

IBP Markets Ltd.

Order Transmission and Execution Policy

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Registered Office and Headquarters 81, Wimpole Street, London UK

1. FOREWORD: OBJECTIVES AND SCOPE OF APPLICATION

1.1 MiFID Regulations (Directive 2014/65/EU and Commission Delegated Regulation (EU) 2017/565 of 25 April 2016) require that investment firms take all sufficient steps to obtain the best possible result intermediaries that provide investment services act honestly, fairly and professionally with the aim of constantly raising the quality of the investment services and activities provided to clients.

1.2 This document provides information on the policies adopted by IBP Markets Ltd. for the collection, execution and transmission of orders relating to various types of financial instruments, in order to obtain, on a long-term basis, the best possible result for its clients (known as the “best execution” obligation) in the various execution venues to which the group has direct or indirect access (“trading venues”).

1.3 This policy governs the following:

- activity where IBP Markets Limited executes trades either as an agency broker or on a matched principal basis; and
- activity that uses other intermediaries to execute the order and access the various trading venues.

1.4 IBP Markets Limited currently does not take any retail client, as defined in the FCA Handbook. This Policy applies to persons categorized as professional clients. Any client categorized as an Eligible counterparty will not benefit from regulatory obligations regarding best execution and will fall outside of the scope of this Policy.

1.5 This Policy does not apply where a client makes a request for a quote to IBP Markets Limited and then choose to transact on the basis of that quote.

1.6 Where IBP Markets Limited receives specific instructions for execution, it will execute in line with these instructions. This does not release IBP Markets Limited from any regulatory obligations with respect to matters not covered by the instructions.

1.7 Clients will have approved the terms of this Policy on agreeing to IBP Markets Limited’s Terms of Business.

2. LEGISLATIVE REFERENCES

2.1 Reference shall be made hereunder to the rules applicable to intermediaries established by the set of rules listed below:

- Directive 2014/65/EU (the “MiFID Directive”) and Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 ;
- Conduct of Business sourcebook (COBS) in the FCA Handbook, primarily in COBS11.2A.

These rules are derived from the **MiFID II Directive** (2014/65/EU) and **Commission Delegated Regulation** (EU) 2017/565 (referred to by the FCA as the **MiFID Org Regulation**).

3. ORDER TRANSMISSION AND EXECUTION POLICY

3.1. Execution venues

IBP Markets Limited acts as an execution venue where transacting with clients as a principal. This is the case for bonds, contracts for difference repos and other analogous products providing finance to the client in which case the transaction is entered into between the client and IBP Markets Limited on an OTC basis. Where IBP Markets Limited acts as agent, it will transmit the order to a third party for execution. The trade may be executed on a number of different Trading Venues, defines as the following:

- Regulated Markets (RM);
- Multilateral Trading Facilities (MTF)
- Organised Trading Facilities (OTF)

Clients will have consented by signing IBP Markets Limited's Terms of Business to their orders being executed outside a trading venue. As such, orders may be executed by the following.

- Intermediaries which, on an organised, frequent and systematic basis, deal on own account, executing client orders outside a regulated market or a multilateral trading facility, acting as direct counterparty (Systematic Internalisers);
- Other Intermediaries and Issuers which provide market liquidity, through continuous availability to deal on own account
- IBP Markets limited.

3.2 Execution factors

3.2.1 For the purposes of assessing whether the "best possible result" ("best execution" obligation) in execution of orders has been achieved on a long-term basis, the factors to be considered are listed below:

- price of the financial instruments;
- costs for execution of
- speed of execution of the order;
- likelihood of execution and settlement of the order;
- nature and size of the orders

3.2.2 When assessing the relative importance of these execution factors, the following criteria are taking into account:

- (a) the characteristics of the client including the categorisation of the client as retail or professional;
- (b) the characteristics of the client order, including where the order involves a securities financing transaction (SFT);
- (c) the characteristics of financial instruments that are the subject of that order;
- (d) the characteristics of the execution venues to which that order can be directed.

3.2.2 For professional clients: the key factor considered by IBP Markets Ltd. is represented by the price of the financial instrument. Alternatively, in certain circumstances, consideration could also be given to the total cost linked to execution of the order, especially in the case of multi-listed securities and for financial instruments that are not liquid, the probability of execution.

