

STIFEL

STIFEL NICOLAUS EUROPE LIMITED ORDER EXECUTION POLICY

This order execution policy is supplemental to the Stifel Nicolaus Europe Limited (“SNEL”, “we”, “the firm”, “our” or “us”) Terms and Conditions and thus forms part of the terms of the contract between us. You should read it carefully and let us know as soon as possible if there is anything that you do not understand.

Capitalised terms that appear below are defined herein or in Section 14 (Definitions) of this document.

1. Introduction

SNEL operates this order execution policy (“Order Execution Policy”) in accordance with the requirements of the EU Markets in Financial Instruments Directive (“MiFID”) and the rules of our regulator, The Financial Conduct Authority (“FCA”). When executing applicable Orders (see Section 2 below) or receiving and transmitting Orders on behalf of our Clients we are required to take all reasonable steps to obtain the best possible result on a consistent basis taking into account the price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order (hereafter this obligation is referred to as “Best Execution”). The FCA also expects SNEL to pay due regard to the interests of its customers and treat them fairly (FCA principle 6).

We are required by FCA rules to provide you with our Order Execution Policy and to obtain your consent to this policy.

2. Scope

This Order Execution Policy applies only to Clients classified as Professional Clients and is not applicable to business conducted with Clients we have classified as Eligible Counterparties.

Where we execute applicable Orders in Financial Instruments on your behalf, subject to any specific instructions received from you, we will provide Best Execution in accordance with this Order Execution Policy. We will do this by following procedures which are designed to obtain the best possible execution result, as set out in Section 5 of this document.

We consider that we will be under the Best Execution obligation where you legitimately rely on us to protect your interests in relation to pricing and other important elements of the transaction. We believe this to be the case where we:

- owe a contractual obligation to you;
- execute an Order by dealing as your agent;
- “work” an Order on your behalf i.e. where we make decisions as to how the Order is executed; or
- execute an Order by dealing as a riskless principal on your behalf.

Best Execution will still apply where we deal on our own account with you.

With regard to fixed income securities, we will execute transactions with clients on an over-the-counter (“OTC”) basis, acting on a matched principal basis by transacting with both sides

of the transaction, and only executing the transaction on each parties' acceptance of the negotiated terms, including price (allowing for any spread) and quantity. We will consider whether we owe you best execution, *inter alia*, on the following factors:

- whether we owe an obligation to you given our relationship with you, in particular whether you understand the basis on which we are transacting;
- whether you initiated the transaction;
- whether there is a market practice and the existence of a convention to “shop around”; and
- whether there is price transparency within the market from your perspective

3. Specific Instructions

Where you provide us with specific instructions we will execute your Order in accordance with those instructions. This includes where you specify the characteristics of an Order or a particular aspect of an Order. Where your instructions relate to only part of an Order, we will continue to apply our Order Execution Policy to those aspects of the Order not covered by your specific instructions.

Your instructions may prevent us from taking the steps described in this policy to obtain the best possible result for the execution of the Order. In following your instructions we will be deemed to have satisfied our Best Execution obligations.

4. Order Handling

In accordance with the FCA's Client order handling rules, we are required to have procedures and arrangements in place that provide for the prompt, fair and expeditious execution of Orders. We are also required to consider the need to manage any potential conflicts of interest between Clients and/or between SNEL and you.

Comparable Client Orders must be executed sequentially and promptly, unless this is impracticable given the characteristics of the Order, market conditions or if the interests of the Client require otherwise. Priority must be given to executing a Client Order over any own account dealing, regardless of whether or not the Client would be disadvantaged or whether the Client Order was accepted after the firm's decision to deal (unless the Client Order cannot be executed because of size or other limitations or unless agreed with and disclosed to the Client).

We may combine your Order with our own Orders and Orders of other Clients. By combining your Orders with those of other Clients we must reasonably believe that this is unlikely to disadvantage any Client and sufficient prior disclosure is therefore made in this policy that the effect of aggregation may work to a Client's disadvantage. As such, aggregation may result in you obtaining a less favourable price in relation to a particular Order.

SNEL must follow Order priority with regard to the final allocation of the investments concerned. In particular, allocations to Client Orders are prioritised over the trading interests of the firm.

5. Executing Orders

When executing Orders on your behalf, subject to any specific instructions from you, we will consider a range of execution factors (see Section 6 below) to determine the manner in which your Order will be executed. The relative importance of each factor will be determined by us using the following execution criteria:

- your experience and understanding of the market in question, including your regulatory classification as a Professional Client;
- the characteristics of your Order and the nature of the dealing service you require of us;
- the characteristics of the Financial Instruments that are the subject of your Order; and

- the characteristics of the Execution Venues (see Section 9 below) to which your Order can be directed.

