

Order Execution Policy

Introduction

In order to comply with the requirements of the Business Company Law of Saint Vincent and the Grenadines this document sets out the steps Winstone Prime will follow in order to obtain the best possible result when executing your orders. It should be read in conjunction with our Customer Agreement, Conflicts of Interest Policy and Risk Warning Notice. We have a general duty to conduct our business with you honestly, fairly and professionally. This policy forms part of our Terms and Conditions, and as such acceptance of our Customer Agreement constitutes acceptance of our order execution policy as summarized in this document.

Scope

The Execution Policy applies when orders are executed by Winstone Prime on your behalf as an Broker. Where you execute your order through our online trading platform, we shall assume that you have provided us with specific instructions and in these circumstances Winstone Prime will have complied with our obligation to take all reasonable steps to obtain the best possible result when executing an order as an broker.

How we execute your order

Winstone Prime act as ECN broker when issuing Margin FX and CFD contracts to you. We aims to provide clients with the best platform bridging pricing available and to get all orders filled at the requested rate. However, there are times when, due to an increase in volatility or volume, orders may be subject to slippage. This most commonly occurs during fundamental news events. The volatility in the market may create conditions where orders are difficult to execute, since the price might be many pips away due to the extreme market movement. Although the trader is looking to execute at a certain price, the market may have moved significantly and the order would be filled at the next best price or the fair market value. Similarly, increased volume may also result in slippage if sufficient liquidity does not exist to execute all trades at the requested rate. The concept of slippage is not unique to the forex market, as it often occurs in the equities and futures markets. It is important to note that the "At Market Points" feature on the Winstone Prime trading platform allows traders to control the amount of potential slippage they are willing to accept on a market order. Zero indicates no slippage is permitted. When zero is selected, the trader is requesting his order may be executed only at the exact price requested, or not executed at all. If the trader elects to accept a range of permissible slippage to raise the probability of having his order executed, the order will be filled at the best price available within the specified range. For instance, a client may indicate that he is willing to be filled within 2 pips of his requested order. The system would then fill the client within the acceptable range (in this instance, 2 pips) if the market has moved quickly through the price at which the order was entered. If the order cannot be filled within that permissible range, the order will be rejected. Once a stop is triggered, it becomes an At Best market order, and there is no guarantee it will be filled at any particular given price. Therefore, stop orders

may incur slippage depending on market conditions. Winstone Prime has obtained close banking relationships with some of the world's largest and most aggressive price providers. Having multiple price providers is especially important in volatile markets, when one or two banks may post wide spreads, or simply avoid quoting any price at all. With so many major banks quoting prices to Winstone Prime, there are competitive spreads and fills, even during market-moving news events.

We follow Fill or Kill policy, this execution policy means that an order can be filled only in the specified volume. If the required amount of a financial instrument is currently unavailable in the market, then the required volume can be split and filled by several offers available on the market at the moment.

The majority of your instructions are executed by us on an over the counter ('OTC') basis but we may direct some of the trades through a regulated market or multilateral trading facility (MTF). You consent to our executing your orders outside regulated markets and MTFs.

Execution Venues

We act as ECN broker when issuing Margin FX and CFD contracts to you. We ensure best execution for you by reference to the market prices of the underlying reference prices for your transaction. We regularly compare competing liquidity providers for the best prices from which to derive indicative quotes for you. Although we operate as a single execution venue, we are able to obtain best execution for our clients on a consistent basis - compared with outcomes which could reasonably be expected from using alternative execution venues.

Delay in Execution :

A delay in execution may occur for various reasons, such as technical issues with the trader's internet connection to the Winstone Prime servers, which may result in hanging orders. The Winstone Prime trading platform on a trader's computer may not be maintaining a constant connection with the Winstone Prime servers due to a lack of signal strength from a wireless or dialup connection. A disturbance in the connection path can sometimes interrupt the signal, and disable the Trading Station, causing delays in transmission of data between the trader's Winstone Prime trading platform and the Winstone Prime server. One way to check your internet connection with Winstone Prime server is to ping the server from your computer. RESET ORDERS Market volatility creates conditions that make it difficult to execute orders at the given price due to an extremely high volume of orders. By the time orders are able to be executed, the bid/ask price at which a counterparty is willing to take a position may be several pips away. In cases where the liquidity pool is not large enough to fill a Market Range order, the order will be rejected. For Limit Entry or Limit Orders, the order would be rejected and reset until the order can be filled. Winstone Prime offers the At Best order type for traders who wish to avoid this situation.



