

Trading Procedures

Approved by SEA February 24, 2006

1.0 Trading hours

Normal trading hours for the Cayman Islands Stock Exchange (the "Exchange" or "CSX") are 9:30 a.m. to 4:00 p.m. (Cayman Islands time) Monday through Friday. The trading system is closed on all statutory bank holidays of the Cayman Islands and also if the Exchange is forced to close due to extreme weather conditions (hurricanes). The Exchange has the right to suspend trading in a particular security during the normal trading day if it deems so necessary.

The hours may be shortened or lengthened should the Exchange deem it necessary to do so. These hours may also be shortened if a sufficient number of Broker Members feel shorter trading hours would improve liquidity and the prompt matching of orders. The trading hours are displayed on the CSX website (Welcome to the CSX Trading System).

2.0 Broker Members

Only Broker Members duly admitted to the Exchange may use the Exchange's trading facilities and access the trading platform. Members will receive a unique login and password to access the CSX trading pages. Only registered representatives of the CSX will be granted a password and a trader ID for trading. Note that this is for personal use by the individual trader.

3.0 Securities which may be traded

Broker Members may trade any security that is listed and admitted for trading on the Exchange. Broker Members are not obligated to post quotations for any listed security. The trading platform is web-based and order driven. Execution takes place when a buyer or a seller accepts a quote (in full or partially).

4.0 Contents of quotation

Each bid (buy) or offer (sell) posted on the Exchange's electronic trading system must display:

- (a) name of the Broker Member or unique symbol identifying it;
- (b) name or ticker symbol of the security;
- (c) price;
- (d) whether the quotation is a bid or an offer;
- (e) number of shares offered or sought;
- (f) date and time (in hours and minutes) the quotation is posted;
- (g) validation of the quotation i.e. if the quote is valid until close or until fill;
- (h) a unique symbol (letters, numbers or combination of them) which identifies (on the books and records of the Broker Member firm) the account number or numbers for which the transaction is intended to be made (i.e. the underlying client ID)
- (i) an identifying number for the quotation which will be the unique transaction identifier (generated by the CSX system and is the same as the ticket number).

5.0 Currency

Quotations may be posted or accepted in US dollars only. This is the trading currency of the CSX.

6.0 Duration of posting

Once a quotation is posted, it will remain posted on the system until the first of the following events occurs:

- (a) the quotation is accepted (filled);
- (c) the close of the trading day when all quotations marked "valid until close" are deleted from the system.

7.0 Acceptance of quotations

When a Broker accepts a quote the information will be submitted electronically over the trading system. Upon acceptance on the electronic trading system the trade ticket is generated. At that time the trade is shown as executed on the trading system. A transaction report will be generated for audit and surveillance purposes of the Exchange.

8.0 Electronic acceptance

Once the accepting Broker Member makes electronic acceptance, a confirmation ticket with the trade details is generated for both seller and buyer. The confirmation will show the following:

- (a) name or identifying symbol of the Broker Member accepting the quotation;
- (b) name or ticker symbol of security;
- (c) quantity bought or sold;
- (d) date and time of acceptance;
- (e) a symbol which identifies (on the books and records of each member firm) the account number for which the transaction is made;
- (f) the unique transaction identifier which is the trade ticket number generated by the CSX system for that specific transaction (this is in effect the transaction identifier which is the same for both parties and which will identify the specific transaction in the audit trail for clearing and settlement).

No open quotes exist. Once a buy or a sell has been confirmed the two Broker Members involved have entered into a legally enforceable contract for the purchase and sale of securities on those terms.

9.0 Non-electronic acceptance.

In the case of a transaction between Broker Members agreed through telephonic or other communications off the electronic trading system, all transactions done under the rules of the Exchange must be confirmed between Members via the electronic trading system within three (3) minutes after their execution. The selling member involved in the transaction must post a transaction report on the

cross transaction page which shows the same information as required by items 4 and 8 above. Upon acceptance by the buying broker a transaction ticket is generated and the two Broker Members involved have entered into a legally enforceable contract for the purchase and sale of securities on those terms. The trade is at this time posted on the trade page.

10.0 Acceptance of own quotations

Broker Members may accept their own quotations if they have matching but opposite orders from customers in hand or if they desire to deal for their own account. All such acceptances of a Broker Member's own order must be made electronically under Procedure 9.

11.0 Required internal records

Broker Members' internal records must be adequate to enable the Exchange's surveillance staff to follow an audit trail of each transaction. The audit trail should be accurately created at the time of receipt of the order from the client through to clearing and settlement of the order. It should reflect the execution through the CSX trading system or a withdrawal if the order is cancelled for any reason.

12.0 Priority of orders

- When Broker Members have two or more identical customer orders for a security, the first order received by the Broker Member must be given priority of both posting and execution.
- Broker Members must maintain adequate records, including electronic time stamping, showing when customer orders are received and posted, which can be audited by the Exchange's surveillance department.
- When Broker Members have in-house orders identical to customer orders, customer orders must always be given priority of execution.

13.0 Mistakes

Mistakes must be reported to the Exchange as soon as possible and the CSX will remove the executed trade from the trading page provided that both parties confirm to the CSX that they agree to the trade being cancelled. Corrective postings when both parties agree will be made on the electronic trading system

page as soon as possible. Mistakes, which are not mutually agreed, are disputes between Broker Members and must be resolved separately.

14.0 Clearing

The clearing of transactions executed on the Exchange will be in accordance with the Settlement Rules of the Exchange in force at the date of the trade.

15.0 Settlement

The settlement of confirmed transactions executed on the Exchange will be in accordance with the Settlement Rules of the Exchange in force at the date of the trade.

16.0 Binding nature of procedures

These trading procedures are established by the Exchange and may not be varied, waived, disregarded or altered in any fashion for any trade made through the facilities of the Exchange or involving any security that is listed only on the Exchange and admitted to trading even if both Broker Members desire to do so. Violation of any of these procedures may subject a Broker Member to appropriate sanctions by the Exchange.

17.0 Amendment of Procedures

The Exchange with the approval of the Stock Exchange Authority may amend the trading procedures at any time. Such amendments shall be effective as soon as the Exchange posts them on the CSX Website and written notice is given to the Broker Member.