

## Dealing Policy

### Execution only transactions, unadvised, for retail clients and institutional clients, and dealing policies for advised and discretionary clients

This policy should be read in conjunction with our Best Execution Policy and our Conflict of Interest Policy, together with our General Terms and Conditions of Business.

Reyker accepts dealing instructions from clients (“client”, “you” or “your”) by land line recorded telephone to our dealing desks, in writing by postal letter and by email to the correct dealing email address. All telephone calls are recorded, and recorded calls are retained for 6 months and we may at our option retain them for any period or we may destroy them after 6 months. We do not guarantee to receive or accept any order by facsimile as facsimile messages are converted to email by a service provider and may be lost or corrupted or altered or delivered late. We do not accept any dealing or trading instructions by telephone where the call is made to a Reyker mobile phone, irrespective of the seniority of the person called or calling.

For non-telephone instructions Reyker cannot guarantee receipt and it remains the client’s responsibility to confirm the receipt of the order, making sure that you do not cause confusion by giving duplicate or ambiguous instructions. If your instructions are duplicated or ambiguous or given to multiple persons we may rely on them and this will be your responsibility. Our latest terms and conditions of business always apply, the latest version superseding previous versions, and you should familiarise yourself with our terms and conditions. The current latest version is published on our website.

Due to the increased risk of cybercrime through electronic hacking, and fraud Reyker adopts the following procedures in dealing with instructions received by email into the dealers@reyker.com mailbox. These measures are in place to safeguard investments held on behalf of investors for whom we hold assets and monies in our safe custody. Any orders sent to personal email addresses at Reyker will not be actioned and will be treated as an invalid or void instruction.

Reyker will only accept dealing instructions as a valid order if there are sufficient irrevocably cleared unallocated funds or readily realisable securities to satisfy the order. Reyker will always undertake execution of orders with the clear aim and methodology of achieving the fairest possible outcome for the client within the scope of our services, policies, charges and market conditions and practices. All transactions undertaken are dependent on market conditions and liquidity, therefore Reyker cannot guarantee indicative pricing, unless executing a firm quote for immediate execution on a telephone deal where there is a willing buyer or market maker available.

Reyker insists on verbal confirmation from retail clients on a recorded telephone line if the deal total exceeds £20,000. If Reyker do not have a valid telephone contact number on record, we may not or will not (at our sole option) proceed to execution of the order and it will be or may be regarded as cancelled and/ or void without liability to Reyker. Retail clients must take this requirement into account before instructing their order to the dealing team. To accept a dealing instruction Reyker will require clients to be aware that you must agree to pay our dealing and settlement charges promptly and in full (which will always be covered by a lien over the securities until all charges, fees, levies and interest are settled in full).

The following criteria constitute a valid order

- Client’s identity verified and any AML procedures completed satisfactorily
- Confirm (for institutions and at our sole option) that they are acting with authority and in accordance with any mandate
- Give clear and specific instructions of the instrument to be traded (name, identifier, ISIN code, etc.)
- Give clear and specific instructions on the quantity and / or value of the order
- Give clear and specific instructions on whether the trade is a buy or sell order

- Have irrevocably cleared funds available to settle the trade at the time the trade is placed (irrespective of settlement timeframe) or, at our sole option and by arrangement only, have securities available that cover the trade and an agreement with us to use those securities as collateral that we may liquidate at our option and without notice (for which we will levy charges).

We may refuse to deal at any time, without giving a reason and shall not be liable to you or any client or institution for any consequence of this. We may for example refuse to deal if we regard the transaction as uneconomic or loss making for us, in breach of a mandate that we hold, in breach of a regulation, of anti-money laundering concern or risk (which we shall not disclose to you), or for any commercial risk reason or for any other reason at our sole option. Our refusal to deal option overrides any Service Level Agreement (“SLA”) term or similar agreement or contract.

