



# Freight Investor Services Limited

## Order Execution Policy

### 1.1 Purpose

The purpose of this document is for Freight Investor Services Limited (“**FIS**”, “**We**”, “**Our**” and “**Us**”) to disclose to Our clients (“**Client/s**”, “**You**” and “**Your**”) appropriate information about Our order execution policy.

### 1.2 Background

Where We provide a brokerage service to Our Clients, We are required by virtue of the Markets in Financial Instruments Directive (“**MiFID**”) to act in accordance with Our Client’s best interests in relation to designated investments.

### 1.3 Order execution policy - Obtaining the best possible result

Subject to any specific instruction that We receive from Our Client, when executing Orders on a Client’s behalf We shall take all reasonable steps to obtain the best possible result for Our Client taking into account the execution factors listed in section 1.5 below (“**Execution Factors**”).

We will determine the relative importance of the Execution Factors by reference to the circumstances at the time of execution of the relevant order and taking into account the execution criteria set out in section 1.6 below (“**Execution Criteria**”).

### 1.4 Exemption from the provision of Best Execution

Notwithstanding the intentions expressed above, We do not undertake to provide “best execution” as defined by MiFID in the following circumstances:

- (a) Eligible Counterparties- If the client is classified as an Eligible Counterparty then under the Financial Services and Markets Act 2000 (“**FSA**”) or relevant EU Rules it will not be entitled to Best Execution.
- (b) Market practices – In Over the Counter (OTC) and cleared markets (Freight and Commodities) in which We operate it is normal for buyers and sellers to approach several brokers for a quote prior to concluding a trade, a method often referred to as “shopping around”. Such a market practice is normal within the shipping and financial industry and is recognized by the European Commission. Under such circumstances the parties will not have the expectation for the broker to owe a best execution duty unless the client advises Us to the contrary.

We are deemed to have taken all reasonable steps and to have met our best execution obligation where we follow specific instructions from our Client when placing an order with or transmitting an order to another entity.

## **1.5 Execution Factors**

The Execution Factors which We will take into account in deciding where and how to execute Our Client's order are, as relevant in the particular circumstances:

- Price;
- Costs;
- Speed of execution;
- Likelihood of execution;
- Speed of settlement;
- Likelihood of settlement;
- Size of order;
- Nature of order; and
- Any other consideration relating to the execution of the order.

Although price will usually merit a high relative importance in obtaining the best possible result, in some circumstances We may determine that other Execution Factors are more important than price in obtaining the best possible execution result.

## **1.6 Execution Criteria**

In determining the importance of the Execution Factors, the Execution Criteria that will be taken into account are the characteristics of:

- the client and their client categorisation;
- the Order;
- the financial instruments that are the subject of the Order; and
- the Execution venues to which that Order can be directed.

## **1.7 Execution Venues**

The following entities are those We use on a regular basis, with which Orders are placed or to which we may transmit orders for execution: The London Clearing House -LCH, NOS and SGX (“**Execution Venues**”).

We will regularly assess the Execution Venues available, to obtain the best possible result when executing Orders. We shall update the list of Execution Venues where We consider necessary, following any such assessment. Clients will not be notified separately of any changes to the Execution Venues.

We are required to ensure that the Execution Venues have execution arrangements that enable Us to meet our best execution obligation pursuant to MiFID.

## **1.8 Monitoring and Review**

We will monitor the effectiveness of Our Order Execution Policy (and, in particular, the Execution Venues listed in 1.7 above) on a regular basis and will correct any deficiencies.

Our Order Execution Policy will be reviewed annually and upon any material change which We consider might affect our ability to obtain the best possible result for our Clients.

## **1.9 Client Consent**

MiFID requires Us to obtain Your consent to our Order Execution Policy. Please sign and return a copy of the Order Execution Policy to us to signify your acceptance of the Order Execution Policy.

Please note that in any event if You fail to return the signed copy to Us, but you proceed to place an order or otherwise use our services or transact with us at any time, by so doing You shall in any event be deemed to have consented to Our Order Execution Policy notwithstanding that You have returned a signed copy of it to Us.