

# Policy on the execution of orders



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## 1. INTRODUCTION

This policy has been drafted in accordance with the Financial Supervision Act ('Wft'), European legislation, and the revised Markets in Financial Instruments Directive, or 'MiFID II' for short. Revised in October 2017, this version contains the information required by the MiFID II on our policy on the execution of orders.

## 2. SCOPE

InsingerGilissen has taken all measures required to comply with the execution of orders rules contained in the MiFID II. The policy on the execution of orders applies to all our investment clients (professional and retail) and services and describes how we execute orders on your behalf.

## 3. BEST EXECUTION OBLIGATION

When executing orders in conformity with this policy and the regulations of the MiFID II, InsingerGilissen will take every reasonable measure to ensure best execution, depending on specific instructions from you, if any.

Please note that the MiFID II does not stipulate that the best possible outcome should be realised in every conceivable situation but focuses on all measures that should be taken for the best possible representation of your interests. To this end, InsingerGilissen will take account of all the relevant factors and criteria as set out in article 5 below.

For equities and investment funds InsingerGilissen ensures best execution as follows:

- These instruments may be traded on one or several competing platforms (see [definitions](#) and [annex 1](#)). The main criteria are the price and costs at which your order can be executed and the likelihood of execution;
- Orders in these financial products with a (relatively) high volume may be traded outside a trading platform (OTC, see definitions), if favourable for you in terms of price or liquidity.

For derivatives InsingerGilissen ensures best execution as follows:

- Derivatives are traded in regulated markets (see [appendix 1](#)). The main criteria are price and costs at which your order can be executed and the likelihood of execution;
- Orders in derivatives with a volume that allows for trade in the professional circuit (see [definitions](#)) will be traded in this circuit, if favourable for you in terms of price or liquidity, and then be confirmed and settled on the exchange.

For bonds InsingerGilissen ensures best execution as follows:

- The bond market is different from the markets in shares and derivatives. Supply and demand usually do not meet in the regulated market but via requesting bid and ask prices on a multilateral trading facility (MTF, see [definitions](#) and [annex 1](#));  
The main criteria are price and costs at which your order can be executed.

For structured products InsingerGilissen ensures best execution as follows:

- Structured products are viewed as a separate asset class. If possible, these are traded via a regulated market (see [annex 1](#)) or directly with the issuing institution. The main criterion is the likelihood of execution.

For alternatives InsingerGilissen ensures best execution as follows:

- For non-exchange funds orders are sent to the trust office designated by the provider of the fund via a specialist broker. Settlement with you will be based on the fund's intrinsic value, plus a premium or minus a discount in line with the fund terms and conditions. The main criteria are costs and likelihood of execution.

In principle, we will execute your order immediately. We may combine your orders with those of other clients. We will only do so in compliance with our order allocation policy. We combine orders only if this is not likely to have a negative impact for you and also only if there is a strong likelihood of immediate and full execution.

## 4. PLACE AND TIME OF EXECUTION

InsingerGilissen can execute your order(s) in any of the following ways:

- In a regulated market in which InsingerGilissen participates;
- Via market access provided by a third party;
- Via a broker that has an agreement with InsingerGilissen to execute transactions in (regulated) markets;
- Over the counter (OTC, see [definitions](#)), i.e. the order is not executed on a regulated market and the transaction is agreed with a counterparty;
- For non-exchange investment funds via a broker, please also see broker selection under point 7.

Securities listed on Euronext exchanges will generally best be executed on these exchanges due to our direct participation, costs and liquidity.

Orders that InsingerGilissen does not execute directly in regulated markets in which it participates will be transmitted and/or executed through any of the third parties mentioned above. If third parties are engaged, InsingerGilissen will ensure that they have made arrangements that allow InsingerGilissen to meet its best execution obligation towards its clients.

We have selected trading platforms that are suitable to the best possible execution of orders. Not all available platforms on which orders in specific financial products may be executed are selected, as e.g. these platforms may charge higher fees or higher fees than a market in which we participate. It is therefore possible for a better price to be offered via a non-selected platform but on which higher additional costs would lead to a poorer total result than execution via our selected platforms.

InsingerGilissen reserves the right to use alternative execution venues from time to time, if this is deemed necessary within the scope of this policy.

