



# Order Execution Policy

## v. 2018

ICM Capital Limited



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## 1. Introduction

ICM Capital Limited (“ICM” or the “Firm”), is required by the Markets In Financial Instruments Directive II (“MiFID II”), to comply with the arrangements for the obligation to take all sufficient steps to obtain the best possible outcome for client orders. In accordance with the Firm’s Terms and Conditions, clients have agreed to their transactions being handled in accordance with this Order Execution Policy.

ICM provides Contracts for Differences (CFDs) products to its clients covering a wide variety of financial markets as the underlying instruments. Every market quoted by ICM Capital is derived directly from an underlying financial instrument sourced from an exchange or from a wholesale quoting counterparty (i.e. FX quoting banks). ICM Capital determines which markets to quote, the times at which those markets are quoted; ICM Capital publishes via its trading platforms those quotes (we show the aggregated price between our Liquidity Provider) at a tight spread or with a mark-up on which clients may be able to trade.

## 2. Scope and Application

This policy applies to all employees of ICM, including all branch offices. All relevant employees and senior management are responsible for ensuring compliance with the policy. ICM has a duty to ensure that it takes all sufficient steps to obtain the best possible outcome for clients who rely on the Firm for the execution or receipt and transmitting of client orders in financial instruments as defined in Annex 1 Section C of MiFID II.

By definition, an order is an instruction to buy or sell a financial instrument that is accepted by ICM, for execution or onward transmission to a third party and which gives rise to a contractual obligation to the client. ICM understands that upon an order instructed by a client, it will place a reliance on the Firm to protect its interest in achieving the best possible outcome upon execution. ICM is required to execute orders on terms most favourable to the client, and it will take into account several factors in achieving this. The execution factors to be taken into accounts are price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order.

Where ICM is dealing on its own account with clients, it is also considered as the execution of client orders, and therefore subject to the requirements under MiFID II, in particular those obligations in relation to best execution.

## 3. Clients

ICM has a policy to treat all clients with the same best execution obligations in accordance with this policy, as it is the opinion of ICM that it owes a contractual duty to both Retail and Professional clients.

ICM considers all its client types to be reliant on the Firm to protect their interests, and to achieve the best possible outcome upon execution or transmission of orders.

## 4. Best Execution Criteria and Factors

Article 64 of the MiFID Org Regulation sets out the best execution criteria. ICM shall ensure that it takes into account the best execution criteria when determining the relative importance of the factors. ICM considers the following factors:

- Price;
- Speed of execution;



- The size of the order;
- Likelihood of execution;
- Settlement, costs of the transaction; and
- Any other consideration relevant to the execution of the order

When the Firm accepts the execution of your orders, it will take all sufficient steps to achieve the best possible outcome for you by opening and closing those orders according to this policy. ICM will consider certain factors with a higher importance than the others, and this will consist of the price or spread, followed by the speed of execution, and then the likelihood of execution. ICM deems that these three factors play a higher importance than the others, however when determining whether it achieves the best possible outcome for its clients, all factors are taken into consideration.

Where the client provides us with a specific instruction in relation to an order, ICM will have met its obligation under best execution only in respect of the part or aspect of the order to which the instruction relates. Anything outside of receiving specific instructions in relation to an order from a client, will be subject to the obligations under this policy.

ICM understands that each order placed by a client will be different in nature, and relate to different financial instruments, and therefore importance on relevant factors may differ to ensure that the Firm is consistently meeting its obligation to achieve the best possible outcome for its clients. In extreme volatile situations, there may be instances where ICM may not be able to achieve the best possible price or speed of execution for its clients, and in these particular cases consideration will be given to all relevant factors such as the likelihood of execution, and the size of the order.

The costs of transaction, would include all expenses incurred by the client that is directly related to the execution of orders, in particular commission fees, and any other fees paid to third parties involved in the execution of the order.

## 5. Price

As previously mentioned within section 4 of this policy, ICM gives higher importance to the execution factors of price and costs. If your order is accepted via the trading platform by ICM, then your trade will be executed at the price requested by you and at no other price (subject to the market being quiet and no volatile movement but if the market becomes volatile due to Market News, then the order will be executed on the market price available at that time). For orders placed on “Market Execution” mode, the entire order is placed into the ‘underlying market’ and is filled at the best available price at the time, where ICM will have taken consideration to achieving the best possible price upon execution.

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 only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to the client.

## 6. Speed of Execution

In almost all circumstances, so long as you have sufficient margin available on your account for the trade and so long as the trade size requested is equal to or under the maximum internet size permissible, your trade will be executed at the level requested. In certain circumstances due to speed of internet communications, market volatility or in the case of deliberate manipulation of our quoted prices your trade may be rejected by us if the price at which you have attempted to trade is not representative of the 'underlying market' price when received by ICM Capital.



