

Your guide to MARKET ORDERS

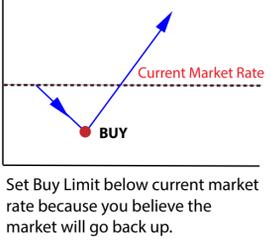
Mitigating Risk with Market Orders

What is a Market Order? A market order is an order to buy or sell foreign currency if the market rate hits your desired order price. The PayFX Order Management System (OMS) allows you to manage your market orders and set your desired buy or sell price.

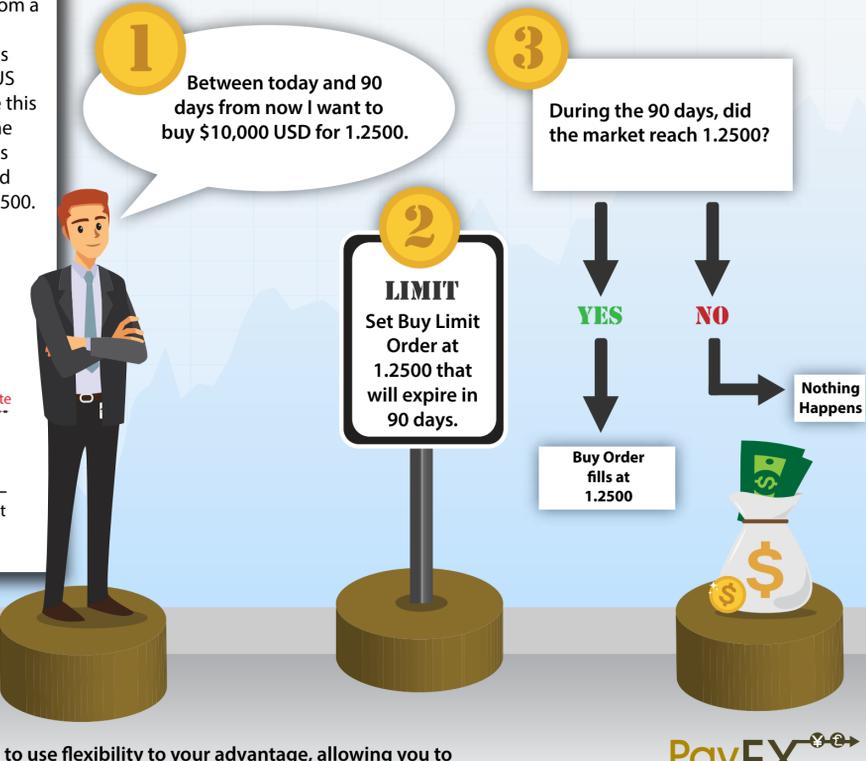
BUY LIMITS

Buy Limit Orders allow you to set a buy order at a rate that is currently below the current market rate.

Example:
Jim purchases his inventory from a US supplier which requires payment in USD. Since Jim has flexibility in the timing of his US purchase, he would like to use this flexibility to his advantage. The current rate to purchase USD is 1.300 and if possible Jim would like to purchase his USD at 1.2500. He places a Buy Limit Order at 1.2500 that expires in 90 days.



Set Buy Limit below current market rate because you believe the market will go back up.



Why it matters:
A Buy Limit Order allows you to use flexibility to your advantage, allowing you to potentially take advantage of rate movements that positively impact your bottom line.



