



BlackBee
INVESTMENTS

BlackBee's Order Execution Policy for Retail Clients



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Overview

Under the E.U. Markets in Financial Instruments Directive 2014/65/EU ("MiFID II"), as transposed into Irish law under Statutory Instrument 375 of 2017 (the "MiFID Regulations"), BlackBee Investments Limited ("BlackBee") is required to have an Order Execution Policy in place and to take all sufficient steps to obtain the best possible results when executing orders on behalf of its clients.

Scope

This policy applies to client orders in all financial instruments covered by the MiFID Regulations that are executed on your behalf by BlackBee, including bespoke bond and over the counter ("OTC") derivative products.

Best Execution Factors

The MiFID regulations specify that whenever there is a specific instruction from a client, BlackBee is required to execute the order in line with the specific instructions received. BlackBee always defines the key product variables including the issuer, price and costs in its brochures and other product offering documentation which is provided to you prior to order(s) being placed. Your order(s) are therefore instructions to execute a trade on your behalf in that security on the pre-determined terms, thereby ensuring the best possible result for you.

There may, however, be some limited circumstances, e.g. early encashment, where you do not provide us with a specific instruction. In these, and in all other relevant circumstances, BlackBee commits to taking sufficient steps to obtain the best possible result in the execution of your orders, taking into account the following criteria: price, costs, speed, likelihood of execution and settlement, size, nature and any other consideration relevant to order execution.

For retail clients, the best possible result is determined primarily based on the total consideration of a trade, representing the price of the financial instrument and all costs and expenses relating to execution. The relative importance of each of the factors listed is determined by the order in which they appear, but this may vary on a case by case basis as the following factors are taken into account:

- the characteristics of the client;
- the characteristics of the client order;
- the characteristics of the financial instruments involved;
- the characteristics of the negotiation process, which takes place outside of execution venues, ("off exchange").

Whilst BlackBee endeavours to achieve the best possible result on a consistent basis, best execution may not be guaranteed for each and every trade.

Execution Venue

The Central Bank's Regulations also contain various provisions where there is more than one competing venue to execute an order for a trade, however, these rules do not apply as the execution

of BlackBee product does not take place on an execution venue as described under MiFID, i.e. a regulated market, multilateral trading facility (“MTF”) or organised trading facility (“OTF”). BlackBee’s products are bespoke, negotiated on a bi-lateral basis and executed off-exchange in line with the specific instructions received from you.

Counterparty/ Issuer Selection

Due diligence will be completed on any new Issuer being proposed in the manufacture of product, with a review of all approved Issuers completed on an annual basis thereafter. Ad hoc reviews may also be conducted, where relevant.

BlackBee may, on occasion, utilise an affiliated company for the manufacture and execution of products. Affiliated companies are subject to the same due diligence requirements outlined above for non-affiliated companies.

Order Handling and Fair Allocation

BlackBee ensures that client orders are executed in a prompt, fair and efficient manner.

Clients subscribe into bespoke financial products with predefined features prior to the closing of a marketing period. BlackBee aggregates orders and executes each order as a single trade. In limited circumstances, the order may be executed in multiple tranches based on the timing of client orders. You will however receive the same terms as all clients in all circumstances, ensuring that all clients are treated fairly and that aggregation will not disadvantage any client.

You will be informed immediately (through your appointed financial advisor “AFA”) if it is not possible for an order to be executed, e.g. because of a significant deterioration in prevailing market conditions such that the Issuer decides not to proceed with the issuance.

Partial Execution

While it is unlikely, if for some reason outside BlackBee’s control, it is not able to execute the entire aggregate of client orders then it will allocate those orders according to the time of order by each client, i.e. first come first served, based on fully completed subscription applications. The marketing materials for each product indicate the subscription period and the possibility of an early close to the offering. You will be notified if a security is being closed early and no longer available. All orders will be processed up to the point of the early close.

Monitoring and Review of the Policy

BlackBee has an execution monitoring programme that reviews execution quality on an ongoing basis, assessing whether more favourable results may be achieved on a consistent basis using alternative arrangements.

Upon request, BlackBee will provide you with information on how best execution was achieved for your order.

Publications to Clients

All clients are required to consent to BlackBee's Order Execution Policy prior to subscribing to new products. All client subscriptions are instructions to execute a trade on your behalf in that security on the pre-determined terms outlined in the marketing materials. Therefore, a receipt of an order from you is accepted as your consent to the policy.

This policy is reviewed on an annual basis, or more frequently if required. We will notify you of material updates by posting a revised and updated version of this policy on the company website. Additional direct notifications to you will be considered by the company, dependent on the nature of changes, i.e. where consent to changes may be required.

BlackBee will publish annually a review of execution quality, together with the top five most important firms (measured by trading volume) with which it has executed client orders. This information will be available on the company website.