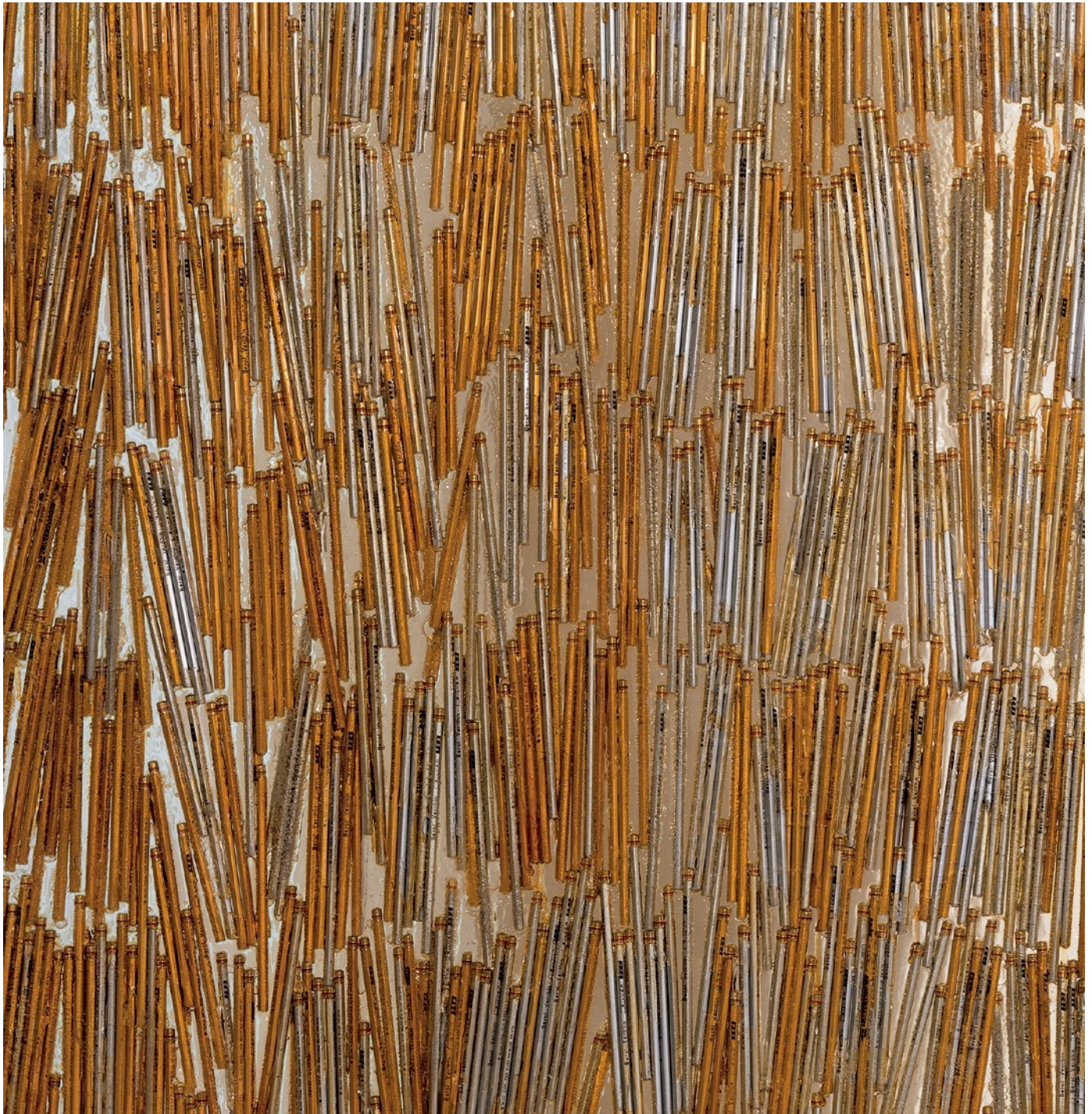


# Order Execution Policy



Rothschild & Co Wealth Management UK Limited

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Sculpture with pencils  
(pencils and resin on plexiglass, 1968)  
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# 1. Introduction

## 1.1 Objective of Policy

This document summarises the general basis on which Rothschild & Co (“Rothschild & Co”, “we” or “us”) will provide “best execution” for a client (“client” or “you”) when required by the European Union’s Markets in Financial Instruments Directive II (known as “MiFID II”) and the Conduct of Business Rules (the “COBS”) of the UK Financial Conduct Authority (the “FCA”) and any similar, or equivalent, rules of the Guernsey Financial Services Commission.

