

**VISION LP. | ORDER PLACEMENT GUIDELINES**

ORDER TYPES	ABBREV.	MUST SPECIFY	EXPLANATION OF ORDER	HOW IT IS PLACED	EXAMPLE
Market Order <sup>1</sup>	MKT	1. Buy or Sell 2. Number of contracts 3. Commodity 4. Month/Year	Buy/ Sell order, regardless of price	N/A	Buy 7 Feb 2002 Gold at market  <a href="#">details &gt;&gt;</a>
Market On Open <sup>2</sup>	MOO	1. Buy or Sell 2. Number of contracts 3. Commodity 4. Month/Year	Buy/ Sell order, regardless of price	Buy/ Sell placed prior to market open	Buy 7 March 2003 Silver on open  <a href="#">details &gt;&gt;</a>
Market On Close <sup>3</sup>	MOC	1. Buy or Sell 2. Number of contracts 3. Commodity 4. Month/Year	Buy/ Sell order, regardless of price	Buy/ Sell placed prior to market open	Buy 7 December 2003 SP on close  <a href="#">details &gt;&gt;</a>
Market If Touched <sup>4</sup>	MIT	1. Buy or Sell 2. Number of contracts 3. Commodity 4. Month/Yr. 5. MIT price	Buy/ Sell when market price touched	Buy MIT placed below market, Sell placed above	Buy 7 March 2002 Copper at 78.00 MIT  <a href="#">details &gt;&gt;</a>
Stop Order <sup>5</sup>	STP	1. Buy or Sell 2. Number of contracts 3. Commodity 4. Month/Yr. 5. Stop Price	Buy/ Sell when the market hits stop	Buy Stops placed above market, Sell placed Below	Buy 7 Nov 2002 Oil on a Stop  <a href="#">details &gt;&gt;</a>
Limit Order <sup>6</sup>	LMT	1. Buy or Sell 2. Number of contracts 3. Commodity 4. Month/Yr. 5. Limit Price	Buy/ Sell at a stated price or better	Buy Limit below market, Sell above market	Buy 7 Dec 2002 Lean Hogs at 50.00 on Limit  <a href="#">details &gt;&gt;</a>
Stop Limit Order <sup>7</sup>	STP	1. Buy or Sell 2. Number of contracts 3. Commodity 4. Month/Yr. 5. Stop Price 6. Limit Price	Buy/ Sell with a stop limit order	Buy Stops placed above market, Sell Placed Below + Specify limit	Buy 7 May 2003 Corn 2.50 Stop Limit 2.52  <a href="#">details &gt;&gt;</a>
Order Cancels Other <sup>8</sup>	OCO	1. Buy or Sell 2. Number of contracts 3. Commodity 4. Month/Year	2 Orders of Buys or Sells Or Combined	Placed 2 order with a combination of orders above one will cancel Other	Buy 7 Feb 2002 Gold 300 Limit OCO MOC  <a href="#">details &gt;&gt;</a>
Fill or Kill Order <sup>9</sup>	FOK	1. Buy or Sell 2. Number of contracts 3. Commodity 4. Month/Year	Order must be filled immediately or it gets cancelled.	N/A	Buy 1 Dec 2002 Minse at 850.00.  <a href="#">details &gt;&gt;</a>
Good Til Canceled <sup>10</sup>	GTC	1. Buy or Sell 2. Number of contracts 3. Commodity 4. Month/Yr.	Keeps the order in place until cancelled	Placed with any buy or sell orders	Buy 7 Swiss Francs at 50.00 GTC  <a href="#">details &gt;&gt;</a>

## ADDITIONAL EXAMPLES

### <sup>1</sup>Market Orders:

Placing an order to buy or sell at close to where the current market is trading is called a Market order. **THERE IS NO SPECIFIED PRICE FOR THE MARKET ORDER.** Governed by the CFTC and exchange rules, Floor brokers are to give you the best possible service. However, you don't have control over the market. Because they have the highest priority levels, Market orders get filled first. When you place a market order, it should be executed within 2-3 minutes that the floor receives it.

