

BEST EXECUTION POLICY

TeleTrade - DJ International Consulting Ltd

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Introduction

TeleTrade-DJ International Consulting Ltd (hereinafter called “Company”) is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (license No. CIF 158/11).

Following the implementation of the Markets in Financial Instruments Directive (MiFID) in the European Union and its transposition in Cyprus with the Investment Services and Activities and Regulated Markets Law of 2007 (Law 144(I)/2007), Company is required to provide its clients and potential clients with its Order Execution Policy (hereinafter the “Policy”).

Under the above legislation, Company is required to take all reasonable steps to obtain the best possible result (or “best execution”) for its Clients either when executing client orders or receiving and transmitting orders for execution. In addition, these rules require investment firms to put in place an execution policy which sets out how they will obtain best execution for their clients and to provide appropriate information to their Clients on their order execution policy.

Scope of Policy

The Policy applies to retail and professional Clients. So, if we classify you as an eligible counterparty, this policy does not apply to you.

This Policy applies when executing transactions with you for the financial instruments of Forex and Contract for Differences (CFDs). CFDs are underlying financial instruments, and it is up to Company discretion to decide which types of Forex instruments or CFDs to make available to its clients and to publish the prices at which these can be traded.

The Client is trading on the outcome of the price of a financial instrument (i.e. an equity or currency). The trading does not happen in a regulated market; therefore the Client may be trading with Company as a counterparty (whereby the Company will be acting as a principal) or with a third financial institution/Market maker (whereby the Company will be acting as an agent). If the Client decides to open a position in a Forex instrument or CFD with the Company, then that open position can only be closed with Company.

The Client is given the option to place with the Company the following orders for execution in the following ways:

- The Client places a “market order” which is an order executed against a price that the Company has provided (when the Company is acting as an agent the price may be based on a price obtained by a third market maker but although it may be based on such a price it is not necessarily identical) (in both instances whether the Company is acting as agent or principal to be called “Company quoted price”). The client may attach to a market order a Stop Loss (MetaTrader 4 & 5) and/or Take Profit (MetaTrader 4 & 5);

- The Client places a “pending order”, which is an order to be executed at a later time at the price that the Client specifies or at the best available price on the market at the time of execution depending on the method of execution technology selected by the client (“Market” or “Instant”). The Company will monitor the pending order and when the price provided by the Company reaches the price specified by the Client, the order will be executed at that price.

The following types of pending orders are available: Buy Limit (MetaTrader 4 & 5), Buy Stop (MetaTrader 4 & 5), Sell Limit (MetaTrader 4 & 5), Sell Stop (MetaTrader 4 & 5), Buy Stop Limit (MetaTrader 5) and Sell Stop Limit (MetaTrader 5). The client may attach to a pending order a Stop Loss (MetaTrader 4 & 5) and/or Take Profit (MetaTrader 4 & 5);

- The client may modify an order before it is executed. The Client has no right to change or remove Stop Loss, Take Profit and Pending Orders if the price has reached the level of the order execution or the freeze level (MetaTrader 4).

The type of execution of an order can affect the execution price of the Client’s order. The following types of orders can be placed: a) Instant Execution Order: An execution method where the order is executed at the price specified in the client order. In instant execution if the requested price is not available, the current available price will be sent to the Client to confirm execution (requote). b) Market Execution Order: Where the order is executed depending on the depth of the market. Under Market Execution there are no re-quotes and the order is executed at the best available price on the market which may vary from the price on the Market Order Window.

Best Execution Factors

The Company shall take all reasonable steps to obtain the best possible results for its clients taking into account the following factors when executing Clients orders against the Company’s quoted prices:

1. Price: For any given Forex instrument or CFD, Company will quote two prices: the higher price (ASK) at which the client can buy (go long) that Forex instrument or CFD, and the lower price (BID) at which the client can sell (go short) that Forex instrument or CFD; collectively they are referred to as Company price. At any time, the present difference between the lower and the higher price of a given Forex instrument or CFD, at the same time, is the spread. 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. Such orders as Buy Stop Limit are placed at the future ASK price when it reaches the value indicated in the order. Such orders as Sell Stop Limit are placed at the future BID price when it reaches the value indicated in the order. The Company price for a given Forex instrument or CFD is calculated by reference to the price of the relevant underlying financial instrument, price which Company obtains from third party external reference sources. The Company updates its prices as frequently as the limitations of technology and communications links allow. The Company reviews its used third party external

reference sources at least once a day, to ensure that the data obtained continue to be competitive. The Company will not quote any price outside the Company's operations time (see execution venue below) therefore no orders can be placed by the Client during that time.

If the price touches an order such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop, Buy Stop Limit, Sell Stop Limit these orders are executed at once. But under certain trading conditions it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop, Buy Stop Limit, Sell Stop Limit) at the price declared by Client. In this case the Company has the right to execute the order at the first available price on the market. This may occur, for example, at times of rapid price movement consequent, but not limited to, the release of major economic news of any kind and/or 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, or this may occur at the opening of trading session(s).

The minimum level for placing Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop, Buy Stop Limit and Sell Stop Limit orders, for a given Forex instrument or CFD, is specified on the main Website of Company <http://www.teletrade.eu/trade/condition>.

Therefore, the Company reserves the right to increase minimum levels for placing above mentioned orders to reasonable extend under abnormal market conditions, which cannot exceed standard stop/limit level more than 3 times. If the Company is about to increase the minimum level for placing above mentioned orders on to permanent basis, the Company will update the Contract Specification on the website as soon as practically possible.