3.2.3 If IBP Markets Limited were to have what are considered under the terms of the FCA Handbook retail clients it will, in the absence of specific instructions, consider all factors that will enable it to deliver the best possible result in terms of the total consideration, representing the price of the overall consideration, representing the price and the costs related to execution.

3.2.4 The relative importance of the execution factors may vary in relation to different classes of financial instruments. For example, the liquidity of the financial instruments on the relevant Execution Venues will impact the choice of execution factors – for illiquid financial instruments the likelihood of execution is likely to be more important than price to the client. Where the main purpose of the your order or transaction is volume discovery rather than price, size is likely to be the preferred execution factor

3.2.5 Generally, financial instruments are presumed to be liquid:

- if they are traded on a regulated market or on a multilateral trading facility (MTF) characterised by the presence of at least one market maker with a commitment to guarantee offers to buy and sell on an ongoing basis or at least of a number of parties (who need not be market makers) who make offers to buy and sell said financial instruments and products;
- if they are traded on a Systematic Internaliser which is able to ensure that they can be easily traded (usually within 3 working days of the date of the client's order) at significant price conditions, that directly or indirectly reflect a range of interests to purchase or sell;
- if, even in the absence of a trading venue referred to above, the issuer or distributor intermediary has formalised internal rules to identify the procedures and arrangements for trading financial products that ensure they can be easily traded at significant price conditions, or through the definition of pre-established pricing criteria and mechanisms consistent with those used on the primary market;
- if, even in the absence of a trading venue or of internal trading rules, the issuer or distributor intermediary has formalised a commitment to repurchase the financial instruments and products on the basis of pre-established pricing criteria and mechanisms consistent with those used on the primary market.

3.2.6 The liquidity/illiquidity of a financial instrument or product is a factual characteristic that varies over time and is monitored by IBP Markets Limited

4 ORDER TRANSMISSION

4.1 IBP Markets Limited will take all sufficient steps to ensure that it acts in the client's best interests when it transmits orders to third party for execution. It will act honestly, fairly and professionally in accordance with the client's best interests when receiving and passing orders for execution by a third party.

4.2 When transmitting orders to a third party for execution it will (as part of taking 'all sufficient steps') take into account the execution factors detailed in this document. The relevant importance of these factors shall be determined for Professional and Retail clients in accordance with the Execution Policy. It will also take into account all other factors mentioned in this policy regarding execution.

4.3 Annex 1 and Annex 2 are a summary of trading venues that may be used specifying the access is direct or through a third party. type of access that IBP Markets Limited shows how different classes includes for each class of financial instrument the entities to which IBP passes orders for execution and upon which it places significant reliance. This information is updated from time to time to reflect significant changes to the selection of execution venues and brokers.

5. SPECIFIC CLIENT INSTRUCTIONS

5.1 It is always possible for the client to issue specific instructions with regard to the execution of individual orders, binding IBP Markets Ltd. to execute them in this way, even in derogation of this order transmission and execution policy. It is obviously understood that, in these cases, the “best possible result” might not be achieved with regard to individual aspects of the order to which the instructions refer.

6. SIZE OF ORDER

6.1 Orders of which the value exceeds certain size thresholds, defined after an analysis of the standard market size of the reference market, and for which the client makes a specific request (for example using the phone rather than the interconnection system) are excluded from direct dispatch to the market, as IBP Markets Ltd. reserves the right to carry out appropriate assessments for the purpose of adopting the most advantageous operating procedures for the client. This activity therefore has the dual purpose of obtaining the best possible result for the client and of avoiding disturbance to the smooth functioning of exchange trading. However, IBP Markets Ltd. reserves the right not to execute orders received from its clients when, in relation to the instructions received or other market factors and/or conditions, significant difficulties may arise which could affect the proper execution of the orders, with the understanding that the client shall be promptly informed of the difficulties and/or impediments encountered.

7. LIMIT ORDERS

7.1 In the case of client limit orders relating to shares admitted to trading on a regulated market which cannot be immediately executed under prevailing market conditions, IBP Markets Ltd. takes measures to facilitate the earliest possible execution of those orders, by immediately making them public in a manner which is easily accessible to other market participants, unless the client expressly instructs otherwise. Also in this case, IBP Markets Ltd. reserves the right not to execute orders received from its clients when, in relation to the instructions received or other market factors and/or conditions, significant difficulties may arise which could affect the proper execution of the orders in relation to the possible impact on market trading trends, with the understanding that the client shall be promptly informed of the difficulties and/or impediments encountered.

