

CANTOR FITZGERALD IRELAND LTD
BEST EXECUTION
&
ORDER EXECUTION POLICY

Effective Date 03 January 2018

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1. Introduction

This document provides important information and sets out how Cantor Fitzgerald Ireland Ltd (“Cantor”) obtains best execution for its clients as defined in MiFID II.

The Markets in Financial Instruments Directive (“MiFID II”) came into effect on 03 January 2018.

MiFID II as transposed into Irish Law by means of Statutory Instrument No.375/2017, requires that Cantor have in place and operate an Order Execution Policy such that when:

- executing applicable Client Orders or
- receiving and transmitting Client Orders

on behalf of our clients in respect of financial instruments covered by MiFID II, that Cantor takes all sufficient steps to obtain the best possible result (“BPR”) on a consistent basis (“Best Execution”).

This policy should take into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

2. Client Orders & Specific Instructions

Cantor considers itself to be in receipt of a Client Order when a Client gives us a trading instruction that requires Cantor to complete an investment transaction on the Client’s behalf. The price achieved or other aspects of the transaction may be affected by how Cantor executes the order, for example where:

- an agency obligation exists, or
- we ‘work’ a trading instruction on a Client’s behalf either on a principal or riskless principal basis, or
- we place orders with entities for execution that result from decisions by us to deal in financial instruments on a Client’s behalf when providing portfolio management services to said Client.

Cantor is not under an obligation to provide Best Execution if in relation to a particular order or business, we define the client as an Eligible Counterparty (‘ECP’) or if we negotiate the terms of a transaction acting as principal on our own account, and the client is not placing reliance on Cantor for best execution.

Cantor is also not obliged to provide Best Execution when dealing on a Request for Quote (‘RFQ’) basis (professional clients only) and trades for non-standard settlement.

Specific Client Instructions

WARNING: If a Retail or Professional Client provides Cantor with a specific instruction to deal it may prevent us from following our Order Execution Policy which is designed to obtain the best possible result for the Client on a consistent basis, taking into account the factors outlined below. Where the Client’s instructions relate only to a part of the order, then we may follow the Order Execution Policy for those parts of the order not covered by such instructions.

3. Execution Factors

Where Cantor executes Client Orders and owes a duty of Best Execution, all sufficient steps will be taken to obtain the best possible execution result on a consistent basis taking into account the following Execution Factors:

- price,
- cost,
- speed of execution,
- likelihood of execution and settlement reliability,
- order size,
- nature of Client Order or any other consideration relevant to the execution of the Client Order.

While the weighting and relevance of these factors may vary, price will ordinarily merit a high relative importance in obtaining the BPR for a Client. Where Cantor executes an order on behalf of a retail client, the BPR will be determined in terms of the total consideration i.e. price of the financial instrument and the costs related to 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.

However, markets, instruments and transaction types vary greatly in terms of liquidity, depth, transparency, certainty, ease and speed of execution etc. Cantor may

therefore take into consideration other Execution Criteria that alter the relative importance of execution elements (execution criteria other than price may assume equal or greater importance) and thereby permit Cantor the required flexibility to cater for Clients with differing priorities and execute orders based on other factors that will result in Cantor acting in the best interest of the client. Such Execution Criteria may include, but are not limited to:

- The Client's status as a retail client or a professional client;
- Prevailing market conditions, including when a fast market is declared Business continuity event
- Characteristics of the Client,
- Characteristics, size and settlement terms of the Client Order,
- Characteristics of the financial instruments that are subject of the Client Order,
- Characteristics of the execution venues to which that Client Order can be directed; and
- Whether the client has provided any specific instruction.
- Trading Over the Counter ('OTC') execution as opposed to an execution on a trading venue.

Based on the above Execution Factors and Execution Criteria, and subject to any specific client instruction, Cantor will exercise discretion, based on market experience, knowledge, commercial judgement, the relevant Security and the type of Client Order to obtain the BPR with regards to the execution of a Client Order.

4. Execution Venues & Instruments

MiFID II requires, in the context of our order execution policy, that for each financial instrument in which we execute orders, that Cantor utilises those venues (sources of liquidity) that we consider, according to our ongoing assessment, enable us to obtain, on a consistent basis the BPR for client orders. Currently, when executing Client Orders Cantor typically places significant reliance on the execution venues and brokers/Counterparties listed in Appendix I.

