

Important notes in respect of online forex trading

<Entry Stop / Stop Order Related>

An Entry Stop Order is an instruction to trade if a specific price (which is less favorable than our current quote) is reached. However, when the stop price is reached, an entry stop order becomes a market order (an order to buy or sell at the current market price.) Therefore, these orders do not guarantee that your order will be executed at the price you had requested.

It means that slippage will be occurred as Market Orders provide no price protection and (because filling a Market Order can take some time) they may fill at a price far lower/higher than the rate that was displayed when you placed the order. This is especially true in a rapidly moving market, from weekend to Monday and after periodic important news and event was announced.

<Price Display>

The bid/ask prices that are displayed on our platforms are an indication of the current underlying market. Due to factors like the speed of your internet connection it is possible that the prices you see are significantly different than the prices we will use to transact with you. Please ensure that your internet connection is unhindered.

<Charts>

Charts, by their very nature, are fractionally delayed. We receive multiple rates per second from our liquidity providers and the bid rate is used to create chart data. It is therefore possible that your order may be executed at a rate that is not necessarily reflected in our charts.

<Order Execution>

Your order may possibly be executed at a more disadvantaged rate than that shown on the platform. We acquire our rates from a pool of liquidity providers and at any point in time we will show the best bid and ask prices from those providers. If the size of your order exceeds the liquidity available on the rates we are publishing then that order may be filled at different rates to complete execution of the order.

<FIFO>

If a number of your limit and stop orders reach a specific target rate, such orders will be executed on a sequential basis (from oldest to latest).

<Hedging>

Both LION Trader and LION MT4 offer the potential for hedging positions. Hedging allows for both a sell and a buy position in the same currency pair to be open at the same time. While it may be advantageous to hedge positions in certain circumstances, one of the main disadvantages is the cost incurred from the spread between the buy/sell rate and overnight financing rates.

Both LION Trader and LION MT4 are automatically set up for Full Hedging by default. The LION Trader default setting can be changed to First In First Out (FIFO) upon request. FIFO means that if for example you are holding multiple buy positions and then create sell orders your buy positions will be closed from oldest to most recent.

If you require FIFO for LION Trader please use the **Contact Us** form and in the Comments section write 'Request FIFO setting'. We will then activate this function for you and send you a confirmation email. Please note that FIFO will not be activated on your trading account until we have sent you a confirmation email. Please also ensure that you have closed all your positions before making such a request. If positions remain, FIFO cannot be activated on your account.

<IF-DONE, IF-OCO orders>

There may be situations where you place both Entry Stop orders and attach If Done or OCO orders. It is possible that all three types of order may get executed at significantly different rates than what was anticipated. This is especially true in a rapidly moving markets, after important news events and when the markets reopen (e.g. after the weekend).

Example:

On Friday evening GBPUSD is trading at 1.49800.

You place an order:

IF→Entry Stop (Buy) 1.50000 DONE→Limit (Sell) 1.50200

On Friday the market closed at 1.49850

On Sunday evening the market opened at 1.50500

In the above example, your Entry Stop order was executed rate at 1.50500. Your closing Limit order was executed at 1.50200, creating a loss of 0.00300USD.

<Internet Connectivity Issue>

Generally, when you create or modify or execute orders over the trading platform they will be updated immediately. There may be times when the communication environment of your PC or system encounters problems, so please ensure that you check your order history.

It is possible that the information on your mobile phone will not be automatically updated, where rates displayed are different to the actual rates. In such circumstances your order may be executed at a market rate which is at a significantly different

level to the rate that you had anticipated.

<Your PC Environment>

Please ensure you have sufficient memory (RAM) available to allow data to update seamlessly. A reduction in RAM may lead to rates being updated at a slower rate than that of the actual market.

If the information is not updating, please re-log in.

If you do not have sufficient memory (RAM) the performance of your platform may be improved if you reduce the display of the number of currency pairs and close charts.

Please be aware when you update the latest OS on your mobile phone as it may conflict with your mobile app for our trading platform.