



Order Handling and Execution Policy

Version [v. 02]

[08/12/2023]

Introduction

This Order Handling and Execution Policy is applicable to services provided to you as defined by the Agreement by OTCX Trading Ltd. (“OTCX”, “the Firm”) as applicable.

When providing relevant services, OTCX is required to take all sufficient steps to obtain the best possible result for client orders, subject to and taking into account specific instructions received, the nature of the orders and the nature of the markets, and the product concerned. This Policy illustrates the measures that OTCX implements to achieve Order Handling and Execution requirements for clients.

1. Regulatory context and applicable law

The following law and regulation is taken into account when writing this Policy:

- [Article 27 and Article 28 of Directive 2014/65/EU \(MiFID\)](#);
- [FCA Handbook – COBS 11.3](#) and
- FCA Principle 8 - A firm must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client.

2. Scope

The Order Handling and Execution Policy applies to orders executed on behalf of clients classified as professional clients by OTCX during onboarding. This Policy does not apply to clients classified as eligible counterparties. The product scope is limited to Structured Product post issuance.

3. Order execution

OTCX clients subject to this policy may execute Structured Product transactions via the following media: electronic trading platform.

There are a number of factors that OTCX may use to construct a price for financial instruments, such as asset class, nature of the market, terms of the transaction. Subject to any specific instructions, OTCX will take the following execution factors into account:

- Price;
- Cost;
- Speed;
- Likelihood of execution and settlement; and
- Size, nature or any other consideration relevant to the execution of a transaction.

Clients may give OTCX specific instructions on how all or part of an order should be executed, OTCX will effect the order according to such instructions. Clients should be aware that by providing specific instructions, OTCX may not be able to follow the steps set out in this policy and obtain the best possible result for the execution of the given order.

4. Order handling

OTCX will execute client's orders in a prompt, fair and expeditious manner and will seek to execute comparable orders in the sequence in which they are received, unless the specific order details or market conditions make this impracticable. As a consequence, there may be a deviation from this principle.

Should OTCX experience difficulties in carrying out a client order promptly, OTCX will inform the client as soon as the difficulty is identified.

OTCX may aggregate client orders only where it is unlikely to create any disadvantage to the client concerned. OTCX will make all reasonable efforts to ensure the client is not disadvantaged, but there may be instances where they are, due to reasons outside of OTCX direct control such as market conditions.

5. Costs & charges

- In instances where the firm is acting in the capacity of Investment Firm for structured products it will enter into a bilateral fee agreement with each client.
- These fee agreements will vary according to the service provided to each individual client but will be derived under the following criteria:
 - EU and UK based clients: fee charged to issuer of volume with a volume discount and buyer is charged a support and maintenance fee
 - US based clients: fees charged for messaging, support and maintenance

6. Ongoing monitoring

OTCX conducts ongoing monitoring of the effectiveness of this policy and execution arrangements to identify and address any deficiencies. This policy and relevant order execution arrangements are reviewed at least annually or whenever there is a material change impacting OTCX ability to achieve Best Execution. Should there be any such material changes, OTCX will notify clients as soon as possible.

7. Key contacts

Clients that wish to query the execution of an order can request OTCX to demonstrate that it has been executed in compliance with this policy. Please see below key contact details:

Compliance department:

By email: compliance@otcxtrading.com

By post: OTCX Trading Limited, 49 Queen Victoria St, London EC4N 4SA, United Kingdom