

# Amendments to the Order Execution Policy

Old wording	New wording
Title: Summary Order Execution Policy	Title: Order Execution Policy
<p><b>Price:</b></p> <p>For all financial instruments the Company offers, we quote two prices: the higher price (BUY), at which a client can buy the instrument, and the lower price (SELL), at which a client can sell it. The price for a given contract is calculated by reference to the price of the relevant underlying financial instrument. We obtain this price from a range of third-party reference sources. For some kinds of instruments, e.g., equities, there will be a third-party securities exchange from which we will obtain this price. For other kinds of instruments, e.g., foreign exchange, we will collect price data from nominated wholesale market participants</p>	<p><b>Price:</b></p> <p>For all Financial Instruments the Company offers, we quote two prices: the higher price (BUY), at which you can buy the instrument, and the lower price (SELL), at which you can sell it. The price for a given contract is calculated by reference to the price of the relevant underlying Financial Instrument. We obtain this price from a range of third-party reference sources. With respect to our Share Dealing Services, there will be a third-party securities exchange from which we will obtain this price.</p>
<p><b>6. Execution Venues</b></p> <p>T212 views that price and costs associated to the execution (total consideration) are in most cases the most important factors for clients and therefore to be prioritised when determining the choice of venue, but also considers how each of the other execution</p>	<p><b>6. Execution Venues</b></p> <p>T212 views that price and costs associated with the execution (total consideration) are, in most cases, the most important factors for Clients and therefore are prioritised when determining the best possible result</p>

<p>factors are affected for example, speed of execution and likelihood of order acceptance in a variety of markets and order types.</p>	<p>for its Clients, but also considers how each of the other execution factors is affected, for example, speed of execution and likelihood of order acceptance in a variety of markets and order types.</p>
<p><b>15. Consent</b></p> <p>We are required to obtain our clients prior consent to our Order Execution Policy. It will be deemed that a client has provided such prior consent when they have given us an order.</p>	<p><b>15. Consent</b></p> <p>We are required to obtain your prior consent to our Order Execution Policy. It will be deemed that you have provided such prior consent when they have given us an order.</p> <p>When this 'Order Execution Policy' is modified (hereinafter referred to as "Change(s)") we will post such Changes on our Website. Each such notification shall be deemed as sufficient notice and it is your duty to consult and/or to check regularly this Order Execution Policy on our Website regarding any such Changes. Therefore, you should review this 'Order Execution Policy' from time to time so as to ensure that you will be aware of any such Changes.</p> <p>Your continued access and/or use of our Website and/or Online Trading Facility after the publication of any Changes shall be considered as your agreement to such Changes and shall be governed by this 'Order Execution Policy', as modified.</p> <p>IF YOU DO NOT WISH TO BE BOUND BY SUCH CHANGES, YOU SHOULD CEASE TO ACCESS AND/OR USE OUR SERVICES AND/OR ONLINE</p>

	<p>TRADING FACILITY, AND INFORM US IN WRITING, IMMEDIATELY.</p> <p>You will be deemed to have accepted and to have agreed to any such Changes unless you notify us to the contrary in accordance with the details of the Changes notified in accordance with the foregoing within five (5) calendar days of the date of our notice of the relevant Changes. Where you object to a Change, the Change will not be binding on you, but your Account will be suspended and you will be required to close your Account as soon as it is reasonably practicable.</p> <p>Any Change will supersede any previous agreement between us on the same subject matter and will govern any Transaction and/or Contract entered into after, or outstanding on, the date the new edition of this 'Order Execution Policy' comes into effect.</p>
<p><b>16. Status of this Policy</b></p> <p>This policy forms part of the Trading 212 UK Ltd. Client Agreement and the Share Dealing Service Terms of Business.</p>	<p><b>16. Status of this Policy</b></p> <p>This Policy forms an integral binding part of the Trading 212 UK Ltd. CFD Terms and the Invest Terms.</p> <p>All words and phrases highlighted and not defined in this Order Execution Policy, shall have the same meaning as defined in our Invest Terms and CFD Terms.</p>

**17. Order types**

When investing, clients can make use of several order types. Please note that the below is only applicable to the Share Dealing Service and the Stocks and Shares ISA. For the order types that you can use on the CFD service, please refer to section 11 of the Trading 212 UK Ltd Client Agreement available on our website.

**Market Order**– This order type will be executed immediately (or upon the next price update) at the best available market price. This order should be used if you want execution at any event. Please note that the price might change before execution, especially with less liquid financial instruments. This order type guarantees to buy or sell a financial instrument but does not guarantee the price at which it will be executed. Therefore, please use this type of order with care.