## 7. The Size of the Order

All trade execution is subject to size considerations. If the requested trade size is larger than ICM Capital is able to trade in the 'underlying market' instrument on the relevant exchange at that time then the entire trade or order may be rejected, but ICM Capital may offer greater liquidity than the 'underlying market' at its discretion. Every market quoted by ICM Capital has an absolute minimum and maximum permitted and this can be found by clicking on the information icon button associated with each market, which can be found on the ICM Capital Trading Platform. However, this maximum trade size may vary due to market conditions and is, at all times, at the discretion of ICM Capital.

## 8. Trading Models

ICM currently operates a hybrid model which consists of a No Dealing Desk, and a Dealing Desk acting as the market maker. To ensure that ICM is meeting its best execution obligations at all times, it will at its own discretion make decisions to either pass on to its clients the best spread prices provided by its liquidity providers (No Dealing Desk), or act as the market maker (Dealing Desk) by entering into the trade directly with the client and make its own prices. ICM cannot guarantee that the spread prices will always be better on one model or the other but will at all times take sufficient steps to ensure that it makes the correct decision to achieve the best possible outcome for its client.

## 9. Other Considerations

In most cases an order, when triggered by market price action, will be filled at the same, or very close to the same, price as requested on your order request. If the market opens at the start of the trading day at a price sharply different to the closing price of the previous trading session any order whose activation price is between the closing ICM Capital quote of the previous day's trading close and the opening quote of the next day's trading session will be filled at the first price reasonably obtainable by ICM Capital with reference to the 'underlying market'.

## 10. Market Hours

Aside from those markets defined as being quoted 'out of hours' no order will be filled outside of ICM Capital's specified quoting hours. Please note that markets continue to trade outside of the quoting hours offered by ICM Capital, and in these cases there is significant potential of some gapping from one ICM Capital trading session to the next ICM Capital trading session. All orders in these markets will be subject to this gap in prices. Orders activated in 'out of hours markets' quoted by ICM Capital are treated as though the underlying instrument were open and trading at that level required to activate the order.

## 11. Gapping and Slippage

All orders (Stop Loss, Limit or New Order) are subject to slippage on the open market. In a situation where slippage occurs during trading hours, any buy order (new or limit) below the market or sell order (new or limit), above the market and sell orders (closing or stop), below the market or buy orders (closing or stop), or above the market, may be subject to slippage. If any market gaps from one quoted price to another due to any market sensitive piece of information (such as a



profit warning or an economic data release), then any order in place between these prices will be activated.

ICM Capital offers execution via a Dealing desk where it provides prices and execution and the client will be trading into ICM Capital's liquidity. Please note there may be times where there is a limitation to liquidity, which can have an impact on your execution. ICM Capital treats all customers fairly and in the event of gapping passes the best price that is provided by one of ICM Capital's liquidity providers or data feed providers will be passed on to the client. If at any time ICM Capital receives a price improvement before the order is executed on either of these order types then this price improvement will be passed onto the client. Due to limitation of accessing market depth on MT4 platform, and the inevitable latency issue and the size of the order, and nature of trading style, ICM Capital does not guarantee the execution and slippage will be better than any other model or other forms of execution available and ICM Capital will pass the fair market price to the client, in both Limit and Stop orders.

## 12. System Failure

In the exceptional instances where you face problems connecting to our servers and need to place, modify, erase, or close trades or require any type of action on or information regarding your online Trading Account, please contact the trading desk immediately by phone on +44 207 634 9777.

## 13. Order Handling

ICM handles all orders as quick and efficient as possible, taking into consideration its obligations to achieve the best possible outcome for its clients. ICM's fundamental service is to accept orders within its trading platform and to execute those in accordance with this policy. ICM has various order types which are as follows:

- Market Order;
- Limit Order; and
- Stop Order
- Take Profit
- Stop Loss

ICM has a dedicated 'Dealing' team that is monitoring on a real time basis the quality of the execution, and the continuous obligation to meet the requirements within the policy.

## 14. Liquidity Providers

ICM capital on a regular basis monitors and reviews whether or not the liquidity providers it has agreements with continue to provide the best possible outcome for our clients. ICM is required to publish an annual report of the top five execution venues which has been published on our website (RTS 28).



## 15. Ongoing Monitoring

ICM is required to monitor and review the effectiveness of this policy on a minimum annual basis. This will be monitored and reviewed collectively by senior management within both the 'Dealing' and 'Compliance' department. It will then be reviewed and approved by Directors at Board level. ICM will also regularly review and monitor whether it is achieving the best possible outcome for its clients in accordance with this policy, and this will be measured based on real time management information and reports. In addition, ICM is required to publish quarterly reports on our website highlighting the quality of executions (RTS 27).