Partly based on the nature of your order, the characteristics of the securities to which the order relates and the characteristics of the execution venues where the order can be placed, InsingerGilissen will execute your order in a regulated market in which it participates, OTC or using a Market Maker (see definitions) as counterparty transmit the order to the best suited third party. Please see the “available trading venues” annex.

Unless it would be unreasonable to expect so, InsingerGilissen will in principle execute or transmit your order on Business Days between 9am and 5.30pm Central European Time (‘CET’). InsingerGilissen will make every effort to execute or transmit orders placed after 5.30pm as soon as possible but no later than on the next Business Day.

At your request and within a reasonable period of time, we can and will demonstrate in specific cases that we have adhered to our own policy and that of the competent authority.

## 5. RELEVANT FACTORS & CRITERIA

With due observance of your specific instructions, InsingerGilissen will take into consideration the execution factors and criteria contained in the MiFID II when determining the execution venue of your order. The execution factors are: price, costs of execution, speed and likelihood of execution and settlement, size, nature or any other consideration relevant to the execution.

The MiFID II names price and the costs of execution as the main factors in realising the best possible result. In some circumstances, and for some clients, however, other factors can and will prevail over price and costs. These chiefly involve liquidity and appropriate pricing arising from this.

The (comparative) weight of those factors in obtaining the best possible result is based on InsingerGilissen’s insight into and knowledge of the markets. In addition, InsingerGilissen will take account of the characteristics of:

- you as the client;
- the characteristics of the client’s order;
- the securities to which the order relates;
- the execution venues where the order may be placed;
- the costs of the execution venue;
- the costs for participating in the execution venue;
- the costs for settlement of the order.

As a rule, highest priority will be awarded to the total consideration, representing the price of the relevant securities and the costs of execution. However, InsingerGilissen will at its discretion prioritise other factors, such as the speed and likelihood of execution, if appropriate. InsingerGilissen will not compare the results to the result or consideration that might be achieved by other investment institutions – based on their best execution policy or different commissions or structures of fees. In determining the best possible result, InsingerGilissen’s own costs, including exchange costs and fees to third parties, will not be leading. Your interests are placed first.

We receive no commissions, discounts or non-monetary incentives for routing your orders to a specific trading platform. If we do receive payments, we will pass these on to you.

## 6. SPECIFIC CLIENT INSTRUCTIONS

If InsingerGilissen has received and accepted specific instructions from you, e.g. a price and/or execution venue, InsingerGilissen will execute the order in compliance with those specific instructions. If the instructions concern just part of the order, InsingerGilissen will apply its own policy to the parts of the order that are not covered by your specific instructions.

Please note that specific instructions for executing an order may hinder InsingerGilissen in complying with the execution regulations contained in this policy and result in higher costs for you. This may apply to the instructions as a whole or to a part thereof, depending on the nature of the instruction. Any risk is for your own account.

## 7. SELECTION OF BROKERS AND EXECUTION VENUES

InsingerGilissen conducts an extensive analysis of the selected brokers and execution venues. In doing so, we examine important criteria such as costs, the level of direct access to relevant markets, connectivity to our systems, order execution policy, but also the reputation and financial situation of the brokers or execution venues in question. We also check the presence of Smart Order Routing systems. These ensure that orders are tested on alternative trading platforms as well as on regulated markets and consequently that best execution takes place.

## 8. EVALUATION & SUPERVISION

InsingerGilissen will review the effectiveness of its policy regularly, at least once a year, to identify points for improvement. Moreover, InsingerGilissen will check regularly whether the execution venues referred to in this policy are consistent with realising the best possible results or whether changes are required.

Each year, we will publish on our website a top five (annex 2) of the most frequently used execution venues and brokers for each security asset class, where InsingerGilissen executes orders and/or where it transmits orders.

All essential changes to the policy will be posted on our website ([www.insingergilissen.nl](http://www.insingergilissen.nl)). InsingerGilissen will notify you personally of any major changes. However, we recommend that you check our website regularly.

## 9. CONSENT

If you submit an order to us after you have received a copy of this policy on order execution, you agree and give your consent to how we execute security orders on your behalf, as set out in this policy on order execution.

## 10. DEFINITIONS

### **EU**

European Union

### **Execution venue**

Regulated markets, multilateral trading facilities, investment firms with systematic internalisers, market makers or other liquidity providers or entities that in other countries perform similar tasks as the above parties. Regarding OTC derivatives transactions: InsingerGilissen.