Example: Gold is trading at 300.00. You place a BUY MARKET ORDER. Two minutes later, the market is trading at 295.00. Your order is executed and you are filled at 295.00. (see diagram 1.0)

– diagram 1.5

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### MARKET ORDER EXAMPLE



**RISK DISCLOSURE:** Futures trading contains substantial risk, is not for every trader, and only risk capital should be used. Margins are subject to change. Past performance is not indicative of future results. **ORDERS ARE NEVER GAURANTEED TO BE FILLED AT ANY PRICE.**

<sup>5</sup>**Stop Orders:**

Stop orders become market orders when a particular price level is reached. Stop orders are mainly used to protect or close out profitable positions. Also can be used to initiate positions (However, this is rare.) If the market moves against you, your sell stops are hit. They become market orders and you offset your positions.

Example: You find a commodity, (lets say "US DOLLAR INDEX", DXZ2) that you are looking to buy or sell. The market is currently trading at 50.00. You place a Buy Stop Order at 75.00. This means that the order becomes a market order at 75.00, and the order will then be executed. It can be filled **AT** or **ABOVE** 75.00. Buy Stop Orders must be placed anywhere **ABOVE** the current market price. On the other hand when placing a Sell Stop Order with your broker you would place it anywhere **BELOW** the current market price. For example you place a Sell Stop Order for DXZ2 at 30.00. When DXZ2 is **AT** or **BELOW** 30.00, your Sell Stop Order will be executed. (see diagram 1.5)

**Why would I place a Buy Stop Order?**

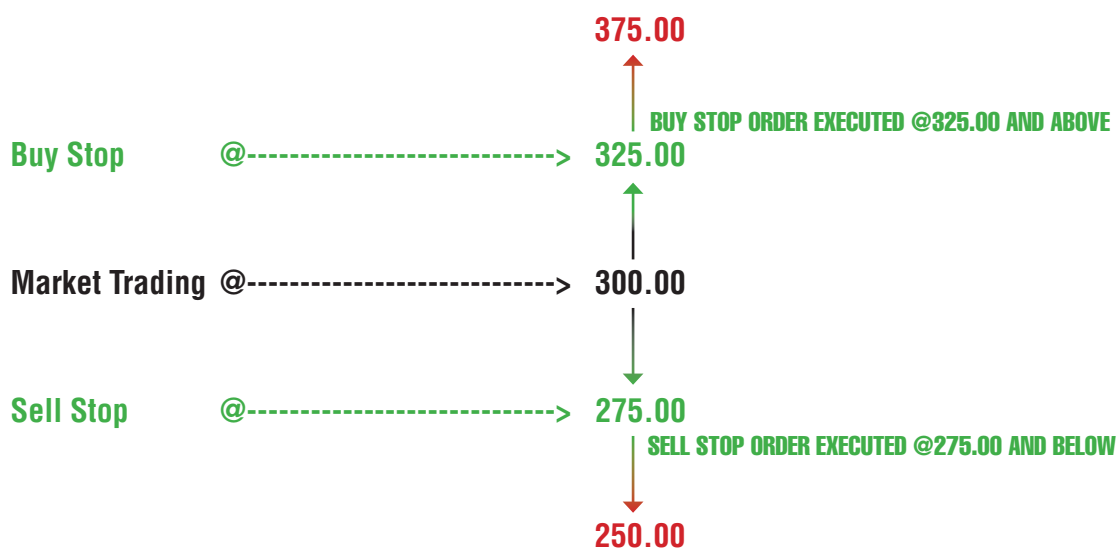
1. To protect a major loss in an open short position.
2. To initiate a buy position. (very rarely)

