This document sets out a summary of CMC Markets' (referred to below as "we", "us" or "our") order execution policy in respect of its direct market access and direct electronic access services. The words and expressions in this document that begin with capital letters have the meanings set out in the CMC Connect Terms of Business available on the Website. This document should be read in conjunction with those Terms.

CMC Markets will endeavour to provide clients with a competitive execution service in a cost-effective manner, taking all sufficient steps to obtain the best possible result for you on a consistent basis. Our commitment to seeking "best execution" does not mean we owe clients any fiduciary responsibilities over and above the specific regulatory and contractual obligations placed upon us for the benefit of our clients.

Any statements made by or through CMC Markets' personnel, its electronic systems or otherwise in the processing or execution of transactions should not be construed or relied upon as personal recommendations or investment advice.

1. SCOPE

1.1. This document extends to any relevant branch of CMC Markets and applies to clients who have been granted access to our DMA Services and/or DEA Services. CMC Markets provides DMA Services and/or DEA Services to Professional Clients or Eligible Counterparties as defined in the Financial Conduct Authority Handbook. Unless otherwise agreed, we will not owe best execution to clients classified as an Eligible Counterparty, although certain legal and regulatory obligations on identifying and preventing or managing conflicts of interests will nevertheless apply.

2. PLACING AN ORDER

2.1 CMC may execute your Order by

2.1.1 Acting in a matched principal capacity;

2.1.2 Acting as agent;

2.1.3 Conclude an Order or off-book transaction in the capacity as an executing broker; or

2.1.4 Receive and transmit orders via instructions to a third party to execute a transaction on a client's behalf.

2.2 For over-the-counter Products, the Price at which we enter into Trades with you will match the prices offered to or obtained by us from our brokers from the relevant underlying execution venues. When you place an Order, we will separately onward route an order (as our order) which will be allocated (via CMC Markets' order routing technology) to the smart order router of one of our underlying brokers, in accordance with our internal counterparty selection policies and procedures. Our underlying brokers find the best execution for our order looking at the aggregated market (in accordance with their own best execution policies and smart order router technology. Order routing technology, along with other elements of the DMA and DEA Order Execution Policy, is subject to review and monitoring as part of our overall best execution governance program.

2.3 For Exchange Traded Derivatives Products, Orders will be executed via DEA and Prices are provided by the relevant Exchange or market data provider. When you place an Order, we will route your Order to be executed on a Trading Venue via an intermediary broker that is a clearing member of the relevant Trading Venue and/or Exchange.

2.4 The Prices at which we enter into Trades with you may differ at any time from the Market Data displayed on a Trading Platform or quoted to you, which is provided for indicative purposes only, and may be more favourable or less favourable to you than the Market Data quoted when you place the Order.

2.5 Orders may be placed via voice execution (via a third party Trading Platform on your behalf), electronic execution (via a third party Trading Platform) or a hybrid method combining both. A client may execute via DMA and DEA to a regulated markets or other Trading Venue.

3. HANDLING OF DIFFERENT ORDER TYPES

3.1 The following Order types may be available to you depending on the chosen Product and Trading Platform:

- Market Order;
- Stop Order;
- Stop-Limit Order;
- Limit Order;
- Pegged Order;
- Limit-on-open Order (LOO);
- Market-on-open Order (MOO);
- Limit-on-close Order (LOC);
- Market-on-close Order (MOC).

Market Order   A buy or sell Order to be executed immediately at current market prices.

Stop Order	An Order to buy or sell when the relevant Price surpasses a particular level. Stop Loss Orders are replicated into Market Orders.
Stop-Limit Order	An Order to be executed at a specified Price, or better, after a given stop Price has been reached. Once the stop Price is reached, the Order becomes a Limit Order to buy or sell at the limit Price or better.
Limit Order	An Order to buy or sell at your determined limit Price, or better.
Pegged Order	A Pegged-to-Market Order to buy will peg to the best offer price and a Pegged-to-Market Order to sell will peg to the best bid price, with an option of setting an offset.
	A Pegged-to-Primary Order to buy will peg to the best bid price and a Pegged-to-Primary Order to sell will peg to the best offer price, with the option of setting an offset.
	A Pegged-to-Mid-Price Order will peg to the mid-price of the best bid offer, with the option of setting an offset.
Bracket	A multiple leg Order-Places-Order (OPO). The first leg is an order with any regular order type (main leg). Once that leg is filled or partially filled, either one or two additional orders are placed. For example, filling a buy order can trigger either a sell OCO (a profit target order and a stop loss order), a profit target order, or a stop loss order. In the case of an OCO, if one of those orders is filled, then the other order is cancelled.

