

CMC Markets Canada Inc. (referred to below as “we”, “us” or “our”) is committed to treating you fairly and acting in your best interests when we execute your Orders. In this document we summarise the process by which our Platform executes your Orders. When you trade through our Platform you consent to your Orders being executed in the manner described below, outside of a regulated market or multilateral trading facility (MTF).

The words and expressions in this document that begin with capital letters have the meanings set out in Schedule 2 of our CFD Terms of Business.

1. Key points.

This section identifies the key points of this order execution policy summary.

- 1.1 Your Orders are executed via a bilateral Trade with us as the counterparty to your trades, through our Platform and not through a Trade on any exchange, multilateral trading system or other external execution venue.
- 1.2 Our Platform is fully automated for pricing and Order execution. By placing an Order, you are giving our Platform an instruction to place that Order on your Account on the basis of the Prices generated by our Platform. Please see our Terms of Business and our Website for further details on how your Orders are placed and executed, as well as details on pricing. Our Prices are electronically generated by our Platform, and such Prices may be different to prices generated by other exchanges, markets or providers.
- 1.3 You must contact our client management team to enter into or close a Trade relating to:
 - 1.3.1 a Manual Product; or
 - 1.3.2 if we have agreed to provide you with the sales trader service, a Manual Order.

Our client management team will provide the relevant Price and other terms relating to the opening or closing of that Trade which you will be free to accept or reject.
- 1.4 In accordance with clause 3.2.5 of the Terms of Business, where you have appointed a discretionary investment manager or similar person as an Authorised Person to act on your behalf and that person also acts on behalf of other clients of CMC Markets Canada, the Authorised Person may decide to place a single, aggregated order for multiple clients in respect of a Product and then allocate a portion of that order to you to represent your Order. We are not responsible for the aggregation and allocation of such orders and such aggregation and allocation may operate to your disadvantage.
- 1.5 As a result of rapid price movements, the Price at which our Platform executes an Order for a Trade may be less favourable to you than the Price displayed on our Platform when you place the Order.

2. How our Platform handles the different types of Orders.

This clause 2 provides information on the different types of Orders, including the standard and alternate triggers for the execution of such Orders.

- 2.1 Market Order

Our Platform will execute a Market Order to sell at the **first available Sell Price** and a Market Order to buy at the **first available Buy Price** and will do so as soon as possible after the Order is accepted, provided the Market Order is made during Trading Hours and that the Platform is available at the time the Market Order is made. The Sell Price or Buy Price will always reflect the size of the Market Order and the corresponding Price on the Price Ladder at the time of execution. Our Platform will automatically cancel (and not execute) a Market Order if the first available Sell Price or Buy Price is outside of any preferences in relation to Orders that you have set in your Account.
- 2.2 Limit Order

A Limit Order to **buy** at a Target Price will be executed at the Target Price or lower, **when** the Buy Price is **equal to or lower** than the Target Price.

A Limit Order to **sell** at a Target Price will be executed at the Target Price or higher, **when** the Sell Price is **equal to or higher** than the Target Price.
- 2.3 Roll-Over

An Auto Roll-Over on a **sell** Trade on any particular Forward will be carried out by our Platform automatically executing a Market Order to buy the number of Units for that Trade at the **Level 1 Buy Price** (regardless of the size of the Order). This Order will be executed (if possible) after the Last Roll-Over Date but on or before the Expiry Date. Our Platform will then immediately execute a Market Order to sell the same number of Units on a Forward based on the same underlying asset but with the next available Expiry Date, at the **Level 1 Mid-Price**.

An Auto Roll-Over on a **buy** Trade will be executed on the same basis, save that our Platform will automatically execute a Market Order to sell the number of Units for that

Trade at the **Level 1 Sell Price** and the corresponding Market Order will be to buy the same number of Units on a Forward at the **Level 1 Mid-Price**.

A Manual Roll-Over on a **sell** Trade on any particular Forward will be carried out on your instructions by our Platform executing a Market Order to buy the number of Units for that Trade at the **Level 1 Buy Price** (regardless of the size of the Order), as soon as possible after the Manual Roll-Over is accepted by our Platform (provided that this is before the Last Roll-Over Date). Our Platform will then immediately execute a Market Order to sell the same number of Units on a Forward based on the same underlying asset but with the next available Expiry Date, at the **Level 1 Mid-Price**.