Corporate and institutional client dealing instructions and verification criteria will or may be defined in the SLA or such other document or means as we specify from time to time, and may differ from Reyker’s standard order handling procedures. Any questions regarding order handling procedures for such clients should be directed to the appointed relationship manager.

For corporate and institutional clients who use our dealing and unadvised execution service (or “execution only” service), unless otherwise specified in a specific Service Level Agreement (SLA) or similar contractual agreement, we will treat you as a “Professional Client” as per COBS 3.5. You will be deemed by us to have sufficient knowledge, skill and experience to be capable of evaluating the risks, features, valuations, liquidity and (if applicable) suitability to the end or underlying clients for the instruments, trades or transactions that you want us to execute. In addition, you will have undertaken all necessary enquiries yourself including (but not limited to) into suitable execution venues in circumstances where for example there is limited liquidity or where securities can only be redeemed by the issuer, or where buyers need to be directly sourced. By instructing us you agree that you have not relied, and will not rely, upon advice from us on these areas in respect of any order that you place with us, and we shall not be responsible for any execution decision that you may ask us to fulfil. If you need such advice, we may consider providing that to you and will charge you separately according to the scope, time and expertise required on the advice.

Reyker seeks to deal with its clients fairly and in due turn (being first come first served unless market conditions or order sizes or bulking orders dictate a different approach), regardless of client types (institutional or retail). Valid client instructions will be executed as soon as is feasibly possible. However, where appropriate, orders may be held back if it is in our opinion likely to improve the outcome for the client(s) and if in our opinion the client(s) will not be disadvantaged by the delay. In these instances, Reyker may aggregate client orders with those of other clients when we believe that this will achieve the best outcome for all parties. You accept that we shall apply this policy and approach, and we shall not be liable for any price movements, loss or costs that arise as a result of applying this policy and approach in good faith.

Reyker reserves the right at its sole discretion to internally cross securities (by switching securities from one party to another without passing the security through an exchange mechanism) where permissible under current rules and regulations. The result of any such internal transaction is intended to optimise the outcome for the parties involved in the trade and may be done for reasons of practicality, pricing or timing or any combination of these. An internal cross may be used for any type of security, including but not limited to unlisted, synthetic and bespoke securities whether or not they are held on a recognised exchange. An internal cross will usually (i.e. other than in exceptional circumstances such as correction of an allocation quantity) be treated by Reyker as a normal trade for contract note and charging purposes

Aggregation may disadvantage you or appear to disadvantage you in terms of price, but in some instances, may be required in the event that an order cannot be filled in a single transaction. When executing an aggregated order with multiple fills we will issue investors with an average price for the transaction.

Reyker staff deals will be treated with the same execution criteria as client orders and will or may be actioned in order of receipt alongside client orders, receiving no priority except that of time of receipt. Front running is forbidden. Reyker staff deals are subject to compliance review procedures.

## Execution Venues and Method of Execution

A list of the execution venues used by Reyker in respect of each class of financial instrument may be on Reyker's website or can be found by direct enquiry with our dealers. Any list of execution venues that we may provide or publish is not necessarily exhaustive, but comprises those venues which we usually or may at our sole option place significant reliance. We reserve the right to use other execution venues when we consider it is appropriate and, at our sole discretion, to add and remove venues from the list.

If you ask us to execute a trade for which we are aware of no execution venue, and where you are unable to provide an execution venue or facilitate a counterparty on a same day basis, we may cancel the instruction or void the trade or any part of it at our sole option. We have no obligation and shall accept no obligation to roll trades over into following trade or business days and you should assume that any unfulfilled trade at close of business on a trading day is cancelled unless you agree with us (which we are not obliged to do) that we will roll it over. Each component or tranche of a trade or attempted or instructed trade made at different times on different days may or will be charged for as if each trade was separate and you accept this.

## Equities/Investment Trusts/Exchange Traded Funds/ Exchange Traded Warrants

When executing orders in exchange traded instruments we use our connections to the London Stock Exchange (of which we are a full member), or other global markets.

