ORDER EXECUTION POLICY

Last update: 03-09-2020

This order execution policy aims to inform the company's clients about how orders are executed by Lind Capital Fondsmæglerselskab A/S (hereafter referred to as LCFM). Furthermore, this policy will help to ensure that orders are executed according to a consistent progress method that guarantees that the client gets best possible execution.

The order execution policy will at least once a year, or, if so required, update this document. Changes will be available on our website https://www.lcfm.dk/forretning/ Changes are effective once they have been published on the website.

LCFM must obtain the client's consent to the order execution policy, before the first trade can be initiated by the client if classified as a professional investor. As a rule, approved counterparties are not covered by the order execution policy.

Best execution

LCFM executes orders for clients according to best execution principles, which means, that when executing received orders, it must take all sufficient measures to achieve the best possible result for its clients in the given circumstances. The best results are obtained by comparing the price, costs, speed, probability of execution and settlement, size, nature and other matters relevant to execution of the order. The weighting of these parameters will vary but typical price and speed are pivotal. In the case of a large order; the company may attach greater importance to other factors, if the order is expected to suffer a significant price impact or impact the probability of the expedition of the order.

Trading places

LCFM can either execute client orders directly on an exchange or through trading outside a regulated market where LCFM completes the client's order with LCFM as counterparty or by matching the client's order against those of another of its clients. Finally, the order could be carried out by a third party, as LCFM has signed an agreement on the handling of orders on the relevant exchange/marketplace.

LCFM has the following trade place: https://www.lcfm.dk/forretning/

Order and trade types

LCFM deals with two different types of trades and two different types of orders:

- Limit order
- Market order
- Commission trade
- Indicative or fixed price trade

Limit Order

A limit order is an order which LCFM carries out on behalf of the client and at the client's risk, where the client has set the maximum or minimum price at which LCFM must act, depending on whether it is a purchase or a sale. Here the regulations on best execution are taken into account when choosing which trading platform is most appropriate for that order. Once the order is completed, the client is charged the average trading price, plus or minus a commission, depending on whether there is a purchase or a sale.

Market Order

A market order is an order which LCFM carries out on behalf of the client and at the client's risk, and where the order is executed as close as possible to the current market prices (best execution). In which case, LCFM will assess the market place that is most appropriate for that order. Once the order is completed, the client is charged the average trading price, plus or minus a commission, depending on whether there is a purchase or a sale.

Commission Trade

Commission trade is a trade that LCFM carries out on behalf of the client and at the client's risk. LCFM can,

taking the regulations on best execution into account, choose which trading platform is most appropriate for each particular order.

Example: A client contacts LCFM when the client wants to sell a position in a Danish equity to a minimum rate of 100. This is a limit order which LCFM will execute on Nasdaq OMX Nordic. If the order is executed on the exchange, LCFM will charge the client the valid price, minus a prearranged commission rate.

Indicative or fixed price trade

Indication of interest can be initiated as a part of the daily contact or by a specific inquiry from the client. In relation to accommodating an indication of interest, LCFM can contact its other clients in order to find opposing interests. When there is an interest deviation, the order is not executed. For this reason, LCFM will not execute an indication of interest before the client gives a final accept of wanting to buy a given paper at a given price and a given amount, which LCFM defines as an indicative or fixed price trade.

In the case of an indicative or fixed price trade, LCFM quotes indicative or fixed prices directly to the client. An arrangement is made between the client and LCFM, either when the client accepts a fixed price quoted by LCFM, or, in the case of an indicative price, when LCFM has confirmed the price to the client, and the client confirms the price. In the case of an indicative or fixed price trade, a trade is made between LCFM and the client, and for this reason, LCFM does not execute an order on the client's expense. This means that indicative or fixed price trades are not included in this policy, and LCFM is not obligated to ensure best execution. The prices are quoted, either including all costs or with subsequent attributed or deducted commission, depending on what has been agreed upon with the client.

Bonds

Bonds will be executed outside a regulated market with LCFM as counterparty or directly on an exchange.

Equities and investment funds

Danish equities and Danish investment funds will either be executed as a commission trade or indicative or fixed price trade with LCFM as counterparty or directly on an exchange at Nasdaq OMX Copenhagen.
Foreign equities and foreign funds will either be executed as a commission trade or indicative or fixed price trade with LCFM as counterparty or directly on a foreign exchange.

Futures

Futures will be executed as market order with LCFM as counterparty or directly on an exchange at Nasdaq OMX Copenhagen.

CFDs

CFDs will be issued either with equities, investment funds or bonds as underlying and will be executed outside a regulated market with LCFM as counterparty.

Selection of trading place

The choice of trading platform for bonds, equities, Danish and foreign funds and futures is primarily with regard to obtaining the best price for the client, including other costs, however, also taking into account the speed and likelihood of completion of the order. There will also be taken into account implementation and settlement, size, nature, and other factors that are relevant to the execution of the order. Choice of trading platform for CFD's will be LCFM since it is a bilateral agreement between the client and LCFM on settlement of differences regarding the underlying active.

Order execution

LCFM will execute client orders quickly, efficiently, and in accordance with the regulations on best execution. Should the company receive comparable orders; orders will be carried out immediately and in the order in which they are received, if not made impossible by the nature of the order, existing market conditions, or if other factors must be taken into account as a result of the client's interest.
LCFM can choose to combine several client orders, provided that it is unlikely that the aggregation of orders and trades result in the detriment of one of the clients. An aggregated order, when completely executed, will be distributed to the average price. A partially executed order will be distributed proportionally to the average price. LCFM will not aggregate orders for the company's own portfolio with client orders. Orders will be valid until the end of the day, unless otherwise agreed with the client. LCFM has the right to decline an order without being obligated to tell on what grounds.

Disruption
In the case of disruption in the market, or in LCFM's own systems, as a result of, for example, technical problems, Lind Capital Fondsmæglerselskab A/S may find it impossible or disadvantageous to carry out the order in accordance with this policy. LCFM will take all possible steps to achieve the best result in a different way for the client in this case.