Approved by the Board of Directors

Order Handling and Best Execution Policy
NGDEM Global Limited

Order Handling and Best Execution Policy (Policy) addresses the AIFC requirement for the Authorised Firms to have procedures for handling Client orders (execution of orders on behalf of Clients and reception and transmission of Client orders) and ensuring the best execution when processing Client orders.

This Policy confirms that NGDEM Global Limited (now called the Firm) complies with the requirements of the applicable law. Any matter not regulated by this Policy shall be governed and construed in accordance with the applicable law.

The Firm will monitor the effectiveness of this Policy to identify and correct any deficiencies. The Firm will notify Clients of any material changes to the process which affect its ability to obtain the best possible results for the execution of Client orders.

The Firm is required to obtain prior consent from Clients for how their orders will be handled and executed. Clients shall be deemed to have agreed to this Policy upon signing the relevant Terms of Service.

Capitalised terms in this Policy have the same meaning as assigned to them in the applicable law.

1. General

1.1. The Firm provides a service of receiving and transmitting Client orders whereby the Firm places orders, which means transmitting an order to a broker to buy or sell a financial instrument. A broker then executes the order. The Firm must ensure that all Client orders are executed on terms that are most favourable to them (best-execution). While the Firm takes all sufficient steps to achieve the best possible result for its Clients consistently, it cannot be guaranteed that the best execution is achieved for every trade. The steps the Firm will typically take to achieve the best possible result are described in this Policy. The Policy is subject to:

(a) any specific instructions that the Client gives to the Firm, e.g., an instruction to execute subject to a specific price limit (‘limit order’);
(b) the nature of Client orders (e.g., large orders relative to the normal trading volume of the financial instrument);
(c) the nature of the markets and financial instruments (e.g., whether buyers and sellers are in the market for the financial instrument.

1.2. The Firm will apply standardised processes for recording details like the Client order details, time of receipt and execution, and how the order is executed. These records will be retained for six years.

1.3. Orders must be continuously monitored for status and any issues arising. Amendments or cancellations requested by Clients will be promptly processed.

1.4. Executed and unexecuted orders must be regularly reconciled against trade confirmations, account records and the order log. Any discrepancies will be promptly investigated.

2. Best Execution factors

2.1. The factors that will determine how the Firm achieves the best possible result for Client orders are:

(a) Price of the instrument - aiming for the best overall price for the size and nature of the order.
(b) Costs related to execution - considering any fees, commissions, taxes, slippage, market impact, etc.
(c) Speed of execution - the speed at which the Firm can progress and fill an order.
(d) Likelihood of execution and settlement - the Firm's ability to complete the full execution and settlement of an order on a timely basis.
(e) Size and nature of the order - how this may affect the relative importance of the other execution factors.
(f) Any other considerations relevant to the efficiency of execution - market conditions, disruption events, sale restrictions, etc.

2.2. The Firm determines the relative importance of the above factors using its experience and expertise based on the Client classification, instrument type, market involved, and specific order need. Price and costs may dominate for retail Clients under normal conditions, but other factors may rise in prominence due to market events or a Client's requirements.

3. Specific Instructions

Where the Client provides the Firm with specific instructions about the order, the order will be executed in line with these instructions. Where the Client provides specific instructions that relate to only a part of the order, the Firm will continue to follow this Policy to those aspects of the order that are not covered by the Client’s instruction. Any instructions provided by the Client may prevent the Firm from following all steps of the Policy designed to obtain the best possible result for the Client in respect of the elements covered by that instruction.

4. Execution venues and brokers

4.1. To meet the obligation to obtain the best possible result for the execution of Client orders, the Firm will transmit Client orders to executing brokers for execution. Those executing brokers may use one of the following types of venues or may execute the order over the counter:

(a) Regulated Markets;
(b) Multilateral Trading Facilities (‘MTF’);
(c) Organised Trading Facilities (‘OTF’);
(d) Market Makers, third-party brokers or other liquidity providers;
(e) other liquidity providers.

4.2. The Firm will use its expertise and experience in the market to assess which venues – including brokers, dealers, exchanges, electronic platforms, etc. – enable the Firm to obtain the best execution for Client orders consistently.

4.3. Venues will be evaluated based on factors like:

(a) competitiveness of their pricing structure, costs and commissions;
(b) depth of liquidity, especially for fractional or large-size orders;
(c) reliability and speed of execution;
(d) creditworthiness and financial stability;
(e) capability to execute specialised or complex orders;
(f) willingness to accept risks;
(g) post-trade services for clearing, settlement and reporting.

4.4. Selected execution venues will be approved only if they enable the Firm to comply with best execution obligations and client-specific needs can be adequately serviced. They must agree to follow up on instructions and report any issues.

4.5. The list of approved venues will be kept under ongoing review through daily monitoring, evaluation of execution quality data and periodic due diligence. Underperforming or non-compliant venues will be removed.

4.6. When transmitting orders to brokers and dealers for execution, the Firm must consider their reliability, expertise, competitiveness, financial stability, and ability to execute and settle orders. Periodic reviews evaluate the quality of outsourced entities.

5. Order handling and fair allocation

5.1. The Firm will allocate Client orders fairly and objectively.

5.2. Orders of a similar nature in the same financial instrument will be executed sequentially based on the time of receipt unless the characteristics of the order or prevailing market conditions make this impracticable or the interests of the Client require otherwise.

5.3. Clients' investment needs and objectives and the nature of the order will determine its priority unless the Firm has instructions to the contrary from the Client. Client instructions may specify conditions such as the priority of one order over another that requires a departure from the standard fair allocation procedure. Where Clients do not provide specific instructions, allocation will follow the procedures and principles established in this Policy.

5.4. The Firm will aggregate orders to give Clients the benefits of efficient and cost-effective order execution. By aggregating Client orders, the Firm may obtain more favourable execution prices and broker commissions. When aggregating orders, the Firm will provide fair and equitable treatment to all Clients. The Firm will not favour any Client account over another and will not carry out Client orders in aggregation with another client order unless the following principles are met:

(a) it is unlikely that the aggregation of orders will work to the disadvantage of any client whose order is to be aggregated; and
(b) it is disclosed to each Client that the aggregation may work to its disadvantage.

6. Execution costs

The Firm may charge the Client a fee, commission, mark up or a spread in the execution price.

7. Post Trade arrangements

7.1. Transaction confirmations must be issued to Clients for every execution according to regulatory timeframes - typically same day or the next day for OTC trades and within two days for electronic trades.

7.2. Confirmations must include trade date and time, settlement details, risk disclosures, transaction costs, Client reporting obligations and key servicer contact details.

7.3. A counterparty confirmation will also be issued to the other party to the transaction. Material discrepancies in trade details must be promptly resolved.

8. Record keeping

The Firm will maintain complete and accurate records of Client order handling to meet regulatory requirements and risk management needs. The following will be captured and retained:

(a) Client orders: records will include the Client account name, date and time of receipt, type of financial instrument, pricing and volume details, order type (limit, market), any execution conditions or instructions, and any subsequent amendments or cancellation requests;
(b) order handling decisions;
(c) order executions: the date, time and venue/counterparty where any partial or total fill of a Client order occurred will be logged immediately and linked to the corresponding order record. Execution prices, associated fees or commission charges will also be captured for order handling analysis and Client billing purposes;
(d) allocation details;
(e) trade confirmations.