**Why would I place a Sell Stop Order?**

1. To protect a major loss in an open long position.
2. To initiate a sell position. (very rarely)

– diagram 1.5

**STOP ORDER EXAMPLE**



<sup>6</sup> **Limit Orders:**

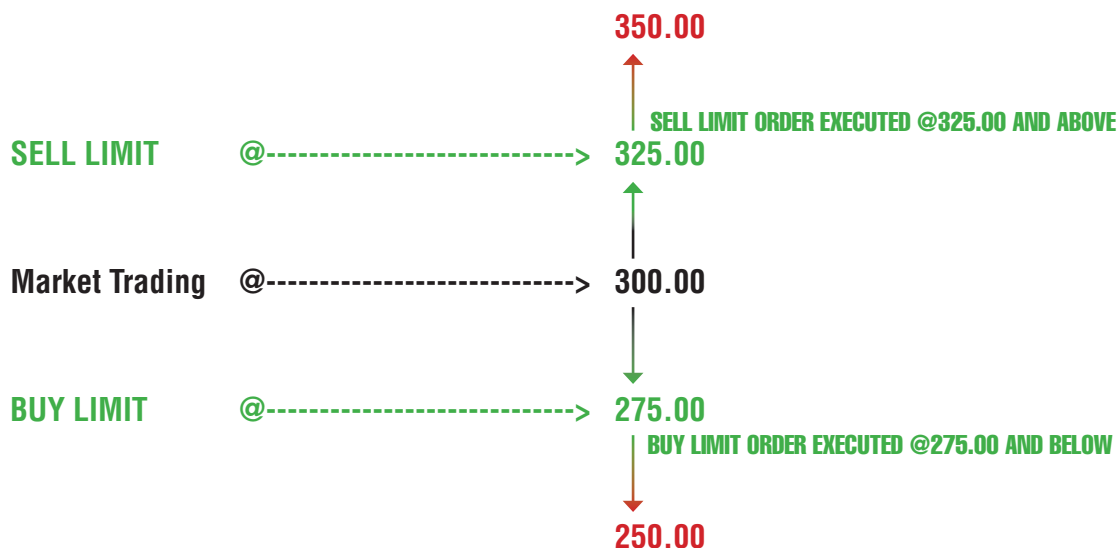
Limit orders are used for entering the market at a specified place. Buy limit orders are placed below where the market is trading. Sell limit orders are placed above where the market is trading. If the market never reaches the designated price, the Limit Orders cannot be filled.

In order to execute a Limit Order, the price of the market has to go **THROUGH** the limit price. **\*LIMIT ORDERS do NOT have to be filled at the price of the order.\*** Buy Limit Orders are placed below and Sell Limit Orders are placed above the market.

**Example:** Gold is trading at 300.00. You want to enter a **BUY LIMIT ORDER** for gold at 275.00. If the market trades **BELOW**, 275.00, your Buy Limit Order will be executed. The exact opposite is true for a **SELL LIMIT ORDER**. You want to enter a **SELL LIMIT ORDER** for gold at 325.00. If the market trades **ABOVE**, 325.00, your Sell Limit Order will be executed. (see diagram 1.6)

– diagram 1.6

**LIMIT ORDER EXAMPLE**



**7 Stop Limit Orders:**

Stop limit orders are used to trade within a certain price range. Stop Limit Orders have two prices – a stop and a limit. The worst price an order can be executed at is the limit level and the best price is the stop level. For protection in fast moving markets, Stop Limit Orders are sometimes used.

