime Broker, the Company took reasonable measures to ensure that they could obtain the best possible trading result for its clients, subject to the following factors:

- In the market in which the Company operates, the Trading Platform will give clients visibility to prices that have been communicated to the Company;
- The Trading Platform will provide details of all tradable bids and offers (subject to all other matter 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 the current price;
- The Trading Platform cannot allow clients to trade in a market unless it is reasonably satisfied that the client (via an agent or otherwise) is capable of settling the relevant trade;

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- Fees may vary between clients, based on agreement and levels of activity.

The Company will perform due diligence prior the establishment of the relationship, during the relationship and on an annual basis. The Company uses a Prime Broker and liquidity providers of remarkable track record in the field, good compliance and legal record, financially healthy, long and proven experience in the industry, who will maintain a hi-tech technology bridge that can support high speed liquidity solutions and the best possible service to the Company and effectively to the Client.

3.2 Contract For Difference (CFD)

The Company recognises that when closing out an open position, the Client must close out the contract with the firm that sold it to them, even if there is a better price elsewhere. The price that is quoted for a CFD product will be based on the price of the relevant underlying instrument. To this will be added our spread and fees so the price may differ from the exchange or market makers quotes on the underlying instrument, however the Company will always disclose these costs to you and seek out the best possible consideration on the underlying instrument.

The price for futures based Indices, commodities and bonds are derived from the Underlying futures of the instrument on the main exchanges such as CME, CBOT, ICE and other world exchanges. In the case of cash indices and spot commodities an adjustment called the “fair value” adjustment is made to take into account costs such as financing costs, storage costs and dividends anticipated to occur during the period between the present, and the maturity date of the Underlying future.

The price for equity CFD’s and spread bets is derived from the Underlying equity prices on various exchanges such as BATS and CHI X, Nasdaq Basic, Turquoise and other alternative exchanges on which they trade. Also considered are other market participants and market makers, lit and dark pools to try and achieve the best execution price for Clients. All cash instruments are subject to daily financing.

3.3 Execution Factors

The Company shall take all reasonable and sufficiently rigorous steps to consistently obtain the best possible result for its Clients taking into account the following factors when executing Client orders against the Company’s quoted prices. Prices, costs and currency conversion carry the highest importance when executing transactions for the Company’s Clients. However, speed and likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order will also be considered and are discussed in more detail below.

The factors that the Company considers when executing a client order, as defined in COBS 11.2.6 are:

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- The characteristics of the client; including the categorisation of the client as retail or professional;
- The characteristics of the client order;
- The characteristics of the financial instrument to which that order relates including but not limited to size and nature, market impact of the order; and
- The characteristics of the execution venues or entities to which that order can be directed such as but not limited to speed, likelihood of execution and settlement and any other transactional costs whether implicit or explicit.

The Company generally considers the most important of the execution factors to be, in order of importance and will include, but not restricted to, the:

1. Price and related execution costs;
2. Likelihood and speed of execution;
3. Size, nature and characteristic of the order;
4. Characteristics of the client; and
5. Settlement efficiency.

Additionally, the Company considers other factors when selecting best execution venues such as regulatory status, expertise, value added service (research), and market knowledge.

3.4 Price

Bid-Ask Spread - For any given financial instrument the Company will quote two prices: the higher price (hereinafter referred as “Ask”) at which the Client can buy or “go long” and the lower price (hereinafter referred as “Bid”) at which the Client can sell or “go short” that financial instrument; collectively referred to as the Company’s prices. The difference between the lower and the higher price of a given financial instrument is the “Spread”.

Pending Orders - Such orders as Buy Limit, Buy Stop and Stop Loss/ Take profit for opened short position are executed at the Ask price. Such orders as Sell Limit, Sell Stop and Stop Loss/Take profit for opened long position are executed at the Bid price.

The Company should consider the fairness of the price proposed to the Client pursuant to this Best Execution Policy. Methods used to determine such fairness may include for example, the collating of

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market data that supports the price of the product and making historic price comparisons for the same product, or comparing the product against similar products where such comparisons are valid.

In addition, the Company acknowledges that there are several factors which may lead to price slippage (i.e. market data latency, the speed of a client's internet connection or high market volatility). The Company acknowledges that such movements could be in the client's favour or to their disadvantage.

