



AIMSCAP

AURIC INTERNATIONAL MARKETS (CAMBODIA) CO., LTD

**ORDER
EXECUTION
POLICY**

ORDER EXECUTION POLICY

1. Introduction

Auric International Markets (Cambodia) Co., Ltd (hereafter the "Company") is a STP derivative broker incorporated and registered under the Securities and Exchange Regulator of Cambodia (SERC). The Company is authorized to provide the investment services specified in these Trading Terms and Conditions (hereafter the "Agreement").

Following the implementation of company procedure, the Company has established its Order Execution Policy (the "Policy"). The Company is required to set up this Policy and to take all reasonable steps to obtain the best possible results for its clients ("best execution") either when executing client orders or receiving and transmitting orders for execution in relation to financial instruments. The Policy sets out a general overview on how it will obtain the best execution for its clients and the factors as stated below, that can affect the execution of a financial instrument.

The Company applies the Policy upon acceptance of an order and also when a client gives no specific instruction on the execution method. Nevertheless, when the client gives a specific instruction on an order, the Company will execute the order following such instruction. If the Company receives a specific instruction on an order, this may prevent the Company from implementing the Policy to obtain the best possible result for the execution of the order.

2. Scope

The Policy shall apply whenever the Company executes orders on behalf of its clients. The Company will always act as principal (counterparty) when executing client orders. Despite the fact that the Company takes every reasonable step to obtain the best possible result for its clients, it does not guarantee that when executing a transaction, the client's price will be more favorable than one which might be available elsewhere.

3. Execution criteria and relevant factors

The Company is required to take several different factors into consideration when executing an order for the client. The factors that the Company will consider are listed below:

3.1 Price

The Company receives price feeds from information sourced through independent liquidity providers and banks that generally provide liquidity to the global market. The main way in which the Company will ensure that the client receives the best execution will be ensure that the calculation of the bid/ask spread is made with reference to a range of underlying price providers and data sources. The Company reviews regularly or at least once a year from its independent price providers to ensure that correct and competitive pricing is offered.

3.2 Costs

When the Client opens a position in some types of financial instruments a commission or a financing fee will apply. The details of these costs are available.

in the Contracts Specifications on the Company's website. The Company takes steps to ensure that the client is informed of the costs, (i.e. the spread and commission rates) before the client elects to trade. The Company further ensures that there are not any unknown to the Client Variables in place;

3.3 Speed

The Company Strives to offer the highest possible speed of execution within the limitations of technology and communication links. Prices change over time and the frequency with which they do varies with different financial instruments and market conditions. The Company places significant importance when executing Client's orders to the speed of the execution of an order. The 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 resulting to the client placing his orders on old prices, where the system might decline and provide him a new quote (i.e. re-quoting).

3.4 Nature of the order

The particular charactering of an order can affects the execution of the client's order. Please see below the different kinds of orders that a client can place:

- ***Market Order (Instant Order)***
This is an order to buy or sell at the price available at a given time.
The order will usually be filled at the price the client sees on the Company's trading platform screen. Occasionally, if the market has moved while the client is placing his order, the price may differ. The client may also place a Stop Loss to limit his loss or a Take Profit to limit his profit.
- ***Pending Order***
This is an order to buy or sell a financial instrument in the future at the best available price once a certain price is reached. There are four types of pending orders available in the Company's trading platform: Buy Limit, Buy Stop, Sell Limit and Sell Stop. Clients may also attach a Stop Loss and/or Take Profit on pending orders.
- ***Trailing Order***
This feature allows the client to place a stop loss order to an open position and works in the client's terminal, which automatically updates to lock in profit while the market moves in the client's favor. Trailing Stop works in the client's terminal, not in the server (like Stop Loss or Take Profit) and this is the reason it will not work, unlike the above orders, if the terminal is off

3.5 Size of order

All orders are placed in lot sizes. A lot is a unit measuring the transaction amount and it is different per each financial instrument. Details of the lot sizes are available in the Contracts Specifications available on the Company's website.

If the Client wishes to execute a large size order, in some cases the price may become less favorable considering the liquidity in the market. The Company reserves the right not to accept a client's order, in case the size of the order is large and cannot be filled by the market.