WIDENED SPREADS: Winstone Prime strives to provide traders with tight, competitive spreads; however, there may be instances when spreads widen beyond the typical spread. During news events spreads may widen substantially in order to compensate for the tremendous amount of volatility in the market. The widened spreads may only last a few seconds or as long as a few minutes. Winstone Prime strongly encourages traders to utilize caution when trading around news events and always be aware of their account equity, usable margin and market exposure. Widened spreads can adversely affect all positions in an account.

HANGING ORDERS: During periods of high volume, hanging orders may occur. This is a condition where an order sits in the “orders” window after it has been executed. The order will be highlighted in red, and the Status column will indicate “executed” or “processing.” Generally, the order has been executed, but it is simply taking a few moments for it to be confirmed by the banks. During periods of heavy trading volume, it is possible that a queue of orders will form. That increase in incoming orders may sometimes create conditions where there is a delay from the banks in confirming certain orders. Depending upon the type of order placed, outcomes may vary. If this is a Market Range order and the order cannot be filled within the specified range, or if the delay has passed, the order will be rejected. If it is an At Best order, every attempt will be made to fill the order at the next best available price in the market. In both situations, the “status” column in the “orders” window will typically indicate “executed” or “processing.” The trade will simply take a few moments to move to the “open positions” window. Depending upon the order type, the position may in fact have been executed, and the delay is simply due to heavy internet traffic. Keep in mind that it is only necessary to enter any order once.

Multiple entries for the same order may slow or lock your computer or inadvertently open unwanted positions.

Execution factors and criteria

The execution factors and criteria are an important aspect of the process to ensure that the best possible result is obtained. These factors and criteria have been considered in order of the relevant importance we place on them as part of the decision making process and are as follows:

Price and cost

The relative importance we attached to these factors is very high. There are two components of the price of a financial spread bet / CFD:

- The price of the underlying instrument derived from our liquidity providers; and
- Our charges in the form of the bid-offer spread (a mark-up or mark-down to the price of the underlying) – the Spread Charge.

The execution price is determined by the price we are able to obtain for the underlying instrument from our liquidity providers and the ‘Spread Charge’, which is defined as the spread which is added to the underlying market price, resulting in the spread bet price. We

ensure complete transparency by providing you with access to both the spread bet price and the underlying market price when executing your orders.

Whilst we understand that price is a key factor, we may decide that in certain circumstances other execution factors (see below) are more important in determining the best possible result for you, for retail clients, the best possible result will generally be determined only by reference to the total consideration (price) of the transaction.

Order Execution Factors

Size of the order

The relative importance we attach to these factors is high.

Speed of execution

The relative importance we attach to this factor is medium.

In most circumstances, orders requested by you will be processed immediately. However, occasionally situations may occur that prevent immediate execution. For example, there may be a delay in execution should lack of liquidity in the underlying market prevent instant execution of our hedge, against your transactions. Winstone Prime will endeavour to fulfil your instructions within a timely manner wherever the market conditions permit.

Dealing with your orders

Your exposure to our products becomes effective as soon as you receive confirmation from us that your order has been 'filled'. It is important to note that we cannot guarantee the execution price of orders. We do, of course, make every effort to execute orders at or very close to the specified order. However, due to movements in the underlying price, it is possible that our price may move quickly or erratically causing market slippage when we execute your orders on your behalf – the price that you obtain at the time of execution may be markedly different to the order price.

With our discretion, it is possible to execute trades through the trading platform outside our trading hours but during the relevant exchange's opening period. Your orders will not be monitored outside our trading hours and consequently the maximum margin available during this period is equivalent to 100% of our margin requirement.

You may request for your position to be altered on certain triggers such as an adverse market move to prevent significant losses or if our offer price exceeds a specified order price to consolidate profits. In most cases when a 'stop order' is triggered, it will be executed at the specified price or at the next available price governed by the underlying instruments price and depth. However, this is not guaranteed. In extreme market conditions where our price may need to change quickly due to changes in the underlying investment, the 'stop order' would be filled as soon as possible but in these circumstances you would only be eligible for our price obtainable at the time the order was filled.

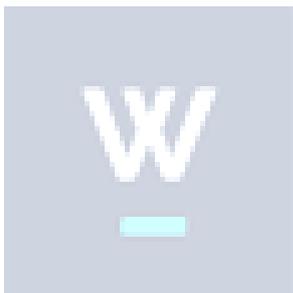
Risks

Clients should be aware that in fast moving and volatile markets, whilst we take all reasonable steps to ensure the best possible price, the prevailing conditions may result in a trade price that is no longer the best market price.

Furthermore, during a period of volatile markets, an order may be executed at a substantially different price(s) from the quoted price or may only be executed in part.

Execution quality

When executing orders or taking decisions to deal we check the fairness of the price proposed to you by periodically gathering underlying market data used in the estimation of the price and, where possible, by comparing with similar or comparable products.



Winstone Prime