

Making MiFID II Work

Best Execution Action Plan and Checklist

ESTABLISH A GOVERNANCE FRAMEWORK

- Assign accountability and responsibility for the process
- Identify conflicts of interest
- Detail your counterparty selection process (both now and in the future)
- Identify the metrics you will use to monitor the process

REVIEW & PUBLISH YOUR EXECUTION POLICY

- Extend to methods of trading (and other asset classes – equity-like)
- Order handling, routing logic, venue and algorithm selection

MONITOR YOUR PROCESS FOR CONSISTENCY AND ENHANCE THE PROCESS AFTER IDENTIFYING WEAKNESSES

- Ensure the process is being adhered to
- Track the quality of venue execution and the consistency of that quality
- Establish a systematic framework to identify outliers
- Remedy any identified weaknesses

MEET YOUR REPORTING OBLIGATIONS

- Identify your data needs and sources
- Publicly disclose your top 5 counterparties (RTS 28)

Making MiFID II Work is our comprehensive content, learning, and resource programme. We'll be publishing content on a regular basis throughout the year, designed specifically for the buy side.

For more information about MiFID II, how Liquidnet can help you prepare, or to access Rebecca Healey's full MiFID II research papers, insight, and workshops, please reach out to your Liquidnet coverage or email mifid2@liquidnet.com.