**Archr LLP**

**Order Execution Policy Disclosure Statement – Professional Clients July 2018**

**1 Purpose**

Under the FCA’s Rules and the Markets in Financial Instruments Directive 2014/65/EU (MiFID 11), other than in certain circumstances described below, where we execute or arrange the execution of orders for professional clients, we are required to take all reasonable steps to obtain the best possible result for those professional clients (known as delivering “**best execution**”) and to establish and implement an order execution policy to allow us to do so.

We have instituted a range of internal policies and procedures governing how we will execute or arrange the execution of orders on behalf of all of our clients. This Order Execution Policy Disclosure Statement (“**Disclosure Statement**”) discloses information about those policies and procedures that we believe is appropriate for you, as a professional client, to be aware of before you place orders with us. However, if you feel that you need additional information about how we will execute or arrange the execution of your orders, please let us know.

**2 Scope of Application**

This Disclosure Statement will only apply if you have been categorised as a professional client.

Best Execution obligations do not apply to transactions effected for or with Eligible Counterparties.

As described below, there are also circumstances in which we will not be required to deliver best execution to professional clients in respect of an entire order or particular aspects of an order.

**3 Specific Instructions**

If you have any specific instructions as to how you would like us to execute or arrange the execution of your entire order or aspects of your order, please let us know. However, where we accept such instructions from you, you should be aware that where you give us specific instructions that are incompatible with our normal order execution policies and procedures, your specific instructions will take precedence. We will be deemed to have taken all reasonable steps to provide the best possible result for you. This may result in a different outcome than would have been achieved had our normal policies and procedures been followed and we will not be required to deliver best execution in respect of the aspects of your order which are covered by your specific instructions. You should also note that our normal policies and procedures take account of the costs that we would incur in transacting business.

Transactions that are not undertaken in accordance with our normal policies and procedures may not be subject to our normal charges. Where this applies, we will notify you of the applicable charges before executing your order.

By way of example, you may give us specific instructions in relation to using a specific:

(a) execution venue; and/or

(b) time-frame; and/or

(c) price.

If, for example, you tell us that you want us to execute your order on Eurex, we will have no further responsibility for selecting the venue of execution. However, where we retain any discretion over other aspects of the execution in relation to which you have not given us a specific instruction, such as timing, we would have an obligation to follow our internal policies and procedures and deliver best execution for those aspects where we retain discretion.

**4 Delivering Best Execution**

Where we owe a duty of best execution in relation to a transaction, we must take all reasonable steps to obtain the best possible results for our professional clients on a consistent basis. There is no guarantee that the best possible result (so, for example the best possible price) will be obtained in all circumstances. The Execution Factors (as described below) that we consider in delivering best execution may lead to a different result between similar transactions. In practical terms, this means selecting execution venues which consistently deliver best execution taking into account the Execution Factors.

**5 Execution Factors**

Where we owe a duty of best execution in relation to a transaction, we take into account a number of factors (“**Execution Factors**”), including:

(a) price;

(b) costs;

(c) speed;

(d) likelihood of execution (liquidity) and settlement;

(e) size of your order;

(f) nature of your order;

(g) any other consideration we deem to be relevant to the execution of your particular order.

More information on the Execution Factors is contained in the MiFID 11 RTS 28 Disclosure on our website.

We will determine the relative importance of each such Execution Factor in achieving the best possible result by taking into account the following criteria (“**Execution Criteria**”):

(a) the type of client you are (including your regulatory client categorisation),

(b) the characteristics of your order;

(c) the characteristics of the financial instruments your order relates to; and

(d) the characteristics of the execution venues (if there is more than one) where your order can be executed.

For most financial investments price will usually be the most important factor although we will, as appropriate, take into account the other Execution Factors to such an extent and in such order of priority as we deem appropriate in the particular circumstances of any particular order.

**7 Execution Venues**

As part of our duty to deliver best execution, we will consider which execution venue is the most suitable to obtain the best results for you. We may execute orders at any of the following types of execution venue:

(a) on a Regulated Market (as defined in the FCA Rules); or

(b) on a Multilateral Trading Facility (as defined in the FCA Rules); or

where we have sought and obtained your consent to do so:

(c) on a Systematic Internaliser (as defined in the FCA Rules); or

(d) on an OTC crossing venue or electronic trading platform; or

(e) from the book of another broker, investment firm or liquidity provider (as more full described below); or

(f) crossing your own order against the order of another client.