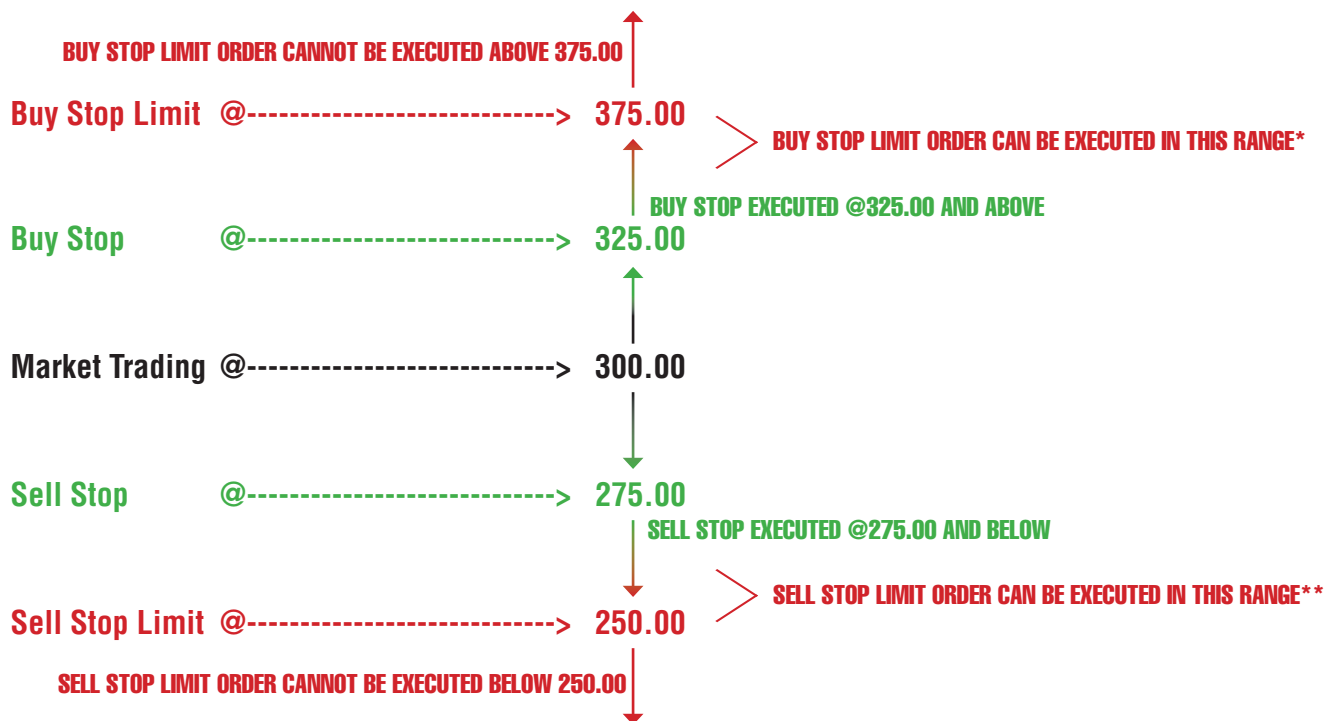
**BUY STOP LIMIT ORDER:** Gold is trading at 300.00. You want to enter a **BUY STOP LIMIT ORDER** for gold. The **STOP PRICE** for the buy order would be placed at 325.00; this is where your order becomes a market order. You place a **STOP LIMIT** price for the buy at 350.00. This price is the maximum your order can be filled at. Any price **ABOVE 350.00, your order cannot be filled**, hence the limit. The difference between a STOP ORDER and a STOP LIMIT ORDER is **STOP LIMIT ORDERS protect you against being filled at a price far away from the original price.** (see diagram 1.7)

**SELL STOP LIMIT ORDER:** Gold is trading at 300.00. You want to enter a **SELL STOP LIMIT ORDER** for gold. The **STOP PRICE** for the sell would be placed at 275.00; this is where your order becomes a market order. You place a **STOP LIMIT** price for the sell at 250.00. This price is the minimum your order can be filled at. Any price **BELOW 250.00, your order cannot be filled**, hence the limit. (see diagram 1.7)

**\*\*STOP LIMIT ORDERS ARE NOT GAURANTEED TO BE FILLED.**

– diagram 1.7

**STOP LIMIT ORDER EXAMPLE**



## **ADDITIONAL EXAMPLES** (cont'd)

More Info? If you need further explanation we would be more than happy to assist you and explain further how to place this order correctly. We help traders daily, so if you have any order related question or a trading related question, please call the order desk Toll Free @ 1.800.303.1650.