



# Best Execution Policy

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## 1. Background

This is the order execution/best execution policy (the “Policy”) of Dinosaur Merchant Bank Limited (DMBL), which is authorised and regulated by the Financial Conduct Authority (“FCA”).

This Policy is intended to provide clients with information relating to the execution arrangements DMBL has in place to comply with its obligations under the Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”) and certain other aspects relating to the way in which DMBL handles client orders. In particular, it sets out how DMBL will provide clients with best execution, where relevant. MiFID II specifically requires, us to take all sufficient steps to provide our clients with the best possible result when acting as broker in the execution or reception and transmission of orders in financial instruments. For the purposes of this, we will undertake our business as a broker in one of two ways:

1. Acting as an Agency Broker – in this scenario, DMBL will act as agent to its clients. When acting as the agent, DMBL must look after its clients' best interests, which involves attempting to fill client orders at the best price and in the fastest way possible.
2. Acting as a Matched Principal Broker (for certain OTC fixed income business) – DMBL will act as a facilitating counterparty to both sides of a matching trade, interposing itself between the buyer and seller to the transaction in such a way that it is never exposed to market risk throughout the execution of the transaction, with both sides being executed simultaneously.

This document should be read alongside our Dinosaur Merchant Bank Limited (DMBL) Custody and Execution Terms of Business, which should be supplied either from DMBL or your relationship manager.

“Best Execution” refers to the responsibility of DMBL to take all sufficient steps to provide the most advantageous order execution for our clients. The purpose of this policy is to inform all clients and their advisers about DMBL’s approach to providing Best Execution.

The Policy explains how DMBL will achieve the best possible result for its clients and it also details the information that must be provided to clients regarding the execution criteria and factors that DMBL will need to consider when trying to obtain the best possible results for those clients. It also specifies when the obligation to provide best execution might not apply.

We do not generally provide execution services directly to clients and typically instructions will be received by us from each client's relationship manager. However, in any circumstances where we execute an order in accordance with your specific instructions or the specific instructions of an relationship manager this may prevent us from following our Best Execution policy.

DMBL reserve the right to vary any aspect of this policy without notice.

## 2. Order placement

Due to the nature of our business, orders are typically generated by investments (new money or top-ups), disinvestments (regular or ad-hoc withdrawals or the deduction of fees) or an adjustment to the model by the discretionary portfolio manager.

### 3. Order execution factors

We take into consideration a range of factors when we place an order for you. These include:

- ⇒ Price (normally considered the most important factor);
- ⇒ Cost, including commission and other charges;
- ⇒ Speed of execution;
- ⇒ Likelihood of execution and settlement;
- ⇒ Size and nature of order (this will be dependent on the ability of venues or brokers to manage the execution and the speed and efficiency of the settlement process, post execution);
- ⇒ Liquidity for the relevant instrument; and
- ⇒ Any other considerations relevant to the execution of the order.

DMBL assesses all the above factors to achieve Best Execution. This may not always result in the best available price being obtained, even though it is generally the primary consideration. Other considerations could include the liquidity of the market (which may make it difficult to execute an order), and whether such transactions are executable on a regulated or unregulated market. Our policy in executing each order takes account of its nature, the priorities of the client and the nature of the market in question.

DMBL reserve the right to act in a deal as agent collectively for more than one client.

### 4. Order execution policy

DMBL must consider the Best Execution factors in Section 3 when you place an order with us for execution. This Policy has been designed to help you understand how we execute your orders in the market.

In the normal course of business, we will route orders to our dealing partners listed in Section 5. We reserve the right to review and change our dealing partners so that we continue to achieve Best Execution for you. Our dealing partners will also be subject to achieving Best Execution on the deals it makes.

We monitor all executed orders for best price post trade via the use of an external analytics provider. Our Best Execution arrangements are reviewed on a regular basis.

DMBL owes Best Execution to 'professional clients' where it can be said that the professional client in question is legitimately relying on us to protect their interests. This will depend on the specific nature of the transaction and we believe this is likely to be the case in most instances.

Total consideration paid by the client is also likely to be of relatively high importance when considering Best Execution for DMBL clients. However, in some circumstances, we may appropriately determine that other execution factors may be of greater importance.

### 5. Order execution venues

We aim to achieve Best Execution consistently in executing orders on your behalf through our selection of venues. We take into account the data provided by the venue or broker in accordance with their own best execution policies and the obligations imposed on them under applicable law, when determining which venues or brokers we transmit orders to. We regularly review execution

information provided by our brokers and execution venues to ensure we and our clients are achieving Best Execution. This information is provided by a third-party specialist data provider. It details the price achieved on the order compared to the benchmark price on that day for the relevant venue. Different venues are also compared to each other to assess best available prices.

DMBL allows its clients to execute orders in:

- ⇒ Exchange traded securities;
- ⇒ Equities;
- ⇒ Exchange traded commodities;
- ⇒ Government bonds;
- ⇒ Corporate bonds;
- ⇒ Forex Derivatives.

