

Newedge Group Execution Policy

This disclosure statement set out our policy and execution methodology for client order execution on the best terms in accordance with directive 2004/39/EC on Markets in Financial Instruments (MiFID), which requires us to take all reasonable steps to obtain the best possible results in executing orders for our clients.

1. Scope of this policy

Our best execution policy applies to the execution of client orders executed by a Newedge group legal entity resident in the European Economic area (“Newedge Group”) which satisfy the following criteria:

- Where you have been categorised as a professional client under MiFID and have received a formal notification from us to that effect,
- You are dealing in financial instruments as defined under MiFID, and,
- We are either executing your orders or receiving or transmitting orders for execution on your behalf by dealing as your agent or by dealing as principal on your behalf.

2. Methodology

It is Newedge Group’s policy to execute client orders for financial instruments within the scope of the policy in a manner designed to reasonably obtain the best possible result for the client in accordance with the criteria set out below. We will determine the relative importance of the criteria by using our commercial judgement and experience in light of the market information available to Newedge Group at the time of execution.

3. Criteria

MiFID requires investment firms to take all reasonable steps to obtain the best possible result for their clients including the following factors: price, speed, likelihood of execution or settlement, size of order and any consideration relevant to the efficient execution of the order.

Price will ordinarily merit a high relative importance in obtaining the best possible result. However, in some circumstances, for some clients, orders, financial instruments or markets, we may appropriately determine that other execution factors are more important than price in obtaining the best possible execution result.

In determining the importance of these factors we will take into consideration the characteristics and instructions of the client, the order, the product and the venue of execution.

4. Selection of venues

Execution venues are defined as a regulated market, a Multi-Lateral Trading Facility (MTF), a systematic internaliser, a broker, a market maker or other liquidity

provider or an entity that performs a similar function in a third country to the functions being performed by any of the foregoing.

When transacting activities on a venue, we may trade either on venues where a Newedge Group entity is a member or on an OTC basis or use a third party broker. A list of the venues on which we will place orders is available on www.newedgegroup.com.

This list of venues will be regularly updated although we will not notify you separately of any changes.

Our best execution policy includes a selection of execution venues that we consider enable us, on a consistent basis to obtain the best possible result for executing client orders in accordance with the criteria. Where we have obtained your express prior consent to execute your orders outside a regulated market or MTF then, subject to any specific instructions given by you, we may execute your orders off exchange.

In relation to some financial instruments, there may only be one possible execution venue. If this is the case we will assume that executing an order for you through such venue will achieve best execution.

5. Transactions excluded from this policy

- This policy will not apply to any transactions executed on a regulated market outside the European Economic Area (“EEA”)
- Eligible Counterparties’ Transactions
Best Execution does not apply to Eligible Counterparties (as defined in MiFID).
- Specific Client Instructions
Where a client gives specific instructions as to the execution of an order, or part of it, it will be executed in accordance with those instructions. The part(s) of the order covered by the specific instructions will override our order execution policy. A market or venue which is chosen by a client to execute its order is considered as a specific instruction.
- Order Routing/Direct Market Access (DMA)
Client execution of an order through an order routing/DMA connection is excluded from our order execution policy as the client takes direct responsibility for its execution.
- Block Trades
Where Newedge Group executes a block trade in accordance with Exchange rules, although the execution will be designed to obtain the best possible result for the client in accordance with the relevant exchange rules, the order will be excluded from best execution policy.

- Request for quotes
The best execution policy will not apply when we provide you with a “request for quote” service, either on request or on a continuing basis. This will be considered as a specific instruction.
- Give-in trades
Where a client executes an order through a third-party which is subsequently transferred (given-in) to Newedge Group in order to settle, clear or hold on the client’s behalf, the order will be excluded from our best execution policy.
- Arbitrage orders across markets
Where a client instructs Newedge group to execute an arbitrage order, it will require separate orders to be placed on two markets and will result in Newedge group being exposed to the market risk in the two locations. As a result of being “on risk” for such orders they are excluded from our best execution policy.

6. Client order handling general terms

We will take reasonable steps to execute client orders in a prompt, fair, and expeditious manner relative to other client orders. We will execute otherwise comparable client orders sequentially in accordance with the time of their reception unless:

- otherwise instructed by the client; or
- the characteristics of the client order or prevailing market make this impracticable.

Client orders will only be carried out in aggregation with another client order if:

- the order is executed on a venue where order aggregation is allowed;
- it is unlikely that the relevant aggregation of orders and transactions will work overall to the disadvantage of any client whose order is to be aggregated; and
- it has been previously disclosed to a client that their orders may be aggregated and that the effect of aggregation may work to its disadvantage in relation to a particular order.

Newedge Group will allocate such trades promptly and fairly.

As a result of an order being aggregated, it may be carried out in the form of a block trade.

7. Monitoring and review of policy

Updated versions of this disclosure statement will be published on our website www.newedgegroup.com.

8. No fiduciary responsibility

Newedge Group’s commitment to provide you with best execution does not mean that we owe you any fiduciary responsibilities over and above the specific regulatory responsibilities placed on us or as may be otherwise agreed between us.

9. Smart Order Routing

At the time the order is received, Newedge Group will consider various criteria before executing the clients order with respect to its Order execution policy

If a single venue is specified by the client (directed order):

- The order will be executed directly on the specified venue according to the client’s instruction.

If the venue is not specified:

- The Smart order routing system will use rules depending on the best execution policy selected.

10. Limit orders

Applicable rules require Newedge Group to publish any limit order that you give us to a regulated market or MTF, should we not be in a position to immediately execute your order. Please confirm that when you place a limit order with Newedge Group that is not immediately executable, we may exercise our discretion to not publish such an order to a regulated market or MTF.

11. Disturbances in markets or systems

When there is a disturbance in the market or Newedge Group systems, it may be impossible or inappropriate to execute orders by ways described in this policy. Newedge Group will take reasonable action to achieve the best possible result for the client in the circumstances.

12. Consent

You will be deemed to have given all necessary consents when you give an order to Newedge Group after you receive this policy.

We are required to obtain your prior express consent before we execute an order outside a Regulated Market or an MTF. We would therefore be grateful if you give your express consent by returning the Consent Form provided by Newedge.

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