



Order Execution Policy

Introduction

1. This Order Execution Policy (hereinafter the "Policy") forms part of the Client Agreement. Therefore, by entering into the Client Agreement with the Firm, you are also agreeing to the terms of our Order Execution Policy relating to financial instruments provided by the Firm, the contract specifications of which are available online at www.aaatrading.net (the "Financial Instruments"), as set out in this document.

Unless otherwise defined, any defined terms in this Policy will have the same meaning given by SCB regulations.

Scope and Services

1. The Policy applies to all clients, retail and professional.

2. This Policy applies when executing transactions in the Financial Instruments provided by the Firm. The Financial Instruments provided by the Firm are Contracts for Difference. It is up to the Firm's discretion to decide which types of Financial Instruments to make available and to publish the prices at which these can be traded. The Firm, through its trading platform, provides the client with live streaming prices, "Quotes", along with a breakdown of the available volumes ("market depth") as received from its third-party liquidity providers. The Firm is always the counterparty (or principal) to every trade; therefore, if the Client decides to open a position in a Financial Instrument with the Firm, that position can only be closed with the Firm.

Order Type Definitions Please refer to Appendix I Execution Elements Prices

AAA Trading receives price feeds from some of the world's leading liquidity providers. Having multiple liquidity providers is important especially during abnormal market conditions, such as times of extreme volatility. Under these conditions and even if a certain number of liquidity providers decide to widen the spreads or stop quoting prices at all, the Firm is still able to provide clients with competitive prices which for the trading platforms include AAA Trading's mark-up. The remaining liquidity providers shall continue competing to provide AAA Trading the best 'bid' and 'ask' prices.

Re-quoting

This is the practice of providing a secondary quote to the client after an 'instant order' has been submitted; the client must agree to this quote before the order is executed. AAA Trading will re-quote 'instant orders' if the requested price originally specified by the client is not available. The secondary quote provided to the client is the next available price received by AAA Trading from its third party liquidity providers. AAA Trading does not requote 'pending orders'

Slippage

At the time that an order is presented for execution, the specific price requested by the client may not be available; therefore, the order will be executed close to or a number of pips away from the client's requested price. If the execution price is better than the price requested by the client this is referred to as 'positive slippage'. In contrast, if the execution price is worse than the price requested by the client this is referred to as 'negative slippage'. Please be advised that 'slippage' is a normal market practise and a regular feature of the foreign exchange and stock markets under conditions* such as illiquidity and volatility due to news announcements, economic events and market openings. AAA Trading's automated execution software does not operate based on any individual parameters related to the execution of orders through any specific client accounts.



* Please note that this is not an exhaustive list.

Partial fills This is the practice of executing an order in parts if there is not enough liquidity in the market at the time in order to fill-in the full order at a specific price. Partial fills may be executed at different prices.

Commission

Clients may be charged commission when trading CFDs on forex and metals through the platform. Further information is available online at: www.aaatrading.net.

Mark-up

Clients shall be charged a mark-up on spread when trading CFDs on forex, metals, oil, equities, indices and futures through the trading platform. Further information is available online at: www.aaatrading.net.

Order Type

Execution Instant Order(s)

Instant Order: this is an order to either buy or sell at the 'ask' or 'bid' price (respectively) as it appears in the quotes flow at the time the client presents the order for execution.

Pending Order(s) Stop Orders

This is an order to buy or sell once the market reaches the 'stop price'. Once the market reaches the 'stop price' the 'stop order' is triggered and treated as a 'market order'*. If the 'stop order' is not triggered it shall remain in the system until a later date subject to the conditions described in the 'Good 'til Cancelled' section. For CFDs on FX, spot metals, equities, indices and futures, 'stop orders' should be placed a minimum number of pips away from the current market price in order for these to be valid. Stop Orders placed within the current bidask spread will be automatically removed.

