



Best Execution Policy

Introduction:

This Execution Policy should be read in conjunction with Alpha's Client Agreement, when you agree with our Client Agreement, you agree to our Best Execution Policy as well. This policy applies to the execution of all products and services offered by Alpha. Depending on the region, some products are not available due to regulatory restrictions. Please contact Alpha for more information regarding these restrictions.

Alpha ("We" "Us" "Our") refers to ACM Group LTD, which is registered in England and Wales (Company Number: 05196460) and is authorized and regulated by the Financial Conduct Authority (FCA reference number: 441689).

All Customers are advised that trading spot foreign exchange ("spot FX"), Contracts for Difference ("CFDs"), Spread Betting, and any other investment products which are also leveraged, carry a high level of risk. These products are not suitable for all investors. It is possible to lose more than your initial investment. The risks of trading must be understood prior to trading.

Best Execution Policy:

When trading any of the above mentioned contracts, Alpha acts as a principal and not as an agent on your behalf unless we inform you otherwise. That means that all of your orders are executed directly with Alpha who are counterparty to all transactions. Subject to prior written agreement, trading charges may be incorporated as an addition to bid/offer price (the difference between the price at which we take a principal position and the transaction execution price with you). Alpha may alternatively agree to charge a commission or a combination of commission and mark-up or mark-down. Alpha charges are not taken into account in determining best execution prices. We are required to take a number of factors into account when considering how to give you best execution including price, costs, size, liquidity of the underlying market, speed and likelihood of execution and settlement. The way in which we will ensure that you obtain best execution is by ensuring that in our calculation of our bid/offer prices we pay due consideration to the market price for the underlying referenced product. We have various different data sources through which we ascertain the fair market price that we use to form a fair, tradable Alpha bid/offer. A detailed breakdown of Alpha's pricing conventions follows:

Alpha derives its prices for **Spot FX** from liquidity providers in the wholesale market. Alpha uses this liquidity as guidance in determining bid/offer prices, but is not bound to use this liquidity in any particular manner. Alpha's bid/offer spread may be tighter or wider than these wholesale prices, and is dictated by overall liquidity and demand in the market as well as in the Alpha flow. The bid/offer price of a particular price feed is universal for all Clients who subscribe to that feed. Some price feeds display a discounted spread and subscribers to some of these discounted feeds may be charged a commission, which is disclosed to those Clients using that specific price feed

Alpha's prices for **futures based Indices** are derived from the underlying futures of the instrument. In the case of **cash Indices**, an adjustment called a fair value adjustment is made to take account of financing costs and dividends anticipated to occur during the period between the present, and the maturity date of the underlying future.

Where Alpha continues to quote prices outside of the market hours of the underlying Index future, Alpha creates its cash and futures Index prices by taking into account such factors as the current prices of other worldwide indices, commodities or Spot FX markets as well as Client flow, and may be subject to restrictions in maximum size and increased spreads, as well as, maximum size at which execution will be automated and not referred to dealing desk. A mid-price is derived from these prices, then an Alpha spread is added to the mid-price to create a bid and offer price.

Alpha's prices for **futures based Commodities** are derived from the underlying futures prices to which they relate. In the case of **spot Commodities**, a fair value adjustment is made to take into account costs such as, but not exclusively, financing and storage, that may occur during the period between the present and the maturity date of the relevant underlying future. In some cases, variations of future based cash instruments will be quoted, this information can be found in our Market Information Sheets ("MIS"). A mid-price is derived from these prices and then an Alpha spread is added to the mid-price to create a bid and offer price.

Alpha derives its prices for **bonds futures instruments** from the underlying futures prices to which they relate. Alpha's pricing convention might be slightly different from that of the relevant underlying exchange, for further information refer to the MIS, but the pricing itself is in line with underlying market. A mid-price is derived from these prices and then an Alpha spread is added to the mid-price to create a bid and offer price.

Alpha derives its prices for **interest rate futures** from the underlying futures prices to which they relate. A mid-price is derived from these prices, and Alpha spread is added to the mid-price to create a bid and offer price.

ACM Group LTD ("Alpha")

1st Floor Broadgate Tower, 20 Primrose Street, London, EC2A 2EW, United Kingdom

Phone: +44(0)2070784822 | Email: clientservices@alphacapitalmarkets.co.uk | Web: <https://alpha-capitalmarkets.com/>

Authorised & regulated by the Financial Conduct Authority – Register No. 441689. Registered in England & Wales No. 5196460

Last reviewed: April 8, 2016



Alpha derives its prices for **single stock CFDs/Spread Bets** from the underlying equity prices to which they relate. In the case of CFDs, a bid/offer price is derived from these prices and passed on to the Client and then Alpha's commission is added to the trade to create overall execution price. In the case of Spread Bets, a bid/offer price is derived from these prices, Alpha's spread is then added to this bid/offer price and passed on to the Client.

