



# Order Execution Policy for Institutional Professional Clients

## Purpose

This policy sets out Reyker's approach to providing the best possible result when executing client orders for institutional professional clients ("Institution", "client" or "you" herein) as required according to the Markets in Financial Instruments Directive 2014/65/ EU (MiFID II). MiFID II requires Reyker to take sufficient steps to obtain the best possible result for their clients when executing orders. Reyker must ensure that the intended outcome can be successfully achieved on an on-going basis.

This Policy applies to business conducted with institutional professional clients only. An institutional professional client is a regulated firm that may act for its own account or for the account of underlying clients ("Underlying Clients") and whom Reyker treats as a professional client in accordance with the FCA rules. Reyker does not owe best execution to those persons or entities classified as eligible counterparties. Nevertheless, this Policy provides details relevant for eligible counterparties as to how Reyker executes transactions and handles trade requests. Further, this Policy neither applies to retail clients nor to non-institutional professional clients: for such clients our retail order execution policy applies.

Where you are acting for Underlying Clients and instructing on their behalf, either as their agent or discretionary manager or with their purported express authority, we shall treat you and only you as our client for the purposes of best execution and this policy will apply and shall override any conflicting retail client policy. Any obligation to provide your Underlying Clients with best execution is your responsibility and you are reminded that you should consider this order execution policy when providing your own policies to Underlying Clients. This may be especially pertinent to you when bulk orders are executed on your behalf and where the bulk order has to be split, possibly at different market prices.

## Contractually binding

By at any time placing any trades or bulk trades or any dealing and or settlement instruction whatsoever with us then you are deemed to accept that the latest version of this policy shall always apply and is contractually binding. It is your responsibility as an institutional professional client to ensure that you understand our dealing and order execution policies.

Our General Terms and Conditions of Business may apply contractually too, particularly where investment or dealing instructions affect underlying retail investors, and are available on our website at [www.reyker.com](http://www.reyker.com).

If you have any queries about any aspect of trading with Reyker, please contact us prior to conducting or instructing any trade as we cannot remedy matters after the event.

This institutional order execution policy supersedes and replaces any other contractual arrangements and SLAs with Institutions. It conforms with Reyker's operational, accounting and reporting systems.

## Electronic transmission of data

Separate policies apply to the transmission of data electronically from you to us and from us to you. Such policies must be read and applied in conjunction with this one and are also deemed to be contractually binding.

## Financial instruments

This Policy only applies to transactions conducted in instruments falling under the scope of MiFID II. It covers the following classes of financial instruments:

- Equities and equity-like instruments
  - Shares
  - Depositary receipts
  - Exchange traded products
- Debt Instruments
- Structured products
- Funds

Spot FX transactions do not fall under the definition of financial instruments and are therefore not covered by this Policy.

## Scope

**Acting as agent** - if Reyker acts as agent, execution generally means that, on the basis of the Institution's order, then Reyker concludes a respective execution transaction in the market or with another party in a market suitable for this purpose in its own name but for the account of the Institution or its Underlying Client, on an agency basis.

**Dealing as principal** - Reyker may trade financial instruments at a fixed or determinable price agreed with the Institution over-the-counter (OTC). In such cases, Reyker and the Institution may directly conclude a transaction in a financial instrument (fixed-price transaction).

## Execution Venues

Unless provided with a directed order (which we may accept at our sole discretion) Reyker will exercise its sole discretion to execute your order with available liquidity. In order to achieve this and meet our obligation to take all sufficient steps to obtain the best possible result for the execution, Reyker may use one or more of the following venue types when executing an order (these being in no particular order of preference):

- Regulated markets
- Multilateral Trading Facilities (MTFs)
- Organised Trading Facilities (OTFs)
- Systematic Internalisers (SIs)
- Liquidity pools and
- Own sources of liquidity, third party investment firms, brokers, market makers or other liquidity providers and/or non-EU entities performing similar functions.

