

## KILLIK & Co

### **Delivering “Best Execution” for our Clients Overview of requirements**

We are required to take all reasonable steps to obtain the best possible result for our clients, taking into account factors such as price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to order execution.

We will have in place a policy and procedures and ensure that these are effectively implemented for the carrying out of all orders.

Our policy for order execution detailed below will be reviewed regularly and any material changes notified to our clients via our website.

### **Best Execution Policy**

This policy is intended, in as clear a way as possible, to demonstrate how Killik & Co operates and provides best execution.

### **Execution Venues**

We may execute your order by one, or a combination, of the following methods:

- Directly on a Regulated Market of which we are a member; or
- With third party investment firms, brokers, and/or affiliates, with whom we have entered into an agreement for handling Orders for Regulated Markets (RM), Multilateral Trading Facilities (MTF), Systematic Internalisers, Market Makers and other liquidity providers; or
- Where we have obtained your prior express consent, outside a RM or MTF.

### **Execution Factors**

We will decide upon which Execution Venue to use based upon consideration of the execution factors in the following order:

- Price (the best price available to the client)
- Liquidity (the venue that has the best liquidity for the stock in question)

- Ability to deal (given the size of the order or the particular stock in question)
- Knowledge of security (whether the venue trades the stock frequently)
- Reputation (some execution venues may specialise in particular business, e.g. trading small cap stocks. The reputation of the venue for particular types of trading may therefore influence our selection).

**We will assume that the best available price at the time is the most important outcome for your transaction unless you specify at the time of dealing that another factor is of greater importance.**

To calculate the price, we will pay due attention to the ‘total consideration’. This is represented by the price of the financial instrument and the costs related to execution. This must include all expenses that are directly related to the 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.

### **Execution Criteria**

When executing a client order, we will take into account the following criteria to determine the relative importance of the execution factors above:

- the characteristics of the client including the categorisation of the client as retail or professional;
- the characteristics of the client order;
- the characteristics of financial instruments that are the subject of that order;
- the characteristics of the execution venues to which that order can be directed.

If you give us a specific instruction about the way you would like your order executed, you should be aware that this may prevent us from taking the steps that we have designed and implemented to obtain the best possible result for our clients.

## Selecting an Execution Venue

Orders may be executed through the Retail Service Provider (RSP) facility provided by TDWCS Securities (our clearing, settlement and custody provider). The RSP polls a number of market makers for the best price currently available for the stock in the quantity required. For Contracts for Difference (CfDs) and Spreadbets, orders are dealt via our preferred providers which will have been agreed with you.

We have chosen to use these providers to execute our clients' orders because we are satisfied that their execution policies will allow them to deliver the best execution result on your behalf.

For some orders (for example those that are outside of normal market size), it may not be possible to deal through the RSP and we may instead either transmit it to the TDWCS Dealers or choose to execute it ourselves using our own dealers. Where the TDWCS dealers execute the order it will be done in accordance with TDWCS's best execution policy.

Where we execute the client order ourselves we will check the RSP for an indication of price available, but will then choose to execute your order where we believe we can trade to the best advantage for (or at no disadvantage to) you. A list of the execution venues we may use is at the end of this document.

At the date of this policy, the venue we are most likely to use to execute Retail client orders is the London Stock Exchange (LSE), so these trades will be dealt in accordance with the LSE's rules. We will regularly assess the Execution Venues available, in respect of any products that we trade, to identify those that will enable us, on a consistent basis, to obtain the best possible result. We believe that, at the present time, the LSE offers best execution on the most

consistent basis when taking account of the Execution Factors listed above.

## Trading outside a Regulated Market/ MTF

If the instrument you wish to trade is admitted to trading on a Regulated Market (RM) or Multi-lateral Trading Facility (MTF), we will always seek to execute the order through the RM or MTF. We will only execute the order outside an RM or MTF in situations where we consider that it will be in your best interests to do so and we will seek your prior express consent beforehand.

## "Limit" Orders

We may decide at our discretion to accept limit orders from you. In most cases, these will be placed on SETS which means that they are made public. For most orders within 'normal market size' this should ensure the most expeditious matching of your order. There may be rare circumstances where we consider that it would not be in your best interests to make your limit order public and in this situation we will discuss the possible outcomes with you (including any additional costs) and ask for your express consent not to make your order public.

## Specific Instructions

We can take specific instructions from our clients which may override this policy. If you choose to give a specific instruction to us, then we will attempt to provide best execution as far as is possible. However, this may prevent us from taking the steps that we have designed and implemented in our execution policy to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.

## Your Consent

We are required to obtain your prior consent to this policy. By giving us an order to execute a transaction on your behalf you will be deemed to have given your consent to this policy.

**KILLIK & Co**

**List of Execution Venues**

(These are the venues upon which we place particular reliance. This list is not exhaustive).

ABN Amro  
Altium Limited  
Arbutnot Securities  
Barclays Capital  
Canaccord Capital Inc  
Cazenove  
CIBC  
Citigroup  
Collins Stewart Plc  
Credit Suisse  
Deutsche Bank AG  
Dresdner Kleinwort  
Evolution Securities  
HSBC Plc  
ING Group  
Investec  
JP Morgan  
Lehman Brothers Inc  
Merrill Lynch  
Morgan Stanley  
Numis Securities Limited  
Panmure Gordon & Co  
Shore Capital Limited  
Teather & Greenwood  
UBS  
Winterflood Securities Limited