We will include those venues that we believe enable us to provide the client with the BPR on

a consistent basis. We may transmit client orders to another broker or dealer for execution. In the event we receive a client order and transmit this order to a third party for execution we will ensure that the price obtained, based on cost, speed, and likelihood of execution will be the most competitive. Clients should be aware that for certain types of financial instrument there may be only one execution venue available to us. When we execute against Cantor's own book we will review the quality of our own execution in the same way that we review other execution venues.

Appendix I contains those execution venues in regard of which Cantor places significant reliance. It is not an exhaustive list. When choosing an execution venue, Cantor will focus primarily on the quality of execution and reliability of the venue followed by the costs of that venue. While the venues selected may not always offer the most favourable prices, the client's order will always be executed in the overall requirement of BPR on a consistent basis.

Cantor executes Irish and UK equities mainly by execution directly to Exchanges in Europe but would note that to a limited extent Cantor also transmits orders to other brokers for central European and rest of world equity/exchange traded product orders, at an extra cost of execution. Cantor notes that most US orders are transmitted to our US affiliate Cantor Fitzgerald & Co. Cantor monitors cost of execution to ensure BPR on a consistent basis.

For the purposes of delivering best execution where there is more than one competing venue to execute an order for a financial instrument, in order to assess and compare the results for the client that would be achieved by executing the order on each of the execution venues listed that is capable of executing that order, Cantor's own commissions and costs for executing the order on each of the eligible execution venues will be taken into account in that assessment.

Non Standard Settlement

Clients should note that settlement of trades outside the standard settlement may incur an additional charge from the Market Makers or Cantor. These charges will vary depending on a number of factors and may not result in the best execution price.

Trading outside a Regulated Market, Multilateral Trading Facility or Organised Trading Facility

Where a financial instrument is traded on a Regulated Market, Multilateral Trading Facility ("MTF"), or Organised Trading Facility ('OTF') Cantor may nonetheless, to obtain BPR for the Client, transact orders outside the relevant Regulated Market or MTF (for example Cantor may execute the Client Order against a principal position, thereby acting as the execution venue or cross the Client Order with another Cantor Client Order or execute the transaction on an over the counter basis with a market participant). Client's provision of an order to Cantor is an express consent to this Order Execution Policy including our right to execute the order outside a Regulated Market or MTF in order to achieve the BPR.

Cantor will assess the execution venues regularly and may use other execution venues and venue types where we deem it appropriate in order to provide BPR on a consistent basis or in regard of a specific order.

Clients will be notified of changes to Execution Venues on which Cantor places significant reliance when executing Client Orders, by the posting of updates on our website, www.cantorfitzgerland.ie. Clients should, therefore, periodically refer to this website for updates.

5. Methodology

Having assessed the relevant Execution Factors and Execution Criteria, and in consideration of any specific instructions provided by the Client, we will select the most appropriate Execution Venue to achieve consistently the BPR on the Client's behalf.

6. Order Handling

In accordance with MiFID II client order handling rules, Cantor have procedures and arrangements in place, that provide for the prompt, fair and expeditious execution of client orders relative to other client orders or the trading interests of the investment firm. Cantor ensures that client orders are executed in a prompt, fair and efficient manner.

7. Aggregation of Orders

Cantor may aggregate orders, including client or Cantor orders (subject to our Order Allocation Policy and our Conflicts of Interest

policy for us or our Parent, Associate or Affiliate) to be executed in one or several tranches if, due to demand conditions, several orders may be settled at an average price that Cantor considers generally favorable. Aggregation may, in some cases, work to the disadvantage of a particular order. When executed, aggregated orders will, to the extent possible, be allocated to clients on the trade date at the calculated average price. If aggregated orders can be executed only in part, Cantor will allocate the executed part to the participants in proportion to the size and conditions of their orders.

8. Reception and Transmission of Orders

Subject to any specific instructions given to Cantor by the Client, we may transmit an order that we receive from the Client to another entity affiliated to Cantor or to an external entity (such as a third party broker) for execution where it is decided that this method is more likely to achieve the BPR for a particular instrument or order. When we transmit such orders we will have obligations to ensure that it is in the Client's best interest, and are under an obligation to take such sufficient steps to obtain the BPR for the Client. If we transmit or place an order to other dealers/affiliates, we will review and monitor the standards of execution received from them.

9. Publishing Limit Orders

If a Client gives a limit order, being an order at a specified price limit or better and for a specified minimum fill size, then it may not always be possible to execute that order under the prevailing market conditions.

