

## EC Markets Group Ltd Client Order Handling Summary

## 1 - Overview

The Client Order Handling procedure establishes the principles and rules by which EC Markets Group Ltd (the 'Firm') will execute orders on behalf of clients. As a regulated firm, the Firm has an obligation to comply with the Financial Conduct Authority's rules on Client Order Handling. This policy should therefore be read in conjunction with the firm's Best Execution Policy.

The purpose of execution policy is to ensure that all clients are treated in an equal and fair manner and that their orders are executed promptly, fairly and expeditiously in their best interest. The FCA has communicated an outcomes-based approach to regulation. It is therefore imperative that the Firm executes client orders in a manner that delivers the right outcome for the client.

## 2 - Scope

The Execution Policy does not apply to eligible counterparty transactions. Application of the policy may also be limited if the Firm receives specific client instructions as provided for below. As a general approach towards best execution and order handling, we do not usually treat professional clients orders differently to retail clients orders.

Our platform is fully automated for pricing and order execution, and by placing an order, you are giving our platform an instructions to place that order on your account on the basis of the prevailing prices and/ or settlement prices generated by our platform.

## 3 - Policy

In executing client orders, the Firm is required to carry out this activity promptly, fairly and expeditiously, relative to other client orders. For the purposes of this policy, the Firm will be deemed to be executing a client order in any of the following circumstances:

- When the Firm executes orders on behalf of clients;
- When the Firm transmits orders to other entities for execution when providing the service of reception and transmission of orders

### 3.1 - Client Order Handling

When you enter into a trading contract with us, we act as the principal to your trades and not an agent – this means that we are the sole execution venue and you transact directly with us over-the-counter (OTC), and not on any exchange.

When executing orders, we will take all sufficient steps to obtain the best possible result for you taking into account the type of financial instrument the order relates to, and other execution factors. Our Platform executes Orders on an automated basis and does not rely on any manual intervention or dealing.

The Firm uses First In, First Out (FIFO) order handling methodology and client orders automatically get sent to a Liquidity Provider. The Immediate or Cancel (IOC) time in force is applied to an order which means that any portion of the order or order that does not fill immediately will be cancelled unless the time in force is specified as GTC (good 'till cancelled) or GTD (good 'till date).

### 3.2 - Execution Factors and Criteria

To provide Best Execution we are obliged to consider certain execution factors for each transaction. We have defined the criteria below for your review. In the absence of express instructions from the client, the Firm will exercise its own discretion in determining the relative importance it assigns to the execution factors (or the process by which it determines their relative importance) that it applies for the purposes of providing the client with the likelihood of achieving the most optimal result.

Following factors are taken into consideration when we execute your orders, ranked in order of importance from highest to lowest:

- a) Price and costs of execution
- b) Likelihood and speed of execution
- c) Size, nature and the characteristics of the order
- d) Characteristics of the clients

a) **Price and costs of execution:**

The trading platform will seek out the best overall outcome for the transaction and this is likely to be the most important execution factor to our clients, however, the nature of the investment instrument will determine if the Firm shall give precedence to other factors such as speed or likelihood of execution depending on the investment instrument characteristics. Trades incur a pre-agreed fee per lot or per million of notional value traded that is disclosed up front in our Agreements with you.

b) **Likelihood and speed of execution:**

Through the use of an automated trading platform, orders will be executed promptly with opportunities for price slippage to occur sometime on some types of orders. Due to the nature of the platform, it is likely that speed of execution will be of high importance to our clients. We aim to update our prices as frequently as reasonably possible; however, our ability to do so may be limited by technological factors, including liquidity providers' price feeds, hardware, software and data communications links. We execute all trades at the prices communicated to us by liquidity providers and in accordance with our Standard Terms of Business.

c) **Size, and nature of the order:**

The Firm considers the size of the transaction and how it may impact the overall price of execution, given current depth of market and propensity for adverse price movement.

d) **Characteristics of the clients:**

Our main client base will be comprised of Retail Clients and Professional Client. This Best Execution Policy applies, if relying on the Firm, to the Retail and Professional Client category only.

### 3.3 - Contract for Differences (CFD)

The Firm recognises that when increasing, decreasing or closing-out an open position, the client must close or trade out the contract with the firm that opened the initial position for them, even if there is a better price elsewhere. To ensure that in those circumstances the Firm will comply with its Best Execution Policy obligations, it will take all sufficient steps to obtain the best possible results in relation to the instrument of the underlying CFD and by disclosing how we calculate our fees and charges. The Firm will take all reasonable steps to be consistent and deliver the best possible result for the client for each instrument that it offers.

### 3.4 - Slippage

It is acknowledged that price slippage may occur despite the automated nature of the platform. There are several factors that may lead to price slippage, for example, order type, order size relative to current depth of liquidity, market data latency, the speed of a client's Internet connection or high market volatility. You should be aware that when price slippage occurs, it can be to your advantage or disadvantage.

### 3.5 - Price Improvement

In the interests of Best Execution in the event that there is a price improvement this will be passed on to the client.

### 3.6 - Trades outside Market Hours

The Firm does not intend to obtain any quotes outside of market hours and we will not use our discretion when placing any orders to achieve the best result for you.

### 3.7 - Resting Orders over Weekends and National Holidays

The Firm does not take any responsibility and will not be held accountable for any resting orders that are triggered due to sudden price movements over a period(s) of market inactivity. An example would be a Market Stop being activated due to price gapping at the beginning of the trading week or after a national holiday where no other trading activity has taken place in the grey market.

### 3.8 - Limit Orders Except for the use of Limit orders

The Firm will place the highest priority on total consideration (the combination of price and costs associated with dealing). For Limit orders, where the client has stipulated a price that is not immediately available in the market, the Firm will place the highest priority on execution at the client's specified price at the first possible opportunity. This means that Firm will prioritise speed and certainty of execution.

### 3.9 - Use of information relating to pending client orders

Employees must not misuse information relating to a pending client order by for example, using this information to trade on their personal account; or advising a third party to trade on the basis of that information. This could constitute market abuse. Employees should consult the firm's market conduct policy or the firm's Compliance Officer if in doubt. This would apply to deals in the same instruments or related instruments.

## 4 - Monitor and review

We will regularly monitor and review our policies and procedures and associated arrangements in order to ensure we comply with our regulatory obligations, making appropriate amendments if necessary.

## 5 - Material Changes

The Firm will notify clients of any material changes to its Order Handling arrangements or Best Execution Policy in a durable medium.

If clients have any questions regarding the Order Handling/Execution Policy or require further explanations concerning the policies & procedures, they may contact the client support department at [support@ecmarkets.co.uk](mailto:support@ecmarkets.co.uk)

EC Markets is a trading name of EC Markets Group Ltd.

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