



114a Cromwell Road, Fourth Floor, London, SW7 4AG, United Kingdom  
[www.onyxmarkets.co.uk](http://www.onyxmarkets.co.uk)

## Order Execution Policy

### Background and Scope

Onyx Capital Advisory Limited (“Onyx Markets”) must take all sufficient steps to obtain the best possible result for a client when executing a transaction on their behalf. This must be done by reference to a set of execution factors that are intended to achieve the best possible result on a consistent basis. The purpose of this Order Execution Policy (“Policy”) is to outline the approach taken by Onyx Markets to achieve best execution for its clients on a consistent basis.

### When does Best Execution apply?

FCA COBS 11.2A.3G states that the best execution obligation applies where a firm owes a contractual or agency obligation to a client.<sup>1</sup> This obligation arises in relation to the receipt, transmission, and execution of client orders where the order is for a Financial Instrument as defined under Directive 2014/65/EU (“MiFID II”)<sup>2</sup>. Furthermore, in accordance with Principle 12, Onyx Markets must act to ensure the best outcomes are met for our retail clients, to which best execution obligations explicitly relate to the prices that we obtain for our customers. Onyx Markets will apply this Policy to clients who legitimately rely on Onyx Markets to protect their interests in relation to the execution of financial instruments, which include Contracts for Difference (“CFDs”) and Spread Betting (“Bets”). Onyx Markets provides these services to clients, including retail clients.

Onyx Markets will always provide best execution to clients who have been categorised as retail clients, as such retail clients are deemed to be relying on Onyx Markets to protect their interests.

Onyx Markets shall consider the following factors when determining whether a non-retail client is legitimately relying on Onyx Markets to protect its interests:

- Which party initiates the transaction – if Onyx Markets approach a client, they are expected to legitimately rely on Onyx Markets;
- The ‘shop around’ convention – in certain markets, it is a convention that participants obtain quotes from a number of providers prior to executing a transaction. In this instance, it may be less likely to place legitimate reliance on Onyx Markets;
- Relative levels of price transparency in a market – the absence of available, transparent prices means the client is more likely to place legitimate reliance on Onyx Markets to achieve best execution; and
- The information Onyx Markets provides to its clients and any agreements reached – this includes information in Onyx Markets’ Terms of Business or any other agreement which should clearly state whether or not best execution applies.

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<sup>1</sup> <https://www.handbook.fca.org.uk/handbook/COBS/11.pdf>

<sup>2</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0065&from=EN>



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## Execution Process

### Execution Criteria

Onyx Markets shall consider the particular characteristics of each client order which need to be considered before applying Onyx Markets' execution process to achieve the best possible result. The best result is defined by reference to Onyx Markets' prioritisation of the execution factors as set out below.

The execution criteria will vary from client to client and from trade to trade and will therefore need to be assessed on a continual basis. Onyx Markets shall make reference to the criteria outlined in COBS 11.2A.8. These are as follows:

- The characteristics of the client;
- The characteristics of the client order (including any element of specific instruction such as a market or limit order);
- The characteristics of the product to which that order relates; and
- The characteristics of the market to which the order can be directed (including likelihood of execution and settlement and transaction costs).

### Execution Factors & Prioritisation

In the provision of services to retail clients, the best possible result must be determined in terms of the **total consideration**, representing the price of the product and the costs related to execution, which must include all expenses incurred by the client which are directly related to the execution of the order.

The execution factors that Onyx Markets reference when executing **retail client orders** (in the absence of a specific client instruction) are defined in COBS 11.2A.2.2R, and are prioritised as follows:

- **Price** – This is the price at which a transaction is executed.
- **Costs** – This includes explicit external costs such as exchange or clearing fees, as well as implicit costs such as spreads and slippage.
- **Speed** – This refers to the amount of time that elapses between the client order and the successful execution of that trade.
- **Likelihood of execution and settlement** – This refers to Onyx Markets' estimation of the probability that a client's order will be successfully completed.
- **Size** – For large orders only a partial fill may be received. Where the whole order is unlikely to be filled, the size of the potential fill will increase in importance.
- **Nature of the order and any other relevant considerations** – any other characteristics which could affect how best execution is achieved.

The execution factors that Onyx Markets reference when executing **professional-client orders** (in the absence of a specific client instruction) are prioritised as follows:

- **Likelihood of execution and settlement**
- **Price**
- **Costs**
- **Speed**



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- **Size**
- **Nature of the order and any other relevant considerations**

The importance of the above criteria will be judged in line with Onyx Markets' commercial experience and with reference to market conditions including the need for timely execution, availability of price improvement, the liquidity of the market and size of the client's order (which may make it difficult to execute an order) and the potential impact on total consideration. The main way in which we will ensure that you are granted best execution is by ensuring that in the calculation of our bid/offer prices used to execute your orders, we pay due regard to the market price for the underlying reference product to which your orders relate. Onyx Markets has access to market data to ensure all contracts are priced accurately so that you receive best execution.