MiFID II requires Cantor to make the Client's order public (i.e. show the order to the market) unless the Client agrees that we need not do so. We believe that it is in the Client's best interests if we exercise our discretion as to whether or not we make client orders public and by consenting to this Order Execution Policy the Client agrees to not making that Client's orders public.

10. Monitoring & Review of the Order Execution Policy

Cantor will monitor the effectiveness of its order execution arrangements and the Order Execution Policy on an annual basis or where a material change occurs to it and assess, on a regular basis, whether the execution venues included in the Order Execution Policy provide BPR for the client, or whether changes to the execution arrangements need to be made.

Cantor will notify Clients of material changes to our order execution arrangements and our Order Execution Policy by the posting of updates on www.cantorfitzgerald.ie. Clients should, therefore, periodically refer to this website for updates.

11. Consent & Communication

Cantor is required to obtain the client's prior consent to the Order Execution Policy. Prior consent to this Order Execution Policy will be deemed to have been received when a client places an order with Cantor on or after the date of website upload of this Policy. In addition, by completing a Cantor client Application Form, including terms and conditions thereto, the client is providing their consent to the Order Execution Policy and inter-alia agreeing their order can and will be executed pursuant to this policy

12. Publication of Annual and Quarterly Reports on Best Execution

Cantor publishes (in accordance with Regulatory Technical Standards ("RTS 28")) a summary of the top five execution venues and brokers to which all client orders are routed during the preceding year. This information contains a summary on the quality of execution and will be made available on our website:

www.cantorfitzgerald.ie/important-disclosures

As a market maker in Irish Government Bonds Cantor publishes (in accordance with Regulatory Technical Standards ("RTS 27")) on our website, information on the quality of our execution on a quarterly basis.

Appendix I

Schedule of Execution Venues and Executing Brokers where Cantor places significant reliance for the execution of client orders.

Counterparty Name	Irish Equities	UK Equities	European Equities	Non-European Equities	Bonds & Fixed Income Securities	CFDs
Top Execution Venues						
Cantor Fitzgerald Ireland Limited					•	
TradeWeb Europe Limited					•	
MTS Cash domestic Market Ireland					•	
BGC – OTF					•	
BFC - MTF					•	
Bloomberg MTF					•	
Irish Stock Exchange	•	•			•	
London Stock Exchange	•	•			•	
Top Executing Brokers / Counterparties						
Arden Partners Plc		•	•			
Bankhaus Neelmeyer AG		•	•			
Banque Internationale A Lux SA		•	•			
Barclays Capital		•	•			
Blackbee Investments Ltd		•	•			
BMO Capital Markets Limited		•	•			
BNP Paribas		•	•			
Canaccord Genuity Limited		•	•			
Cantor Fitzgerald Europe	•	•	•	•		
Cantor Fitzgerald + Co				•		
Cenkos Securities Limited		•	•			
Commerzbank AG		•	•			
Credit Suisse		•	•			
EFG Private Bank Limited		•	•			
Exane SA		•	•			
Finncap Ltd		•	•			
Goodbody Stockbrokers	•	•	•			
Haitong Bank SA		•	•			
HSBC Bank Plc		•	•			
IG Markets Limited	•	•	•			•
Investec Capital + Investments	•	•	•			
J+E Davy	•	•	•			

Counterparty Name	Irish Equities	UK Equities	European Equities	Non-European Equities	Bonds & Fixed Income Securities	CFDs
Jarvis		•	•			
Jefferies International Ltd		•	•			
Kempen + Co NV		•	•			
Killik + Co		•	•			
Liberum Capital Ltd		•	•			
Monecor (London) Ltd		•	•			
Morgan Stanley Int London		•	•			
Natixis		•	•			
Novum Securities Limited Agenc		•	•			
Nplus1 Singer Capital Markets		•	•			
Numis		•	•			
Panmure Gordon (Uk) Limited		•	•			
Peel Hunt LLP		•	•			
Pershing Securities Ltd	•	•	•	•		
RBC Dexia Investor Services		•	•			
RBC Europe Limited		•	•			
Shore Capital Stockbrokers Ltd		•	•			
Societe Generale		•	•			
Stifel Nicolaus Europe Limited		•	•			
Stockdale Securities Limited		•	•			
The Bank Of New York Mellon		•	•			
UBS AG		•	•			
Virtu Financial Ireland Ltd	•	•	•	•		
WH Ireland Limited	•	•	•			
Winterflood Securities Ltd	•	•	•	•	•	