Alpha derives its prices from one or more data sources that reflect the underlying exchange's prices. Where this data is unavailable, Alpha will base its prices on the last traded price of the underlying instrument. All cash instruments are subject to daily financing (this does not apply to futures contracts).

In relation to some financial instruments, at the time at which you submit an order there may be no functioning or open market, or exchange on which the reference product is traded. In such cases, we set out to determine a fair underlying price based on a number of factors such as price movements on associated markets and other market influences and information about our Client's orders. Also, at such times when the market may be illiquid, trade halted or suspended and it is not reasonable to expect fair derivation of the price, we reserve the right not to execute your order. All execution is symmetrical which means if the price is not available on a stop order and the order is executed at next available price, same will happen to limit orders and they will be improved. Regular reviews of execution levels are conducted by Alpha.

Order types

Alpha order types include:

- **Market Orders:** Market Orders are executed at the best available, market price. The price that appears on Client's screen prior to submission is the last price only and does not constitute the actual execution price. Once the submitted order is received it will be executed at the market rate at the time.
- **Instant execution:** Instant execution orders are typically price specific. Orders are executed at requested price or the order is rejected. A slippage tolerance can be set on instant execution orders.
- **Stop Orders:** Stop Orders are executed at the price designated by the Client or, in the case of gapping, the first available price. Buy Stop orders are executed at the next available offer price and Sell Stop orders are executed at the next available bid price.
- **Limit Orders:** Limit Orders are executed at the Client requested price or better, if the price is available.
- **Attached Stop Orders and Attached Limit Orders:** the user may specify the attached order level by indicating the price at which the attached order should be booked or the number of points from the parent order level at which the attached order should be booked. In the latter case, if the parent order is a Market Order, Stop Order or Limit Order, the attached order will be booked the specified number of points away from the price at which the parent order was submitted and not from the price at which the parent order was executed.

Alpha's descriptions of the various types of orders are summaries, and do not describe all aspects of each order. If you have any questions as to how any of the types of orders will be executed, please call our representative for an explanation.

Execution venues

As mentioned above, Alpha acts as a principal on all Client trades and therefore execution sits with Alpha. We allow Clients to execute through various venues: our proprietary platforms (desktop, web and mobile versions), the MT4 platform, phone orders to our dealing desk or through some chat functions (Bloomberg, Reuters, etc.). Each Client is responsible for all orders placed by that Client, or on behalf of the Client by an Agent, and should fully understand the mechanics and method of execution of each order before placing it.

Alpha uses automated systems to route and execute Client orders. Alpha will act as a principal to Client orders, including where orders are directly routed to Alpha's liquidity providers, whereupon Client execution may depend on the execution Alpha receives from its liquidity providers. We will use liquidity providers that we consider of highest quality and that provide Best Execution in-line with the terms of this Best Execution Policy. These liquidity providers will be reviewed regularly and any potential issues will be reported to senior management and reviewed in detail.

In some rare circumstances, there may be delays in execution of orders, including orders placed through on-line trading systems. Some orders placed through on-line trading systems may be handled manually in circumstances where high traffic in electronic orders causes a back log due to, but not exclusively, excessive volatility causing illiquidity in underlying markets. In such circumstances Alpha may discontinue normal automatic execution procedures and turn to manual execution, leading to possible delay in execution. In order to minimize such a risk, Alpha has in place procedures and arrangements which to the furthest extent possible provide for the prompt, fair and expeditious execution of Client orders.

ACM Group LTD ("Alpha")

1st Floor Broadgate Tower, 20 Primrose Street, London, EC2A 2EW, United Kingdom

Phone: +44(0)2070784822 | Email: clientservices@alphacapitalmarkets.co.uk | Web: <https://alpha-capitalmarkets.com/>

Authorised & regulated by the Financial Conduct Authority – Register No. 441689. Registered in England & Wales No. 5196460

Last reviewed: April 8, 2016



Clients should be aware of the following risks associated with volatile markets, especially at or near the open or close of the standard trading session:

- Slippage or execution at a substantially different price from the quoted bid or offer, as well as partial executions or execution of large orders in several transactions at different prices. The possibility of slippage increases during fundamental announcements, at illiquid times, and at times of extreme market volatility. The release of fundamental data and extreme world events may cause increased volatility in the market. When economic data or world events are announced, the market may “gap” in a particular direction. This means that there are no tradable prices between the actual price at which the market was trading prior to a fundamental announcement, or world event, and the price available after the market has adjusted, following the announcement or event. Prices move very quickly and orders are executed in some cases at prices very far away from the stop price. As mentioned above, all execution will be symmetrical and market and limit orders will be treated in the same way as stop orders. This means that gaps in the market may work against the Client as well as in Client’s favour.
- Delays in executing orders for financial instruments that are directly routed to Alpha’s liquidity providers, and manually routed or manually executed orders. Prices at which orders are executed may be different from that requested, but Alpha will always aim to act in Client’s best interest and achieve the best fill possible.
- If positions and orders are left overnight, opening prices may differ substantially from the previous day’s close, depending on where the underlying instruments opens on the following day.
- “Locked” (the bid equals the offer) and “crossed” (the bid is higher than the offer) markets on the exchange or other market participants, which prevent the execution of Client trades are also a risk. This includes limit up/down situations on some underlying futures markets and suspension of shares due to an imminent news announcement. This also includes technical issues with underlying exchanges.
- Price volatility is one factor that can affect order execution. When Clients place a high volume of orders with brokers, order imbalances and backlogs can occur. This implies that more time is needed to execute the pending orders. Such delays are usually caused by the occurrence of different factors:
 - a) Number and size of orders to be processed (usually due to major economic announcement);
 - b) Speed at which current quotations (or last sale information) are provided to Alpha; and/or
 - c) System capacity constraints applicable to the given exchange, as well as to Alpha.

