

Introduction

The purpose of this document is to provide information on Spread Co Limited's (Spread Co) policy on order execution and its approach to achieving the best possible result for you when executing your trades on a consistent basis. It is required under the EU Markets in Financial Services Directive (MiFID), and will apply to all of Spread Co's retail clients and professional clients.

This document forms part of Spread Co's Terms of Business. By accepting Spread Co's Terms of Business, you are deemed to also consent to the terms of Spread Co's Execution Policy, as summarised here.

Spread Co's Duty of Best Execution

When executing trades for Contracts for Difference, Spread Trading and other OTC financial derivatives products with you, Spread Co will take all sufficient steps to achieve the best possible outcome taking into account its Execution Policy and any specific instructions received from you. However, Spread Co's Execution Policy cannot guarantee that the price at which Spread Co permits you to execute a Trade will always be the best price available to you in the market at that point in time, due, for example, to time delays between order placement and execution due to internet latency or lack of liquidity in the relevant market. Any delay in execution will not result in "asymmetric price slippage", meaning both adverse and positive price movements will be passed on to customers.

Best Execution Supplement

This can be found on our website at www.spreadco.com/assets/best-execution-supplement.pdf. If you would like us to send you a copy of this, please contact us at: cs@spreadco.com.

How Spread Co Applies its Best Execution Obligation

Where you provide specific instructions to Spread Co, as referred to below, Spread Co will take into account the following factors to decide how to achieve the best possible result for you when executing your trades:

1. price
2. costs
3. liquidity of the underlying market (e.g. for trades outside the normal trading size)
4. nature of the Trades
5. speed and likelihood of execution and settlement.

Spread Co will generally apply its best execution obligation to retail clients and professional clients by prioritising obtaining the best possible price for you (for this purpose, price includes the price of the financial instrument to which your trade relates and its execution costs). However, in some circumstances, other factors will be given greater importance than price or costs where those factors are instrumental in obtaining the best possible execution result.

In order to aim to provide the best possible price for you, Spread Co will ensure that the prices it permits you to execute trades at are based upon market prices for the underlying products in which you are executing the relevant trades. Spread Co has access to various sources of information on the current market prices and liquidity from which it generates the buy and sell prices quoted to you. Having objectively established the market prices, Spread Co will add a spread to these market prices. The maximum spreads which Spread Co will add to the market prices will be set out on Spread Co's dealing system and Spread Co will notify you if these maximum spreads are amended at any time.

Spread Co will permit you to execute trades for certain underlying products outside normal hours. In such circumstances, the price which Spread Co offers you cannot be derived directly from the market prices as the underlying market may be closed. Spread Co will then offer you a price which it deems to be fair and reasonable based upon factors such as movements on markets associated to the relevant underlying product. For forward orders, additional spreads may be applied to reflect the cost of carry and for security, basket and indices trades, factors such as interest and anticipated dividends will be taken into account in determining the market price.

As a result of the above, Spread Co will not usually be able to offer to you buy and sell prices which are identical to the market prices for the underlying products. However, Spread Co is committed to providing you with competitive trading prices. Details of any charges and commissions will be set out in the fees lists which apply to you from time to time.

Spread Co reserves the right to amend the spread quoted from time to time, subject to the maximum spreads specified on the dealing system.

What Your Specific Instructions Mean

Where you provide Spread Co with specific instructions as to how you wish to execute a trade, for example, by specifying (a) the price that you wish to execute a trade with Spread Co; or (b) the price at which a trade is to be closed if the market moves against you (for example, a Limited Risk Trade), you should be aware that these instructions may prevent Spread Co from applying its Execution Policy. Your instructions will take precedence over Spread Co's Execution Policy and will mean that Spread Co will have satisfied its obligations to take all reasonable steps to achieve the best possible result for you when executing that Trade.

A trade with an attached Guaranteed Stop Order will be closed at the level of the stop if the stop price is reached, but if a standard stop order has been set, the price attained may be worse than the level at which you set the standard stop order, or at which it is triggered, especially if the price continues to move against you.

Execution Venues

Spread Co is an over-the-counter (OTC) market maker in Contracts for Differences and Spread Trading. This means that when dealing with you, Spread Co acts as principal and is the execution venue for your trades, which are not executed on a regulated exchange, multi-lateral trading facility or organised trading facility. By consenting to this policy, you agree to have your trades executed in this way.

Monitoring and Review

Spread Co will frequently monitor the effectiveness of its order execution arrangements and Execution Policy on a regular basis and implement enhancements and improvements as necessary. Additionally, upon request, Spread Co will make available to you details of how your trades were executed. Spread Co will notify you of any material changes to its Execution Policy, and the latest summary of it will be accessible at all times via the Spread Co website at www.spreadco.com.

Further Details

Further details of how Spread Co executes your orders are available on Spread Co's website and in its Terms of Business. We also publish the following documents on our website:

- Summary Order Execution Policy
- Order Execution Report
- Order Size Report
- Cancelled Orders Report
- Execution Speed Report
- Average Spreads Report

To view or download the most recent versions of these documents, please visit our website at: <https://www.spreadco.com/execution-policy/>. Alternatively, please request these by contacting us at: cs@spreadco.com.