### **Securities**

All financial instruments listed in article 1.1 of the Financial Supervision Act. E.g. equities (or depositary receipts for shares), bonds, participation rights in investment institutions, options and futures. Yet also all financial instruments that we class as Securities from time to time and administer in a Securities Account.

### **InsingerGilissen, we, us, our,**

With this we mean InsingerGilissen Bankiers N.V. and each of its subsidiaries established in the EEA or every branch of InsingerGilissen from where financial services are performed.

### **MiFID II**

MiFID II is a revised version of the European MiFID (Markets in Financial Instruments Directive) directive that was implemented in 2007. The aim is to make European financial markets more efficient and more transparent and improve investor protection. MiFID II comes into force on 3 January 2018.

### **Regulated market**

A multilateral system that brings together or facilitates the bringing together of multiple third-party buying and selling interests in securities – in the system and in accordance with its non-discretionary rules – in a way that results in a contract in respect of the securities admitted to trading under its rules and/or systems, and which is authorised and functions regularly in accordance with the licensing rules and on-going supervision.

### **Multilateral Trading Facility ('MTF')**

A multilateral system operated by an investment firm that brings together multiple third-party buying and selling interests in securities in the system and in accordance with non-discretionary rules in a way that results in a contract in accordance with the licensing rules and on-going supervision.

**OTF**

An OTF (Organized Trading Facility) is a multilateral trading platform that brings together multiple third-party buying and selling interests in bonds, derivatives or structured products in a way that results in a contract. The OTF operator has discretionary powers to execute orders and in doing so is governed by a duty of care and a duty to provide best execution.

**Order**

Buy or sell instructions to execute transactions in Securities. These are both orders that you send us and orders that we execute on your behalf in Asset Management.

**Professional client**

A client who in accordance with the rules contained in Annex II to MiFID II has been classified by InsingerGilissen as a 'professional client'.

**Retail client**

A client who in accordance with the rules contained in Annex II to MiFID II has been classified by InsingerGilissen as a 'retail client'.

**Professional circuit (OTC)**

The professional circuit is the network of professional parties with which InsingerGilissen may do business outside the trading platforms if this will result in better execution of the order. These types of orders are settled and regulated via the trading platforms. This type of trade is also called OTC (over the counter).

**Market Maker**

A professional person or party who or which issues buy and sell prices at their own risk via trading platforms and/or OTC.

# Annex 1

## AVAILABLE TRADING VENUES, COMPRISING A LIST OF THE MOST FREQUENTLY USED TRADING FACILITIES FOR EACH TYPE OF SECURITY

This is not an exhaustive list of all available trading facilities, but gives an overview of the markets on which we frequently execute orders on your behalf.

	selected equity trading platforms	type of trading platform	level of access	IG or via broker
<b>Europe</b>				
Netherlands	Euronext Amsterdam	regulated market	direct	IG
France	Euronext Paris	regulated market	direct	IG
Belgium	Euronext Brussels	regulated market	direct	IG
Portugal	Euronext Lisbon	regulated market	direct	broker
Germany	Deutsche Börse	regulated market	direct	broker
United Kingdom	London Stock Exchange	regulated market	direct	broker
Ireland	Irish Stock Exchange	regulated market	direct	broker
Switzerland	SWX (Swiss)	regulated market	direct	broker
Spain	Bolsa de Madrid	regulated market	direct	broker
Italy	Borsa Italiana	regulated market	direct	broker
Norway	Oslo Bors	regulated market	direct	broker
Denmark	Copenhagen Stock Exchange	regulated market	direct	broker
Sweden	Stockholm Stock Exchange	regulated market	direct	broker
Finland	Helsinki Stock Exchange	regulated market	direct	broker
Austria	Wiener Börse	regulated market	direct	broker
Czech Republic	Prague	regulated market	direct	broker
alternative trading platform	Bloomberg MTF	MTF	direct	IG
alternative trading platform	NYSE Euronext Arca	MTF	direct	broker
alternative trading platform	NYSE Euronext Smartpool	MTF (dark)	direct	broker
alternative trading platform	Chi-X	MTF	direct	broker
alternative trading platform	Turquoise	MTF	direct	broker
alternative trading platform	BATS	MTF	direct	broker
alternative trading platform	Nasdaq OMX Europe	MTF	direct	broker
Germany local	Berlin Stock Exchange	regulated market	indirect	broker
Germany local	Frankfurt Stock Exchange	regulated market	indirect	broker