Stop Loss

This is an order to minimise losses. Once the market reaches the 'stop loss price' the order is triggered and treated as a 'market order'*. If the 'stop loss' is not triggered it shall remain in the system until a later date. For CFDs on FX, spot metals, equities, indices and futures, 'stop loss' orders should be placed a minimum number of pips away from the current market price in order for these to be valid. 'Stop Loss' orders placed within the current bid-ask spread will be automatically removed.

Limit Orders

This is an order to buy or sell once the market reaches the 'limit price'. Once the market reaches the 'limit price' the 'limit order' is triggered and executed at the 'limit price' or better. If the 'limit order' is not triggered it shall remain in the system until a later date subject to the conditions described in the 'Good 'til Cancelled' section. For CFDs on FX, spot metals, equities, indices and futures, 'limit orders' should be placed a minimum number of pips away from the current market price in order for these to be valid. Limit Orders placed within the current bid-ask spread will be automatically removed.

Take Profit

This is an order to secure profits. Once the market reaches the 'take profit price' the order is triggered and treated as a 'limit order'. If the 'take profit' is not triggered it shall remain in the system until a later date. For CFDs on FX, spot metals, equities, indices and futures, 'take profit'



orders should be placed a minimum number of pips away from the current market price in order for these to be valid. 'Take Profit' orders placed within the current bid ask spread will be automatically removed.

* Market Order

This is an order to buy or sell at the current market price that is available. The system automatically aggregates the volume received from third party liquidity providers and executes the 'market order' at VWAP ('Volume-Weighted Average Price') that is the average and best available price at the time of the execution. Once the 'market order' is triggered it shall be subject to the conditions described in the 'Good 'til Cancelled' section.

Good 'til Cancelled ('GTC') (= Expiry)

This is an execution setting that the client may apply to 'pending orders'. The order may remain 'live' and pending for execution until such time as the order is triggered and treated as a market order or cancelled by the client.

Pending Order Modification/Cancellation

The client may modify/ cancel a 'pending order' if the market did not reach the level of the price specified by the client.

NOTE: Most of the orders shall be automatically executed by AAA Trading's trading platform, as described above. But it should be noted that AAA Trading reserves the right, at its absolute discretion, to manually execute in whole or in part an order of 100 lots or above, for major currency pairs. The same practice applies for orders of a significant size for minor currency pairs. In addition, orders may be manually executed at the discretion of the Firm in the event of a reasonable suspicion of arbitrage practices unrelated to market inefficiencies, including, but not limited to, latency arbitrage and swap arbitrage.

Order(s) Market Order

This is an order to buy or sell at the current market price that is available. The system automatically aggregates the volume received from third party liquidity providers and executes the 'market order' at VWAP ('Volume-Weighted Average Price') that is the average and best available price at the time of the execution.

Pending Order(s) Stop Orders

This is an order to buy or sell once the market reaches the 'stop price'. Once the market reaches the 'stop price', the 'stop order' is triggered and treated as a 'market order'*. If the 'stop order' is not triggered it shall remain in the system until a later date subject to the conditions described in the 'Good 'til Cancelled' section. 'Stop orders' can be placed as close to the current market price as possible; there is no restriction.

Stop Loss

This is an order to minimise losses. Once the market reaches the 'stop loss price' the order is triggered and treated as a 'market order'*. If the 'stop loss' is not triggered it shall remain in the system until a later date. 'Stop loss' can be placed as close to the current market price as possible; there is no restriction.

Stop-Limit Order

Shall mean an order that combines the features of stop order with those of a limit order. A stop-limit order will be executed at a specified price (or better) after a given stop price has been reached. Once the stop price is reached, the stop-limit order becomes a limit order to buy (or sell) at the limit



price or better.

* Market Order (Applicable for 'Stop Orders' and Stop Loss')

This is an order to buy or sell at the current market price that is available. The system automatically aggregates the volume received from third party liquidity providers and executes the 'market order' at VWAP ('Volume-Weighted Average Price') that is the average and best available price at the time of the execution. Once the 'market order' is triggered it shall be subject to the conditions described in the 'Good 'til Date' and 'Good 'til Cancelled' sections.

