

Execution Policy – AUTONOMOUS RESEARCH LLP

Introduction

The Financial Services Authority (“FSA”) requires a firm which provides order execution services to comply with the obligation to act in accordance with the best interests of its professional clients when placing orders with other entities for execution that result from the decisions by the firm to deal in financial instruments on behalf of its client (“best execution”). The rules on best execution are contained within the FSA’s New Conduct of Business Sourcebook (“COBS”) at COBS 11.2 and implement the requirements of the Markets in Financial Instruments Directive (“MiFID”).

Obligation to provide best execution

As part of the obligation the firm has in respect of best execution, we are required to provide our clients with this Disclosure Statement. This sets out an overview of the policy we have in place in order to ensure that we obtain the best possible results for our clients.

Execution criteria

Subject to any specific instructions given by our clients, when placing orders on their behalf we will take all reasonable steps to obtain the best possible result for them by taking into account the following execution factors: price; the cost of execution; the need for timely execution; the execution venue; the size of the order and the nature of the financial instrument (including whether it is executed on a regulated market, multi-lateral trading facility (“MTF”) or over-the-counter (“OTC”)).

In the absence of express instructions from you, we will exercise our own discretion in determining the factors that we need to take into account for the purpose of providing you with best execution. Generally, price will ordinarily merit a high relative importance in obtaining the best possible result. However, there will be circumstances when other factors may be more important or relevant and, as order placement agent, we must use our judgement and experience to give greater prominence to them.

Should we be specifically directed by a client to use a particular broker or execution venue, then the firm is not required to take the steps mentioned above.

For certain Markets/Instruments it is possible for the firm to choose only one venue where the firm has reason to believe and can demonstrate that one venue only will provide the best possible result for the customer. This choice will be reviewed on a periodic basis.

Orders may be executed *on exchange* or *off exchange*.

Not all venues used by the firm may be listed in the policy at any one time. The firm may use other venues not listed in the policy, subject to the prior approval of the Broker Review Committee.

Execution venues

The policy includes details of execution venues in respect of each class of financial instruments which we access when we execute your orders. These execution venues have been selected as we

consider that they enable us to obtain on a consistent basis the best possible result for the execution of your orders. A list of all venues is available upon request.

These execution venues include:

- EEA Regulated Markets;
- EEA MTF's;
- Systematic internalisers;
- Broker; and
- Other liquidity providers (which includes non EEA entities that perform a similar function to the other execution venues listed above)

We may transmit your order to, or place your order with, another firm for execution. In choosing the other firm, we have taken into consideration the following factors relating to that other firm:

- Access to alternative markets and trading venues;
- Value added local market knowledge;
- Commission rates and prices/spread provided;
- Execution speed/latency;
- Quality of execution and service
- Clearing and settlement efficiency and capabilities; and
- Risk profile, credit worthiness and reputation.

When we transmit your order to another firm, we will take all reasonable steps to ensure that the other firm has arrangements in place to enable us to comply with our obligations under the Policy. The firm has established a Broker Review Committee and adopted guidelines for the evaluation of its brokers. The firm will place orders for execution only with approved brokers that have been selected and placed on the approved list maintained by the Broker Review Committee.

Client consent

We are required to obtain the prior consent of our clients to our Execution Policy. Since we may also trade outside a regulated market or MTF in respect of instruments admitted to trading by those means, we are also required to obtain our clients' prior express consent to this.

The required consents will be obtained by signing our Terms of Business, which includes this agreement.

Monitoring and review

We will monitor on a regular basis the effectiveness of the policy and, in particular, the execution quality of the entities identified in that policy. Where the monitoring reveals the need for any changes or enhancements to be made, these will be implemented as appropriate.

We monitor our relationships with other brokers, including the applicability of strict counterparty exposure limits and the reputational risk of those brokers on an ongoing basis.

We will review the execution policy at least on an annual basis or whenever a material change occurs that affects our ability to continue to obtain the best possible result for our clients.

We will notify our clients of any material changes to our order execution arrangements or the Policy in accordance with our Terms of Business.