

INFORMATION ON INTL FCSTONE LTD'S

ORDER EXECUTION POLICY

Introduction

Under the EU Markets in Financial Instruments Directive (MiFID) and the rules of the Financial Conduct Authority (FCA), INTL FCStone Ltd ("IFL") is required to put in place an order execution policy and to take all reasonable steps to obtain the best possible result for its clients when executing client orders or receiving and transmitting orders for execution where such orders relate to 'financial instruments' for the purpose of MiFID. We are also required to provide appropriate information to our clients on our order execution policy. The purpose of this document is to provide clients with information on our order execution policy.

Scope

We do not provide our services to Retail Clients. Our order execution policy only applies whenever we receive an order from a Professional Client:

- (i) for execution on the client's behalf; or
- (ii) for whom we receive and transmit orders to other entities for execution, in financial instruments that are covered by MiFID.

We are under no obligation to comply with the requirements of best execution in relation to a particular order or instruction, where the client has agreed to be categorised as an Eligible Counterparty.

In circumstances where we execute trades with the client but do not execute an order "on the client's behalf", we will not owe the client a duty of best execution. This will include, but may not be limited to, circumstances where we are providing the client with quotes at his or her request on the basis of which the client decides to transact; and circumstances where we deal as a principal on our own account and where the client does not legitimately rely on us to protect his or her interests in relation to pricing and other elements of the transaction.

Definition of order

"Order" means an instruction to buy or sell a financial instrument which is accepted by us for execution or transmission to a third party and which gives rise to contractual obligations to the client.

Achievement of best results for clients

When receiving and transmitting or executing orders in relation to financial instruments on behalf of the client we will take all reasonable steps to achieve best execution. This means that we will have in place a policy and procedures which are designed to obtain on a consistent basis the best possible result for execution of the client's orders, subject to and taking into account the nature of such orders, the priorities the client places upon us in filling those orders and the nature of relevant markets.

In taking all reasonable steps, we will endeavour to achieve the best balance across a range of sometimes conflicting factors. This does not mean achieving the best price for every client order, but rather the best possible result that we can reasonably be expected to achieve with the resources available to us.

Our commitment to provide best execution does not mean that we owe the client a fiduciary or other duties over and above the specific regulatory obligation placed upon us or as may be otherwise contracted between us.

Execution Factors

When determining the strategy for execution of the client's orders we will take into consideration certain factors as appropriate, in the context of the terms of the client's orders. These include factors such as:

- Price;
- Speed of execution;
- Likelihood of execution or settlement;
- Size of order;
- Transaction costs;

- Nature of the order; and
- Any other consideration relevant to the efficient execution of the order.

Usually price will be considered the most important factor in obtaining the best possible result for the client's orders. However, in certain circumstances, for some client orders, financial instruments or markets, we may decide in our absolute discretion that other factors noted above may be more important than price in determining the best possible result in accordance with this policy.

These include, among others, factors such as the need for timely execution, the liquidity or illiquidity of the market, the size of the order, the costs of the transaction, and/or any other considerations, such as the time zone of the execution venue and whether the order is executed on a regulated market, multilateral trading facility (MTF) or over-the-counter

Furthermore, the diversity in markets for different financial instruments and the types of orders that the client may place with us mean that different factors could be applicable in each case when we consider our execution strategy for each order received from the client. For example there is no formulated market or settlement infrastructure for some over-the-counter transactions, in some markets price volatility may mean that the timeliness of execution is a priority, whereas in an illiquid market the fact of execution may itself constitute best execution.

In extreme volume and volatility situations, exchange system constraints may require automated trading solutions to be switched off and/or electronic routing to be suspended in favour of manual execution. Such events could lead to further execution delays and increased market volatility. Clients should be aware of certain risks associated with volatile markets, especially at or near the close of the standard trading session. These include the potential that an order may be executed at a substantially different price from the quoted bid or offer, or the last reported sale price at the time of order entry, or an order may be only partially executed or may be executed in several transactions at different prices. Opening prices may differ significantly from previous day's close.

