

ORDER EXECUTION POLICY

Introduction

Grand Markets™ – Grand Markets is dedicated to treating you fairly when we initiate your orders.

We will always transact with you as a principal when initiating transactions on your behalf, unless you have stated that we do otherwise.

How do we distribute top execution?

The purpose of this policy is to establish effective arrangements for obtaining best execution for clients' orders, with the best possible result for its clients.

This document aims to set out those arrangements and to ensure compliance with legislative requirements and the departmental and general procedures, which are set within the Internal Procedures Manual.

This policy shall be read in conjunction with the Internal Procedures Manual.

Legal Framework

In accordance with the framework of the Securities and Futures Commission of Hong Kong, Investment Services and Activities and Regulated Markets must take all reasonable steps to obtain, when executing orders, the best possible result for their clients taking into account price, costs, speed, likelihood of execution, size, nature or any other consideration relevant to the execution of the order. Nevertheless, whenever there is a specific instruction from the client, we shall execute the order following the specific instruction.

In addition, we must establish and implement an order execution policy to allow us to obtain, for its clients' orders, the best possible result.

Policy

Dealing Room is the relevant department to which the order execution policy mainly applies. Senior Management reviews the policy on an annual basis or / and whenever a material change occurs that impacts the Company's ability to continue offering best execution of its clients' orders using the Company's trading platform.

The Company proceeded to the establishment and maintenance of an Order Execution Policy, in order to ensure compliance with the obligation to execute orders on terms most favourable to the clients and to achieve the best possible results for its clients, taking into consideration its clients' ability, needs and trading policies, where applicable and possible.

The policy outlines the process that the Company follows in executing trades, and assure taking all reasonable steps to consistently obtain the best possible result for clients through its order execution policy.

It is noted, however, that when executing an order following a specific client instruction, the Company will execute the order in line with those instructions and will consider that it has discharged its best execution obligations.

Best Execution Criteria

The Company will take into account the best execution criteria for determining the relative importance of the execution factors:

- The characteristics of the client;
- The characteristics of the client order;
- The characteristics of the financial instruments that are the subject of that order;
- The characteristics of the execution venues to which that order can be directed.

The best possible result will be determined in terms of the total consideration, representing the

price of the contract and the cost related to execution. The other execution factors of speed, likelihood of execution size, nature or any other relevant consideration will, in most case, be secondary to price and cost considerations, unless they would deliver the best possible result for the client in terms of total consideration.

Execution Factors

The Company, when managing client's orders takes into account various execution factors, provided that there are no specific instructions from the client to the Company about the way of execution of the orders.

The execution factors include:

- Price
- Speed and likelihood of execution
- Costs or commissions
- Size and nature of the order
- Market conditions and variations
- Execution capability

Specific Instructions

In circumstances where the client provides the Company with a specific instruction as to how to execute an order and the Company has accepted this instruction, then the Company will execute the order in accordance with that specific instruction.

Nevertheless, if the client provides a specific instruction to carry out an order, then by executing that order the Company will be complying with the Company's duty to provide the client with best execution. This may result in being unable to follow the Company's order execution policy for that particular order.

Execution Venues

Execution venues are the entities to which the orders are placed or to which the Company transmits orders or execution. The Execution Venue for clients' orders will be duly authorized investment firms.

Pricing

The Company will provide its own tradable prices which are derived from independent price providers. The main way in which the Company will ensure that the client receives the best execution will be to ensure that the price provision to the client is made with reference and compared to a range of underlying price providers and data sources. The Company reviews its independent price providers at least once a year to ensure that correct and competitive pricing is offered.

Costs

When the client opens a position in some types of financial instruments a commission or a financing fee will apply.

Size of order

All orders are placed in monetary value. The client will be able to place his order as long as he has enough balance in his trading account. If the client wishes to execute a large size order, in some cases the price may become less favorable considering the feed obtained from its price provider.

Speed

Obviously, prices change over time. The frequency with which they do varies with different

financial instruments and market conditions. Considering that the tradable prices which are distributed via the Company's trading platform/terminal, technology used by the client to communicate with the Company plays a crucial role. For instance, the use of a wireless connection, or dial up connection, or any other communication link that can cause a poor internet connection can cause unstable connectivity to the Company's trading platform/terminal. The result for the client is to place his orders at a delay and the order to be executed at better or worst prevailing market price offered by the Company via its platform/terminal.