## 6. Order execution timescales

Throughout the execution of your orders, we cannot be held accountable for any third-party failures. We do not owe you any fiduciary responsibilities over and above our regulatory obligation to provide you with Best Execution or as otherwise specifically agreed with us.

Regulations require us to take sufficient steps to provide you with the best possible result on a consistent basis. Whilst we will robustly monitor the achievement of Best Execution, we cannot guarantee that we will achieve it for every order where we act on your behalf. Sale and buy orders with the same settlement date will be placed on the same day where possible.

It should be noted that if there is a delay in us receiving proceeds of a sale order, a further delay may be caused to the buy order. Delays in the settlement of any orders in a model portfolio may, therefore, cause delays in other orders in the model.

## 7. Client order handling, aggregation & allocation

### Order handling & aggregation

- ⇒ DMBL will execute client orders in a timely manner and comparable client orders promptly and sequentially, unless the characteristics of the order or prevailing market conditions make this impossible or the interests of the client dictate otherwise.
- ⇒ DMBL are not required to treat client orders sequentially if the orders are received via different formats and it would not be practicable to do so.
- ⇒ When appropriate, DMBL may need to aggregate buy or sell orders in the same asset for execution. If your order is to be aggregated with other client orders, this may work to your disadvantage. DMBL will only aggregate orders if it reasonably believes that doing so would benefit all clients when taking into due consideration the Best Execution factors. When allocating an aggregated transaction, which includes one or more clients' orders, we will allocate the order on an equal basis, which we consider gives the fairest possible outcome.
- ⇒ Where a number of buy/sell trades are made at one point in time, DMBL may net trades so that sale proceeds can be offset against purchase costs resulting in payment in settlement of the transactions. This will not impact our ability to achieve Best Execution for you.
- ⇒ As a rule, DMBL do not cross trades where buy and sell orders for the same stock are offset without recording the trade on exchange. In the rare event this does happen, a mid-price will be requested from our dealing partner and used at the time of the crossing.

⇒ DMBL will only trade as your agent, not as principal.

### **Fair allocation**

DMBL will allocate all orders fairly and will not give preference to one client over another.

### **Dilution levy or exit charge**

Aggregation of orders can lead to a large transaction in an individual asset. Such aggregation runs the risk of a fund manager applying a dilution levy to the transaction. A dilution levy is an extra charge made by fund managers to offset any significant movement in the price of a fund that may be generated by a large order. Any such levies are not under the control of DMBL and are normally expressed as a percentage of the value of the deal.

If a dilution levy is applied to an aggregated order, it is apportioned to the individual orders in proportion to the units bought or sold on that order.

Exit charges may be applied on orders by fund managers when a sell transaction is executed. They are normally set in advance as described in the terms and conditions of a fund. Your discretionary manager is responsible for reviewing the selection of funds prior to adding them to the model portfolio and they are advised to check any relevant fund literature carefully before purchase for any exit charges.

### **Limit Orders**

If the client provide an instruction to place an order at specific price limit or better, and/or for a specific size (a limit order), then it may not always be possible to immediately execute that order under prevailing market conditions. We are required to make client orders of this type public (disclose to the market) unless you expressly instruct us otherwise.

The document "Instructions not to publish limit orders" ("The Document") contains your express instruction. This means that by signing The Document the client expressly instructed DMBL not to make such orders public immediately unless the client issue specific instructions to the contrary.

## **8. Cancellation**

We reserve the right to cancel an order without notice where we believe this is sufficiently justified. This may include, but is not limited to, circumstances where we are requested to do so by our counterparty or the relevant exchange, or where we believe there may be potential market abuse. We will not be liable for any loss you incur because of the cancellation of an order in these circumstances. If multiple orders are processed, we will apply charges separately to each deal.

## **9. Monitoring and reviewing**

We will review the effectiveness of our Best Execution Policy, either annually or more frequently if a material change occurs. We may change it if it is in our clients' best interests to do so. We will notify you of any changes pertinent to you. Changes will come into effect the next time that you trade using the platform.

If you wish to discuss the contents of this policy or have any further questions, please call our client services team on +44 20 7496 1780.

We will make information available on our main execution venues in accordance with our regulatory requirements. In addition, we will also annually make publicly available information regarding the quality of execution of certain financial instruments on a given trading venue. This information is available on our website at <https://www.dinogroup.co.uk/>

## 10. Consent

We are required to obtain your prior consent to this Policy when we execute an order on your behalf. You will be deemed to have provided such consent when you instruct us to act on your behalf in relation to an order.

For us to achieve best execution when we execute your orders, we may sometimes seek to place them with an execution venue other than a regulated market, such as over the counter directly with the institution. To enable us to place these orders on your behalf we are required to obtain your prior consent before we execute the order.

By signing the client application form and agreeing to our Terms of Business, you will be deemed to have provided such prior consent.

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