2. Costs: For opening a position in some types of Forex instruments or CFDs the Client may be required to pay commission or financing fees, the amount of which is disclosed on the Company Website. Commissions may be charged either in the form of a percentage of the overall value of the trade or as a fixed amount. In the case of financing fees, the value of opened positions in some types of Forex instruments or CFDs is increased or reduced by a daily financing fee "swap rate" throughout the life of the contract. Financing fees are based on prevailing market interest rates, which may vary over time. Details of daily financing fees applied are available on the Company website. For all types of Forex instruments or CFDs that the Company offers, the commission and financing fees are not incorporated into the Company's quoted price and are instead charged explicitly to the Client account.

3. Speed of Execution: In both cases where the Company acts either as principal or as agent, the Company places a significant importance when executing Client's orders and strives to offer high speed of execution within the limitations of technology and communications links at all times.

The client may request the Company to execute upon receipt instructions conveyed by telephone, e-mail or any other written or oral means of communication that each of the present and future account holders, attorneys and duly authorized representatives shall give individually to the Company even if these instructions are not followed by a confirmation in writing. The Company does not accept any liability in case of misunderstanding, error in the identification of the person giving the instruction or other errors on its part related to such method of communication and which

may involve losses or other inconveniences for the Client. If the Client undertakes transactions on an electronic system, he will be exposed to risks associated with the system including the failure of hardware and software (Internet / Servers). The result of any system failure may be that his order is either not executed according to his instructions or it is not executed at all. The Company does not accept any liability in the case of such a failure. The Company reserves the right not to execute instructions transmitted by telephone or email. Telephone conversations may be recorded, and the client will accept such recordings as conclusive and binding evidence of the instructions.

4. Likelihood of Execution: As explained in the Execution Venue section of this Policy, the Company in some cases may act as principal whereby it will be the Execution Venue for the execution of the Client's orders for the financial instrument of Forex instruments or CFDs. In other cases, the Company may act as agent whereby some other Financial Institution (to be disclosed to the Client) will be the Execution Venue, in which case execution may be more difficult. In addition, the Company whether it acts as a principal or agent, reserves the right to decline an order of any type or to offer the Client a new price for "market order". In this case, the Client can either accept or refuse the new price. If the Company is acting as an agent, likelihood of execution depends on the availability of prices of other market makers/financial institutions.

5. Likelihood of settlement: the Company shall proceed to settlement of all transactions upon execution of such transactions whether it is acting as agent or principal.

6. Size of order: The size of an order is measured in lots. A lot is a unit measuring the transaction amount and it is different for each type of Forex instrument or CFD.

Please refer to the Company website for the value of each lot for a given Forex instrument or CFD type. It is noted that the Company may limit the maximum volume of the single transaction to 500 standard

lots. In addition, the Company reserves the right to decline an order as explained in the agreement entered with the Client.

7. Market Impact: Some factors may rapidly affect the price of the underlying financial instruments from which the Company's quoted price is derived and may also affect the rest of the factors herein. The Company will take all reasonable steps to obtain the best possible result for its Clients.

The Company does not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as a priority factor. Nevertheless, whenever there is a specific instruction from the client the Company shall make sure that the Client's order shall be executed following the specific instruction.

8. Best Execution Criteria: the Company will determine the relative importance of the above Best Execution 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:

- (a) The characteristics of the client including the categorization of the client as retail or professional;
- (b) The characteristics of the client order;
- (c) The characteristics of financial instruments that are the subject of that order;
- (d) The characteristics of the execution venues to which that order can be directed.

For retail clients, the best possible result 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, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

9. Execution Venues: Execution Venues are the entities with which the orders are placed. For the purposes of orders for the financial instrument of Forex instruments or CFDs, Company may act either as a principal (therefore, the Company is the sole Execution Venue for the execution of the Client's orders) or as an agent (therefore some third financial institution will be the Execution Venue).

The Company's operational hours for the trading of Forex instruments or CFDs, whether it is acting as agent or principal, is round – the – clock From 22:00:01 to 22:00 GMT+2 (subject to daylight saving time conditions), Sunday to Friday, except for the 25th of December, the 1st of January. Other holidays will be announced in a timely manner on the Company website or through the internal mail of the Electronic Trading System.

The Client acknowledges that the transactions entered in CFDs with the Company are not undertaken on a recognised exchange, rather they are undertaken over the counter (OTC) and as such 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 (closing) price of an order in case of any technical failure of the trading platform or quote feeds.

10. Monitoring and Review: the Company will monitor on a regular basis the effectiveness of this Policy. In addition, the Company will review the Policy at least annually. A review will also be carried out whenever a material change occurs that affects the ability of the Company to continue to the best possible result for the execution of its client orders on a consistent basis using the venues included in this Policy. The Company will notify its affected clients on any changes in its Policy by posting them to its Website.

11. Client Consent: When establishing a business relation with the Client, Company is required to obtain the Client's prior consent to this Policy.

The Company is also required to obtain the Client's prior express consent before it executes or transmits its order for execution outside a regulated market or an MTF (Multilateral Trading Facility).

The Company may obtain the above consents in the form of an agreement.

This Policy forms part of the TeleTrade Operational Client Agreement. Therefore, by entering into the Operational Client Agreement with the Company, you are also agreeing to the terms of our Order Execution Policy for Forex Instruments and Contracts for Differences (CFDs), as set out in this document.

Additional Information

Should you request any additional information about Company Order Execution Policy for Forex instruments and Contract for Differences, please contact Company by email support@teletrade.eu.