Order Execution Policy:
Nomo Investment Portfolios

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1. Purpose

The purpose of this Order Execution Policy (“Policy”) is to set out the approach for the Bank of London and the Middle East (BLME), BLME Capital (subject to KSA CMA requirements), and Nomo a trading name of BLME to providing best execution as required by the Markets in Financial Instruments Directive II (MiFID II) under articles 21 of level 1 and articles 44, 45, and 46 of level 2.

BLME is required as outlined in the FCA Conduct of Business Sourcebook (“COBS”) and set out by MiFID to take all sufficient steps to obtain the best possible results for its clients when executing orders. The execution factors to be taken into account are price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order. For the purpose of this policy, all references made to COBS are also in alignment with best execution requirements under MiFID II.

MiFID II requirements do not require that BLME obtain the best possible result for each individual order; rather apply best execution to each order with a view to obtaining the best possible result in accordance with this policy.

This policy also supports the FCA’s Consumer Duty by ensuring good client outcomes through fair, transparent, and timely execution of orders.

For the time being, all the Funds offered as part of the Nomo Investment Portfolios proposition are those for which the third-party provider of execution services has distribution agreements in place with the respective fund managers. In these cases, execution is carried out directly with the fund manager (or its agent, where applicable). No intermediaries are used.

2. Scope

This policy applies to BLME employees involved in conducting investment business (BLME directors, employees, Nomo employees, temporary employees, contractors, and third parties as related to the authorised use of BLME information, client information and information covered under Non-Disclosure Agreements)

This Policy applies to the Nomo Investments service of executing client orders; a service provided via the Nomo App offering a discretionary portfolio management service where the underlying assets are funds. This service is for clients who have been categorised as Retail Clients under the FCA rules and is outsourced to a third-party provider.

This Policy only applies to transactions conducted in instruments falling under the scope of ’financial instruments’ under COBS 11.2A. It will cover the Nomo Investment Portfolios, The assets included in the Portfolios will be restricted to funds which for FCA purposes qualify as Undertakings for Collective Investments in Transferable Securities (UCITS).

In the event that additional classes of investments or other funds are introduced to be offered by Nomo Investments, this policy will be reviewed and updated accordingly to reflect such changes.

3. Third-party provider

3.1 Appointment

BLME has appointed a specialist third-party provider falling under the scope of 'UCITS management company' under the FCA COBS 11.2B rules for order execution. BLME has undertaken due diligence on its third-party provider and has an agreement with it to execute orders. BLME's third-party provider is a regulated bank which has its own Order and Best Execution policy, which it is contractually bound to follow when executing orders for BLME's clients.

3.2 Distribution agreements

BLME's third-party provider has distribution agreements with all the fund managers which manage the Funds offered by Nomo Investments. Accordingly, no intermediaries are used. Order execution is carried out directly with the fund manager (or its agent, where applicable) which ensures the best possible result in terms of operational efficiency and price. One of the advantages of this arrangement is that it is able to execute trades on favourable terms, e.g., whereby fund managers waive Entry Charges.

3.3 Monitoring

BLME, through its routine oversight of its third-party provider, has in place the following monitoring arrangements:

- Third-party provider reporting on order handling issues such as orders which are not settled / confirmed on time and orders not executed in line with the fund cut-off times.
- BLME monitoring of order confirmation / settlement outside agreed service level timeframes.
- BLME will review the third-party provider's Order Execution Policy annually to ensure continued compliance with MiFID II and FCA requirements.

4. Best execution

To satisfy our obligations under COBS 11.2A.8 BLME's third-party provider will adopt all reasonable measures to obtain best and timely execution, ensuring all trades are placed with the fund manager at the fund manager's next valuation point. For the Funds offered, the only factor within the control of BLME's third-party provider is speed of execution – executing the order at the next available price set by the fund manager, subject to the cut-off times.

Price is determined by the fund's Net Asset Value (NAV) and cannot be influenced by BLME or its third-party provider. Therefore, operational efficiency and timely execution at the next valuation point are the primary factors under BLME's control.

5. Order handling

5.1 Valuation

All Funds included in the Nomo portfolios are priced daily. At a set time each business day, a fund is revalued with reference to the value of its holdings. The total value of the holdings divided by the number of units is the Net Asset Value (NAV) of the fund, i.e., the unit price.

5.2 Cut-off times

For each business day, each fund has a specified cut-off time. These cut-off times for each fund will be disclosed to clients in advance through the Nomo App and client terms. All orders received by the fund prior to its cut-off time will be traded at that day's price. BLME's third-party provider sets its own, earlier cut-off time for each fund in order to have time to meet the fund's cut-off time. Each fund will have a specified cut-off time; these can vary from fund to fund.

5.3 Sequence

Orders are processed according to their receipt prior to the established cut-off times. The sequence of their receipt will have no bearing on the sequence in which they are executed.

5.4 Aggregation

BLME's third-party provider may combine client orders for Funds with those of its other customers to carry them out as aggregated orders (block orders). In no case will this cause any disadvantage to clients.

5.5 Transmission

BLME will transmit portfolio level orders to its third-party provider. BLME's third party provider will then calculate the fund trades to be executed based on the portfolio the customer is invested in. The trades will then be passed to the third-party's dealing team. BLME's third-party provider's dealing team, under the obligation of COBS 2.1.1R will execute in the clients' best interest, client orders directly with the fund house or, where applicable, the entity in charge of order execution for a fund house (transfer agent).

Orders received by the third party's dealing team before the cut-off time will be processed on the same business day (always depending on the trading characteristics of each UCITS).

5.6 Price

Orders are executed at the fixed unit price as determined by the Net Asset Value (NAV) of the fund at the applicable execution date / time, with no option for them to be executed at a different price.

To satisfy MiFID provisions and COBS 11.2A.9 and 11.2A.10 BLME's third-party provider will take into account all factors to ensure delivery of the best possible result in terms of the total consideration, representing the price of the financial instrument and the costs related to execution including all expenses incurred by the client. The third-party provider does not undertake to guarantee the price for orders received prior to cut-off time when, due to external causes or reasons of force majeure, it has not been possible to transmit them to the fund house or the transfer agent in time. In such cases, orders will be processed as quickly as circumstances allow.

6. Notifications

Clients will receive the following notifications:

1. Order accepted (Email and push notification)
2. Order settled (Email and push notification)
3. Receipt of asset (units) into portfolio account.
4. Quarterly statement (Details of all transactions undertaken on the client's investment account).
5. Notifications will be sent within 24 hours of order acceptance and settlement to ensure timely client communication.

7. Policy review

BLME will review the effectiveness of its Order Execution Policy and its execution arrangements annually, at a minimum and whenever a material change occurs that may affect BLME's ability to continue to obtain the best overall result on a consistent basis.