

HIROSE FINANCIAL UK LTD.

Execution Policy

Introduction

Hirose Financial UK Ltd. (referred to as “Hirose UK”, “we”, “us” or “our”) is regulated by the Financial Conduct Authority (the “FCA”) of the United Kingdom with authorisation number 540244. In accordance with the FCA Rules, Hirose UK is required to provide its clients with its order execution policy (the “Execution Policy”).

You should read this Execution Policy carefully. Your consent and acceptance of this Execution Policy is assumed if you place an order with us. In particular, by placing an order with us, you will be deemed to be providing your consent to your order being executed outside of a regulated market or multilateral trading facility.

Our Obligation

We have a general duty to conduct business with you honestly, fairly and professionally, and to act in your best interests when executing orders. More precisely, when we execute orders on your behalf, we will provide you with “best execution”, that is, we will operate according to our procedures which we have established in order to take reasonable steps to obtain the best possible result for our clients on a consistent basis, taking into account the execution factors set out below.

Specific Instructions

If you have given us specific instructions on the execution of an order, we will follow those instructions. Any specific instructions you provide us with on how to execute your order may prevent us from taking the steps we have designed and implemented in our Execution Policy to obtain the best possible results for the execution of those orders in respect of the elements covered by your instructions. To the extent that your instructions are incomplete, we are not obliged to act upon them, but where we do, we will usually follow our Execution Policy for those parts or aspects of orders not covered by your instructions.

You acknowledge that by executing your order in accordance with your complete or partial instructions we will satisfy our obligation to you under the FCA Rules to provide the best possible result (or part thereof).

Trading with us

Please understand that the Execution Policy, which you should read in conjunction with our Trading Terms of Business, does not provide a guarantee for the execution price of orders, although we endeavor to execute orders at or very close to the specified order price. However, it is possible that our price may move very quickly and erratically from one level to another. This is known as gapping and can arise in periods of low liquidity and high volatility such as immediately after the release of economic data.

Scope

The Execution Policy shall apply when executing transactions with retail and professional clients in margined foreign exchange transactions.

The tradable instruments that we deal in can be found in the Market Information pages on the Website.

Our quotes are provided by a number of competing counterparties. These counterparties provide streaming prices and the best bid/ask price available is used to create a quote for you to trade on.

Execution Venue

Please note that we act as principal in all dealings and as the sole execution venue for your orders which are executed on an OTC basis, not on a regulated exchange or multilateral trading facility. Therefore there is only one execution venue.

Best Execution Arrangement

In the absence of any specific instructions from you, when receiving and executing client orders on your behalf in relation to financial instruments, we are required to take a number of factors into account when considering how to deliver best execution. We will take into consideration all factors that will allow us to deliver the best possible result in terms of the total consideration, representing the price of the financial instrument and the costs related to execution. Unless the following are instrumental in delivering the best possible result in terms of the total consideration, we have rated price as the most important followed by:

- Costs (to include all expenses incurred by you which are directly related to the execution of the order)
- Speed

- Nature of the order
- Size of the order
- Likelihood of execution and settlement
- Other relevant considerations to the execution of the order

When executing an order on your behalf, we will take into account the following criteria for determining the relevant importance of the above execution factors:

- Client characteristics (including whether the client is a retail or professional client)
- Order characteristics of the client order
- Instrument characteristics

Aggregation

We will not combine your order with those of other clients for execution as a single order.

Client Order Handling

Hirose UK records and executes otherwise comparable orders sequentially and promptly unless the characteristics of the order or market conditions make it impracticable to do so. We will promptly inform you if we become aware of any material difficulty relevant to the proper carrying out of your orders. Orders received in a different media can not be termed otherwise comparable.

Quotes

Where there is a lapse of time between Hirose UK's first quote and your acceptance which causes delay or in the case that the market conditions have changed, Hirose UK will still be within its rights to execute that order, provided that the quote is not significantly out of date and that it still would have met the best execution requirements.

Trade Execution Complaint

When we receive a trade execution complaint from a client within 24 hours from the time the disputed or questioned trade was executed, we shall revert to you within a short period of time afterward with a report on an investigation after reviewing the transaction to determine if it is, in fact, an erroneous trade execution.

Such complaint may be called into our Compliance Desk at +44(0)20 7614 3580 or submitted via email at info@hiroseuk.com. A trade execution complaint must include your name, your

Login ID (username), time of execution and ticket number in order that we may remedy the complaint at the earliest opportunity.

Reviewing Execution Quality and the Execution Policy

We will regularly review the Execution Policy, at least annually or whenever a material change occurs. In addition, we will monitor the effectiveness of our order execution arrangements and the Execution Policy on a regular basis, and assess from time to time whether the venue relied on by us in pricing our transactions allows us to meet our regulatory obligations on a consistent basis or whether we need to make changes to our order execution arrangements.

You will be notified of any material changes to the Execution Policy via our website www.hiroseuk.com

No Fiduciary Duty

We provide you with access to our trading platform and are not acting in any other capacity including as a fiduciary.

Our commitment to provide you with “best execution” does not mean that we owe you any fiduciary responsibilities over and above the specific regulatory obligations placed upon us or as may be otherwise contracted between us.

Our Order Management

Hirose UK provides margined forex trading on an execution basis only where transactions are automatically processed via a method called ‘Straight Through Processing’ (STP). We do not have dealers who monitor and confirm every transaction. The prices that we publish on our platform and offer to you are an indication of the prices at which we would be willing to buy from you and sell to you. They are not firm prices. There are a number of features that you should be aware of:

- **Market Order Execution**

If you are trading Market Orders (instant execution), once you have selected the currency pair, the size and direction (buy, sell) of the order you are offering to enter into a transaction with us according to the parameters you have selected.

Hirose UK will carry out a number of automated checks to confirm that your order is valid and then execute your order at the current market price.

- **Entry Stop, Stop, and Trailing Stop Order Execution**

Please note that when the stop price for Entry Stop, Stop or Trailing Stop Order is reached, a stop order becomes a market order (an order to buy or sell at the current market price). These orders do not guarantee your order will be executed at the price you had requested.

- **Entry Limit and Limit Order Execution**

Please note that when an Entry Limit or Limit Order is reached that order will be executed at your specified price.

※Attention for LION Trader:

Hirose UK is committed to ensuring seamless execution of orders and uses some of the latest technology available to achieve this. In the event that an order (Entry Limit, Limit, Entry Stop, Stop, or Trailing Stop Order) does not get filled automatically, a message below will pop up on the trading platform (see below). If you agree to cancel the order and continue trading, please click O.K. and make a Market Order for the rejected order. Otherwise, please contact us for assistance as soon as you notice the message. Please note that once you have cancelled a specific order it is not possible to reactivate it.