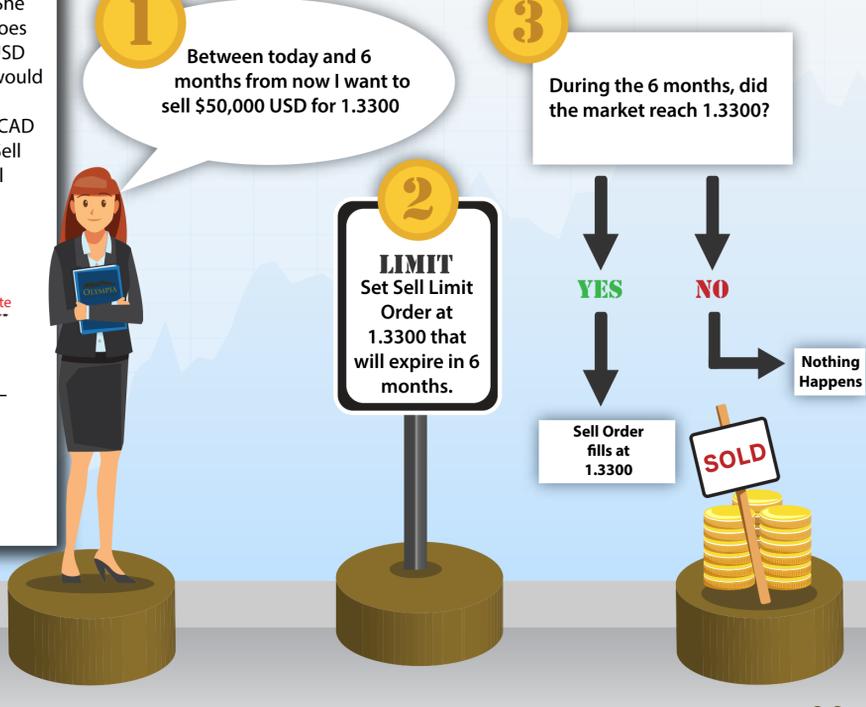
SELL LIMITS

Sell Limits Orders allow you to set a sell order at a rate that is currently above the current market rate.

Example:
Sofia sells furniture to many US suppliers and is paid in USD. She has a positive cash flow and does not immediately require the USD converted back to CAD. She would like to use this flexibility to hopefully convert her USD to CAD at a better rate. She places a Sell Limit Order for 1.3300 that will expire in 6 months.



Set Sell Limit Order above current market rate because you believe the market may go down.



Why it matters:
A Sell Limit Order allows you to take advantage of market movements to get more currency in exchange for the currency you are selling if the market hits your desired price.

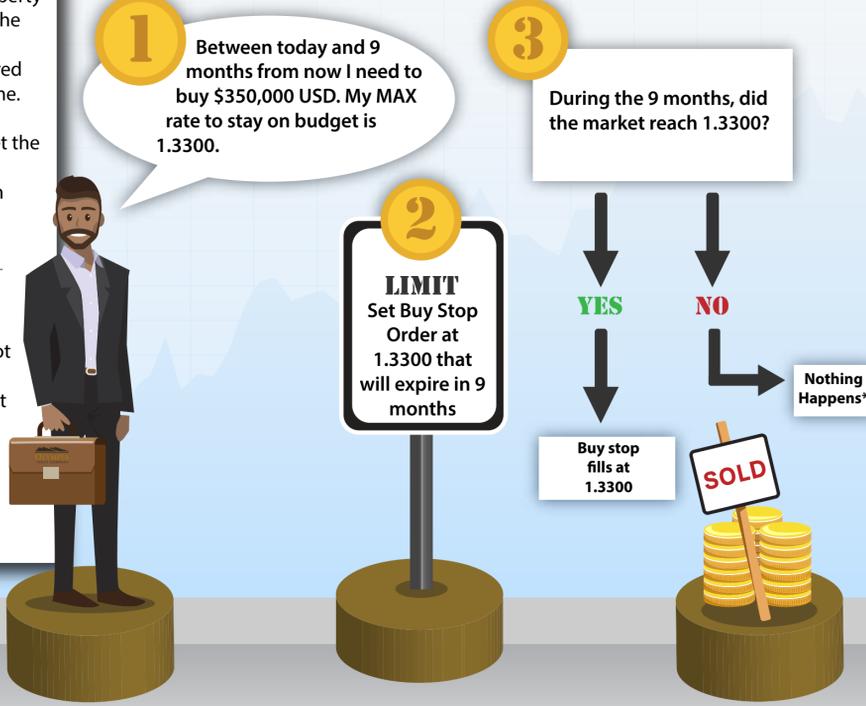


BUY STOP

A Buy Stop Order allows you to set a buy stop at a rate that is currently higher than the current market rate.