You should be aware that it may be necessary or appropriate to execute some of your orders outside a regulated market, for instance using Multilateral Trading Facilities ("MTF" otherwise known as "Dark Pools"), "over the counter" with a market participant, or as an "agency cross" whereby your order would be crossed with an order of another client.

For markets for which we do not have direct connectivity, we reserve the right to use other execution venues when we consider it is appropriate and, at our discretion, to add venues and to remove venues from the list.

Reyker only accept orders as valid for one business day and therefore it remains the client's responsibility to reinstruct the order (or balance thereof) on the following business day, if you have had confirmation that the order has not been filled in full, or if you have had a broker report or contract note or email or telephone confirmation for only part of the original order. Reyker reserves the right to extend the order period on a case by case basis at our sole option, but we have no obligation or responsibility to do so.

## Types of order processed through exchanges

In the case of orders placed in exchange traded instruments, Reyker reserves the right to execute orders using any order type we consider in our judgement (i.e. without hindsight) is likely to deliver best execution when taking into account all execution considerations at the time of trading, this includes:

**At Best or At Market:** This is an order to buy or sell at the best price available in the market at that time. This is the most widely used order type, but may not be the most suitable order type to use if the security price is volatile or if the order is outside of the normal market size for the security. In these instances, it may be appropriate to use a Limit order.

**Limit Order:** This is an order to buy or sell at a specified price or better. These orders can be filled in multiple shapes over the orders' active lifetime. This order type is typically used for less liquid stocks or when the order is outside of the normal market size for the security, or where market makers or market practices impose restrictions.

**Publishing limit orders:** If you place a Limit Order in shares on a regulated market as defined by the FCA or LSE and it is not fulfilled immediately you agree that Reyker does not need to disclose or publish details of your unexecuted limit orders.

## Government/Corporate Debt

These instruments where possible will be executed on the London Stock Exchange retail bond order book or via our trade connections with a number of specialist fixed income market makers.

For orders in non-UK debt instruments we reserve the right to execute the order with any one of our local market counterparties that can meet the terms of the order in accordance with best market practice.

## Regulated Funds – Authorised Unit Trusts/OEICs/SIACVs/ICVS

Orders in regulated funds will be executed via a nominated electronic fund platform or directly with the fund manager. It is important to note that there is usually no secondary market. For these instruments prices and transaction availability are set by the fund provider/manager. Prices are or may be typically linked the Net Asset Value (“NAV”) of the fund and a bid/offer spread be may set by the fund manager. Where the fund imposes front end charges, Reyker may try to secure a discount but this is not always possible and we are not obliged to do so.

We may make additional administrative charges for dealing in such instruments where liquidity complexities and associated time costs from liaising with the fund manager arise.

It is the client’s responsibility to understand the trading and settlement life cycle of their chosen investment. Often, regulated funds have a three or four business day trading to settlement life cycle. However, there are regulated funds which have a longer predetermined trading to settlement life cycles. Unlisted or unregulated funds can take a significant period to achieve liquidity and settlement, and Reyker does not guarantee this timing.

## Structured Products Redemptions

Any redemptions in structured products are traded directly with the counterparty issuer. Prices in the investments may be subject to significant price movement due to the volatility of the underlying constituents that the investment structure is based on, and the willingness of the counterparty (usually a bank) to offer a price, among other factors.

Although we cannot control the quoted prices or guarantee a market we periodically carry out reasonableness checking of product pricing, using known or estimated market factors, to try to highlight any anomalies. We cannot audit or precisely verify the prices offered by counterparties because we do not have access to their internal treasury hedging and trading arrangements.

Order executions in Structured Products are actioned in accordance with our Terms and Conditions of Business, usually on a rolling weekly basis. Due to the reasons highlighted above, we do not accept limit orders on any dealing related to Structured Products or Structured Investments.

We may be able to purchase structured products in the secondary market, though availability will be limited. Please contact our dealing team if you are interested in such transactions.