## Factors for selecting market connectivity execution venues

Reyker will consider different factors to determine the execution venues in order to obtain on a consistent basis the best possible result available to us at that time for the execution of Institution orders. Respective venues are chosen after considering the following factors:

**Liquidity and price:** These factors allow Reyker to select and execute on liquid and price-efficient venues. Other venues may offer prices which improve on those offered by our existing venues or the ability to trade significant additional size at similar prices to those offered on existing venues. We expect liquidity and price to be closely (but not exclusively) associated with the market share the venue commands.

**Credit and settlement risk:** Reyker will not select a venue if Reyker is not able to determine promptly the obligations (of Reyker and the counterparty) to settle a transaction and to resolve failed settlement.

**Performance / speed of access / likelihood of execution:** includes the following metrics but is not limited to: speed and order controls, liquidity, fill rates, price improvements, etc. and likelihood of the execution/completion of the transaction.

**Cost:** fees that are charged to us by an execution venue influencing the costs incurred by our clients and by ourselves.

Reyker reserves the right at all times not to conduct transactions that are unprofitable or uneconomic for Reyker.

## Execution Factors

In order to achieve the best possible result on a consistent basis, Reyker will take all sufficient steps to provide best execution to our clients. Reyker will take into consideration a range of different factors to determine the manner in which your order will be executed, including:

- Your client classification
- Any contractual arrangements with us
- Your regulatory approvals and permissions
- The characteristics of the instrument
- Price, cost, speed and likelihood of execution and settlement
- The type of order, its size and its nature
- The execution venues on which it can be dealt
- Whether there is a liquid market for the instrument
- Plus, any other factors that we are aware of or are made aware of that seem to us to be relevant to the execution of the order request or instruction.

Reyker will determine in our sole judgement the relative importance of these factors by using Reyker's dealing policy, commercial judgement and experience in the light of market information available and by considering any other execution factors. Best execution judgements are determined by us by reference to information available to us at the time of trade or just before the time of trading. Hindsight is not pertinent to this where factors were not apparent or available to us, or when clients or instructing parties withhold relevant or potentially relevant information from us.

Reyker acknowledges when executing an order on behalf of an Institution, the best possible result must be determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution, which must include all expenses incurred by the client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. This, however, should not be considered the sole determining factor. In some circumstances, for some clients, speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transaction costs, may be given precedence over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result in terms of the total consideration of the order.

Some of these factors are more important than others when executing orders. In addition, when executing client orders, Reyker will take into consideration the following factors to determine the importance of the respective execution criteria:

- Client characteristics and regulatory classification of the client
- Characteristics of the transaction
- Characteristics of the respective financial instruments subject of that order
- Characteristics of the execution venues where orders might be directed.

## Transmission of Orders

It is your responsibility not ours to ensure that orders transmitted to Reyker are absolutely correct in all respects (no materiality threshold is applied) and you will be responsible for any financial loss resulting from the correction of incorrect orders instructed by you.

You must take care not to duplicate orders by transmitting them multiple times or in multiple ways. We may act on duplicated orders without recourse to you, and you will be responsible for all costs and consequences of this.

It is your primary responsibility to ensure that you have sufficient irrevocably cleared funds lodged with us to complete any purchase order together with all associated transaction costs.

Where Reyker is providing custody and administration services as well as order execution services for Institutions, Reyker will carry out cash and or stock checks on your account to verify available financial resources to complete your request.

## Insufficient resources or underlying data to complete a trade or bulk trade

We will not trade against any funds that are not irrevocably cleared. We will not lend you cash or securities except by prior written arrangement and if we do so it will be at our sole discretion and charges will apply.

Where there are insufficient resources, irrespective of amount and materiality, the entire trade or bulk trade may or will **at our sole option** be rejected and may not or will not be actioned, and you will need to reinstruct us once enough financial resources are readily available to us. We may adopt this procedure to prevent execution delays and ultimate beneficial owners (UBOs) being disadvantaged.