Market-on-open Order (MOO)

An Order placed at the market open Price. If the Order cannot be filled on market open, it will be cancelled

Limit-on-open Order (LOO)

An Order placed at the market open Price with a specified limit condition. An Order is executed only if the limit condition is met.

Market-on-close Order (MOC)

An Order placed near the market close. If the order cannot be filled by the market close, it will be cancelled.

Limit-on-close Order (LOC)

An Order placed near the market close. An Order is executed only if the Price is better than the specified limit price.

3.2 Additionally, the following conditions may be selected:

Hidden	A Hidden Order will be completely hidden from the market. This Optional Order Attribute is typically available for large Orders only.
Iceberg	An Iceberg Order publicly displays only a portion of the total volume of the Order that is available for execution. When the visible part of the Order is fulfilled, a new part of the hidden portion of the total Order becomes visible.

3.3 The following Time in Force (TIF)/Order Lifetime Conditions may be available:

DAY	Good for the day only (17:00 EST)
GTC	Good 'til cancelled
GTD	Good 'til date (date and time supported)
FOK	Fill or kill, requires the Order to be executed immediately in its entirety, partial fills are not supported.
IOC	Immediate or cancel Order, similar to a FOK Order, an IOC Order needs to be executed immediately however partial fills are possible. Any portion of the Trade remaining is cancelled.
On Open	Order will be executed on the opening of the trading session. If the Order cannot be executed on the open it will be cancelled.
On Close	Order will be executed on the close of the trading session. If the Order cannot be executed on the close it will be cancelled.

3.4 We may offer you different Order types where available at our discretion. For further details on Order types, please contact the client management team, or refer to the relevant trading platform website or guides where available.

4. ALGORITHMIC EXECUTION

4.1 If we have made Algorithmic Execution services available to you, the following Algorithmic Execution types may be available to you:

VWAP	Volume-weighted average price ("VWAP") Algorithmic Execution minimises slippage relative to the volume-weighted average price in the markets over a user-specified time horizon. The strategy executes proportionately with expected market volume to spread the trade across the user-specified horizon.

TWAP	Time-weighted average price ("TWAP") Algorithmic Execution is a strategy of executing Trades spread evenly over a specified time period.	
With Volume	With Volume Algorithmic Execution trades in proportion to actual market activity, targeting participation at a user specified percentage of overall traded volume.	

4.2 The following Algorithmic Execution Attributes may be available:

Start Time	The time the Algorithm starts working.
End Time	The time the Algorithm finishes working.
Max % Volume	The targeted participation rate (in relation to With Volume Algorithmic Execution).
In Open/Auction Open	Include Algorithmic Execution in an opening auction.
In Close/Auction Close	Include Algorithmic Execution in a closing auction.

We may offer you different Algorithmic Execution types to you where available at our discretion. For further details please contact the client management team.

5. EXECUTION VENUES

5.1 As referred to in paragraph 2, the execution venues may include:

    5.1.1   Exchanges

    5.1.2   regulated markets (RM);

    5.1.3   multilateral trading facilities (MTF);

    5.1.4   organised trading facilities (OTF);

    5.1.5   systematic internalisers (SI);

    5.1.6   third party investment firms and/or affiliates acting as a market maker; and

    5.1.7   similar non-EEA venues performing similar functions.

5.2 Such execution venues may include both lit and dark sources of liquidity (the latter being trading venues or other sources of liquidity that are not generally subject to pre-trade transparency requirements).

5.3 For over-the-counter Products, all of your Orders will be executed on a bilateral basis between you and us outside of a Trading Venue. We separately onward route orders (as our orders) to our underlying brokers where they may be executed outside of a Trading Venue, including by the broker dealing on its own account. As a result, any Trade that you enter into with us may be priced on the basis of prices that are not available on a trading venue.