The Company will not quote any price outside the Company's operations time therefore, no orders can be placed by the Client during that time. The Company's operation time is continuous from 22:00 GMT Sunday through to 22:00 GMT Friday. Therefore, non-operating periods are 22:01 GMT Friday through to 21:59 GMT Sunday. Bank Holidays will be announced through the internal mail of the trading terminal supplied by the Company.

The Company has elected to appoint Prime Broker to whom all orders will be transmitted for execution. This system automatically requests a quote from a selection of liquidity providers through the technology bridge connecting the Prime Broker. In conjunction with the price, the Company quotes the available liquidity as obtained from the Prime Broker. The technology provider will automatically aggregate all available liquidity at the best possible prices available. The Company is responsible for consistent scrutiny of its Prime Broker to assess whether the Prime Broker is consistently obtaining best execution from its liquidity providers. A copy of the Prime Broker's Best Execution Policy can be provided to you upon request.

The Company's cost of executing Client orders are described in more detail in the Client Agreement. The Company shall disclose the costs related to execution of the Client Order, and which shall include all expenses incurred by the Client which are directly related to the execution of the order.

3.5 Fees

The Company is charged rollover / swaps on the positions kept open on the best trading days and these costs will be passed onto Clients. There is a possibility that some currency pairs may have negative rates on both sides. The rollover/swaps are calculated and applied on every trading night at 22:00 GMT. Normally, on Wednesday night rollover/swaps are equal to three days of swaps. The rollover/swap rates are subject to change. All cash instruments are subject to daily financing (this does not apply to futures contracts).

The Company does not charge different fees or costs depending on the ultimate execution venues. This ensures that costs are transparent and these are fully disclosed to the Client on the Company website.

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For some markets the Client may be liable to pay commission charges for opening and closing trades however these costs will be disclosed in advance to the Client when required.

The Company will agree a charging structure with the Client at the outset of a Client applying for the trading account. There is an option for the Client to build commission into the spread or be charged a commission outside of the wholesale rate aggregated from the Company's Prime Broker. As way of example, for Clients requesting commission separate to the wholesale rate that the Company receives from its Prime Broker, the first tier of commission will be charged at 35 USD per million traded for Foreign Exchange transactions. All costs are publicly available on the Company's website (i.e. <http://www.gmgmarkets.com/gmg-spreads-and-commissions/>).

The Company does not receive 'Payment for Order Flow' meaning that we do not receive any commission or fees for arranging transactions with market makers, thereby ensuring that there is no conflict of interest created by fees in our execution agreements.

Remuneration for the Company is created solely by adding a mark-up to an aggregated wholesale price provided by our Prime Broker or a separate commission charged outside this quoted aggregated spread.

3.5A Implicit and Explicit Costs

The Company's implicit costs arise from the execution of all Client orders. Implicit costs result from how a trade is executed (i.e. immediately or worked over a period of time, in a block, aggregated with other trades). The impact of implicit costs can only be precisely assessed after a trade is completed and even then, implicit costs are difficult to quantify. As a result, ahead of a trade, a judgement will be made by the Company about the likely implicit costs of an execution strategy and the Company takes all reasonable steps to manage them.

In relation to the explicit costs, cost control for retail clients involves additional requirements. Specifically, best execution for Retail Client orders is assessed on the basis of 'total consideration' which is the sum of the price and the costs incurred by Clients. For this purpose, the best execution regime separately identifies the explicit external and internal costs of execution for retail client orders. This is to enable the Company, and its retail clients, to differentiate between different sources of cost.

These are:

- Explicit external costs which include commissions, fees, taxes, exchange fees, clearing and settlement costs, or any other costs passed on to the client by intermediaries participating in the transaction. Explicit external costs are clearly subject to the best execution obligation;

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- Explicit internal costs represent the Company's own remuneration (including a commission or spread) for completing a transaction. These internal commissions and costs for executing an order must be taken into account in assessing where to execute the order, where there is more than one competing venue available. Thereafter, when judging whether best execution has been given on an individual transaction, the Company can omit its own fees and charges from the assessment. The Company will not structure or charge its commissions in such a way as to discriminate unfairly

The best possible result for a Client order shall be determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution, which shall include all expenses incurred by the Client which are directly related to the execution of the order. Costs related to execution, shall include all expenses incurred by the Client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

Therefore, the Company shall disclose to the Clients any external costs prior establishing the business relation, i.e. fees payable to Introducing Brokers and Business Introducers. However, the Company should consider at all times that the external fees do not create any conflicts of interests, as described in SYSC - High Level Standards of the FCA Handbook, Chapter 10, par. 10.1.4:

*"... in the course of providing a service, a common platform firm must take into account, as a minimum, whether the firm or a relevant person, or **a person directly or indirectly linked by control to the firm:***

(1) is likely to make a financial gain, or avoid a financial loss, at the expense of the client;

*(2) **has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;***

The Company cannot provide any guarantee that, when executing an order, the Company's price will always be better than one which is or might have been available elsewhere.