Good 'til Cancelled ('GTC') (= Expiry)

This is an execution setting that the client may apply to 'pending orders'. The order may remain 'live' and pending for execution until such time as the order is triggered and treated as a market order or cancelled by the client.

Good 'til Date ('GTD')

This is an execution setting that applies to 'pending orders' traded through the trading platform. The client may choose a specific date in the future until which the order shall remain 'live' and pending for execution. If the order is not triggered during this pre-determined timeframe it shall be deleted from the system.

Limit Orders

This is an order to buy or sell once the market reaches the 'limit price'. Once the market reaches the 'limit price' the order is triggered and executed at the 'limit price' or better. If the limit order is partially filled, a new Limit order will be automatically created for the outstanding volume and executed once the market price reaches the originally requested 'limit price'. If the 'limit order' is not triggered it shall remain in the system until a later date subject to the conditions described in the 'Good 'til Cancelled' section. For CFDs on FX, spot metals, equities, indices and futures, 'limit orders' should be placed a minimum number of pips away from the current market price in order for these to be valid. Limit Orders placed within the current bid ask spread will be automatically removed.

Take Profit

This is an order to secure profits. Once the market reaches the 'take profit price' the order is triggered and treated as a 'limit order'. If the 'take profit' is not triggered it shall remain in the system until a later date. For CFDs on FX, spot metals, equities, indices and futures, 'take profit' orders should be placed a minimum number of pips away from the current market price in order for these to be valid. 'Take Profit' orders placed within the current bid ask spread will be automatically removed.

Pending Order Modification/ Cancellation

An order can be modified by the client if the market did not reach the price level specified by the client and the order was not cancelled in the meantime.

An order will be cancelled in the event any of the following occurs: a. if a client manually cancels an order prior to the market reaching the price level specified by the client; or b. if a client places an expiration time frame and this is reached; For further details, please refer to Appendix II Instant Order(s)

(Instant) Market Order

This is an order to buy or sell at the current market price that is available. The system automatically aggregates the volume received from third party liquidity providers and executes the 'market order' at VWAP ('Volume-Weighted Average Price') that is the average and best available price at the time of the execution.



Pending Order(s) Stop Orders

This is an order to buy or sell once the market reaches the 'stop price'. Once the market reaches the 'stop price', the 'stop order' is triggered and treated as a 'market order'*. If the 'stop order' is not triggered it shall remain in the system until a later date subject to the conditions described in the 'Good 'til Cancelled' section. 'Stop orders' can be placed as close to the current market price as possible; there is no restriction.

Stop Loss

This is an order to minimise losses. Once the market reaches the 'stop loss price' the order is triggered and treated as a 'market order'*. If the 'stop loss' is not triggered it shall remain in the system until a later date. 'Stop loss' orders can be placed as close to the current market price as possible; there is no restriction.

Limit Orders

This is an order to buy or sell once the market reaches the 'limit price'. Once the market reaches the 'limit price' the order is triggered and executed at the 'limit price' or better. If the limit order is partially filled, a new Limit order will be automatically created for the outstanding volume and executed once the market price reaches the originally requested 'limit price'. If the 'limit order' is not triggered it shall remain in the system until a later date subject to the conditions described in the 'Good 'til Cancelled' section. 'Limit orders' can be placed as close to the current market price as possible; there is no restriction.

Take Profit

This is an order to secure profits. Once the market reaches the 'take profit price' the order is triggered and treated as a 'limit order'. If the 'take profit' is not triggered it shall remain in the system until a later date. 'Take profit' can be placed as close to the current market price as possible; there is no restriction.

* (Pending) Market Order

This is an order to buy or sell at the current market price that is available. The system automatically aggregates the volume received from third party liquidity providers and executes the 'market order' at VWAP ('Volume-Weighted Average Price') that is the average and best available price at the time of the execution. Once the 'market order' is triggered it shall be subject to the conditions described in the 'Good 'til Date' and 'Good 'til Cancelled' sections.