Alpha does not permit the practice of arbitrage, nor does it allow clients to take advantage of price latency due to internet delays (See Invalid Prices and palpable errors, below). Transactions that rely on price latency or arbitrage opportunities may be revoked. Alpha reserves the right to make the necessary corrections or adjustments on the Account(s) involved, including, but not limited to, withholding any profits made by Client while using these trading tactics. Accounts that rely on arbitrage strategies may at the sole discretion of Alpha be subject to Alpha’s intervention and manual approval of all Orders.

Invalid prices and palpable errors

Invalid prices occur when incorrect price information is entered into the trading platform. Internet, connectivity delays, and price feed errors may create a situation where the prices displayed on the trading platform do not accurately reflect market rates. Invalid prices are removed from the price charts to alleviate confusion. Should any orders be executed basis an invalid price, the resultant trades will be invalid and reversed so that no P/L occurs, and commissions (if any) credited back to Client’s account.

Palpable error is defined as a clear mispricing of any instrument by Alpha. When declaring a palpable error, Alpha will act reasonably and may, without limitation, take into account the exchange price of the underlying asset at the time of the error, and/or any error or lack of clarity within any pronouncement or information upon which Alpha relied in order to derive a bid/offer price.

In case of palpable error, any trade that resulted due to an order being filled basis such palpable error, will be invalid and reversed so that no P/L occurs, and commissions (if any) credited back to Client’s account.

Extreme market conditions and market events outside Alpha control

In an event of extreme market conditions and unusual trading circumstances caused by, but not limited to, central bank interventions, natural catastrophe, or war, Alpha will endeavour to provide bid and offer prices, and if able, as close to normal market conditions as possible. We cannot however guarantee that we will be able to provide pricing if liquidity in the underlying markets is suspended or for some other reason not available. We will mimic, as close as possible, underlying market conditions and come back online as soon as reasonably possible. Prices,

ACM Group LTD (“Alpha”)

1st Floor Broadgate Tower, 20 Primrose Street, London, EC2A 2EW, United Kingdom

Phone: +44(0)2070784822 | Email: clientservices@alphacapitalmarkets.co.uk | Web: <https://alpha-capitalmarkets.com/>

Authorised & regulated by the Financial Conduct Authority – Register No. 441689. Registered in England & Wales No. 5196460

Last reviewed: April 8, 2016



execution and trading times will often depend on those that the Alpha is getting from its liquidity providers.

Review and monitoring of the policy

We will monitor the effectiveness of our order execution policy. We will assess, from time to time, whether the venues used by us in pricing of our instruments and executing transactions on your behalf allow us to achieve best execution on a consistent basis or whether we need to make changes to our execution arrangements. If any changes are made, the Best Execution Policy will reflect them. We will also review our order execution arrangements and order execution policy in respect of material changes either in respect of one of our chosen pricing venues or that otherwise affect our ability to continue to achieve best execution. Should there be any material changes to our order execution arrangements or order execution policy, we will notify you.

Financial products traded on margin carry high degree of risk to your capital. Spread bets, CFDs and Forex are complex high risk instruments and therefore are not suited to all investors. **CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 77% of retail investor accounts lose money when trading CFDs. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.** FX, Spread Bets and CFDs are provided by ACM Group Ltd on an execution only basis; we do not provide any advice nor should any communication with us, either written or oral, be construed as such.

ACM Group Ltd is authorised and regulated by the Financial Conduct Authority (FCA), registration No.441689.

ACM Group Ltd is incorporated in England Wales under company number 5196460 and whose registered address is at First Floor Broadgate Tower, Primrose Street, London, England, EC2A 2EW

ACM Group LTD ("Alpha")

1st Floor Broadgate Tower, 20 Primrose Street, London, EC2A 2EW, United Kingdom

Phone: +44(0)2070784822 | Email: clientservices@alphacapitalmarkets.co.uk | Web: <https://alpha-capitalmarkets.com/>

Authorised & regulated by the Financial Conduct Authority – Register No. 441689. Registered in England & Wales No. 5196460

Last reviewed: April 8, 2016