A Manual Roll-Over on a **buy** Trade on any particular Forward will be executed on the same basis, save that our Platform will execute a Market Order to sell the number of Units for that Trade at the **Level 1 Sell Price** and the corresponding Market Order will be to buy the same number of Units on a Forward at the **Level 1 Mid-Price**.

Any Pending Orders on a Forward on which a Trade is being closed as part of a Roll-Over will automatically be cancelled by our Platform, and an equivalent Pending Order with an equivalent Target Price will be placed automatically by our Platform on any Forward (based on the same underlying asset but with the next available Expiry Date) on which a new Trade is being entered into as part of the Roll-Over.

A Roll-Over on any Trade on any particular Forward will not be executed if a Forward based on the same underlying asset but with a later Expiry Date is not available at the time the Roll-Over would otherwise have been carried out. In such circumstances, the Trade will be closed at the Expiry Date and settled on the Cash Settlement Date, with any relevant Pending Orders also cancelled on the Cash Settlement Date.

2.4 Stop Entry Order

Standard triggers

Unless you elect otherwise:

- a Stop Entry Order to **buy** at a Target Price will be executed **when** the Buy Price for the Level 1 Price is equal to or higher than the Target Price and will be executed **at** the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time our Platform executes the Order; and
- a Stop Entry Order to **sell** at a Target Price will be executed **when** the Sell Price for the Level 1 Price is equal to or lower than the Target Price and will be executed **at** the first available Sell Price on the Price Ladder corresponding to the size of your Order at the time our Platform executes the Order.

Alternate triggers

Alternatively, you can elect to use the Level 1 Mid-Price as the trigger for your Stop Entry Order. In these circumstances, the procedure is the same as under the standard triggers detailed above, save that references to the Level 1 Price should be replaced by the Level 1 Mid-Price.

Alternatively, you can elect to use the opposite Level 1 Price as the trigger for your Stop Entry Order. In these circumstances, the procedure is the same as under the standard triggers detailed above, save that the reference price for a Stop Entry Order to **buy** is the Level 1 Sell Price, and the reference price for a Stop Entry Order to **sell** is the Level 1 Buy Price.

In each case, whether you use a standard trigger or one of the alternate triggers:

- our Platform will automatically cancel (and not execute) a Stop Entry Order if the first available Sell Price or Buy Price is outside of any preferences in relation to Orders that you have set in your Account; and
- the Price at which the Order will be executed may be less favourable to you than the Target Price.

2.5 Stop Loss Order

Standard triggers

Unless you elect otherwise:

- a Stop Loss Order to **buy** at a Target Price will be executed **when** the Buy Price for the Level 1 Price is equal to or higher than the Target Price and will be executed **at** the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time our Platform executes the Stop Loss Order; and
- a Stop Loss Order to **sell** at a Target Price will be executed **when** the Sell Price for the Level 1 Price is equal to or lower than the Target Price and will be executed **at** the first available Sell Price on the Price Ladder corresponding

to the size of your Order at the time our Platform executes the Stop Loss Order.

A Stop Loss Order is not guaranteed and may be subject to gapping.

Alternate triggers

Alternatively, you can elect to use the Level 1 Mid-Price as the trigger for your Stop Loss Order. In these circumstances, the procedure is the same as under the standard triggers detailed above, save that references to the Level 1 Price should be replaced by the Level 1 Mid-Price.

Alternatively, you can elect to use the opposite Level 1 Price as the trigger for your Stop Loss Order. In these circumstances, the procedure is the same as under the standard triggers detailed above, save that the reference price for a Stop Loss Order to **buy** is the Level 1 Sell Price, and the reference price for a Stop Loss Order to **sell** is the Level 1 Buy Price.

In each case, whether you use a standard trigger or one of the alternate triggers, the Price at which the Order will be executed may be less favourable to you than the Target Price.