Example:
Ken is building a vacation property in the US for \$350,000 USD. The house will be completed in 9 months and Ken will be required to pay the \$350,000 at that time. The current rate is 1.3000 and although Ken would like to get the best rate possible his budget requires he pays no more than 1.3300. Ken places a Buy Stop Order at 1.3300.

*During the 9 months if the market hits a rate that Ken is happy with, he can book a spot trade and cancel his stop buy order. If the market has not hit 1.3300 in 9 months the order expires and nothing happens.



Why it matters:
Buy Stop Orders are used to protect you from market movements against your position by allowing you to set a maximum rate you are willing to pay.

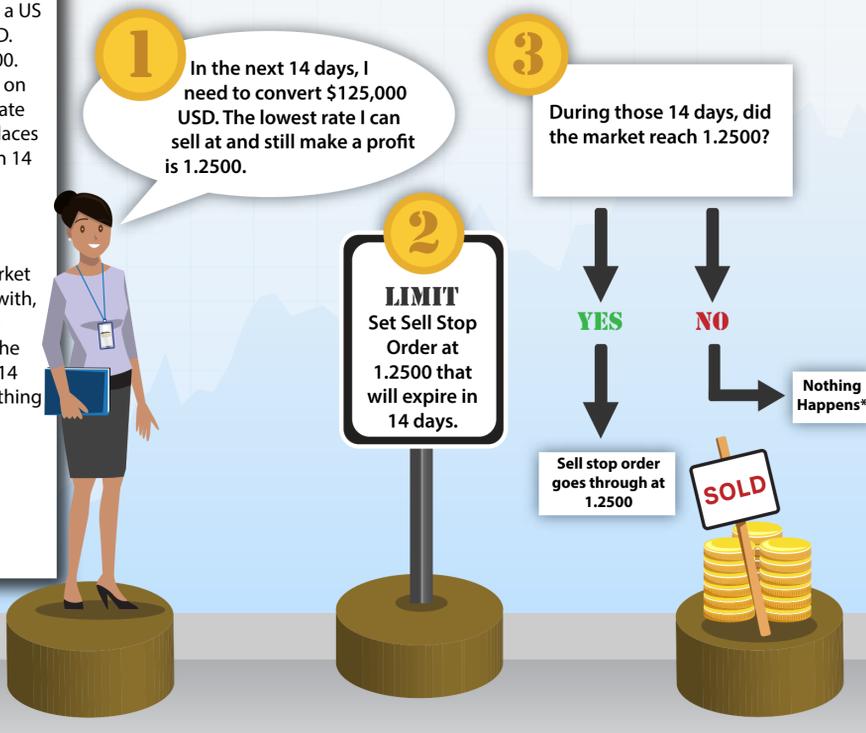


SELL STOP

A Sell Stop Order allows you to set a sell order at a rate that is currently below the current market price, which helps avoid loss.

Example:
Katie is selling a custom car to a US client who is paying her in USD. The current rate to sell is 1.3000. To ensure Katie makes a profit on the vehicle she must sell at a rate no lower than 1.2500. Katie places a stop sell at 1.2500 expiring in 14 days.

*During the 14 days, if the market hits a rate that Katie is happy with, she can book a spot trade and cancel her Sell Stop Order. If the market has not hit 1.2500 in 14 days the order expires and nothing happens.



Why it matters:
Sell Stop Orders are placed to ensure you are protected against downward movements of the currency you are looking to sell.



Good to Date (GTD) & Good to Close(GTC)



Good to Date
Allows you to set the order to a specific date. The order will expire on that date if it has not filled.



Good to Close
Allows the order to be placed today and remain active until it is filled.

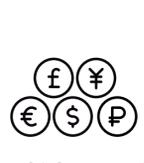
What you can do with PayFX



Buy & Sell Foreign Currency



Make International Payments



Hold Multiple Currencies on Account

Questions?

Unsure of what is the best market order for you? Call one of our Foreign Exchange Specialists for a free consultation today! 1-866-770-6350