Likelihood of execution

Due to the levels of volatility affecting the underlying instrument's price, the Company seeks to provide client orders with the fastest execution reasonably possible.

Likelihood of settlement

The Company shall proceed with the settlement of all transactions upon the execution and/or time of expiration of the specific transaction.

Market Impact

The Company's quoted prices which are derived from its independent price providers may be affected by various factors which could also affect the abovementioned factors. The Company will take all reasonable factors to ensure the best possible result for its clients.

Conclusion

Appropriate information is provided to the client on the content of the execution policy. The prior consent of the clients is obtained regarding the documented order execution policy to be followed. In addition, a clear and prominent warning is disclosed to the Company's clients (within the Client Agreement) that any specific instruction from a client may prevent the Company from taking the steps that it has designed and implemented in its execution policy for obtaining the best possible result for the execution of those orders in respect to the elements covered by those instructions.

Adequate information is provided to the clients through this policy in relation to the factors that are taken into consideration by the management when handling clients' orders. Also, the policy is reviewed periodically by the Company and the clients are informed accordingly in relation to any material changes.

Updates

The Company will perform a periodical review of this Policy, at least once a year. The Policy is in line with the Company's operational model, and therefore in case of any changes in the operations, these will be properly reflected in this Document.

When initiating orders on your behalf, we will carry out all rational steps to get the best possible result for you by entering those orders in line with our Order Execution Policy, and subject to any detailed guidelines you have received.

Our policy considers factors such as the nature of your orders, the precedence you have acknowledged to us as pertaining these orders, and the practices associated to the market in review, with the purpose of yielding a result which offers the finest balance across an array of differing factors.

However, Grand Markets TM cannot guarantee that execution at our estimated prices (upon subtracting our fees which may be contained within the estimated price) will always yield prices which are as good or superior to a price you can obtain elsewhere.

By assenting to the terms of our Customer Agreement, clients are also assenting to the terms of Grand Markets™ Order Execution Policy

Grand Markets™ views you as a principal partner on our own account and we are not your representative, and thus we act as the exclusive execution spot for your orders.

In delivering the best execution, we take into consideration a number of factors. Price is rated as the most important, but we also factor in liquidity of the underlying market, size, odds of execution and speed.

The key means we will use to guarantee great execution is making sure that in our forex and CFD bid/ask prices calculations we deploy the market price for the principal reference asset to which your deal relates. In a bid to generate our prices, we link to a number of varying data sources.

Our bids will not be equivalent of the cash worth for the underlying. This is in line with financial factors at the time we receive your order, there may be no open exchange market on which the product can be exchanged. In reference to those, Grand Markets™ set out to fix a rational underlying price based on a number of influences, for instance price actions on related markets and other market factors, together with data about our clients' own orders.

Our fees may be added as a mark-up or mark-down (the change flanked by the price at which we take a key spot in addition to the contract execution price with you).

Periodically Grand Markets™ may charge a fee or a combination of fee and mark-up or mark-down. We do not take into account our charges in defining best execution prices.

Detailed instructions

When we receive specific instructions from you, they take priority over other features of our policy.

Combination

Grand Markets™ may aggregate your orders with those of other customers of ours as a single order during execution. At this point we rationally believe that this is in the general best interests of our customers and is not likely to work generally to your detriment. Nonetheless, such combination may work to your detriment in relation to a specific order.

No legal duty

Our commitment to Grade A execution does not imply we owe you or have any legal responsibilities aside those enacted by relevant regulations and agreed in the Customer Agreement.

Watching and review

Grand Markets™ will watch the success of our order execution measures and execution policy in a bid to pinpoint and, where applicable, correct any deficits.

Trading Strategy or Internet Connectivity Execution interruptions

Grand Markets™ may encounter delays in execution outside our control, which may be as a result of technical botches or glitches in connection with use of the trading strategies or internet connectivity or handling speed for which we are not liable.