3.6 Conflicts of Interest

The Company recognises that conflicts may exist between the interests of the Company and its Clients. The platform on which orders are transmitted will display the best available price from a number of liquidity providers through the Prime Broker's aggregated price, thereby reducing the scope of conflicts.

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The Company will take steps to manage, mitigate and avoid potential and actual conflicts and internal systems are in place to ensure that otherwise comparable Client orders are carried out sequentially and promptly unless for a specific reason it becomes impractical and out of the Company's control (i.e. abnormal market conditions, insufficient liquidity, force majeure events etc.).

3.7 Currency conversion

The Company may provide a currency conversion quote from the Client's base currency to the currency of the relevant financial instrument and this will in turn carry high importance when executing transactions for the Company's Clients. The Company will clearly define that any currency spot conversions are for the facilitation of investments by the client as clearly defined by the Company's authorization. The Company will use a technology software to automatically aggregate all available currency conversion rates from our Prime Broker and provide the best option to the Client, in order to ensure that the latter will suffer minimal loss due to the exchange rates.

3.8 Speed of execution

Pursuant to Section 2 and 3 of this Best Execution Policy, the Company acts as a "Matched Principal" and not as an agent on the Client's behalf. The Company places significant importance on speed of execution when executing Clients' orders and strives to offer high speed of execution within the limitations of technology and communications links available to the Company. The use of wireless connections, or dial-up connections or any other form of unstable connection at the Clients' source, may result in poor, or interrupted connectivity or lack of signal strength, causing delays in the transmission of data between the Client and the Company when using the Company's electronic trading platforms, for which the Company will not be held liable.

3.9 Likelihood of execution

As described in Sections 2 and 3 of this Best Execution Policy, the Company acts as "Matched Principal" and not as agent on the Clients' behalf. Therefore, the Company is the Execution Venue for the execution of the Clients' orders for the financial instruments provided by the Company. The Company uses a Prime Broker to stream prices and available liquidity derived from multiple liquidity providers, and transmits orders to the Prime Broker through an industry leading technology provider. Consequently, execution of the Clients' orders will depend on the pricing and available liquidity from the aggregated counterparties through the Prime Broker. The Company remains responsible for obtaining the best possible result for Clients.

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Although the Company executes all orders placed by the Clients, it reserves the right to decline an order of any type. Such information and update will be instantly provided to the Clients including a clear and simple explanation of why an order has been declined so as to serve Clients always with transparency and at the earliest possible time. Examples of declining an order could be due to a suspicion of market manipulation and/or insider dealing, possibility of money-laundering and/or terrorist financing etc.

4. ORDERS

Orders may consist of:

- Market Order;
- Buy Limit;
- Sell Limit;
- Sell Stop;
- Buy Stop;
- Stop Loss; and
- Take Profit.

Financial instruments are executed in the manner explained in this Best Execution Policy. It should be noted that the price at which a trade is executed, may vary significantly from the original requested price during abnormal market conditions. This may occur, for example, in the following cases:

- During market opening;
- During news releases;
- During volatile markets where prices may move significantly up or down and away from a declared price;
- Where there is rapid price movement, if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange, trading is suspended or restricted; and
- If there is insufficient liquidity for the execution of the specific volume at the declared price.

The Company is obliged to provide the best possible price to its Clients and makes every effort and necessary arrangements to do so.

4.1 Likelihood of settlement

The Company shall proceed directly to a settlement of all transactions upon execution of such transactions.

4.2 Size of order

The minimum lot size of an order made on Foreign Exchange transactions is 1,000 units of base currency. For example, when trading EUR/USD, the minimum size order is EUR1,000. Although there is no maximum size of an order the Client can place with the Company, the Company reserves the right to decline any order as set out in the agreement entered into with the Client. The Company makes every effort to fill the order of the Client irrespective of the volume. However, if a fill is achieved, it may be at the best available price, that the market liquidity may allow at the time of execution.