## Unregulated Investments

Reyker does not permit execution-only retail clients to invest into unregulated financial instruments (regardless whether they are listed on an exchange), and orders can only be provided by corporate institutional clients with permission to act on an advised or discretionary managed basis, or by ourselves when we are advising clients directly in accordance with an advisory contract. Reyker may at its sole discretion also permit dealing in unregulated investments where we have a client agreement with a professional client.

We understand that advancement in financial technology has opened-up new instruments that gives investors exposure to alternative asset classes, but these are often complex, thinly traded or illiquid and may have risks not well understood by clients. This affects risk, pricing and realisability of such products. We therefore at our option limit access to such products to advised or discretionary managed clients.

In providing a dealing service in respect of such instruments or investments, our role is to seek to source rather than create liquidity. Any clients who want us to purchase or sell such instruments therefore needs to acknowledge the following aspects, before any trade:

- It can take longer and be more work to find brokers or other market participants to buy or sell these instruments, and in many instances, they cannot be settled via a CSD or an ICSD such as CREST or Euroclear. In these instances, Reyker will charge higher transaction costs and may charge additional administration and compliance costs taking account of the time we spend
- There is no guarantee that market participants can be sourced to buy or sell these instruments
- Reyker will not accept limit orders in such instruments
- Reyker reserve the right to refuse to deal if the time and other costs involved in sourcing the liquidity from market participants are deemed by us too high, or uneconomical or unprofitable or too risky, or have not been covered in advance by you
- If an instrument does not have a secondary market, Reyker may at our sole option (and subject to our costs being met by our client) liaise on behalf of the client with the issuer, sponsor or the primary broker to create additional units on purchase, or redemption/surrender on sales. It is however, the client's responsibility to understand the conditions detailed in the offering documents, as the creation or surrender process can take a significantly longer time and can depend on additional conditions that need to be met
- Orders in such instruments will only be treated as live orders on the day of receipt of the order and it will be the client's responsibility to reinstruct on the following business day, if no confirmation of execution has been received from (or sent by) Reyker. We are not required to notify you of unfulfilled orders. For illiquid unregulated investment instruments, you must liaise directly with us every day throughout the transaction process
- We reserve the right to cancel or void any trade or order or any part thereof in unregulated investment instruments that we cannot fulfil in full on the day that the trade is placed with us
- If you place a trade with us and we cannot readily locate an execution venue on the trade day or if there is no known execution venue, you must provide execution or counterparty facilities to us along with all required documentation, and failure to do so will result in the trade being cancelled or treated as void, and you will still be charged for our work
- Additional transaction fees will be charged to cover any work undertaken by Reyker to try to source liquidity, even if the order is cancelled without complete execution, and you agree to pay such costs, fees and charges when you ask us to transact in unregulated securities or investments.

## Handling multiple underlying clients or accounts

It is and will be the client's responsibility to supply Reyker with a copy of their policy for handling part filled orders where multiple underlying clients or accounts are involved, irrespective of whether these underlying clients are retail, professional or institutional, and without regard to any tax wrapped status. In the absence of a live and current written policy from the client that we are prepared to agree to in writing, Reyker will adopt a policy of pro-rata allocations based on size of order and you shall accept this as a reasonable and fair allocation method.

## Non-Custodial Institutional Dealing

The dealing terms and conditions on these relationships will be defined in the service agreement, between Reyker and its trading counterparty.

## Third party escrow arrangements

This is the subject of a separate policy that is not necessarily published by Reyker, and is available to institutional or very high net worth clients only. Please contact the Director of Markets and Investments for details if your enquiry relates to our dealing services.

## Sub custody arrangements

This is the subject of a separate policy that is not published and is available to institutional or very high net worth clients only. Please contact the Director of Markets and Investments for details if your enquiry related to our dealing services.

## Specific Client Instruction

Where you give us specific instructions in respect to the execution of an order, we will try to execute the order in accordance with your instructions. If this prevents us from adhering to our order execution policy, we cannot guarantee best execution has been achieved or will be achieved in respect of the trade and we provide no such guarantee.