If we provide a quote to a Client which, if executed at that time, would meet the firm's obligation to take all reasonable steps to obtain the best possible result for our Clients, we will deem our obligation to have been met, provided the quote is not manifestly out of date when the execution takes place.

6. Execution Factors

In considering how we might achieve the best possible result for a Client Order, we will take a number of execution factors into account, including price, costs, speed, likelihood of execution and settlement, size, nature of the Order, likely market impact, or any other considerations relevant to the execution of the Order.

In determining the relative importance of these factors, we will use our own commercial experience, skill and judgment, having regard to market information, as well as taking into account Best Execution requirements.

Ordinarily, we will regard price as the most important of these factors for obtaining the best possible result. However, we recognise that there may be circumstances for some Clients, particular instruments or markets where other factors may be deemed to have a higher priority.

7. Client Unfilled Limit Orders

Unless you notify us to the contrary, you instruct SNEL not to immediately make public any Limit Order in respect of shares admitted to trading on a market which is not immediately executed under prevailing market conditions.

8. Transmission of Orders to Third Parties

Subject to any specific instructions given to us by you (see Section 3 above), we may transmit an Order that we receive from you to another entity affiliated to SNEL or to an external entity (such as a third party broker) for execution. When we transmit such Orders we will have obligations to ensure that Best Execution is obtained, where applicable, in accordance with this Order Execution Policy.

Please note that generally US equity transactions are executed through our affiliate Stifel, Nicolaus & Company, Incorporated ("SNC"). As disclosed to you in our terms and conditions, we have entered into an Intercompany and Clearing Agreement with our affiliate company, SNC, under which we have delegated to, and SNC has agreed to provide, execution, clearing and settlement services to Clients of ours on a fully disclosed basis. SNC is not regulated or authorised by the Financial Conduct Authority in the U.K. but it is registered in the United States as a broker-dealer with the U.S. Securities and Exchange Commission, and it is overseen by the Financial Industry Regulatory Authority. Accordingly, the regulatory regime applying to investment business transacted through SNC is different from that of the United Kingdom, and you may not have the benefit of some of the rights designed to protect investors under the Financial Services and Markets Act and FCA rules, including, but not limited to, Best Execution. The appointment of SNC does not relieve us of our obligations to you.

Please be reminded that when we transmit Orders placed with us to SNC for execution, your Orders will be executed on markets located in North America, rather than on regulated markets located in the European Economic Area.

9. Execution Venues

Our Order Execution Policy includes, for each Financial Instrument in which we execute Orders on your behalf, those venues that we consider enable us to obtain on a consistent basis the best possible result for your Orders, as well as “over the counter” executions.

These possible execution venues include, as appropriate for each product:

- Regulated markets in the United States or otherwise;
- Unregulated markets;
- Multilateral Trading Facilities (MTF);
- Systematic Internalisers (investment firms that, in an organised, frequent and systematic basis deal on own account by executing Client Orders outside a regulated market or MTF);
- Internal sources of liquidity, for example matching Client Orders, and SNC’s or SNEL’s proprietary or market making trading desks; and
- Third party investment firms and brokers, including dark pools, and/or affiliates.

In order to offer access to markets where the firm does not have membership we may pass on (i.e. transmit) an Order at our discretion to a third party for execution where SNEL has entered into an agreement where the third party is contractually required to provide us with Best Execution for example, direct market access (DMA) or algorithm providers.

We will assess which venues within this list are likely to provide the best possible result for our Clients on an order-by-order and product-by-product basis. Where we are the execution venue i.e. where we deal directly with you on a principal basis, we will review the quality of our own execution in the same way as we would for any other execution venue.

In compliance with SEC Rules 605 and 606, SNC publishes its execution statistics, including the execution venues to which it routes its agency Orders, on its website www.stifel.com. The list contains the venues that have been used most often, but is not necessarily an exhaustive list. The attached Appendix contains a list of main execution venues utilised by SNEL on a consistent basis to obtain the best possible result for our Clients. However, we may execute Orders on other venues that are not included in the Appendix where we deem it appropriate, in accordance with this policy.

For some Financial Instruments there may be only one possible execution venue. In such circumstances by executing an Order on your behalf we consider we have provided Best Execution provided we have acted in accordance with the execution factors and your specific instructions as appropriate.

In respect of Financial Instruments that can be traded on a regulated market or on an MTF you should note that, subject to your prior express consent, in order to obtain Best Execution for you we may be required to execute Orders on your behalf outside of a regulated market or an MTF. As part of our Client on-boarding, we require that you provide this consent as, without it, we will be restricted to executing your Orders solely on regulated markets or MTFs and will therefore be unable to access diverse sources of liquidity. This may have a potentially detrimental effect on the quality of the execution that we are able to provide to you.