4.3 Market impact

The size and nature of the Client's order may have an impact on the market and over which the Company has no control. Some volatile factors in the market may affect the price of the underlying financial instruments from which the quoted Company's price for its financial instruments is derived. The Company is responsible and will take all reasonable steps to consistently obtain the best possible result for its Clients; nevertheless, whenever there is a specific instruction from the Client, the Company shall ensure that the Client's order shall be executed in accordance with the specific instruction. However, the Company will not induce Clients to instruct it to execute an order in a particular way, by expressly indicating or implicitly suggesting the content of the instruction to the Client, when the Company ought reasonably to know that an instruction to that effect is likely to prevent it from obtaining the best possible result for that Client. The Company will determine the relative importance of the above factors by using its commercial judgment and experience in the light of the information available on the market and taking into account the criteria described below:

- The characteristics of the Client, including the categorisation of the Client as a Retail or Professional Client and more specifically:
 - i. The characteristics of the Clients' order;
 - ii. The characteristics of financial instruments that are the subject of that order; and
 - iii. The characteristics of the Execution Venues to which that order can be directed.

As per the FCA's Thematic Review tr14-13, the Company shall not be allowed to exempt particular products or activities from best execution requirements or permit clients to waive the application of best execution.

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The Company's operation time is continuous from 22:00 GMT Sunday through to 22:00 GMT Friday. Therefore, non-operating periods are 22:01 GMT Friday through to 21:59 GMT Sunday. Bank Holidays will be announced through the internal mail of the trading terminal supplied by the Company.

The Company places significant reliance to the Execution Venues (Section 3.1) based on the aforementioned factors and their relative importance. It is the Company's policy and its own obligation to maintain such internal procedures and processes to determine the relative importance of these factors, and to act in the best interest of its Clients, and provide the Client with the best possible result or "Best Execution" when dealing with the Client. To this end, the Compliance Officer shall test monthly by examining a sample of random trades, whether the Best Execution applies as described in the present Policy. Additionally, it is also the duty of the Brokerage Department to report to the Compliance Officer any deficiencies of the Best Execution. In case the issue is not solved, the Compliance Officer shall inform the management of the Company. In case significant and/or constant weaknesses are identified in relation to the adherence of the Best Execution of the orders, the management of the Company shall instruct the preparation of ad-hoc Health Check reports by external advisors, detecting any deficiencies and recommending solutions and/or assisting on the implementation of the recommendations.

The Company has not structured or charged its commissions in such a way as to discriminate unfairly between Execution Venues. A firm would be considered to structure or charge its commissions in a way which discriminates unfairly between Execution Venues if it charges a different commission or spread to Clients for execution on different Execution Venues and that difference does not reflect actual differences in the cost to the firm of executing on those venues.

The Client acknowledges that the transactions entered in financial instruments with the Company are not undertaken on a recognised exchange, rather they are undertaken through the Company's Trading Platform and accordingly, they may expose the Client to greater risks than regulated exchange transactions. Therefore, the Company may not execute an order, or it may change the opening or closing price of an order in certain cases, including but not limited to, instances of a technical failure of the trading platform. The terms and conditions and trading rules are established solely by the counterparty, which in this case is the Company. The Client is obliged to close an open position of any given financial instrument during the opening hours of the Company's Trading Platform. The Client also has to close any position with the same counterparty with whom it was originally entered into, thus the Company.

5. MONITORING AND REVIEW

The Company will monitor and assess on a regular basis the effectiveness of this Best Execution Policy, and the order of its order execution arrangements, and in particular, the execution quality of the procedures explained in the Best Execution Policy in order to deliver the best possible result for the Client. Pre-trade monitoring helps the Company to select the right execution venues and post-trade monitoring enables the Company to evaluate the performance actually achieved for Clients. The Company reserves the right to correct any deficiencies in this Best Execution Policy and make improvements to its execution arrangements from time to time.

The Company will also assess on a regular basis, whether the Execution Venues included in the Best Execution Policy provide the best possible result for the Client or whether the Company should make changes to its execution arrangements. This will be in line with the Company's outsourcing policy and will include completion of a due diligence document at the establishment of the business relationship and then on an ongoing basis.

