

INTRODUCTION

This document provides a summary of Bellecapital UK Limited's Order Execution Statement ("Statement") of which Bellecapital will adopt when executing orders on behalf of clients. By giving Bellecapital orders for execution after receiving this document, clients will be deemed to have consented to having their orders handled by Bellecapital in accordance with this Statement, save for situations where Bellecapital has received specific instructions from the client(s).

This document applies only to trade instruments listed in the European Economic Area ("EEA") in accordance with the FCA rules and only in dealings in financial instruments under the Markets in Financial Instruments Directive ("MiFID II").

The Statement is divided into six sections:

- 1) Scope and Purpose
- 2) Achieving Best Execution
- 3) Compliance with Client Instructions
- 4) Choosing an Execution Venue
- 5) Execution factors
- 6) Quality assurance to ensure Best Execution

1. Scope and Purpose

[MiFID II](#) Article 27(1) defines best execution as the obligation on firms to *"take all sufficient steps to obtain . . . the best possible result for their clients taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to execution"*.

Best execution is therefore focused on best possible overall results on a consistent basis, and not best price for an individual trade.

Bellecapital is under the obligation to provide best execution when executing orders for a client or where a client is legitimately relying on the Firm.

Bellecapital owes a duty of best execution to its clients when it has received and accepted an order in respect of a financial instrument (as defined in Section C of Annex I of MiFID II and set out in Appendix A to this Statement) and Bellecapital is either:

- Executing the order on behalf of the client, either by dealing as an agent; or
- Arranging transactions, including passing the order or acting as manager and placing the order to a broker for execution.

The Statement applies where we act on behalf of our clients in the execution of orders and we agree to provide the best price or other terms for our clients in the market. The Statement will not apply in the following scenarios:

- we are following client specific instructions to execute their order in a particular manner at a particular price;
- we are following client specific instructions to execute a specific part or aspect of an order.

• 2. Achieving Best Execution

- "Best execution" means:
- that we have established this Statement in order to take all sufficient steps to obtain the best possible result (taking into account all relevant factors described below) across all orders on a consistent basis for any financial instrument covered by MiFID II when placing orders for execution with execution venues identified in this Statement.
- that we are committed to comply with this Statement.

- that we will take steps to monitor, review and update the Statement to ensure that it continues to achieve such results.
- Complying with our best execution obligations under MiFID II does not involve a transaction-by-transaction analysis. Instead, we are required to take all sufficient steps to obtain the best result overall when executing an order on behalf of our client(s) having regard to the execution factors set out in MiFID II and the applicable FCA rules.

In achieving best execution, we take into account a number of factors (unless otherwise instructed by the client, as discussed in Section 1 and 3). These include:

- Price;
- Costs;
- Speed;
- Likelihood of execution and settlement (liquidity);
- Size;
- Nature;
- Type of characteristics of financial instrument;
- Characteristics of the possible execution venues; and
- Any other consideration relevant to the execution of the order.

While total consideration (price and cost) are generally key factors, the overall value to the client of a particular transaction may be affected by the other factors listed above. We may conclude that factors other than price and costs are more important in achieving the best possible result for our client. The relative importance of each of the factors will differ depending on circumstances such as:

- The client's categorisation as a Retail or Professional client;
- any special objectives the client may have in relation to the execution of the order;
- the characteristics of the client order;
- the characteristics of financial instruments;
- the characteristics of the financial instruments to which the client order relates; and
- the characteristics of the venues (if there is more than one) to which the client order may be directed.

We will generally pass our client orders on to another organisation (which may be a broker and an affiliated company) to execute the order. We may pass an order to a non-affiliated third-party broker or dealer to execute the order. We have our own procedures in place to periodically review these brokers and dealers. This affects whether, taking into account all the factors shown above, the third-party broker or dealer is providing the best results for our client orders on a consistent basis. In making this decision we will take sufficient steps to achieve the best possible outcome for the client, by taking account of: the prices offered for the particular type of instrument over time; the average costs per trade charged for the type of trade over time; and the best execution statement of, and any other guidance issued by, the relevant broker or dealer.

3. Compliance with Client Instructions

Where we have accepted a client's instructions as to how to execute their order, whether or not we have given the client advice on any aspect of it, we will follow the instruction to the extent it is possible for us to do so.

We are not required to comply with our best execution obligations where we accept and follow the client specific instructions when executing an order or a specific part of an order, although the Statement may apply to other aspects of the order to the extent that they are not covered by the client instructions. For example:

- where the client instruct us to execute an order at a particular price;
- where the client instruct us to execute the order on a particular venue, we will not be responsible for selecting the venue;
- where the client instruct us to execute their order at a particular price or over a particular period, regardless of the price available, we will make best efforts to execute the client order at that time or over that period in the best possible manner but will not be responsible for the timing or any of the consequences for price or other factors that results from the timing of execution.

4. Choosing an Execution Venue

Client orders may be executed, routed or placed via the different types of venues available to Bellecapital:

- Venues having “regulated Market” status (as defined in MiFID II)
- Broker dealers, third party brokers and market makers, and;
- Bellecapital may execute client orders Over The Counter (“OTC”) away from any official regulated or unregulated execution venue or on an Systematic Internalisers (“SI”), subject to obtaining consent.

For the purposes of MiFID II, a “venue” includes an exchange, a multilateral trading facility, a market maker, a broker or another liquidity provider. We require of our brokers counterparties to ensure that best execution obligations is observed and achieved for our client orders.

5. Execution Factors

Bellecapital will select an execution venue primarily on the availability of best pricing for a particular instrument and the amount of accessible liquidity offered by the execution venue.

Factors that we consider in selecting the entities with which the client orders are placed or to which we transmit the client orders for execution in respect or a particular financial instrument include:

- General prices available;
- Size of order;
- Depth of liquidity;
- Relative volatility in the market;
- Speed of execution;
- Cost of execution;
- Creditworthiness of the counterparties; and
- Quality and cost of clearing and settlement.

Where there are multiple choices of venue of execution, commissions charged to a client by Bellecapital must not vary between differing execution venues.

Note that when facilitating client orders in financial instruments where the market is outside the EEA, orders may be onward routed to a counterparty that achieve best execution. The obligation to provide best execution applies to all type's of financial instruments captured under MiFID II and therefore is not based on whether or not the instrument is listed in the EEA. Bellecapital will require its third party brokers to evidence they are providing best execution on a consistent basis.

A list of execution counterparties on which we may execute a Client Order is available on request and includes those counterparties on which we place significant reliance to obtain consistently the best execution of Client Orders.

6. Quality assurance to ensure Best Execution

Bellecapital monitors the arrangements described in this Statement. Bellecapital will carry our periodic monitoring and testing of best execution arrangements to ensure that client orders are in accordance

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with its order execution statement. Bellecapital will retain documentary records of all client requests to demonstrate best execution, as required.

We post the most recent version of the statement on our website: www.Bellecapital.com/important-information.

Markets in Financial Instruments Directive II (MiFID II) Annex 1, Section C

Financial Instruments

1. Transferable securities;
2. Money-market instruments;
3. Units in collective investment undertakings;
4. 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 which may be settled physically or in cash;
5. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties (otherwise than by reason of a default or other termination event);
6. Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market and/or an MTF;
7. Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in C.6 and not being for commercial purposes, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are cleared and settled through recognised clearing houses or are subject to regular margin calls;
8. Derivative instruments for the transfer of credit risk;
9. Financial contracts for differences.
10. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates, emission allowances or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties (otherwise than by reason of a default or other termination event), as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market or an MTF, are cleared and settled through recognised clearing houses or are subject to regular margin calls.