SNEL will, where possible, execute Client Orders subject to the Rules of the London Stock Exchange and the transaction will be trade reported to the London Stock Exchange.

10. Fees and Charges

For equities, fees and charges, and the methodology for calculating these, are agreed in advance and disclosed to a Client. In addition, where foreign exchange is charged, SNEL will charge a separate commission so that overall charges are transparent.

For fixed income, our fee will be the differential between the two prices negotiated between us and each of the buyer and the seller.

SNEL will not structure or charge its commission in such a way as to discriminate unfairly between execution venues. Should there be any variance between commission rates for different exchanges, this will reflect the actual difference in the cost to SNEL of executing on those venues in accordance with this policy.

11. Monitoring and Review

We will review our Order execution arrangements and our Order Execution Policy annually. We also monitor the effectiveness of our order execution arrangements on a regular basis and will conduct a review whenever a material change occurs that may affect our ability to continue to achieve the best possible results for our Clients. Should there be any material changes to our Order Execution Policy, we will notify you, and any non-material changes will be communicated via an updated policy being placed on our website at www.stifel.com.

Additionally, on an on-going basis, the business considers market developments which may improve its order execution arrangements, including technological, routing or order management systems developments, and / or the establishment of alternative execution venues.

SNEL is required to be able to demonstrate to Clients that we have executed their Orders in accordance with this policy. All such requests should be directed to snelcompliancepublic@stifel.com.

12. Consent

We are required to obtain your prior consent to our Order Execution Policy. As part of our Client on-boarding, you provide this consent, and in any event, you will be deemed to have provided such consent when you give us an Order or trade with us.

In relation to Financial Instruments admitted to trading on a regulated market or MTF, we are also required to obtain your prior express consent before we execute an Order in such Financial Instruments outside of a regulated market or MTF (see Section 9 above). As part of our Client on-boarding process, we will request this consent from you.

13. No Fiduciary Responsibility

Our commitment to provide you with Best Execution does not mean that we owe you any fiduciary responsibilities over and above the specific regulatory obligations placed upon us or as may be otherwise contracted between us.

14. Definitions

Client – means Professional Client or Eligible Counterparty.

Eligible Counterparty – means a client categorised as a per se eligible counterparty or elective eligible counterparty in accordance with FCA rule COBS 3.6.

Financial Instruments – includes:

- (i) Transferable securities;
- (ii) Money-market instruments;
- (iii) Units in collective investment undertakings;
- (iv) Various options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, or other derivatives instruments,

financial indices or financial measures or commodities; and
(v) Financial contracts for differences.

SNEL – means Stifel Nicolaus Europe Limited

MiFID – means the Directive 2004/39/EC of the European Parliament and the Council of 21 April 2004 on markets in financial instruments and any implementing directives and regulations.

Multilateral Trading Facility (MTF) – means, in accordance with the FCA Handbook Glossary, a multilateral system, operated by an investment firm or market operator, which brings together multiple third-party buying and selling interests in Financial Instruments - in the system and in accordance with non-discretionary rules - in a way that results in a contract in accordance with the provisions of Title II of MiFID.

Order – means an instruction to buy or sell a Financial Instrument which is accepted by SNEL for execution.

Professional Client – means a client categorised as a per se professional client or elective professional client in accordance with FCA rule COBS 3.5.

Systematic Internaliser – means, in accordance with the FCA Handbook Glossary, an investment firm which, on an organised, frequent and systematic basis, deals on own account by executing client Orders outside a regulated market or an MTF.

April 2016

APPENDIX

LIST OF MAIN EXECUTION VENUES (ALPHABETICALLY)

This appendix contains a list of main execution venues utilised by SNEL on a consistent basis with regard to the execution of European equities. However, to obtain the best possible result for our Clients, we will execute Orders on other venues where appropriate.

Bank of America Merrill Lynch Broker Crossing Network (MLXN)

BATS Europe (BATE)

BATS Europe Dark Order Books (BATD)

Bolsa De Madrid (XMAD)

Borsa Italiana S.P.A. (XMIL)

CHI-X Dark (CHID)

CHI-X Europe (CHIX)

Credit Suisse AES Crossfinder (CAES)

Deutsche Börse Xetra (XETR)

Euronext Amsterdam (XAMS)

Euronext Paris (XPAR)

JMPX (JPMX)

London Stock Exchange* (XLON)

MS Pool ATS (MSPL)

Posit (XPOS)

SIX Swiss Exchange (XSWX)

Turquoise Dark (TRQM)

Turquoise Services (TRQX)

UBS MTF (XUBS)

*Direct membership