7.2 If specific instructions are received from professional clients requesting the execution of an order at the volume weighted average price (VWAP), different conditions from the current market price shall be applied

7.3 Given that, in accordance with applicable legislation, limit orders in shares for amounts exceeding certain thresholds, must be made public immediately, IBP Markets Ltd. shall request the client’s prior explicit consent regarding the possibility of managing these types of orders on a discretionary basis, in order to achieve the best possible result for the client.

9. MONITORING AND REVIEW

9.1 IBP Markets Ltd. adopts strict measures to monitor this order transmission and execution policy, including sample checks on the total orders managed on behalf of clients. The client is entitled to request IBP Markets Ltd. to prove that it has fulfilled its best execution obligation about orders issued, in accordance with this Policy.

9.2 If, regarding the type of order received, a single trading venue is established, said objective shall be considered satisfied when the client has been provided with evidence that the order was executed in the trading venue stated in this document. In any case, this order transmission and execution policy is to be reviewed at least once a year or upon occurrence of significant circumstances that could affect the capacity to obtain the best conditions on a long-term basis.

9.3 The review shall specifically consider the need to:

1. include new or different trading venues;
2. assign a different priority to the execution factors identified above;
3. amend other aspects of the policy and/or execution arrangements;
4. select new traders.

IBP Markets enforce this criterion, by posting the updates on its website www.ibpmarkets.com

ANNEX

ANNEX 1: Summary of trading venues

ANNEX 2: Summary of explanation by asset class

ANNEX 1 – Summary of Trading Venues

Trading Venues Bond instruments	Type of venue	Access
MOT (DomesticMOT, EuroMOT ...)	RM	INDIRECT
ExtraMOT (including PRO segment)	MTF	INDIRECT
HI-MTF	MTF	INDIRECT
EuroTLX	MTF	INDIRECT
EURONEXT	RM	INDIRECT
MTS Cash	RM	INDIRECT
Euro MTS	Trading Platform	INDIRECT
Brokertec	Trading Platform	INDIRECT
BLOOMBERG MTF	OTC - Bilateral Trading	DIRECT
TRADEWEB MTF	OTC - Bilateral Trading	DIRECT
BONDVISION MTF	OTC - Bilateral Trading	DIRECT
Trading Venues Equity instruments	Type of venue	Access
MTA/MIV	RM	INDIRECT
SEDEX	RM	INDIRECT
ETFplus	RM	INDIRECT
AIM	MTF	INDIRECT
TAH	MTF	INDIRECT

LISTED DERIVATIVES		
IDEM	RM	INDIRECT
EUREX	RM	INDIRECT
CME GLOBEX	RM	INDIRECT
CBOT	RM	INDIRECT
NYMEX	RM	INDIRECT
EUROTLX	MTF	INDIRECT
EURONEXT	RM	INDIRECT
LSE	RM	INDIRECT
SWISS EXCHANGE	RM	INDIRECT
XETRA	RM	INDIRECT
AMEX	RM	INDIRECT
NYSE	RM	INDIRECT
NASDAQ	RM	INDIRECT
OMX NORDIC EXCHANGE	RM	INDIRECT
MERCADO CONTINUO ESPANOL – SIBE	RM	INDIRECT
Chi-X	MTF	INDIRECT

ANNEX 2 – Summary of explanation by asset class

Asset Class	Execution	Explanation
Cash Equities Depository Receipts Warrants Exchange Traded Funds Close Ended Funds Open Ended Funds	Regulated Markets in the EU Exchanges in the US	Access indirect via third party brokers IBP Markets Limited act as receiver sand transmitter of order. Execution is via Credinvest SA or other relevant financial institution . It provides a wide coverage for international markets with an integrated and efficient trading system that is cost effective.
Bonds Corporate and Government	IBP Markets Limited	Traded OTC on a matched principal basis, sourced as referred to in Annex 1. Liquidity of the financial instrument is an important factor in determining the sourcing of the instrument.
Contract for Difference	IBP Markets Limited	Traded OTC on a matched principal basis. As these instruments are OTC, IBP

		Markets Limited will use liquidity providers to take the market risk.
Repo/financing	IBP Markets Limited	Traded OTC on a matched principal basis As these instruments are OTC, IBP Markets Limited will use liquidity providers to take the market risk.