5.4 For an indicative list of venues and Exchanges please see the Website for the [Execution Venue List](#). This List contains the Trading Venues, some of which we and/or one of our Affiliates place significant reliance on to meet the obligation to take all sufficient steps to obtain the best possible result for the execution of your Orders. A third party broker may also be used by the broker, to execute on these venues. The list of trading venues we use may change over time as we adapt to market conditions and seek to improve execution quality. The Execution Venue List is therefore not exhaustive and will be subject to change as described hereto. Any additional venues used but not on the Execution Venue List will have been selected in accordance with this policy. For certain instruments, there may only be one execution venue available and in such circumstances, the broker will assume that the selection of that venue satisfies the best execution factor dealing with venue selection. In any case, our underlying brokers will not necessarily access all execution venues that could potentially be available at any one time. Our orders are directed to a particular execution venue or venues by the underlying broker's smart order router. Further detail on how our underlying brokers obtain best execution is available on our Website and directly from our brokers.

5.5 We may have specific arrangements with certain trading venues, including fee structures or other incentives, which are designed to enhance the quality of execution for our clients. These arrangements are regularly reviewed to ensure they do not conflict with our obligation to achieve best execution.

5.6 While our primary aim is to execute orders on regulated trading venues, there may be circumstances where executing Orders outside of these venues could result in a better outcome for you. These circumstances include, but are not limited to:

    5.6.1   Enhanced liquidity: Accessing additional sources of liquidity that may not be available on traditional trading venues.

    5.6.2   Improved Pricing: Achieving better Prices for large Orders or in illiquid markets or Products.

    5.6.3   Reduced Costs: minimising transactions costs associated with execution on certain venues.

    5.6.4   Speed and Certainty: Providing faster and more certain execution in specific market conditions.

    5.6.5   By accepting this Order Execution Policy, you consent to the possibility of your Orders being executed outside of regulated trading venues. If you have any concerns or wish to restrict the execution of your orders to regulated trading venues only, please contact us to discuss your preferences.

5.7 Where a third party broker is used, the broker satisfies the best execution obligation by undertaking due diligence to validate the adequacy of the third party broker's execution performance and connectivity and to ensure that there are satisfactory arrangements to ensure the confidentiality of order flow and execution instructions.

5.8 CMC Markets has contractual agreements in place with general clearing members who provide DEA services to us, which we in-turn sub-delegate to you. CMC Markets is not a general clearing member of any of the trading venues it provides access to.

6 BEST EXECUTION

6.1 Where you are owed the duty of best execution we are required to take all sufficient steps to obtain the best possible result taking into account the factors listed below. <u>Clause 6.5 below sets out the circumstances in which CMC Markets does not owe a duty of best execution including where a client places an Order via DMA and/or DEA.</u>

    6.1.1 price;

    6.1.2 likelihood of execution and settlement;

    6.1.3 costs;

    6.1.4 speed;

    6.1.5 Order size;

    6.1.6 nature of the Order; and

    6.1.7 any other consideration relevant to the execution of the Order such as nature of the relevant market and prevailing market conditions.

6.2 Depending on the type of Product you trade, these factors may not have the same impact on our best execution duty. For example, speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transaction costs may be given precedence over the immediate price and cost consideration if they are instrumental in delivering the best possible result.

6.3 For over-the-counter Products, unless requested otherwise, we will utilise our broker's smart order router (SOR) for the execution with the target of maximising fill rate and minimising market impact. The SOR will generally sweep and source liquidity across displayed, non-displayed trading venues, systematic internalisers and market makers.

6.4 While we strive to achieve the best possible result for your orders, it is important to note that the method by which an Order is submitted can affect our ability to provide Best Execution:

    6.4.1 **Telephone Orders:** Orders submitted to our CMC Connect team via telephone may experience delays due to the time required for manual processing and transmission of the Order to the relevant trading venue. These delays can impact the speed of execution and, consequently, the final execution Price.

    6.4.2 **Electronic Messaging:** Orders sent through electronic messaging platforms (e.g. emails, chats) may incur processing delays. These delays can arise from the time taken to receive, interpret and manually input the orders into our trading systems.

These potential delays mean that orders submitted through these methods may not always be executed at the best available Price at the time of the order receipt. Using the third party trading platforms made available to clients for submitting Orders via DMA and/or DEA will minimise any delays and improve the likelihood of achieving Best Execution.