**Limit Order** – Using this order type, you can set a minimum price (for a sell order) or a maximum price (for a buy order) for which you want to execute your Order.

**17. Order types and processing**

When trading, Clients can make use of several order types. Please note that some order types are only applicable to Invest and ISA investing, while other order types are applicable only to CFD trading.

**Market Order** – This order type is applicable to CFD and Invest/ISA trading. It will be executed immediately (or upon the next price update) at the best available market price. This order should be used if you want execution at any event. Please note that the price might change before execution, especially with less liquid financial instruments. This order type triggers execution but does not guarantee when and at what price it will be executed. Therefore, please use this type of order with care.

**Limit Order** – Using this order type, you can set a minimum price (for a sell order) or a maximum price (for a buy order) for which you want to execute your Order. In the case of a Limit Order to sell, your Order will be executed if the price obtainable in the market is equal to or higher than the price you have set. In the case of a Limit Order to buy, your Order will be executed if the price obtainable in the market is equal to or lower than the price you have set. You are responsible for cancelling any Limit Order instructions set on stocks that you wish to withdraw. Applicable only to Invest/ISA trading.

**Stop Order** – A Stop Order is an order to buy or sell a stock once it meets the stop price predetermined by the client. When the stock hits the clients stop price, the Stop Order becomes a Market Order. It then executes the order at the best price available (or upon the next price update). Investors often place stop orders to help reduce potential losses, in case the stock moves in the wrong direction. There is the risk that short-term fluctuations in a stock's price can trigger a Stop Order resulting in a Market Order being executed.

**Stop Limit Order** – This type of order operates similarly to the Stop Order, however, instead of generating a Market Order, upon hitting your pre-defined stop-loss limit our systems generate a Limit Order. The main advantage is that an order cannot be executed at a worse price than your limit, however, there is an additional risk that due to this limit no execution may take place at all.

**Stop Order** – A Stop Order is an order to buy or sell a stock once it meets the Stop Price predetermined by you. When the stock hits your Stop Price, the Stop Order becomes a Market Order. It then executes the Order at the best price available (or upon the next price update). Investors often place Stop Orders to help reduce potential losses, in case the stock moves in the wrong direction. There is the risk that short-term fluctuations in a stock's price can trigger a Stop Order resulting in a Market Order being executed. If you place a Stop Order that is higher than the normal market size and the price at which it is to be executed is significantly different from the Stop Price, we will still proceed to execute the Order. Applicable only to Invest/ISA trading.

**Stop Limit Order** – This type of order operates similarly to the Stop Order, however, instead of generating a Market Order, upon hitting your pre-defined stop-loss limit our systems generate a Limit Order. The main advantage is that an order cannot be executed at a worse price than your limit. However, there is an additional risk that due to this limit, no execution may take place at all. Applicable only to Invest/ISA trading.

### Added sections

#### 11. Ensuring Best Execution

Market conditions can affect the time it takes to execute all orders/order types, including Limit Orders, Stop Orders and Market Orders. All Orders are executed in due turn. We cannot guarantee that a Limit Order or a Stop Order will be executed even if the Limit or Stop Price is reached. We do not accept any liability for any actual or potential loss you

may suffer if there is a delay in execution. Market conditions may result in the execution of a Stop Order being at a price above or below the Stop Price. We may also introduce restrictions on a temporary or permanent basis regarding a certain type of Order (e.g. Limit Order, Stop Order and/or Market Order) in certain or all Investments.

*[Previously Clause 10.5 of our Invest Terms]*

#### **14. Fractional Shares**

T212 will comply in all respects with “best execution” on all Orders executed through T212 in line with its regulatory requirements. This means that execution will be based on a price no worse than the prevailing bid/offer on the reference exchange as of the time of your Order for all full share and fractional share components of a transaction. Any Order greater than one share that includes a fractional share component will be executed in a mixed capacity. T212 will act in either a principal or riskless principal capacity with respect to the fractional share components of the transaction. If you enter an Order solely for a fractional share, T212 will execute your trade over-the-counter, matching it internally based on a price no worse than the prevailing bid/offer on the reference exchange as of the time of your order. Orders entered outside of regular trading hours cannot be executed.

If you place an Order for a share (which Order is denominated in a certain monetary amount), and that monetary amount is not enough to buy one or more shares, you may only have enough money to acquire a fraction of a share. In order to give effect to your Order, T212 will enter into a Fractional share transaction with you in terms of which the underlying reference instrument will be a percentage of the share specified in your Order.