3.6 Likelihood of execution

The levels of volatility in the market affect both price and volume. The Company seeks to provide its clients with the fastest execution reasonably possible.

Client's orders (Buy Limit, Buy Stop, Sell Limit, Sell Stop, Stop Loss and/or Take Profit) are executed by the market at the requested price. However, under certain market conditions, orders may not be filled at the exact price requested but instead at the best available price. This may occur during news announcements, during periods of volatile market conditions, an opening gap (when trading session starts) or on possible gaps where the underlying instrument has been suspended or restricted on a particular market.

3.7 Market Impact

The Company's quoted prices which are derived from liquidity providers may be affected by various factors which could also affect the abovementioned parameters, criteria which are taken into consideration during the Company's process to ensure the best possible result for its clients. As stated above, the Company will always take all reasonable steps to ensure the best possible result for its clients.

The Company does not consider the above list of parameters to be exhaustive. The order in which they are presented however, indicates their relative importance in the best execution process without excluding the possibility of derogations from the above mentioned process in cases where the best interests of the client criterion justifies such derogations.

3.8 Best Execution Criteria

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

- The characteristics of the client;
- The characteristics of the client's order;
- The characteristics of the financial instruments that are 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, represented by the price of the contract and the cost related to execution as the main factors. The other execution factors of speed, likelihood of execution size, nature or any other relevant consideration will, in most cases, be secondary to price and cost considerations, unless they would deliver the best possible result for the client in terms of total consideration.

4. Effect of other factors on the execution of an order

The Company reserves the right to modify the Company spread and the client may experience widened spreads and execution at the best available price under certain market conditions (for example, fundamental

announcements, where there is a fast- moving market or low liquidity).

Most trades will be automatically priced and executed by the company's automated trading systems. However, depending on factors, for example, unusual markets conditions or the size and nature of the client order a financial instrument may be manually priced and/or an order may be manually executed.

During times of high demand manual pricing and/or execution may cause delays in processing an order that in turn can have an impact on the price and speed at which the order is executed. The Company is committed to providing the most competitive trading technology and is striving to minimize the risk of delays.

In the case of any communication or technical failure, as well as any incorrect reflection on the quotes feed, the Company reserves the right not to execute an order or change the opening and/or closing price of a particular order.

5. 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 as to the execution of to carry out an order, then by executing that order the Company will be complying with its duty to provide the client with best execution. This may result in being unable to apply this, Policy.

6. Execution Venue

The Company will enter into all transactions with the client as principal (counterparty) and act as the sole execution venue for all client orders. The client is required to open and close a position of any particular financial instrument with the Company via its trading platform.

Where there is only one possible venue, best execution is achieved by execution on that venue. Best execution is a process, which considers various factors, not an outcome.

This means that, when the Company is executing an order for a client, the Company must execute it in accordance with its execution policy but the Company does not guarantee that the exact price requested will be obtained in all circumstances and, in any event, the factors may lead to a different result in a particular transaction.

The client acknowledges that all transactions entered in any particular financial instrument with the Company are executed outside a regulated market or a multi- later: trading facility (MTF) and the client is exposed to a greater risk of a possible default of the counterparty Review (i.e. the Company)

7. Review and Monitoring

The Company will monitor the effectiveness of the Policy and relevant order execution arrangements on an on-going basis in order to identify and implement and implement any appropriate enhancements. In addition,

The company will regularly review (at least annually) the Policy and relevant order execution arrangements in an attempt of examining whether they enable the Company to continuously provide the best execution for its clients.

The Company takes into account a range of factors in deciding whether to execute a Client's Order. These include price, costs, and speed together with any other consideration relevant to the execution of the order. In determining the relative importance of these factors, the Company will take into account the client's status, together with the nature of the order, the characteristics of the financial instruments to which order relates and the characteristics of the execution venues. Full details of the Company's liquidity and price providers can be found on the Company's website www.auricinternationalmarkets.com.kh

From time to time, it may be necessary to make changes to the Policy. It should be noted that the Company will not notify clients separately of changes, other than substantial material changes to the Policy and clients should therefore refer from time to time to the website of the Company at www.auricinternationalmarkets.com.kh for the most up to date version of the Policy. Upon a request from a Client, the Company shall demonstrate that it has executed the Client's Order(s) in accordance with this Policy.

