

## Trading Conditions

### Market Orders

Certain exchanges do not support Market orders. If a client places a market order in these markets, G&T TRADER will automatically convert the order to an aggressive Limit order within a certain percentage limit “in the money”.

The Percentage Limit varies between 1% and 4% depending on the exchange and the type of instrument. Please note that it is a client’s responsibility to check if the order is filled in the market after order entry.

If you experience or suspect any errors with your order, you should contact Galt & Taggart immediately.

Exchange	
American Stock Exchange (AMEX)	Oslo Stock Exchange (OSE)
Athens Stock Exchange (AT)	OMX Copenhagen (CSE)
Australian Stock Exchange (ASX)	OMX Helsinki (HSE)
London International Exchange (LSE_INTL)	OMX Stockholm (SSE)
London Stock Exchange (LSE_SETS)	Singapore Exchange (SGX-ST)

In addition, some of our execution brokers may choose to convert Market orders on certain exchanges into aggressive limit orders 3% “in the money”. This is due to their internal compliance and is intended to protect clients from unintentionally moving the market.

G&T TRADER will not be responsible for missing fills due to this.

### Split Orders

In case an order regarding a security is split, and filled partially over a period of more than one day, the total trading costs may increase. The reason for such increase is that the minimum fee may be charged more than one time based on the number of days necessary for the total execution of the order.

### Dividends from stock positions

Dividend payments from stock positions will be credited to the clients account with any applicable standard withholding taxes deducted.

Galt & Taggart cannot currently support or offer preferential withholding tax rates that may be available due to residency or legal status.

## Local Market Terms

### Custody, Taxation and fees on Greek Stocks

The Greek regulation requires every Greek shareholder to have a segregated settlement account for custody purposes.

For Greek stocks, the following fees and taxes apply:

Exchange fee	Clearing fee	Sales Tax
1.25 bps	2.00 bps	0.2 % (For Sells Only)

### Taxation on French Stocks

For French large cap Stocks a Financial Transaction Tax (FTT) of 0.20% apply to all buy trades. The full list of the 109 affected Stocks can be found in the official application decree (in French).

### Taxation on Hong Kong Stocks

For Hong Kong stocks, Stamp Duty and other charges apply: 0.108%

Note: Automated trading from 09:30-16:30 with a break between 12:00 - 13:30.

### Taxation on Irish Stocks

- Stocks have an ITP (Irish Takeover Panel) levy charge of 1.25 Euros for stock purchases and sales, where the trade value exceeds 12,500 Euros
- Ireland Stamp Duty 1.0% of Transaction Value for stock purchases only

### Taxation on Italian Stocks

From 1 March 2013 the Italian Financial Transaction Tax (FTT) of 0.10% will go live on all purchases of Italian shares and Equity linked securities (i.e. depositary receipts) in listed companies that have a registered office in Italy.

### Taxation on Singapore Stocks

For Singapore Stocks, a Clearing Fee of 0.04% is payable, subject to a maximum of SGD 600.

### Taxation on South African Stocks

The Johannesburg Stock Exchange applies a Securities Transfer Tax (STT) of 0.25% when opening a stock position (on stock buy trades) - this tax is not applicable to Single Stock CFD trades.

### **Taxation on UK Stocks**

For UK stocks a Panel for Takeovers and Mergers (PTM) Levy and Stamp Duty may be applicable.

Stamp Duty is applied on all buy transactions at a rate of 0.5% of the transaction value.

A PTM Levy of GBP 1 is applied to buy and sell transactions where the Gross Value of the trade exceeds GBP 10,000.

Please note that for Irish registered stocks, Stamp Duty is 1% of the transaction value.

### **Depository Receipt fees - US**

It is standard practice for US depository receipts to charge an annual administration fee up to USD 0.05 per share depending on the issuing depository bank.

The intent of the fee is to cover costs for the banks that take on the operational processes necessary to issue and trade the depository receipt line.

Typically the fee is deducted when dividend payments are made, however, in case the depository receipt does not pay a dividend or did not include the custodial fee in their dividend events, the fee will be administered through fee-only events.

The dividend fee is stipulated in the Deposit Agreement between the depository bank and the company based upon industry standards. The Deposit Agreement is filed with the SEC and is readily accessible by the public.

The fee per depository receipt is not dependent on the total amount of dividend being paid but the amount of shares held.

### **SEC Section 31 Fees for US CFD DMA and Shares**

Galt & Taggart passes on to clients the SEC Section 31 fee of \$18.40 per million (0.184 bps) on US exchange CFD DMA and stock SELL transactions where client orders are entered directly into the underlying market.

Regular CFDs are exempt from this charge. This fee applies only to US exchanges.

### **Pre-Opening Order Fills in US Markets**

In US markets, G&T TRADER consolidates liquidity from a number of sources in addition to the primary exchanges.

When there is a delay in the opening of the primary exchange, orders can be filled from these other sources before trading commences on the primary exchange.

### **Corporate Actions**

#### **Bonus Issues**

Additional Stocks are allocated on the Ex-date.

