

# Important Information

## Order Execution Policy

First Equity Limited ('FEL'/'the firm') is required when executing orders on behalf of clients to take all reasonable steps to obtain the best possible result taking into account price, liquidity, costs, speed, likelihood of execution and settlement, size, nature of the order and any other consideration.

This obligation, known as Best Execution, places a requirement on investment firms when executing orders for retail and professional clients. Where a client is an eligible counterparty, either generally or in respect of a particular transaction or instrument, the obligation to provide Best Execution does not apply.

FEL as an investment firm is required to adopt Best Execution and establish, implement, monitor and review an Order Execution Policy (the 'Policy') to allow the best possible result for retail and professional clients.

## General principles

When executing or routing client orders in relation to financial instruments, the firm will take all reasonable steps to achieve Best Execution, subject to and taking into account the characteristics of the client, the client classification, the characteristics of the order, the financial instruments that are the subject of that order and the execution venues to which that order can be directed.

The firm's commitment to provide best execution does not mean that it owes any fiduciary responsibilities over and above the specific regulatory obligations placed upon it or as may be otherwise contracted between the firm and the client.

## Order execution

Subject to the receipt of any specific instructions from the client, when executing orders FEL shall take all reasonable steps to achieve best possible execution of orders taking into account the following execution factors:

- Price;
- costs of the transaction;
- speed of execution;
- likelihood of execution or settlement;
- liquidity of the instrument
- size and complexity of the order; and
- characteristics and nature of the order.

For retail clients the best possible execution will be determined by reference to total consideration, taking into account the execution price together with all costs associated with the execution and settlement.

For professional clients, execution price, size and speed of execution are likely to merit a high level of importance relative to the other execution factors in obtaining the best execution result. In certain circumstances however, the firm may determine that the other execution factors may be more important in determining the best execution result for the client's order. Unless otherwise discussed with clients, the firm will exercise its own discretion in determining the level of importance of these factors.

The firm will ensure that client orders are executed in a timely and fair manner for the type of order placed. It will ensure that client orders are executed as soon as practical unless postponing execution is in the client's best interest and it will ensure that otherwise comparable client orders are executed in the sequence in which they are received.

## Execution venues

Client orders will be executed through the following venues:

- Regulated Markets;
- Multilateral Trading Facilities (MTF) and Organised Trading Facilities (OTF);
- Systematic Internalisers;
- Other investment firms including market makers;
- Other liquidity providers, and
- Non-EU entities performing similar functions

For certain transactions, such as those where the security is traded by a limited number of entities, the firm may use alternatives where it considers it to be in the best interests of the client.

Where the firm has obtained the client's consent, an order may be executed outside an EEA Regulated Market or MTF even where that order could be executed through a Regulated Market or MTF.

The firm uses the services of a number of third parties to execute orders received from clients in order to achieve best execution.

In addition to the firm engaging the settlement services of Cowen Execution Services LLC ('Cowen') for its institutional clients, it utilises Cowen's global execution capability. Orders in UK and overseas equities and Exchange Traded Funds will be passed through their order routing system to automatically obtain the best quotations and place the order with the venue that provides best execution. Orders that cannot be placed through their order routing system or where our dealers are able to otherwise source improved quotes are typically placed with market makers.

Orders for Unit Trusts and Open-ended Investment Companies will be executed with individual fund managers.

The firm places substantial reliance on the following execution venues:

#### UK equities and exchange traded products

- Cowen and Company LLC;
- Cantor Fitzgerald Europe Limited;
- Peel Hunt LLP;
- Shore Capital Stockbrokers Limited; and
- Winterflood Securities Limited.

#### Non-UK instruments

- Cowen and Company LLC.

The firm will make public the top five execution venues in terms of trading volumes where client orders have been executed or transmitted in the preceding year. This information is available from [www.firstequitylimited.com](http://www.firstequitylimited.com).

## Delivering best execution

The firm will select the most appropriate venue(s) from those available and execute the client order accordingly having given consideration to all of the execution factors.

Where there is a specific order instruction from a client, the firm shall carry out the order in accordance with that specific instruction and the firm shall be deemed to have complied with the best execution requirement to the extent of that instruction.

Where an order is passed to another investment firm to access a market, the discretion in relation to the execution of that order will pass to the other investment firm unless the order has been passed on a specific instruction basis.

Client orders may be aggregated with those of other clients where the firm believes that aggregation can be expected to be advantageous to all the clients concerned. However on some occasions aggregation may be disadvantageous. Where the orders of clients are aggregated, the firm will endeavour to allocate on pro rata basis where orders are partially completed. In the event that an allocation becomes uneconomic for a client, the firm may allocate on an alternative basis to serve the best interests of the clients.

Where client orders are crossed with other client orders this will occur at prices which will be at or better than the market price available on the primary market at the time of execution.

Unless a client order is large, or the client expressly instructs otherwise, where a client limit order in respect of shares admitted to trading on an EEA regulated market cannot be immediately executed under prevailing market conditions, the firm is required to make public the limit order in a manner which is easily accessible to other market participants. Publication may not always be in the client's interest and by consenting to this Policy a client will be expressly instructing the Firm not to make such orders public.

## Review and monitoring

FEL has an obligation to monitor the effectiveness of its order execution arrangements and this Policy and where appropriate make changes so that the requirement to provide best execution is sustained.

FEL will review on a regular basis and at least annually, whether the Policy and execution venues and arrangements provide the best possible result for clients on a consistent basis.

In selecting an execution venue (including entities to whom orders are passed) the firm will undertake the appropriate due diligence to ensure it meets the necessary venue selection criteria. Such criteria will be dependent upon the class of instrument and take into account the following factors:

- quality of execution
- cost of execution
- liquidity
- ease of communication and connectivity
- service standards
- rules and governance

The firm is required where requested by a client to demonstrate that the execution of an order has been undertaken in accordance with this Policy. Accordingly the firm will retain all client requests to demonstrate best execution.

Any changes to the Policy will be notified to FEL's clients.