For certain products, when you give us an order there may be no functioning or open market or exchange on which the reference product is traded. In these cases, Onyx Markets set out to determine a fair underlying two-way (i.e., the bid and ask) price based on a number of factors such as price movements on associated markets, other market influences and client trading flow.

#### Execution on our Trading Platform

In relation to CFDs and Bets that you enter into with Onyx Markets, we solely act as principal (and not as agent on your behalf) and we therefore act as the execution venue for these products. This means that we will act as market maker and you will be dealing with Onyx Markets and not within the underlying market.

In respect of CFDs and Bets, we will seek to manage our risk as a market maker and may choose whether to hedge part or all of your orders in the underlying market. Where hedging in the underlying market is required this may affect the price of the contract that Onyx Markets enters into with you, taking into account the prevailing market prices available to Onyx Markets.

For the avoidance of doubt, Onyx Markets will execute your orders outside a regulated market or a Multilateral Trading Facility. Whilst this approach allows us to consistently source the best price for your orders it brings with it a greater counterparty and settlement risk compared to trading on exchange. Further information is provided within our Terms of Business and Risk Disclosure Notice in relation to these risks, such as the risk of default of Onyx Markets.

#### **Other Considerations Affecting Execution**

##### Specific Client Instruction

If Onyx Markets receives an order from a client (either retail or professional) that includes specific instruction in relation to the handling and execution of the order, then, subject to our legal and regulatory obligations, Onyx Markets will execute the client's order in accordance with the specific instruction. This means that to the extent of the specific instruction, Onyx Markets' obligation of best execution will be satisfied by executing the order in accordance with the specific instruction. Where a specific instruction covers only a portion of an order, and Onyx Markets have discretion over the other elements of the order, then Onyx Markets will continue to owe an obligation of best execution in respect of the remaining elements of the order that are not covered by the specific instruction.



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### Volatile Markets

Where markets are seen to be particularly volatile, either across the market as a whole or in relation to the instrument that is the subject of the client order, then the speed of execution will be moved up the prioritisation order. This is because in this situation the price could move rapidly against the client, meaning that any delay in execution could result in either a worse price being achieved, or the desired trade not being completed at all. As transactions are carried off exchange, the risk of price fluctuations is mitigated. However, Onyx Markets shall implement effective controls to ensure that any volatility is mitigated via the methods outlined above.

### System Failure

Systems operated by Onyx Markets, or systems and execution venues used by other Onyx Markets' counterparties may become inoperable due to technical faults and, therefore, Onyx Markets may take longer in executing a client's order. Onyx Markets implements several countermeasures to ensure that disruption of this nature is mitigated to the fullest extent possible.

### **Order Handling**

Onyx Markets shall accept orders which are handled through its trading platform. Onyx Markets will process 100% of your orders without any manual intervention (except for its phone dealing products). Onyx Markets' order flow is designed to automatically accept client orders (as much as possible) without referencing our exposure and without referencing liquidity in the underlying markets. Onyx Markets will only ever partially fill an order as an alternative to an outright rejection. We will never partially fill your order as an alternative to filling it in its entirety. All orders are promptly and accurately recorded and allocated.

For phone dealing products, you will need to contact the Brokerage team to open and close positions for any phone dealing products. Our brokerage team will present the applicable pricing and terms for opening or closing a CFD or Bet, which you are free to either accept or decline. With your consent, our brokerage team may, at their sole discretion, waive any applicable limits for phone dealing products.

### **Disclosures**

#### Consent

Clients are deemed to have consented to this Policy by signing Onyx Markets' Terms of Business, or by continuing to trade with Onyx Markets.

#### Ongoing Monitoring & Notification of Material Changes

Onyx Markets Compliance maintain a governance framework to monitor the effectiveness of its order execution arrangements and to correct any identified deficiencies. We will assess on a regular basis whether the price feed and hedging venue relied on in pricing our products allow us to achieve best execution on a consistent basis or whether Onyx Markets needs to update its execution arrangements. We will also review our order execution arrangements and order execution policies regularly whenever a material change occurs either in respect our pricing or otherwise in a manner that affects our ability to continue to achieve best execution. Onyx Markets will review this Policy at least annually, making updates where necessary.



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### Fiduciary Duty

Onyx Markets' commitment to provide you with 'best execution' does not mean that we owe you any fiduciary responsibilities in respect of order execution over and above the specific regulatory obligations placed upon us or otherwise contracted between us.

**By agreeing to Onyx Market's Terms of Business, you acknowledge the risks of trading CFDs and Spread Bets. You confirm that you're prepared—both financially and otherwise—to take on these risks, and that losing your entire account balance would not negatively impact your lifestyle.**