### Capital gain distribution

Cash payment is allocated on Ex-date for value Pay date.

### Cash Dividends

Cash dividends are booked on the Pay date based on the holdings as one day prior to the Ex-date.

Dividend payments from Stock positions will be credited to the clients account with any applicable withholding taxes deducted.

### Deletion of Open Orders as a Result of Corporate Actions

The day before a Corporate Action event is scheduled to take effect (the Ex-date), open orders are deleted for certain event types.

The following details the rules of behaviour:

Event Type	Never delete orders	Always delete orders	Rule defined below
Tender offers	x		
Stock splits		x	
Reversed stock split		x	
Bonus issues		x	
Mandatory Mergers		x	
Spin offs		x	
Ticker changes		x	
De-listings		x	
Cash dividends			x
Stock dividends			x
Optional dividends			x
Right issues			x

For dividends and rights issues, all open orders for the given instrument will be deleted if the change in the market price is calculated to be over 20% due to the Corporate Action event.

### **Dividend Options**

The default payment form is cash. However, clients can elect to receive Stocks. The cash entitlements are booked at pay date based on Ex-Date holdings. The Stock entitlement will be allocated once the reinvestment rate is confirmed for value Pay Date.

For dividend option events with tradable coupons these will be allocated at ex-date. The default payment is stocks. Clients can however elect to receive cash.

For dividend options clients will be able to manually insert standing instructions at the individual security level.

### **Dividend reinvestment Plan (DRIP)**

The default payment form is cash. However, clients can elect to receive Stocks. The cash entitlements are booked at pay date based on Ex-Date holdings. The Stock entitlement will be allocated once the reinvestment rate is confirmed for value Pay Date.

For dividend reinvestments clients will be able to manually insert standing instructions at the individual security level.

### **Exchange offer**

For exchange offers, clients holding a position in their portfolio will have the possibility to elect prior to the deadline.

### **Fractional Compensation**

A fractional stock is less than one full stock, and can arise as a result of a Corporate Action entitlement calculation.

For the following Corporate Actions, G&T TRADER pays cash compensation for fractions whenever fraction compensation is applicable:

- Stock splits
- Reverse stock splits
- Optional dividends on stock positions
- Mergers

### **Liquidation**

Holdings in the liquidated company will be removed. Liquidation proceeds, if any, will be allocated.

### **Mergers & Mergers with Elections**

For mandatory Mergers there are different outcomes:

1. Cash (distributed on Pay-Date)
2. Stocks (distributed on Ex-Date)
3. Mix of Cash & Stocks (distributed on Ex-date)

For mergers with elections, clients have the possibility to elect prior to the deadline.

**New Positions in non-online traded Instruments**

Sometimes a Corporate Action involves an instrument that is not tradable online with G&T TRADER.

Under those circumstances, the procedures are as follows:

Positions in new instruments that are not tradable online, assigned as a result of a Corporate Action, are booked to the clients account. The instrument will be added to the client account for reporting purposes.

**Priority Issue**

Clients holding the stock as of Ex-date will be given the possibility to subscribe for new shares. The offer to purchase new shares is not transferable.

**Right Issues**

Clients holding Stock positions will receive rights and can choose to sell the rights or subscribe to new Stocks. If G&T TRADER has not received a response from clients by the reply deadline date stipulated by G&T TRADER, the Bank will if possible, sell the rights on behalf of our clients before they expire.

If the rights are non-tradable, they will lapse and become worthless. The proceeds from the sale will be distributed to our clients, less standard commission for the account. The reason the Bank carries out this action is to prevent rights from being worthless when they expire.

For rights issues were a temporary line is paid as a result of the subscription, the temporary line will be moved into the ordinary line via a Pari Passu event.

**\*Australian Listed Events**

For certain event types including but not limited to Non Renounceable Rights Distributions, Subscription Offers, Entitlement Offers, Rapid Offers, Retail Offers, Australian Listed Companies have the right to reduce entitlements to zero in certain circumstances and G&T TRADER will therefore only be booking entitlements to clients on the Payment Date.

**Share premiums**

Cash payment is allocated on Ex-date for value Pay date.

**Special Corporate Action Events**

Special and infrequent Corporate Actions that do not come under the descriptions above may occur.

Galt & Taggart will handle such Corporate Actions in the best interest of the client to the extent that time and operational procedures will allow.

**Stock Dividends**

Additional Stocks are allocated on the Ex-date for value on the Pay Date.

**Stock Splits / Reverse Stock Splits**

New Stock positions are allocated on the Ex-date.

**Taxes and Fees on Corporate actions**

Taxes and fees may also occur on other corporate action other than cash dividends such as fee on a stock dividend or tax on a merger.

When such taxes and fees occur G&T TRADER will debit the client's account accordingly.

**Tender Offers**

Clients holding Stocks in their portfolio will have the possibility to tender.

**Warrant exercise**

Clients holding warrants will have the possibility to exercise their warrant prior to the deadline. Warrants not sold or exercised will lapse worthless.