Order execution

When executing the client's orders, we will take into account the following criteria for determining the relative significance of the above execution factors:

- Characteristics of our client;
- Characteristics of the client orders;
- Characteristics of the financial instrument that are subject to the orders;
- Characteristics of the possible execution venues to which the orders can be directed.

Where the client has provided his or her express prior consent, orders may be executed on the client's behalf outside a regulated market or MTF.

Where we are the execution venue (where we take an order and trade with the client as principal) we will review the quality of our own execution in the same way as we would for any other venue. However, as a regulated market will charge exchange fees which will include the cost attributable to the provision of its execution facilities, we have to price the cost of our own business model and the utilisation of our capital to support our dealings with the client (including carrying the risk of those dealings, for example, credit risk) as part of our assessment of the quality of execution offered to the client.

Our charges may be incorporated as a mark-up (the difference between the price at which we take a principal position and the transaction execution price with the client). We may alternatively agree to charge a commission or a combination of commission and mark-up. IFL charges are not taken into account in determining best execution prices.

Specific instructions

To the extent that the client provides us with specific instructions in relation to his or her order or any part of it (including the selection of a particular execution venue or transmission of the client's orders to a particular entity for execution) we will act on the client's instructions and, in doing so, we will have complied with our obligations to provide the best possible result to the extent that those instructions are followed. Nevertheless this may prevent us from obtaining the best possible result for the execution of that order. If the client requires his or her order to be executed in a particular manner the client must clearly state his or her desired method of execution when placing the order. To the extent that your specific instructions are not comprehensive, we will determine any non-specified aspects in accordance with this policy.

Execution venues

Subject to any specific instructions from the client, we may use one or more of the following venues to enable us to obtain the best possible result on a consistent basis when executing an order on behalf of the client;

- Regulated markets;
- Multilateral trading facilities;
- Internal sources of liquidity (matching client orders);
- IFL's trading desk (proprietary positions, or where acting as a liquidity provider or market maker);
- Undertakings within the same group with IFL ("Associates")
- Third party investment firms and brokers (or non EU entities performing similar functions) which also may trade proprietary positions, act as market makers and as liquidity providers.

Nothing in this policy should be taken to imply that we will act as either a systematic internaliser or a multilateral trading facility.

Our choice of venue may be constrained by the fact that there may be only one market or platform where an order can be executed because of the nature of the client's order or requirements.

IFL or one or other of its Associates will be used as the execution venue where we believe that we can trade to the client's advantage or at no disadvantage to the client in accordance with this policy. Where we are the execution venue we will consider all sources of reasonably available information to obtain the best possible result for the order.

Receiving and transmitting orders

When we receive orders from the client and transmit those orders to another entity for execution we will take all reasonable steps to achieve the best result, in accordance with the firm's policy, taking account of the factors noted above and any specific instructions received from the client as part of the order, as applicable.

When determining the strategy for obtaining the best result for the client's orders, in the absence of specific instructions, we will consider if it is reasonable to simply transmit the order to another entity or whether it is necessary to exercise additional control when instructing the other entity in relation to the client's order.

The considerations set out above apply equally to orders which are received and transmitted by us for execution on the client's behalf.

Entities to which client orders may be transmitted

Please note that only where the client has provided his or her consent, the entity to which his or her order is transmitted may execute it outside a regulated market or MTF or similar non EU market venue.

For some markets we have selected one entity to which we transmit orders and that entity is considered able to obtain results for clients at least as good as we could expect from alternative firms.

Please note that the entities to which we may transmit the client's order for execution may also transmit client orders received by them to us for execution where we have access to relevant markets or execution venues.

Monitoring and review

We will monitor the effectiveness of our order execution policy and arrangements to identify and, where appropriate, correct any deficiencies. In addition we will review these arrangements annually to help us to continue to deliver best execution for our Professional Clients.

Please contact us if you would like further information on our Order Execution Policy. Our contact details are:

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