2.6 Trailing Stop Loss Order

Standard triggers

Unless you elect otherwise:

- a Trailing Stop Loss Order to **buy** at a Target Price will be executed **when** the Buy Price for the Level 1 Price is equal to or higher than the Target Price and will be executed **at** the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time our Platform executes the Trailing Stop Loss Order; and
- a Trailing Stop Loss Order to **sell** at a Target Price will be executed **when** the Sell Price for the Level 1 Price is equal to or lower than the Target Price and will be executed **at** the first available Sell Price on the Price Ladder corresponding to the size of your Order at the time our Platform executes the Trailing Stop Loss Order.

A Trailing Stop Loss Order is not guaranteed and may be subject to gapping.

Alternate triggers

Alternatively, you can elect to use the Level 1 Mid-Price as the trigger for your Trailing Stop Loss Order. In these circumstances, the procedure is the same as under the standard triggers detailed above, save that references to the Level 1 Price should be replaced by the Level 1 Mid-Price.

Alternatively, you can elect to use the opposite Level 1 Price as the trigger for your Trailing Stop Loss Order. In these circumstances, the procedure is the same as under the standard triggers detailed above, save that the reference price for a Trailing Stop Loss Order to **buy** is the Level 1 Sell Price, and the reference price for a Trailing Stop Loss Order to **sell** is the Level 1 Buy Price.

In each case, whether you use a standard trigger or one of the alternate triggers:

- the Prices at which the Order will be executed may be less favourable to you than the Target Price; and
- the Target Price of a Trailing Stop Loss Order is adjusted in the direction of your Trade by our Platform and is calculated from the most favourable Price in respect of that Trade since that Order was last modified plus/minus (as relevant) the Stop Distance, as set by you.

2.7 Take Profit Order

A Take Profit Order to **buy** at a Target Price will be executed **at** the Target Price or lower, **when** the Buy Price is equal to or lower than the Target Price.

A Take Profit Order to **sell** at a Target Price will be executed at the Target Price or higher, **when** the Sell Price is equal to or higher than the Target Price.

- 2.8 Our Platform may aggregate any Stop Loss Order, Trailing Stop Loss Order or Stop Entry Order to either buy or sell the same Product which are triggered by the same Price and which are due to be executed by our Platform at the same time. Such Orders will be executed at the first available Buy Price or Sell Price (as applicable) on the Price Ladder corresponding to the size of the relevant aggregated Orders.

3. Prices generated by our Platform.

This section provides you with information about Prices and the execution of your Orders.

- 3.1 The best possible result when executing your Order will be determined in terms of the total consideration (i.e. the price of your Order and costs related to execution).
- 3.2 The Prices of Products are generated electronically by our Platform. These Prices will take into account market data from various sources and therefore may not match prices that you see elsewhere (including prices quoted on stock exchanges).
- 3.3 Market fluctuations and technical conditions, in addition to Circumstances Outside of Our Control, may mean that the Prices you see on your device and/or if we agree to provide you with our sales trader service) which you are provided by our client management team when you place an Order may not be identical to the Price at which the Trade is executed. If changes occur in the applicable Price between the time an Order is placed by you and the time the relevant Order is received by us or the Order is executed by our Platform, the Order is generally executed at (or by reference to) the Price applicable when the Order is executed by our Platform. This may either be to your advantage or disadvantage.
- 3.4 There will be times when circumstances may prevent our Platform from generating Prices or affect the Prices being generated. Please refer in particular to clauses 4.2 (“**Accessing our Platform**”) and 8.2 (“**Circumstances Outside Our Control**”) as well as paragraph 11 of Schedule 1 (“**Corporate Actions, Adjustments and Insolvency**”) of our CFD Terms of Business for more information.
- 3.5 Please refer to our Website for further information on pricing.

4. Currency Conversion Rates generated by our Platform.

This section provides you with information about the Currency Conversion Rate.

- 4.1 When you enter into Trades or place Orders with us, all calculations will be undertaken in the currency in which the relevant Product is denominated, the Product Currency, before being converted into your Account Currency at the Currency Conversion Rate and applied to your Account.
- 4.2 As with Prices, the Currency Conversion Rate for any particular currency pair is generated electronically by our Platform and may not match currency conversion rates that you see elsewhere (including official currency conversion rates).
- 4.3 Where relevant, we will provide you with the Currency Conversion Rate used to convert amounts in a Product Currency into your Account Currency.