The Top 5 execution venues as required by MiFID 11 RTS 28 are set out on our website.

In some instances there may only be one choice of execution venue. Where there is a choice, in selecting the most appropriate execution venue, generally we will seek best price (taking account of commissions and other transaction costs). However, each execution venue may not necessarily reflect the best price or lowest commission rate since, consistent with our regulatory obligations, we evaluate order execution periodically and systematically and consider alternative methods designed to improve the execution process, taking account of a wide variety of execution factors, including:

(a) the price available and the depth of liquidity generally available at that price;

(b) the ability of the execution venue to manage complex orders;

(c) the speed of execution;

(d) the creditworthiness of the execution venue;

(e) the quality of related clearing and settlement facilities; and

(f) any other factors relevant in the particular circumstances.

Although different execution strategies are used on a case-by-case basis (dependent on various circumstances including market conditions, liquidity, investment strategy and your instructions), the weighting of the above factors will often be determined by the type of financial instrument to be traded. Further information per financial instrument is set out below.

**8 Passing on Orders for Execution**

As referred to above, on occasion we may pass an order on to another broker including Archr brokers (DIFC) Limited to execute (which will be the execution venue), for example, if we do not have membership of a local exchange.

We adopt procedures relating to our selection of other brokers. Before using such a third party broker, we evaluate inter alia the broker's:

(a) competitiveness of commission rates and spreads;,

(b) promptness of execution;

(c) past history in executing orders;

(d) clearance and settlement capabilities;

(e) provision of delegated regulatory reporting;

(f) quality of service;

(g) willingness to commit capital;

(h) access to markets; and

(i) perceived creditworthiness, reputation and financial stability.

Generally, we conduct an on-going analysis of each broker that we have added to our list of third party brokers (using a database constructed by capturing relevant publicly available data), and analyse the broker’s business and reputation (including reviewing their credit worthiness, any disciplinary actions or criminal proceedings involving the broker or its principals).

This third party broker approval process is in principle applied in the same manner across all types of financial instruments.

**9 Call around market**

When we receive an order from you for exchange traded futures and options, we will always first check the relevant exchange electronic central order book (or “**screen**”) and assess whether there is sufficient price and/or size for the relevant product on screen to fill your order electronically.

If we determine that there is unlikely to be a good fill on screen, then we may contact one of more other clients or counterparties (who may be exchange designated market makers, liquidity providers or other market participants) (“**Counterparties**”) to establish whether such Counterparties have any “interest” in the relevant products. We will usually communicate with more than one Counterparty until we are satisfied that a better overall result (whether by reference to price and/or size and/or certainty of execution) can be achieved off screen for the execution of your order. We will execute the resulting transaction(s) on behalf of you and any relevant Counterparty or Counterparties and input all relevant information into and through the systems of the relevant exchange.

We will charge you (as a professional client) our pre-agreed commission for your order, however, we will not charge the Counterparty or Counterparties any commission or fee.

**10 Monitoring of our execution policies and procedures**

We monitor the effectiveness of our order execution arrangements on an ongoing basis to identify and implement any appropriate enhancements as required by MiFID 11. We regularly assess the execution venues, and the third party brokers and dealers to whom we transmit orders to identify those that enable us to deliver best execution. We also review our order execution arrangements and our order execution policies and procedures regularly whenever a material change occurs either in respect of one of our chosen execution venues or otherwise that affects our ability to continue to deliver best execution.

Accordingly this Disclosure Statement and the list of execution venues may be updated, where necessary, following such an assessment. For operational reasons you may not be notified separately of any changes to the execution venues, although we will endeavour to make you aware of changes generally through our website. You may at any time request an updated list of execution venues and this Disclosure Statement.

**11 Status of this disclosure**

This Disclosure Statement is provided to you for information only and is not intended to be contractually binding or impose or seek to impose any obligations on us which we would not otherwise have under the FCA Rules or any client terms of business or agreement. In particular, we are not agreeing to deliver best execution in circumstances where we are not required to do so under the FCA’s Rules or MiFID 11.