



SPECTRA GLOBAL
TRUSTED BROKER

ORDER EXECUTION POLICY

General Information

Spectra Global Ltd. (the “Company” or “SGL”) holds a Global Business License (“GBL”) issued by the FSC on 29 June 2023 as well as an Investment Dealer (Full Service Dealer excluding Underwriting) license (the “ID License”) granted by the FSC on 29 June 2023.

An investment dealer has an affirmative duty to act in the best interests of its clients and to make full and fair disclosure of all material facts to the exclusion of any contrary interest. Generally, facts are “material” if a reasonable investor would consider them to be important. The duty of addressing and disclosing conflicts of interest is an ongoing process and as the nature of an investment dealer's business changes, so does the relationship with its clients.

The Company will be both acting as an intermediary in the execution of securities transactions for clients and will also be dealing on its own account, that is trade in securities as principal with the intention of reselling these securities to the public. The Company will be offering Online Trading of various derivatives and other financial instruments on a non-deliverable basis only and the Company will not be engaged in the physical delivery of any instruments or its underlying. A few illustrations on the type of instruments are listed below.

a) CFDs on Futures.

- US and European Treasury Futures.
- Currency Futures.
- Commodities both agriculture as well as non-agriculture.
- Indices like US, Europe and Indian Indices.

Once the Company establishes itself in the above-mentioned activities, it will additionally engage in the following activities:

- Manage portfolios of clients.
- Give advice on securities transactions to clients.

i. Trade in securities as principal with the intention of reselling these securities to the public.

The Company's primary business objective will be to act as a principal by being a counterparty to the client. By doing so the Company will be in a position to provide 2-way quotes to the client and will be the counterparty for the client while the client takes the initial position. Once the initial position is taken, the Company will as the next step take a counter position to the original position (which will be a closing position for the Company) by becoming a counter-party to another client. While doing so, the Company will act as the principal for such trades and earn a spread in the transaction.

In various instances, the Company intends to take positions in its own name as a principal with a view to later sell the same to a prospective client. The Company feels that there will be various opportunities available to the Company, where the Company can take advantage of various market prices, which are otherwise away from the theoretical prices and the Company expects the prices to converge towards the theoretical price.

While acting as a principal the Company shall at no point in time act in a manner that is not favourable to the client.



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In addition, the Company shall always comply with sections 56(3) and (4) of the Securities Act 2005. In this respect, the Company shall not trade as principal in securities listed or traded on a securities exchange except in accordance with the applicable rules of the securities exchange. Where, in respect of securities that are not listed on a securities exchange, where the Company will be acting as principal with a client, the Company shall, before entering into the transaction, disclose to the client that it is entering into the transaction as principal.

ii. Executing orders for clients.

The Company receives clients' orders and the Company automatically creates and sends new orders for Execution to its Liquidity Providers ('LPs'). Once the Company receives a confirmation from the LP about the execution of the order, it automatically sends a confirmation to the client's order originally received. The prices provided to clients include the Company's mark-up. The Company applies mark-ups on spread, commissions and swaps based on the quotes received from the liquidity providers that it cooperates with. The Company will have access to a range of liquidity providers and depending on the trade direction, size, and market condition it will direct trades accordingly in order to offer the best possible execution of orders based on likelihood, price, cost, speed and other related factors as per its business plan. At the initial stage of the Company's operations, the Company intends to act as the principal for all transactions and hence currently does not feel the need to appoint any Liquidity Provider as stated in its business plan.

The Company's dealing room will be operated by trained professionals. The Company will manage risk related to trading activities, for numerous underlying financial instruments, in the following manner:

- A limit will be placed regarding the maximum transaction amount and the applicable margin for the underlying financial instrument's volatility and liquidity;
- A limit will be placed regarding the maximum exposure related to any client;
- The Company will be implementing a risk management system that monitors transactions and activities in real time and alerts the dealing room employees of any irregular transactions/activities.
- The company's management of client counterparty risk is significantly aided by the automated liquidation functionality. This is where the client positions are reduced should the total balance of the account fall below a predefined percentage of the required margin for the portfolio held.

The Company intends to serve the High and Ultra High Net-worth individuals, Corporates and certain large institutions. The Company, basis the risk profile of the client, will provide various limits to the clients. The leverage facility provided to the client shall be considering the overall net worth of the client combined with the Company's overall risk policy.

Trading Policies

The Company will enter into an agreement with MetaQuotes Software Corp. (hereafter "MQ") as its Trading Platform provider. The Company will offer clients the ability to trade via "MetaTrader 4/5" platforms that afford users the ability to engage the world's prominent financial markets and easily automate their trading strategies. Such Platform will be provided to the Company as part of its agreement with MQ. Metatrader ("MT") is a well-established player in the market. MT provides all the required risk controls that are required to protect the interest of the investors and also helps the Company with the necessary tools to monitor the transactions and provide a seamless trade execution experience to the client.



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Best Execution Obligation

SGL owes a fiduciary duty to clients to obtain the best execution of their brokerage transactions. Failure by SGL to fulfil its duty to clients to obtain the best execution may have significant regulatory consequences. SGL's policies are modelled after the guidelines articulated by the regulators; specifically, it believes that, to a significant degree, best execution is a qualitative concept. In deciding what constitutes the best execution, the determinative factor is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution. In making this determination, SGL's policy is to consider the full range of the broker's services, including without limitation the value of research provided, execution capabilities, commission rate, financial responsibility, administrative resources and responsiveness.

Execution by brokers: All trades are electronic, fully regulated and transparent.