Good 'til Cancelled ('GTC') (= Expiry)

This is an execution setting that the client may apply to 'pending orders'. The order may remain 'live' and pending for execution until such time as the order is triggered and treated as a market order or cancelled by the client.

Good 'til Date ('GTD')

This is an execution setting that applies to 'pending orders' traded through the trading platform. The client may choose a specific date in the future until which the order shall remain 'live' and pending for execution. If the order is not triggered during this pre-determined timeframe it shall be deleted from the system.

Pending Order Modification/Cancellation

An order can be modified by the client if the market did not reach the price level specified by the client and the order was not cancelled in the meantime. An order will be cancelled in the event any of the following occurs:

- a. if the requested price is more than 50,000 pips from the market price; or



- b. if a client manually cancels an order prior to the market reaching the price level specified by the client; or
- c. if a client places an expiration time frame and this is reached; or
- d. after 200 unsuccessful attempts to execute the order. For further details, please refer to Appendix II

Corporate Actions Dividends

AAA Trading reserves the right to increase margin requirements prior to the release of a dividend.

Long Positions Clients holding long positions on the ex-div date will receive a dividend in the form of a cash adjustment (deposit).

Short Positions

Clients holding short positions on the ex-div date will be charged the dividend amount in the form of a cash adjustment (withdrawal).

NOTE: Stocks may be offered as a dividend. The dividend amount should be calculated using the share price to determine the cash adjustment (see fractional share adjustments).

Fractional Share Adjustments

In the event the corporate action results in a fractional position, the fractional component may be represented as a cash adjustment independent of the handling for the non-fractional position. The adjustment value will equal the fractional position times the adjusted closing price on the day prior to the ex-date.

Stock Splits

Normal Stock Split

As there is no impact on the company's market capitalisation the action carried out is to reflect the clients existing share position using the split ratio announced. Please see our website for more information: www.aaatrading.net.

Reverse Stock Split

There is no impact on the company's market cap and the clients' positions need to be amended to reflect the new share price. Please see our website for more information: www.aaatrading.net.

Rights Issue

Results in one of the following: Delivery of right security, issuance of CFD on the right or cash adjustment.

Although a rights issue will give the client an option of purchasing the share at a discounted price, the share price will be reduced also as the additional share will dilute the share value. Action to prevent shorting of share after announcement

Best Execution

1. The Firm shall take all reasonable steps to obtain the best possible result for its clients taking into account the following factors when executing Clients orders against the Firm's quoted prices. Prices, costs and currency conversion carry the highest importance when executing transactions for our clients.

2. Price

a) Bid – Ask Spread: For any given Financial Instrument, the Firm will quote two prices: the higher



price (ASK) at which the client can buy (go long) that Financial Instrument, and the lower price (BID) at which the client can sell (go short) that Financial Instrument; collectively referred to as the Firm's prices. The difference between the lower and the higher price of a given Financial Instrument is the spread which for trading platform includes AAA Trading's mark-up.

b) Pending Orders: Such orders as Buy Limit, Buy Stop and Stop Loss/Take profit for opened short position are executed at ASK price. Such orders as Sell Limit, Sell Stop and Stop Loss/Take profit for opened long position are executed at BID price.

c) The Firm's price for a given Financial Instrument is calculated by reference to the price of the relevant underlying financial instrument, which the Firm obtains from third party liquidity providers. The Firm updates its prices as frequently as the limitations of technology and communications links allow. The Firm will not quote any price outside Firm's operations time (see execution venue below) therefore no orders can be placed by the Client during that time.

d) For ECN platforms, trades prices are obtained directly from the liquidity providers through an electronic execution system. This system automatically requests a quote from a selection of liquidity providers. In conjunction with the price, the Firm quotes the available liquidity, (or 'market depth'), as obtained from its third-party liquidity providers. The Firm's software will automatically aggregate all available liquidity at the best possible prices available and fill at the Volume Weighted Average Price (VWAP).

Costs

3. For opening a position in some types of Financial Instruments the Client may be required to pay commission or other fees, if applicable; these amounts are disclosed in the contract specifications