T212 rounds all fractional holdings to eight decimal places. For all notional-based Orders, your transaction will never exceed the order amount. Rounding may also affect your ability to be credited for cash dividends, stock dividends and stock splits. For example, if you own 0.00000001 shares of stock that pays a one-cent dividend per share, we will not credit your cash balance a fraction of a cent. In carrying out rounding, we will use reasonable endeavours to get as close as possible to your Order. However, we shall not be liable for any loss or damage suffered or incurred by you arising out of or in connection with such

rounding, save to the extent directly attributable to our negligence, fraud, wilful default, breach of contract or breach of the FCA Rules.

*[Previously part of Clause 11 of our Invest Terms]*

## **17. Order types and processing**

**Associated Order** – This order type is only applicable to CFD trading. It shall be executed if the market price reaches the price specified in the order. This order is associated with an open position. If the open position is closed, then the Associated Order shall be automatically cancelled. During market hours, the Associated Order shall be executed at the specified price. The Associated order may be executed at a different price when the market opens. There are three types of Associated Orders:

- a. **Stop Loss Order** – it is used to close the open position at a certain loss. The Trading Platform may show you the target loss in the currency of your account. This information is indicative and not guaranteed.
- b. **Take Profit** – it is used to close the open position at a certain profit. The Trading Platform may show you the target profit in the currency of your account. This information is indicative and not guaranteed.
- c. **Trailing Stop** – a Stop Loss Order where the specified price follows the market price at a certain distance.

**Entry Order** – This order is applicable only to CFD trading. It shall be executed if the market price reaches the price specified in the Order. The Entry Order is used to open a new position or to modify an existing open position. The execution price of the Entry Order is not guaranteed. This order may be executed at a different price, especially when the market is volatile or not liquid. There are three types of Entry Orders:

- a. **Stop/Limit** – this is either a “Stop” order or a “Limit” order. The Trading Platform shall automatically set the type of the order according to the current market price and the specified price.
- b. **One cancels the other (OCO)** – is a combination of two Entry Orders where the execution of one of them automatically cancels the other.

**Pending Order** – This order type is applicable to CFD and Invest/ISA trading. It is an Order to be executed at a later time and with regard to the price that the Client specifies. The Company will monitor the Pending Order, and when the price provided by the Company reaches the price specified by the Client, the Order will be executed at (the best available price) that price. The following types of Pending Orders are available:

- ‘Buy Limit’ (an Order to purchase a Financial Instrument at or below a specified price);
- ‘Buy Stop’ (an Order to buy a Financial Instrument at or above a specified price);
- ‘Sell Limit’ (an Order to sell a Financial Instrument at or above a specified price); and
- ‘Sell Stop’ (an Order to sell a Financial Instrument at or below the specified price).

Please note that Pending Orders will be executed instantly in cases when the current market price fits the predefined Order specifications.

Once accepted by us, a Pending Order CFD trading services can still be modified by you. While once accepted by us, a Pending Order for Invest/ISA services cannot be amended. If you would like to amend an Invest/ISA Pending Order that you have already placed, you have to cancel it (before it has been executed) and make a new one.

At all times, we reserve the right to amend or cancel your Pending Order due to market circumstances.

### **Cancelling an Order**

If you place a Limit Order or Stop Order on an Investment in respect of which trading is suspended or has a Corporate Action before execution or if your Account is suspended, we may, at our sole discretion, cancel the Pending Order.

*[Previously Clause 10 of our Invest Terms and Clause 12 of our CFD Terms]*

## **18. Definitions**

**Market Order** is an Order instantly executed against a price that the Company has provided. You may attach to a Market Order a ‘Stop Loss’ and/or ‘Take Profit’. ‘Stop Loss’ (an Order to close a previously opened position at a price less profitable than the price at the time of placing the Order) is an Order to limit a Client’s loss, whereas ‘Take Profit’ (an



Order to close a previously opened position at a price more profitable than the price at the time of placing the Order) is an Order to limit a Client's profit.

**Stop Price** – A Stop Price is the price predetermined by you when setting a Stop Order. Once the stock hits the Stop Price, the Stop Order becomes a Market Order.

**Order** means an instruction to buy or to sell as placed by you via your Account on the Trading Platform.

## **19. Miscellaneous**

In exceptional cases, especially in cases of force majeure, including failure of communication with selected Intermediaries, the Company may be obliged to use other execution methods than those provided for in the present Order Execution Policy.

Upon execution, the Company is obliged to provide you with information concerning the execution of your Orders in compliance with the Order Execution Policy.

## **Deleted section**

## **14. Fractional Shares**

As with orders of whole size amounts, fractional orders will be executed at no worse a price than that of the reference price on the reference exchange for a whole share – as per the exchange price feeds available to T212.