Where you have instructed us to perform a trade, or bulk trade relating to more than one Underlying Client of yours, irrespective of whether those persons or investors are also clients of Reyker under COBS or CASS, then we may or will, at our sole option, reject the entire trade or bulk trade if the data supplied for any required data field is ambiguous, wrong or incomplete for our dealing, accounting, AML, ID and regulatory transaction reporting purposes. It will be your responsibility to correct this data irregularity and resubmit the trade or the bulk trade.

We shall not be responsible to you or to any Underlying Clients of yours or ours for price movements and any other factors arising from the failure to conduct such a rejected or delayed trade or bulk trade, irrespective of the reason.

## Partial execution

Unless you have specifically instructed us contractually to the contrary, and we have accepted this instruction in writing, we may at our sole discretion action a partial trade utilising your available resources as we think fit. This policy will not be varied on an ad hoc basis as error risk of doing so mitigates against it. This means that if you wish to use a partial execution method you must make this clear and you must be consistent.

We have no obligation to conduct a partial trade and we may choose not to do so. If we do conduct a partial trade it will be your responsibility to determine how such partial trades and associated costs shall be allocated to any Underlying Client for whom you are acting, and this work shall be at your cost, including any additional work we must do to amend your original allocation instructions.

Where a partial trade has been conducted, you accept that the rejected component will be a separate trade that you must fund and instruct separately at whatever execution price we can obtain at the time of reinstruction, and it will be your responsibility, not ours, to determine how this is allocated to Underlying Clients (if any) in a fair and appropriate way.

## Market execution

Reyker will regularly review our broker selection and ensure that respective execution venues continue to provide best execution on an on-going basis.

## Specific client instructions

Specific instructions in relation to your order or any part of that order, including selecting to execute on a particular execution venue, may prevent Reyker from obtaining the best possible result for you in respect of the elements covered by your instructions. You accept this. We do not have to point this out to you prior to actioning any trade and shall not usually do so. Accepting specific client instructions is always at our sole option.

## Confirmation of trade

For Institutions our policy is to confirm trades electronically, using a data file or spreadsheet, typically transmitted via SFTP or (exceptionally) encrypted email. If we send you a transaction report, position statement or any document or spreadsheet or file confirming that the trade has occurred showing the quantity, security and price, this shall be deemed sufficient for all trade confirmation purposes. This may be sent on the day of trade, overnight or on the next business day.

It is your responsibility to check confirmations promptly and to notify us straight away, and in any case within one business day, if the trade is in any respect not what you expected. We shall not be responsible for any consequences or losses arising from delay in checking and notifying us of any issue, nor for any incorrect instruction originally given by you.

Unless otherwise agreed in a contractual arrangement with you, it is not our responsibility to report trades to Underlying Clients / investors / beneficial owners, if we have conducted a bulk trade instructed by you and in any case we accept no liability in respect of reporting / non-reporting to such persons and will only resolve trade corrections on the basis of direct instruction from you the instructing institution, not from underlying clients. We will only provide trade confirmations (sometimes referred to as contract notes) to you and (if any) to underlying clients electronically.

## Monitoring and Review

Reyker will monitor and assess the effectiveness of its Execution Policy and its execution arrangements on a regular basis, at least annually. A review will also be carried out whenever a material change occurs that may affect the Reyker's ability to continue to obtain the best possible result for the execution from its client orders on a consistent basis. The review will also take into consideration possible changes to the relative importance of the execution factors in meeting the overarching best execution requirement.

The monitoring includes a review of whether the execution venues provide for the best possible result considering the periodic report of the top five execution venues and the execution quality report.

Our latest policies are always available on our website [www.reyker.com](http://www.reyker.com). If we make material changes, we may notify Institutions in a technical bulletin, though we are not obliged to do so and you should check periodically that you understand our policies, which are contractually binding.

For Our Reference:  
Reference: AN/AB/DA  
Last Updated: 11.12.2018  
Next Update: 11.12.2019  
Owner: Dealing Department