

GCM Prime Ltd

Order Execution Policy Disclosure

Order Execution Policy Disclosure for GCM Prime Ltd

1. Overview of Best Execution requirement

We are authorised and regulated by the UK Financial Conduct Authority (**FCA**) and under FCA Rules, other than in certain circumstances described below, where we execute or arrange the execution of retail or professional client orders, we are required to take all reasonable steps to obtain the best possible result for those clients (known as delivering “best execution”) and to establish and implement an order execution policy and related procedures to allow us to do so.

We have instituted a range of internal policies and procedures governing how we will act when we execute or arrange the execution of orders on behalf of our clients. We continually strive to provide the best possible level of service to all of our clients. Consequently, our policies and procedures are under constant review and may be revised at any time without prior notice.

2. Purpose of this Disclosure

This document discloses information about our best execution policies and procedures that we believe are appropriate for you to be aware of before you place orders with us. However, if you feel that you need additional information, for example, in relation to how orders will be executed for particular instruments or on particular venues, then please let us know. Unless the context required otherwise, terms defined in our Terms and Conditions of Business will have the same meaning in this document.

3. Application

This disclosure relates to clients where we have categorised you as a retail client or a professional client. However, as described below, there are also circumstances in which we will not be required to deliver best execution to retail and professional clients in respect of an entire order or particular aspects of an order.

Eligible counterparties, by their nature, have a more sophisticated understanding of financial markets and are likely to have access to the markets through a variety of sources. Where we have categorised you as an eligible counterparty, our aim is to become your broker of choice by providing a competitive service which will generally compare favourably with the alternatives that we believe are likely to be available to you. However, there is no requirement under FCA Rules for us to deliver best execution to eligible counterparty clients. You have a right to request a different categorisation if you wish.

4. Specific Instructions

If you have any particular requirements as to how we act when dealing with or for you, please let us know and we will do our best to accommodate you. However, you should be aware that where you give us specific instructions that are incompatible with our normal order execution

policies and procedures, your specific instructions will take precedence. This may result in a different outcome than would have been achieved had our normal policies and procedures been followed and, for retail and professional clients, we will not be required to deliver best execution in respect of the aspects of your order which are covered by your specific instructions. You should also note that our normal policies and procedures take account of the costs that we would incur in transacting business. Transactions that are not undertaken in accordance with our normal policies and procedures may be subject to additional charges. Where this applies, we will notify you of the applicable charges before your order is executed.

5. Non-centralised FX markets

The Foreign Exchange (**FX**) market is a non-centralised market with no central exchange for entering into FX spot, FX forward, or FX option transactions. It is therefore difficult to establish “market prices”. There are certain venues or providers (such as Reuters or Bloomberg) which provide FX prices and publicly available FX market data but there are no primary regulated markets setting prices (as there are for shares, for example).

6. CFD Transactions

For CFD transactions (where the underlying is FX or other products), we will usually trade on our own account with each client (on a principal to principal basis). In such circumstances we will therefore be the counterparty to each of our clients and we will be the “execution venue” (as further described below) for the purposes of each such transaction (**Client Counterparty Transaction**). When we are the execution venue, we will review the quality of our own execution in the same way that we would for any other execution venue.

Where we enter into a Client Counterparty Transaction, we will also enter into a hedging transaction (back to back) with a third party firm (which may be an affiliated firm within the same group as us) (each an **Hedge Counterparty**).

When approving our list of Hedge Counterparties, we evaluate a number of factors including:

- competitiveness of commission rates and spreads;
- promptness of execution;
- past history in executing orders;
- clearance and settlement capabilities;
- quality of service;
- willingness to commit capital;
- perceived creditworthiness, reputation and financial stability.

Where we enter into a Client Counterparty Transaction, the execution factors will usually be determined by the execution factors which are relevant for the related transaction with the FX Hedge Counterparty.

For Client Counterparty Transactions, we may hedge our position with a single or multiple Hedge Counterparty and we may use publicly available market data to assess relevant underlying FX rates or prices of the relevant Products.

For transactions with Hedge Counterparties, the predominant execution factor is obtaining the best price at the time of execution. Another highly weighted factor is the spread in two-way prices and (for larger FX related transactions) currency availability. Quality of service from Hedge Counterparties will also be taken into consideration, including factors such as:

- clearance and settlement capability for the currencies involved;
- credit worthiness and financial stability;
- timely trading;
- bank/broker credit rating;
- long standing relationships; and
- (for larger transactions) ability to deal in large size.

We consider that this arrangement is appropriate to providing best execution to our clients as it enables us to obtain on a consistent basis the best possible result for the execution of client orders.

7. Execution Venues

We have identified that the Hedge Counterparties referred to above are most likely to provide the best outcome when we execute orders on behalf of our clients and enter into Hedging Transactions and Client Counterparty Transactions. For the purposes of our policy, we will deem both us and a relevant Hedge Counterparty to be an “execution venue” for best execution purposes.

We will regularly assess the execution venues that we use in order to ensure they continue to be the most appropriate for our clients.

We will not maintain access to individual execution venues unless we believe that the benefits will outweigh the costs. Full details of the execution venues that we use are available on request.

8. Execution Factors

When arranging a transaction or executing a client order, we will generally treat price as the highest priority for ensuring best execution. Only under exceptional circumstances would this

not be the case. Therefore, the decision of which execution venue is used for any one Hedge Counterparty transaction will be reached based primarily on price, but can be affected by costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order.

9. Execution Criteria

When executing a client order, we will take into account the following criteria for determining the relative importance of the execution factors referred to above:

- (1) the characteristics of the client including the categorisation of the client as professional or an eligible counterparty;
- (2) the characteristics of the client order;
- (3) the characteristics of financial instruments that are the subject of that order;
- (4) the characteristics of the execution venues to which that order can be directed.

10. Selecting an Execution Venue

Subject to proper consideration of the execution criteria and execution factors referred to above, we will choose where we believe we can trade to the best advantage (or at no disadvantage to) for you.

11. Monitoring

In order to ensure that our policies and procedures remain an appropriate way for us to fulfil our best execution obligations to clients, we will carry out regular monitoring of transactions executed in order to confirm that we continue to achieve best execution.

This monitoring involves a review of execution in order to confirm that order execution decisions were appropriate.

12. Review

We will carry out an annual review of our best execution policy and procedures in order to ensure that all reasonable steps are being taken to obtain the best possible result for our clients. To the extent that we become aware of any material change that could affect our ability to obtain best execution, a review will be carried out more frequently.

13. Status of this disclosure

This disclosure is provided to you for information only and is not intended to be contractually binding or impose or seek to impose any obligations on us which we would not otherwise have under the FCA Rules or any client terms and conditions of business or agreement. In particular, we are not agreeing to deliver best execution in circumstances where we are not required to do so under FCA Rules.

If you are a Retail Client or a Professional Client we have deemed that you provide consent to this Order Execution Policy Disclosure by giving us an order or otherwise by continuing to deal with us.