

BLACKWELL GLOBAL INVESTMENTS (UK) LIMITED

Best Execution Policy

BEST EXECUTION POLICY

This Execution Policy is applicable to Matched Principle Broker services provided to you by the Firm and this Best Execution Policy should be read in conjunction with the Firm's standard terms of business.

INTRODUCTION

Blackwell Global Investments (UK) Limited ('the Firm') are a Straight Through Processing (STP) broker, allowing direct market access with no dealing desk intervention. Multiple assets are offered including over 32 currency pairs, precious metals and contracts for differences. As a global broker, the Firm is always striving to meet excellence in client services, as well as developing innovative technology to support infrastructure of our own. By utilizing the in-house trading platform, clients gain access to proprietary STP technology, excellent liquidity, world-class client service and a broad suite of advanced trading tools. The Firm will ensure that all of our clients receive fair and transparent execution and pricing as well as access to the best-in-class trading functionality demanded by interbank traders.

When providing a brokerage service to you in relation to financial instruments (as set out in Annex 1), the Firm will take reasonable steps to ensure that the venues that we have selected are able to achieve the best overall trading result for you. This means that when the Firm transmits your orders for execution by the venues, we will aim to ensure that you are provided with "best execution" subject to and taking into account the nature of your orders, the prices available in the market, the nature of the market in question and a reasonable assessment of the sometimes overlapping and conflicting execution factors (which are detailed below).

The Firm's intention is, so far as possible, to exercise consistent standards and operate the same processes across all markets, clients and financial instruments in which the Firm operates.

The Firm also intends to provide you and other market participants with access to (where possible) tradable prices on a non-discriminatory basis. However, the diversity in those markets and instruments, and the kind of orders that you may place, mean that different factors will have to be taken into account in relation to any particular transaction.

Annex 2 to this document provides further detail on the nature of the services of the Firm, as a MPB, provides to its clients.

EXEMPTIONS FROM THE PROVISION OF BEST EXECUTION

Notwithstanding the intentions expressed above, the Firm does not undertake to provide "best execution" if you fall within any of the following exemptions:

Eligible Counterparties

- If you are classified as an Eligible Counterparty you will not be entitled to best execution under the UK Financial Conduct Authority ("FCA"), or equivalent EU rules. This is in line with Article 24 of MiFID which provides that the best execution obligation under Article 21 will not apply.

Market Practices

- In the wholesale OTC derivatives and bond markets (and for the avoidance of doubt this would include derivatives in Equities, Energy and Commodities) in which Firm operates (and as recognised by the European Commission) it is normal market practice for buyers and sellers to "shop around" by approaching several brokers/dealers for a quote.

In these circumstances there is no expectation between the parties that the broker/dealer chosen will owe best execution. As a sophisticated participant in the wholesale markets, unless you advise us to the contrary we will assume that this is your normal trading behaviour.

Client Instructions

- Where you provide the Firm with a specific instruction in relation to your order, or any particular aspect of your order, including an instruction for your trade to be executed on a particular venue, the Firm will execute the order in accordance with your instructions.

However, please note that in following your instructions, the Firm will be deemed to have taken all reasonable steps to provide the best possible result for you in respect of the order, or aspect of the order, covered by your specific instructions. Where your client category permits you to do so, where you have given an instruction as to the specific venue to be used we will retain a record of the instruction for avoidance of doubt.

CLIENTS

The Firm deals with Retail Clients, Eligible Counterparties and Professional Clients as defined in MiFID and by the FCA.

Because the Firm always intends to handle orders and expressions of interest in an equitable and consistent manner, once a client is classified, for the purposes of a particular instrument, that client may not then elect to be re-classified for the purposes of one transaction of a type it customarily undertakes.

Exceptional circumstances may be taken into account at the time, with the consent of the Firm (the Firm may choose to decline to provide a service should a reclassification be requested).

EXECUTION VENUES

This Best Execution Policy sets out the venues on which the Firm may transact your order.

It has identified those venues on which the Firm will most regularly seek to execute your orders and which the Firm believes offer the best prospects for achieving the best possible results for you, taking into account the execution factors detailed further on in this policy.

The Firm is able to transmit trades on your behalf to the following execution venues:

- Divisa Capital;
- Sucden Financials;
- Blackwell Global Investments Limited.

When selecting the venue on which to transmit trades the Firm will take reasonable measures to ensure that the selected venue obtains the best possible trading result for its clients. In selecting the venues, the Firm has considered the client categories already under the scope of venue, the nature of transactions that they undertake, whether they are established firms, whether they are authorised by a recognised regulatory body, are compliant and have completed a due diligence assessment.

Selection criteria are also subject to the following factors:

- In the markets in which the Firm operates, it can only give clients visibility to prices that have been communicated to Firm;
- The Firm will provide details of all tradable bids and offers (via the platform and subject to the other matters referred to below);
- Time availability of prices – in many markets there are lulls and spikes in trading as negotiations align trading interests at different times and different parts of the curve, accordingly the “last traded” price may not always be available or act as a reliable indicator of current price;
- The Firm cannot allow clients to trade in a market unless it is reasonably satisfied that the client (via an agent or otherwise) is capable of settling the relevant trade;
- Fees may vary between clients, based on agreements and levels of activity.