We set out below a non-exhaustive list of what factors that constitute a Material Change:

- Change of Execution Venues;
- Any changes to the relative importance of execution criteria and relevant factors;
- Incorrect prices compared to the average market price;
- Significant increase in the daily number of requites;
- Significant delay in the execution of orders.

8. Client Consent

When establishing a business relationship with the client, the Company is required to obtain the client's prior consent to this Policy. In addition, the Company is required to obtain the client's poor consent before executing client's orders or receiving and transmitting orders for execution outside a regulated market or a multi-lateral trading facility (**MTF**). The client is informed that the Company always acts as principal (counterparty) and is the sole execution venue, which is not a regulated market or a multi-lateral trading facility (**MTF**).

The Company may obtain the above consents in the form of a general agreement. The Company will treat clients who have either received the Policy or agreed to receive the Policy electronically or via the internet and have accepted the Trading Terms and Conditions of the Company, as clients who have given their consent to the Policy as well as given consent to the Company to execute or receive and transmit an order for execution outside a regulated market or an **MTF**

9. Definitions

Execution venue - means a regulated market, an **MTF**, a systematic internalize, or a market or other liquidity provider or an entity that performs a similar function in a third country to the function performed by any of the foregoing.

Multilateral trading facility (**MTF**) – mean a multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments – in the system and in accordance with nondiscretionary rules.

Regulated Markets – mean a multilateral system operated and/or managed by a market operator, which bring together or facilities the bring together of multiple third-party buying and selling interests in a financial instrument – in the system and accordance with its nondiscretionary rules - in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorized and functions regularly.

Systematic Internaliser - means an investment firm which, on a organized, frequent and systematic basis, deals on own account by executing client orders outside a regulated market or an MTF.

Pending Order - pending order is the client's commitment to the brokerage company to buy or sell a security at a pre-defined price in the future. This type of orders is used for opening of a trade position provided the future quotes reach the pre-defined level.

There are four types of pending orders available in the terminal examples of which can be found in Appendix to this Policy:

- **Buy Limit** - buy provided the future "ASK" price is equal to the pre-defined value. The current price level is higher than the value of the placed order. Orders of this type are usually placed in anticipation of that the security price, having fallen to a certain level, will increase;
- **Buy Stop** - buy provided the future "ASK" price is equal to the pre-defined value. The current price is lower than the value of the placed order. Orders of this type are usually placed in anticipation of that the security price, having reached a certain level, will keep on increasing;
- **Sell Limit** - sell provided the future "BID" price is equal to the pre-defined value. The current price level is lower than the value of the placed order. Orders of this type are usually placed in anticipation of that the security price, having increase to a certain level, will fall;
- **Sell Stop** - sell provided the future "BID" price is equal to the pre-defined value. The current price level is higher than the value of the placed order. Orders of this type are usually placed in anticipation of that the security price, having reached to a certain level, will keep on falling.

Stop Loss

Stop Loss this order is used for minimizing of losses if the security price has started to move in an unprofitable direction. If the security price reaches this level, the position will be closed automatically. Such orders are always connected to an open position or pending order. The brokerage company can place them only together with a market or a pending order. Terminal checks long positions with BID price for meeting of this order provisions (the order is always set below the current BID price), and it does with ASK price for short positions (the order is always set above the current ASK price).

To automate Stop Loss order following the price, one can use Trailing Stop.

Take Profit

Take Profit order is intended for gaining the profit when the security price has reached a certain level. Execution of this order results in closing the position. It is always connected to an open position or a pending order. The order can be requested only together with a market or a pending order. Terminal checks long positions with BID price for meeting of this order provisions (the order is always set above the current BID price), and it does with ASK price for short positions (the order is always set below the current ASK price).

10. Appendix

Buy Limit is an order that can be placed with the broker to enter into a long position (that is, to buy) and asset when price fall to specific level or below.



Buy Stop is an order that can be replaced with the broker to enter long when price rallies up to a specified level or above.



Sell Limit is an order that be replaced at the broker to sell an asset when the price rallies up to or beyond specified level from the current price.



Sell Stop is an order to sell an asset an asset when the price drops down to a specified level from the current price.