5. Size, speed and likelihood of execution.

This section provides you with information about the speed at which our Platform executes Orders, the likelihood of execution, and size of Orders.

- 5.1 Our Platform executes Orders (execute Orders for Manual Products or Manual Orders) on an automated basis and does not rely on any manual intervention or dealing. However, Orders for Manual Products and Manual Orders are executed by our client management team.
- 5.2 Apart from in a limited number of exceptions, our Platform will execute Orders as soon as practicable following receipt. Our Platform will only execute Orders during Trading Hours.
- 5.3 Our Platform will accept or reject Orders or the modification of Pending Orders in accordance with their respective Attributes and our CFD Terms of Business, including if any applicable limit would be breached and/or you have or would have an insufficient Account Revaluation Amount to cover your Margin (if applicable); where your Account Revaluation Amount is below the applicable Close-Out Level or you have insufficient Cash to pay any Commission (if applicable).
- 5.4 If our Platform has accepted an Order, there may still be circumstances which prevent or otherwise affect the execution of an Order, for instance, where doing so would breach any applicable limit, where market restrictions apply, where you have or would have an insufficient Account Revaluation Amount to cover your Margin (if applicable) or where your Account Revaluation Amount is below the applicable close-out level or any circumstance under clauses 4.2 (“**Accessing our Platform**”), and 8.2 (“**Circumstances Outside Our Control**”) and paragraph 12 of Schedule 1 (“**Corporate Actions and Adjustments**”) of our CFD Terms of Business.
- 5.5 Our Platform automatically takes into account the size of your Order at the point of execution.
- 5.6 Our client management team rather than our Platform execute:
 - 5.6.1 Orders for Manual Products; and
 - 5.6.2 if we have agreed to provide you with the sales trader service, Manual Orders. Our client management team may, in their sole discretion and with your consent, waive any applicable limits for Manual Orders.

6. Factors not taken into account when executing Orders.

This section outlines the factors our Platform does not take into account when executing Orders.

- 6.1 Except as described in section **Error! Reference source not found.** above, our Platform and/or our client management team do not differentiate between the different types of Orders.
- 6.2 We are the execution venue for all Orders.

7. How your Trades are closed without instructions from you.

- 7.1 There are some circumstances where the whole or a portion of your Trades will be closed without instructions from you. This includes where Account Close-Out occurs, where you fail to reduce any Position to below the applicable limit within the relevant time limit specified by us or where we exercise our rights to close your Trades. Please refer to our CFD Terms of Business for more information.
- 7.2 Unless closed by you or us beforehand, any Trade will be closed and settled by our Platform automatically at the time and date of expiry on a Forward (and any Pending Order will also be cancelled on this basis).
- 7.3 Where the whole or a portion of your Trades and/or Positions are to be closed without instructions from you, or Account Close-Out is to occur in accordance with the elections you have made in your Account, certain procedures apply. Further information on these procedures can be found on our Platform.
- 7.4 We reserve the right to aggregate any Trades in the same Product being closed at or around the same time and execute the relevant Market Orders to close those Trades at the corresponding Price on the Price Ladder for an Order of the size of the aggregated Trades.
- 7.5 If we have agreed to provide you with the sales trader service, you may be subject to different Account Close-Out procedures. Further information on these procedures can be found in paragraph 12 of Schedule 1 to our Terms of Business for CFD Trades.

8. Specific instructions.

- 8.1 Since there is no external market for our CFD products, your Orders can only be executed on our Platform and/or through our client management team. Any instruction to execute your Order on a different execution venue will lead to rejection of your Order.
- 8.2 If you provide us with instructions on how to execute your Order, complying with those instructions may prevent us from taking the steps that we set out in this Order Execution Policy Summary for CFDs to obtain the best possible result for the execution of your Order. In those circumstances, our execution in accordance with your instructions will be deemed best execution.

9. Monitoring and review.

- 9.1 We will regularly monitor and review our policies and procedures and associated arrangements in order to ensure we comply with our regulatory obligations, making appropriate amendments if necessary.
- 9.2 You can always find the latest version of the information in this document on our Website.
- 9.3 We will notify you in writing of any material changes to this document.