We have always recognised the importance of achieving the best possible result when executing orders for clients. In certain cases where we are providing order execution services to our clients, we are required under applicable FCA (and if applicable, GFSC) rules to establish and comply with a policy on best execution. This document sets out that policy.

The Policy applies where we:

1. place orders with entities for execution as a result of a decision by us to transact in financial instruments when providing portfolio management services to you;
2. execute orders on your behalf;
3. receive and transmit orders on your behalf.

The Policy will not apply when we are not executing an order on your behalf, for example where or to the extent:

- we are following your specific instructions to execute your order in a particular manner or at a particular price;
- we are following your specific instructions to execute a specific part or aspect of an order.

Any specific instructions from a client may prevent Rothschild & Co from taking the steps that it has designed and implemented in its Order Execution Policy to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.

The financial instruments covered by MiFID II include most financial instruments but do not include:

- spot foreign currency exchange transactions; and
- spot commodity derivative transactions.

The Policy applies to all transactions we arrange or execute on your behalf, whether arranged or executed through Rothschild & Co Associates or otherwise.

## 1.2 Definitions

**What is best execution?**

“Best execution” means, for the purposes of MiFID II:

- that when we transact for our clients we take all sufficient steps to achieve the best possible result (taking into account all relevant factors described below) across all orders on a consistent basis for any financial instrument covered by MiFID II.

“Best execution” means, for purposes of the Licensees (Conduct of Business) Rules 2009:

- that when we transact for our clients we take reasonable care to ascertain the price which is the best available for the client in the relevant market at the time for transactions of the kind and size concerned and, unless the circumstances require us to do otherwise in the interests of the client, we will deal at a price which is not less advantageous to him.

Best execution is not a guarantee that we will always be able to provide best execution on every order executed on your behalf, particularly where you give us specific instructions as to all or part of an order.

For purposes of MiFID II, an “Execution Venue” includes:

- a regulated market;
- a Multilateral Trading Facility;
- an Organised Trading Facility;
- a market maker;
- a systematic internalizer;
- another liquidity provider; or
- an entity that performs a similar function in a non-EEA country to the functions performed by any of those listed above.

## 2. Policy

### 2.1 How do we achieve best execution when executing client orders?

For our clients who have been classified as retail clients, the best possible result is determined in terms of the total consideration achieved when executing orders for clients. However, in achieving best execution, we take into account a number of factors (unless otherwise instructed by you, as described in paragraph 3 below). These include:

- price;
- costs;
- speed;
- likelihood of execution and settlement (liquidity);
- size of the order;
- nature of the order;
- type and characteristics of the financial instrument;
- characteristics of the possible execution venues; and
- any other consideration relevant to the execution of the order.

Whilst total consideration (price and costs) would usually be the most important factor, the overall value to you of a particular transaction may be affected by the other factors listed above. We may conclude that factors other than price and costs are more important in achieving the best possible result for you. The relative importance of each of the factors will differ depending on:

- your characteristics including your client categorisation as retail or professional;
- the characteristics of your order;
- the characteristics of the financial instruments that are the subject of your order; and
- the characteristics of the execution venues (if there is more than one) to which your order may be directed.

We may pass your order on to another Rothschild & Co entity or a third party (which may be a broker) to execute.

In cases where we pass your order to a Rothschild & Co Associate outside the EEA, such non-EEA Associates have agreed to be subject to the best execution requirements.

We may pass an order to a non-affiliated third party broker or dealer to execute your order. In such cases, we will have internal processes and procedures in place to review periodically our choice of third party brokers and dealers to determine that, taking into account all the factors specified above, the third party broker or dealer is providing the best results for your orders on a consistent basis. In making this determination we will have regard to:

- prices offered for the particular type of instrument over time;
- average costs per trade charged for the type of trade over time;
- the best execution policy of, and any other guidance issued by, the relevant broker or dealer from time to time.

### 2.2 Compliance with client instructions

Where we have accepted your instructions with respect to the execution of your order, whether or not we have given you advice on any aspect of it, we will follow those instructions to the extent it is possible for us to do so.

Where we execute an order (or a specific aspect of an order) following specific instructions from a client on an order or a specific part or aspect of an order, Rothschild & Co will satisfy its obligations under MiFID II to take all sufficient steps to obtain the best possible result for a client to the extent we execute the order or the specific part or aspect of the order following the client's specific instructions.

