

ORDER EXECUTION – SUMMARY OF ANALYSIS AND CONCLUSIONS FOR TOP 5 VENUES 2017

Argus Stockbrokers Ltd carries out detailed monitoring on an ongoing basis of the quality of execution provided by the execution venues we have selected to ensure best execution, and whether these continue to meet our standards.

This report provides a written summary of the analysis and conclusions drawn from our best execution monitoring, together with a list of the top five execution venues used to execute retail and professional client orders in each class of financial instrument as per article 3(3) of Commission Delegated Regulation (EU) 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU (MiFID II).

1. An explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

Throughout 2017, Argus Stockbrokers Ltd maintained an Order Execution Policy, which noted:

When executing an order, Argus Stockbrokers Ltd shall take into account the following factors:

- Price of the financial instrument;
- Costs of transaction (i.e. the fees charged for executing an order on a particular venue);
- Speed;
- Likelihood of execution and settlement; and
- Size and nature of order.

We will also take into account:

- Any other relevant considerations (such as market impact);
- Whether you have given us specific instructions (because execution according to your instructions will satisfy the best execution obligation).

For retail clients only: Obtaining the best possible result will take into account ‘total consideration’. Total consideration consists of the price of the financial instrument and the costs related to execution, including any expenses incurred which are directly related to the execution of the order such as any execution venue fees, clearing and settlement fees, and any other fees paid to third parties involved in the execution of the order.

For Professional clients: In some circumstances, the importance of these factors will be weighted according to the product.

For all classes of financial instrument, ordinarily, price will merit a high relative importance in obtaining the best possible outcome for clients. In certain circumstances, for some client orders, financial instruments or markets, Argus Stockbrokers Ltd, at its absolute discretion, may have decided that other

factors were more important in determining the best possible results for clients in accordance with the policy.

2. *An explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;*

Argus Stockbrokers Ltd has no new or terminated relationships with venues during 2017.

3. *Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;*

Argus Stockbrokers Ltd does not have any close links, conflicts of interests, or common ownerships with respect to any external execution venues used to execute client orders.

4. *An explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;*

Throughout 2017, Argus Stockbrokers Ltd maintained an Order Execution Policy, which noted:

For retail clients only: Obtaining the best possible result will take into account 'total consideration'. Total consideration consists of the price of the financial instrument and the costs related to execution, including any expenses incurred which are directly related to the execution of the order such as any execution venue fees, clearing and settlement fees, and any other fees paid to third parties involved in the execution of the order.

For Professional clients: In some circumstances, the importance of these factors will be weighted according to the product.

Since the introduction of MiFID II on 3rd January 2018, and the implementation of the updated Argus Stockbrokers Ltd Order Execution Policy, our approach to execution does not differ depending on client categorisation.

5. *An explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;*

Argus Stockbrokers Ltd will, on occasion and at their discretion, work an order over the day, typically when the order is large relative to average market size. The immediate price for the full size of the order may not be the best price available versus working the order in smaller tranches over the day.

In rare cases, Argus Stockbrokers Ltd will follow the specific instruction of the client in relation to how an order should be executed. For further details, please see the Order Execution Policy.

6. *An explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU);*

Data on all executions is fed into our software in order the firm to monitor and assess the quality of execution strategies. Monitoring of executions is undertaken post -trade with the aim of identifying poorly performing trades and venues, and providing feedback to client-facing staff to provide better solutions for client executions.

Summary of the analysis and conclusions drawn from our monitoring of the quality of execution;

We believe that the analysis and conclusions drawn from our monitoring of the quality of execution confirm that the execution venues used to execute client orders meet our standards in delivering best execution to our clients on a consistent basis.

A list of our top five execution venues used to execute retail and professional client orders can be found within our website together with detailed information on the volume and number of orders executed by each execution venue.