## Clear instructions

We may act on any instruction you give us and you, not us are responsible for making sure that your instructions are clear, correct, not duplicated, unambiguous and compliant with all taxation and regulatory and statutory rules and legislation. We may also adopt what in our opinion we consider to be best market practices.

If you give us instructions we shall not be liable for any costs, losses or consequential losses or compensation where we have acted on your instructions in good faith, and in any case our liability is limited to the fees and costs you have paid us for the transaction, and otherwise as set out in our General Terms and Conditions of Business.

## Offshore dealing

We may at our sole option offer offshore dealing and custody facilities in certain circumstances to suitable clients who may be non-UK domiciled and / or non-UK resident. We do not however agree to provide this, or where we do provide it, to continue providing it. We do not give taxation advice in respect of any offshore dealing or holdings.

## Foreign exchange

We do not presently offer foreign currency trading accounts for outright spot, forward or derivative transactions. By prior agreement, Reyker at its sole discretion may provide foreign currency custody accounts for trading in non-GBP assets. Any monies or assets that require conversion will be converted at a rate offered to us by our main bankers. We will not normally facilitate special foreign currency transactions except by special arrangement in advance for large sums, and this is at our sole discretion.

## Bitcoin transactions

If you wish to discuss Bitcoin or similar virtual currency transactions or settlement, please arrange a direct consultation with us.

## Monitoring and Review

We will from time to time monitor and may amend without notice our Dealing Policy to ensure that it produces the most appropriate or best results for our clients, and suitably manages our business risks and business economics. Our current and latest dealing policy and tariffs always apply. We may (but are not obliged to) notify material changes by way of references thereto in our General Terms and Conditions of Business, published on our web site. For institutional clients, we may also notify directly any material policy changes.

## Regulatory rules and law

Current FCA regulatory rules always apply. We may at our sole option choose to adopt changes to regulatory rules early. English law always applies. We generally expect to follow our interpretation of market best practice where appropriate but regulation is considered to override any market practice.

## Fees and charges

Our tariff of fees and charges that apply to most circumstances is set out in our schedule of standard tariff of fees and charges, which is usually published on our website or is otherwise available from our dealing team.

Different arrangements may be made with suitable institutional clients with high dealing volumes, or for high value bulk dealing.

## On-line dealing

Reyker has chosen not to provide low cost on-line dealing services. Our business model is to provide both international execution and advised services with a wide range of venues and instruments, using our bespoke professional service.

## Financial crime and market monitoring

We may report any trade, instruction or transaction to regulatory authorities without informing you if we suspect any financial crime, market misuse, insider dealing, price rigging, money laundering or any form of breach or abuse, including possible abuse or potential breach of rules governing treating clients fairly. We shall not be liable to you for any such reporting that we undertake in good faith or in accordance with regulation or statute and by trading with us or giving us instructions to deal for you or your clients you agree to this.

We may also provide regulatory authorities and law enforcement agencies with any information that they may require or request, without informing you, and we shall not be liable to you for any such reporting or provision of information.

## Resolution of queries

All dealing and trading queries should be directed to our dealing team. Compliance matters and complaints must follow our compliance procedure, which is set out on our website and in our General Terms and Conditions of Business.

## Limitation of liability

Other than in respect of negligence or wilful default our liability in respect of dealing and transactional services is limited to the fees and charges levied to you and paid by you.



## Client money

When you deposit retail client money with us for dealing purposes, this money will be held in a general trust pooled bank account containing client money, and this shall not be comingled with the firm's money. Client money that is pending investment may be covered by FSCS protections subject to FSCS limits.

Monies deposited by institutions will be treated as corporate money and not held as part of the retail client money pool unless you have previously agreed in writing other arrangements with us.

For Our Reference:  
Reference: DD/AN/VM  
Last Updated: 04.12.2018  
Next Update: 04.12.2019  
Owner: Dealing Department