6.5 Summary of where Best Execution is not owed:

    6.5.1 When executing orders for Eligible Counterparties;

    6.5.2 When a Professional Client provides a specific order instruction, e.g price in a Limit Order, and therefore, CMC will be deemed to have taken sufficient steps to achieve the best result in complying with that specific order instruction; and

    6.5.3 <u>If you, as a Professional Client, use DMA or DEA to place Orders directly on trading platforms to Trading Venues, you assume full responsibility for the execution of the Orders. CMC Markets does not handle or route these orders, and as our involvement is limited, our best execution duty does not apply in the traditional sense. You are directly controlling the Order placement, parameters and execution process. We provide the necessary infrastructure and access for you to utilise DEA, however, by using a trading platform to trade via DEA, you accept and understand that CMC Markets' best execution obligation is limited to providing such access. Orders placed on trading platforms via DEA will be deemed to be a specific instruction from you in respect of all aspects of that Order.</u>

7 MANUAL LIQUIDATION

7.1 Unless we notify you otherwise, your Trades will be subject to manual liquidation.

7.2 If you face a Margin call and if agreed with our client management team, we may, but are not obligated to, try to contact you during our UK office hours to request you make a payment into your CMC Account. If we are unable to contact you and/or you are unable to fund your CMC Account within a timeframe specified by us, we will manually close all or a portion of the Positions on the CMC Account (in relation to any Product) as far as we see fit in our sole discretion taking into account any prior instructions you have given regarding the sequence of closure(s) of Positions on the CMC Account.

8. DISCLOSURES

8.1 While CMC Markets makes commercially reasonable efforts to ensure the quality of its electronic trading services, there always exists the risk of interruption or delay, system failure or errors in pricing, controls or design of these systems that could expose you to substantial damage, expense or loss. For instance, it is possible that any new Orders or Trade requests cannot be entered, executed, modified or cancelled by you, or that acceptance or rejection of Trade requests or reports of executions will not be communicated to you in a timely manner. These services are provided "as is," and so to the extent permitted by Applicable Law, CMC Markets will have no responsibility or liability whatsoever for any damage, expense or loss incurred out of the use of electronic trading services even where it may have been advised of the possibility thereof.

9. INFORMATION HANDLING

9.1 CMC Markets maintains a "need to know" standard, which provides that access to your specific trading information is limited to those employees who have a "need to know" such information to perform their duties and to carry out the purpose for which the information is provided.

10. COMMUNICATIONS

10.1 CMC Markets discourages you from using e-mail or other electronic messaging systems for communicating Orders or Trade requests. Doing so is entirely at your own risk. If we agree to the use of electronic messaging (e.g. e-mail, chats, instant messages, etc.) as the mode for you to communicate your Orders or Trade requests, any Order or Trade request sent to us by electronic messaging will not be considered to be received by us until a CMC Markets representative verifies the Order or Trade request details to you by phone or otherwise affirmatively acknowledges receipt of the Order or Trade request.

10.2 During the period between the electronic transmission of an Order or Trade request and the point at which it is verified and acknowledged, you will be exposed to the risk that your Order or Trade request may not be filled (including where the market has moved in your favour) or may be filled at a less favourable level because market conditions have changed in the interim.

11. CONSENT

11.1 You acknowledge that you have been made aware of and accept the nature, policy and processes which CMC have in place for providing best execution and that, in the absence of express instructions from you, we shall have full discretion to choose the relevant venue from the Execution Venue List (as amended from time to time) for executing your Order (s) (which may include dealing of a principal to principal basis with us), but in doing so shall assess and balance the range of factors, including those set out in this OEP which we consider in our reasonable discretion, to achieve the best result for you.

11.2 You also consent to your Orders being executed outside a trading venue on a bilateral basis (for example, in respect of over-the-counter Products) and understand the associated risks, such as counterparty risk. This is notwithstanding that the Price of your Trade with us will be based upon and match the price we or our underlying brokers obtain from one of the relevant underlying execution venues, some of which may include regulated trading venues.

11.3 In addition, you agree that we will not make your unexecuted order public, unless you specifically instruct us to do so when you place an order with us.

11.4 You consent to CMC Markets using electronic communications such as the Website, email and platforms to communicate further information on the DMA and DEA Order Execution Policy and related documentation to you.

12. MONITORING AND REVIEW

12.1 We monitor the effectiveness of order execution arrangements (including execution venues) on an ongoing basis to identify where appropriate, whether any enhancements are required. Where required, enhancements are adopted as soon as reasonably practical. We will also conduct monitoring on client trading activity as required by applicable law.

12.2 Our brokers also monitor the effectiveness of their execution arrangements and assess on a regular basis whether the execution venues selected provide for the best possible result.

12.3 We will review our DEA Order Execution Policy on a regular basis.

13. VARIATION

13.1 In the event we make material changes to our DMA and DEA Order Execution Policy we will notify you, usually by email. The latest version of this Order Execution Policy is available on our Website.