In addition, the Company will review this Best Execution Policy at least annually and ad-hoc where any changes take place that are related to the Policy. Finally, the Company should be ready to implement the new obligations under MiFID II, since its reporting requirements across all relevant asset classes will be enhanced.

5.1 Material changes

The Company will notify Clients with whom they have an ongoing client relationship of any material changes to their order execution arrangements and the Best Execution Policy. A "material" change may be classified as any significant event of internal or external nature that could impact parameters of best execution, and changes to the cost, price, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

In order to determine whether a change is material, the Company may have to consider making changes to the relative importance of the best execution factors, or to the Execution Venues, or entities on which the Company places significant reliance in meeting the best execution requirement.

6 DISCLOSURE OF THE BEST EXECUTION POLICY AND CLIENT CONSENT

6.1 Disclosure

The MiFID II regulations require investment firms to establish and implement a Best Execution Policy which should allow the best possible result for the Client orders to be obtained. The Company's Best

BEST EXECUTION POLICY

Execution Policy must be disclosed to Clients and in addition, the Company is required to obtain Clients' prior consent.

The appropriate information from the Best Execution Policy provided to Clients must explain clearly and in sufficient detail and in a readily understandable manner, how the Company will execute orders for the Client. The information provided to Clients must also:

- Be customised dependent on each class of financial instrument and type of service provided;
- Provide a list of factors used to select an Execution Venue or other entity for execution and the relative importance of each factor must be disclosed;
- Provide information addressing how the best execution factors are considered as part of all sufficient steps; and
- Summarise how Execution Venue selection occurs, specific execution strategies employed, the procedures and processes used to analyse the quality of execution obtained, and how the Company monitors and verifies that the best possible results were obtained for the Clients.

6.2 Client Consent

When establishing a business relationship with the Client, the Company is required to obtain the Client's prior consent to this Best Execution Policy. By entering into the Client Agreement, the Client provides the consent referred to above and whereby the Client is informed that any orders placed with the Company for the financial instruments offered by the Company, and where the Company acts on a "Matched Principal" basis, and the Clients' orders may or may not be executed on a regulated exchange or multilateral trading facility. For the avoidance of doubt, the Client expressly acknowledges that the EU Distance Marketing Directive 2002/65/EC does not require the Policy to be signed by either the Client or the Company in order for both the Client and the Company to be legally bound by it. When, having been provided with a copy of this document or having had the opportunity to review it on our website, you give the Company an order to execute a transaction on your behalf, you will be deemed to have given your consent for your orders to be undertaken in accordance with this Best Execution Policy.

IMPORTANT INFORMATION

Some products offered by the Company may not be eligible for sale in certain jurisdictions or countries. This Best Execution Policy is not directed to any jurisdiction or country where its publication, availability or distribution would be contrary to local laws or regulations, including the United States of America.

BEST EXECUTION POLICY

This Best Execution Policy does not constitute an offer, invitation or solicitation to buy or sell CFDs or other derivative instruments. It may not be reproduced or disclosed (in whole or in part) to any other person without prior written permission of the Company's Compliance Department. This Best Execution Policy is not intended to constitute the sole basis for the evaluation of the Client's decision to trade in CFDs or other derivatives.

NO FIDUCIARY DUTY

The Company provides the Client with access to the Trading Platform and are not acting in any other capacity, including as an agent or as a fiduciary. The Company's commitment to provide the Client with Best Execution does not mean that the Company owes the Client any fiduciary responsibilities over and above the specific regulatory obligations placed upon the Company, or as may be otherwise contracted between the Company and the Client. You remain responsible for your own investment decisions and the Company will not be responsible for any market trading loss you suffer as a result of those decisions.

SPECIFIC INSTRUCTIONS

Where there is a specific instruction from a Client, the Company shall execute the order in strict accordance with the specific Client instruction. However, as aforementioned, the Company should not induce a Client to instruct it to execute an order in a particular way, by expressly indicating or implicitly suggesting the content of the instruction to that Client, when the Company should be reasonably expected to know that to do so is likely to prevent the Company from obtaining the best possible result for that Client.

If the Client provides the Company with a specific instruction to deal for the Client it may prevent the Company from following its Best Execution Policy, which is designed to get the best overall result for the execution of orders on a consistent basis.

The Company explicitly wishes to draw the Client's attention to the fact that any specific instructions from the Client may prevent the Company from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.