	selected equity trading platforms	type of trading platform	level of access	IG or via broker
Germany local	Munich Stock Exchange	regulated market	indirect	broker
Germany local	Stuttgart Stock Exchange	regulated market	indirect	broker
Hungary	Budapest	regulated market	direct	broker
Poland	Warsaw	regulated market	direct	broker
Turkey	Istanbul	regulated market	direct	broker
Israel	Tel Aviv	regulated market	direct	broker
<b>United States</b>	NASDAQ		direct	broker
	NYSE		direct	broker
	AMEX		direct	broker
	ARCA		direct	broker
	BATS		direct	broker
	ISE		direct	broker
	NSX		direct	broker
	PHLX		direct	broker
	ARCA		direct	broker
<b>Canada</b>	Toronto		direct	broker
	Chi-X		direct	broker
<b>China</b>	Hong Kong		indirect	broker
<b>Singaporee</b>	Singapore		indirect	broker
<b>Australia</b>	Sydney		indirect	broker
<b>Japan</b>	Tokyo		indirect	broker

	selected derivative trading platforms	type of trading platform	level of access	IG or via broker
Netherlands	Euronext Amsterdam	regulated market	direct	IG
France	Euronext Paris	regulated market	direct	IG
Belgium	Euronext Brussels	regulated market	direct	IG
Portugal	Euronext Lisbon	regulated market	direct	broker
Germany	Eurex	regulated market	direct	broker
Switzerland	Eurex	regulated market	direct	broker
United Kingdom	ICE	regulated market	direct	broker
Italy	IDEM	regulated market	direct	broker
Spain	MEFF	regulated market	direct	broker
Finland	NOMX	regulated market	direct	broker
Denmark	NOMX	regulated market	direct	broker
Sweden	NOMX	regulated market	direct	broker
Norway	NOMX	regulated market	direct	broker
United States	NYMEX	regulated market	direct	broker
	AMEX	regulated market	direct	broker
	CBOE	regulated market	direct	broker
	CBOT	regulated market	direct	broker

	selected bond trading platforms	type of trading platform	level of access	IG or via broker
Netherlands	Euronext Amsterdam	regulated market	direct	IG
France	Euronext Paris	regulated market	direct	IG
Belgium	Euronext Brussels	regulated market	direct	IG
alternative trading platform	Bloomberg MTF	MTF	direct	IG
Germany	Deutsche Börse	regulated market	direct	broker
United States	NYSE	regulated market	direct	broker
	CBOE	regulated market	direct	broker

	selected structured products trading platforms	type of trading platform	level of access	IG or via broker
Netherlands	Euronext Amsterdam	regulated market	direct	IG
France	Euronext Paris	regulated market	direct	IG
Belgium	Euronext Brussels	regulated market	direct	IG
alternative trading platform	Bloomberg MTF	MTF	direct	IG
Germany	Deutsche Börse	regulated market	direct	broker
United States	NYSE	regulated market	direct	broker
	CBOE	regulated market	direct	broker

# Annex 2

## LIST OF MOST FREQUENTLY USED TRADING VENUES PER PRODUCT

### **Equities**

- Euronext Amsterdam
- Euronext Paris
- Deutsche Börse
- NYSE
- Nasdaq
- LSE

### **Bonds**

- Euronext Amsterdam
- Euronext Paris
- Bloomberg MTF
- Deutsche Börse

### **Derivatives**

- Euronext Amsterdam
- Euronext Paris
- Eurex
- NYSE
- Nasdaq

## LIST OF MOST FREQUENTLY USED BROKERS PER PRODUCT

List of most frequently used brokers, whereby on your behalf we do not use our own direct access to the trading platforms, for reasons stated in the policy on order execution, and instead use the brokers listed below, among others.

### Equities

- UBS
- Kepler
- AK Jensen
- KBL
- Leontech
- Winterflood

### Bonds

- Rabobank
- Citigroup
- NIBC
- JPMorgan
- Zürcher Kantonalbank

### Derivatives

- KasBank