We will not comply with our best execution obligations where we accept and follow your specific instructions when executing an order or a specific part of an order, although the Policy may apply to other aspects of the order to the extent that they are not covered by your instructions. For example:

- where you instruct us to execute an order for you at a particular price;
- where you instruct us to execute your order on a particular venue, we will not be responsible for selecting the venue;
- where you instruct us to execute your order at a particular time or over a particular period, regardless of the price available, we will endeavour to execute your order at that time or over that period in the best possible manner but will not be responsible for the timing or any of the consequences for price or other factors that results from the timing of execution.

## 2.3 Choosing an execution venue

We will use a selection of venues that will be reviewed periodically.

When carrying out your Orders, we place significant reliance on the following Execution Venues:

- member firms of the Stock Exchange;
- member firms of the International Capital Market Association;
- member firms of overseas stock exchanges;
- managers and administrators of Collective Investment Schemes and other Investments; and
- other UK and overseas Execution Venues that we deem appropriate and that accord with our order execution policy.

A list of the brokers and venues we currently use is available from your client director. The list may be updated from time to time.

Where your order is executed through third-party brokers, we will review periodically the brokers that we use taking into account the factors we describe below for determining the entities with which the orders are placed or to which we transmit orders for execution in order to ensure that the broker or brokers that we use are providing best execution taking into account all orders executed during the review period. Where it appears in a particular case that better execution is available from a broker that we do not ordinarily use, we may use such other broker on a case by case basis. However, we are not under any obligation to check a variety of brokers with respect to each transaction.

### What factors are taken into account in determining the execution venues?

Factors that we consider in selecting the entities with which your orders are placed or to which we transmit your orders for execution in respect of a particular financial instrument include:

- general price available;
- depth of liquidity;
- relative volatility in the market;
- speed of execution;
- cost of execution;
- creditworthiness of the counterparties on the venue or the central Counterparty; and
- quality and cost of clearing and settlement.

In some markets price volatility may mean that timeliness of execution is a priority. In other markets that have a low liquidity, the fact of execution may itself constitute best execution.

In other cases, our choice of venue may be limited because of the nature of your order or your requirements. For example, when investment products are more illiquid, there may be little (or no) choice of venue.

The relative importance of these factors in determining the choice of venue will be context-sensitive to the order and markets at the time of placing an order and are likely to change from order to order. Your team at Rothschild & Co Wealth Management will act in your best interests in order to select the most appropriate factor(s) when considering choice of venue per trade which may include algorithmic choices made by trading platforms we use and which are supervised by our dealers.

Where we charge more than one participant in a transaction, we will inform you of the value of any monetary or non-monetary benefits received by us.

There may be other cases where we execute your order outside a trading venue. When executing orders or taking decisions to deal in Over The Counter products including bespoke products, we will check the fairness of the price proposed to you, by gathering market data used in the estimation of price of such product and, where possible, by comparing with similar or comparable products. This gives rise to counterparty risk, i.e. the risk that the counterparty to the transaction does not fulfil its obligations. For further information concerning orders executed outside of a trading venue and the consequences of this, please contact your Client Adviser.

### Where we have a choice of venues in respect of a particular order, how do we choose?

We take into account factors such as cost and benefits of accessing multiple venues and accessibility in deciding which venues we use. In some circumstances we may have access to more than one venue for executing an order in a particular financial instrument. In such cases, we will endeavour to choose the best venue for the order taking into account the factors applicable to choosing venues.

### **How often do we review our venues?**

This Policy and our order execution arrangements, including the venues we use to execute orders, are reviewed (and, if necessary, updated) by us on an annual basis and whenever a material change occurs which affects our ability to continue to obtain the best possible result for the execution of Client orders on a consistent basis using the venues included in this Policy. Clients will be advised of any material change to the Order Execution Policy via the Rothschild & Co website. If you would like a copy of the most recent Policy please contact your client adviser.

## **2.4 Consenting to the Policy**

We are required to obtain your prior consent to the Order Execution Policy and you will be deemed to consent to it if you continue to retain our services.

### **Outside regulated markets**

By signing the Account Application (unless you state otherwise therein) you give your prior express consent to Rothschild & Co executing orders from time to time in instruments admitted to trading outside a regulated market, Multilateral Trading Facility or Organised Trading Facility.

### **Client limit orders**

By signing the Account Application (unless you state otherwise therein) you expressly instruct Rothschild & Co to exercise their sole discretion in your best interests in determining whether to make public a client limit order in respect of shares admitted to trading on a regulated market which is not capable of being executed under prevailing market conditions.

## **2.5 Contact details and further information**

If you have queries about the Policy, please contact your client adviser. Where you make a reasonable and proportionate request for information regarding our policies and arrangements and how they are reviewed, we will answer clearly and within a reasonable time period.