FAILED TRADES AND DEALING ERRORS

In the event that the Company identifies a Failed Trade (for example, where the transaction has failed as a consequence of a system failure) and it is the fault of the Company or a Dealing Error (for example, the trade was executed incorrectly), the Company will undertake to ensure that the affected clients are

BEST EXECUTION POLICY

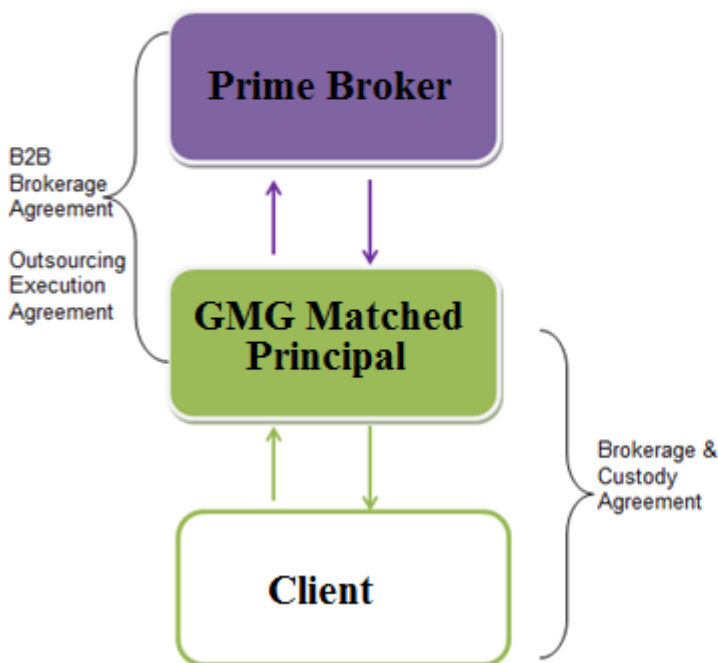
not disadvantaged. The Company maintains a Failed Trades and Dealing Errors Register that is kept by the Compliance Officer.

The Company will not keep a compliance record on late settled trades that do settle as per the original instructions (for example, trade breaks), as these will not involve any loss. However, if there is a loss or ultimately the trade break “fails”, the procedure noted above will be followed.

APPENDIX 1

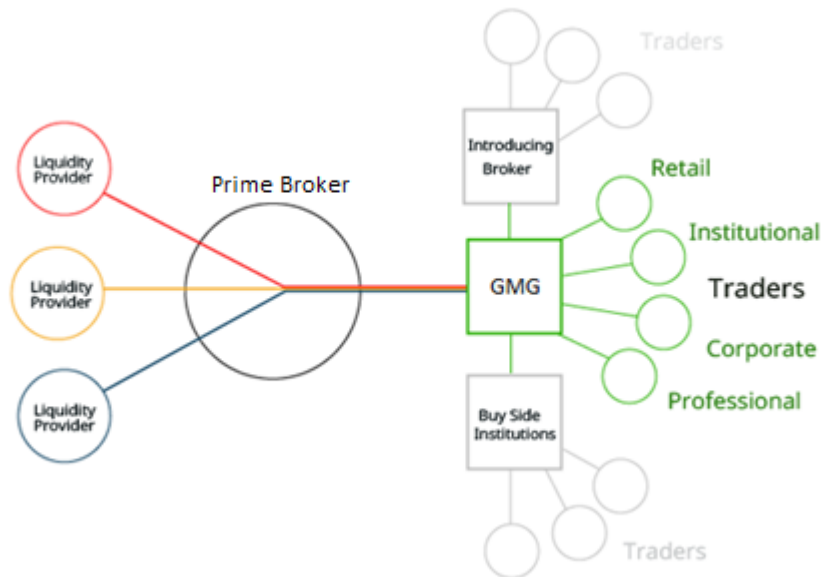
A. Contractual agreements with the liquidity provider

STP Model: R&T, Execution, Safekeeping



1. The Client deposits funds with the Company and places an order. The Company is responsible for safeguarding the Client's funds.
2. The Company outsources execution to the Prime Broker and therefore transmits the order received to the Prime Broker for execution.
3. The Prime Broker executes the order via its Liquidity Providers.
4. Confirmation is sent to the Client.

B. Trade flow of the orders



C. Choice of the liquidity providers' pricing

BEST EXECUTION POLICY