EXECUTION FACTORS

In the absence of express instructions from you, the Firm will exercise its own discretion in determining the factors that the Firm needs to take into account for the purpose of providing you with the best possible result. We will generally aim to ensure the ‘best overall return’ and will consider factors that include depth of liquidity, security of venue and best price amongst others.

These execution factors in the markets in which the Firm operates have been listed in order of priority and will include, but are not restricted to, the:

- Price and costs of execution: The automated system will seek out the best overall outcome for the transaction and this is likely to be the most important execution factor to our clients.
- Characteristics of the client: Our client base will mainly be Retail Clients although we will also deal with Professional Client and Eligible Counterparties. The Firm is aware that Retail Clients are afforded the highest protections and will place greater emphasis on any obligations owed to them.
- Likelihood and speed of execution: Through the use of an automated trading platform, orders will be executed promptly with only rare opportunities for price slippage to occur. Due to the nature of the platform it is likely that speed of execution will be of high importance to our clients.
- Size, nature and characteristic of the order: A typical transaction consists of a currency trade in one lot or less, hence will be highly liquid. Some venues will not cover all instruments therefore in some cases the nature of the order will determine the venue.
- Settled block trades, or positions larger than standard market size, may be crossed at a particular stage in the trading day or kept anonymous to the majority of market participants; unless otherwise directed.

Contracts for Difference (CFD): The Firm recognises that when closing out an open position, the client must close out the contract with the firm that sold it to them, even if there is a better price elsewhere. The Firm has addressed this by ensuring that the internal fees and charges are always disclosed and by utilising a platform that seeks the best outcome for the client.

Price Slippage: There are several factors that may lead to price slippage, for example, market data latency, the speed of a client’s internet connection or high market volatility can cause this. The Firm will ensure that you will not be disadvantaged by any price slippage and in the event that it is in your favour, the Firm will pass on the advantage to you.

FEES AND COSTS

The Firm does not charge different fees or costs depending on the venues used in order to ensure that costs are transparent and fully disclosed to the client.

The Firm does not receive 'Payment for Order Flow', meaning that we do not receive any commission or fee for arranging transactions with market makers, thereby ensuring that there is no conflict created by fees in our execution arrangements.

CONFLICTS OF INTEREST

The Firm recognises that conflicts may exist between the interests of the Firm and its clients. In the course of business, your order may be routed to a venue in which the Firm has a material interest, namely Blackwell Global Investments Limited. The platform on which orders are transmitted will display the best available price from a blend of banks and brokers through our liquidity provider without bias as to the venues available, thereby reducing the scope for conflicts.

The Firm will take steps to manage, mitigate and avoid potential and actual conflicts and internal systems are in place to ensure that otherwise comparable client orders are carried out sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impractical or it is not in the best interests of the client.

MONITORING AND REVIEW

The Firm will monitor the effectiveness of venue order execution arrangements by requesting regular reports of management information that is routinely gathered by them.

The Firm will assess, on a regular basis, whether the execution venues included in the order execution policy provide for the best possible result for its clients or whether the Firm needs to make changes to its execution arrangements.

The Firm will review its order execution arrangements and order execution policy at least annually or whenever a material change occurs that affects its ability to continue to obtain the best possible result for the execution of client orders on a consistent basis using the venues included in its order execution policy.

The Firm will notify you of any material changes to its order execution arrangements or order execution policy as described above by posting the information on the Firm's website.

NO FIDUCIARY RELATIONSHIP

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

You remain responsible for your own investment decisions and Firm will not be responsible for any market trading loss you suffer as a result of those decisions.

ANNEX 1: FINANCIAL INSTRUMENTS

1. Options (excluding a commodity option)
2. Futures (excluding a commodity future)
3. Contract for Difference
4. Commodity option and option on commodity future
5. Commodity future
6. Spread bet
7. Rolling Spot Forex

ANNEX 2

MATCHED PRINCIPAL

In the matched principal model, the broker facilitates its clients in anonymous trading activity in products by taking part in a matched transaction as principal.

The broker can provide for its client's an indication of market prices and volumes for Foreign Exchange, OTC cash products (e.g. investment grade bonds), or for exchange traded cash equity products the client can use the exchange as an indication of the market.

The broker will not trade speculatively for a client or for his own book in the market. The trade will only be executed as a result of a Firm client order to buy or sell at a set price or size.

Once the trade is complete, price, volume and terms are communicated through the broker and back office confirmations.

Settlement is made between each client based on the market convention with the brokerage fee, being either incorporated in the all-in price passed to the client through a disclosed brokerage or through a monthly invoice.

Example: Matched Principal

- STEP 1**
- BROKER provides access to the OTC market place for the trading of illiquid cash fixed income transactions.
 - BROKER facilitates quotes from clients and publishes them on an anonymous basis as an indication of the current market price in the OTC market. This service is not required for Exchange based trading as the market rate is widely known.
- STEP 2**
- For OTC transactions, once BROKER has two or more interested clients, the price and trade terms are verified.
 - For exchange based transactions, a Firm client order is given (either volume or price) prior to the execution of the order against the exchange.
- STEP 3**
- Once BROKER is certain of execution (or potential for execution) on both sides of an OTC trade, it confirms the trade against the two clients.
 - BROKER sends a confirmation to each client of the principal transaction.
- STEP 4**
- Settlement is made with each client based on the market convention.