

Best Execution Policy

Zarattini | International

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Introduction

This policy is issued pursuant to, and in compliance with, EU Directive 2004/39/EC of 21 April 2004 on Markets in Financial Instruments (“MIFID”), the Maltese legislation implementing MIFID, MiFID II and MiFIR and the Swiss legislation.

This document contains a summary of the measures taken by Zarattini International Ltd. (“ZIL”) to ensure the best possible result for clients when executing purchase or sell orders for financial instruments (securities or other financial instruments). The objective of ZIL’s Best Execution Policy is to consistently safeguard the best interests of its clients. ZIL has formulated this Policy on the basis of Banca Zarattini & Co. SA’s (the “Bank”) Best Execution Policy, to which ZIL has delegated execution services. ZIL is bound to demonstrate best execution to the Malta Financial Services Authority on request.

1. Scope

The principles defined in ZIL’s Best Execution Policy apply to the execution of orders given by clients to ZIL or the Bank for the purpose of purchasing or selling securities or other financial instruments.

Execution in the meaning of the Best Execution Policy means that the Bank, acting on the basis of the order placed by the client, carries out a transaction via a third party in or outside a regulated market on behalf of the client.

In this activity, the Bank will comply with any applicable local rules and regulations that apply to the reception and transmission of Client Orders as well as to the execution of such Orders.

In accordance with regulatory requirements, the Bank classifies clients as Retail Client, Professional Client or Eligible Counterparty. Different levels of investor protection and products apply to each client category and clients can in certain circumstances choose to change classification.

The obligation to provide Best Execution is applicable to clients categorized as Retail or Professional Clients (“per se” and “elective” Professional). Clients categorized as Eligible Counterparties are generally exempted from the Best Execution obligation.

In particular:

- the LBVM (art. 11), Federal Act on Stock Exchanges and Securities Trading;
- FINMA Circular 2013/8, Market conducts rules;
- Swiss Bankers Associations (SBA) Directives: Code of Conduct for Securities Dealers governing transactions (2008), Art. 5;
- MiFID;
- MiFID II;
- MiFIR;
- Investment Services Act, 1994; and
- Standard Licence Conditions for Investment Service Providers.

If any provision of ZIL’s Best Execution Policy is prohibited by local law or regulation the relevant provision will not apply.

ZIL shall take all sufficient steps to obtain the best possible result for its clients taking into account factors, such as, price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

2. Order Execution

Subject to any specific Client Instructions, the Bank has established a process which assures the best possible execution for private and institutional investors, as defined by MiFID and MiFID II.

In the context of this process, the criteria listed under section 3 shall be weighted and applied as deemed appropriate in order to achieve the best possible result for the Client.

The Bank will determine the relative importance of the different criteria by using its commercial judgement and experience in light of market information available.

ZIL shall execute an order or specific aspect of an order following specific instructions from the client. ZIL shall provide a clear and prominent written warning that any specific instructions from a client may prevent ZIL from taking the steps that it has designed to obtain best execution.

ZIL shall execute orders promptly and fairly. Clients are informed of any material difficulty relevant to the proper execution of their order as soon as practically possible.

Comparable orders are executed sequentially in accordance with their time of receipt unless the characteristics of an order or the prevailing market conditions make this impossible or impractical.

The Bank may aggregate single orders relating to a specific client with orders relating to other clients. Such aggregation overall is only performed provided this is in compliance with Best Execution and order handling requirements when it is unlikely that it will work overall to the disadvantage of any client whose order is to be aggregated. However, in relation to an individual order such disadvantage for a client cannot be excluded. Banca Zarattini never combines its own orders with the orders of clients.

The Bank may execute all or part of a client order outside a Regulated Market, MTF or OTF (OverThe-Counter ("OTC")).

Clients should be aware that counterparty risk may occur in case the order is executed OTC. Counterparty risk refers to an event where the counterparty to a transaction fails to honor its obligations resulting from such a transaction e.g., by failing to pay for the delivered Financial Instruments. Also new issues can expose clients to risk relating to the issuer and/or syndicate members as well as third party Investment Firms.

3. Selection Criteria

The Bank selects the execution venue among the "Zarattini trading venues" that best ensures the resulting total consideration for the Client, which also includes the direct and indirect costs related to the execution of the order, particularly third-party fees and commissions.

ZIL and the Bank will review this policy annually and whenever a material change occurs that affects ZIL's ability to obtain the best possible result for the execution of client orders. ZIL will also regularly review the overall quality of its order executions and its order routing practices, including its order routing vendors and the available exchanges. Amendments to this policy will be based on such reviews. ZIL shall notify its clients of any material changes to its Best Execution Policy.

Furthermore, the Bank and ZIL will also apply the following criteria when selecting the execution venue. Each criterion is weighted according to the particular nature of the client, the order and the financial instruments concerned:

- Price/costs of Financial Instrument;
- Likelihood of full execution and settlement;
- Speed of execution and settlement;
- Reliability of settlement;
- Size and nature of order;
- Market situation; and
- Other relevant aspects.

Price and costs will ordinarily merit a high relative importance in obtaining the best possible result. However, in some circumstances, for some Clients, Orders, Financial Instruments or Markets, the Bank may appropriately determine that other Criteria are more important than price in obtaining the best possible execution result.

4. Execution Venue

ZIL's sole Executing Venue is the Bank. However, the Bank has a list of Execution Venues where in most cases a best possible execution in the interests of clients can be expected (Appendix A).

This list of Execution Venues is not exhaustive but comprises those Execution Venues on which the Bank places significant reliance. The Bank reserves the right to use other Execution Venues where it deems appropriate in accordance with its order execution policy and may add or remove any Execution Venues from this list. For each execution venue, the Bank will apply the relative fees, transparently published in a specific document.

The Bank will regularly assess the Execution Venues available in respect of any products that it trades to identify those that will enable, on a consistent basis, to obtain the best possible result when executing Orders. The list of Execution Venues will then be updated, where necessary, following such assessment.

Typically, the Bank may use one or more of the following venue types when executing client orders:

- Regulated Markets (RegM)
- Multilateral Trading Facilities (MTF)
- Organized Trading Facilities (OTF)
- Banca Zarattini TDSM when the Bank act a liquidity provider by house
- Third party Investment Firms, Brokers, and/or affiliates acting as Market Makers or other liquidity providers (note that the Bank has to comply with the obligation to act in accordance with the best interest of its clients when transmitting Client Orders to such entities for execution)
- Members of syndicates acting on behalf of issuers of securitized Financial Instruments

The Bank distinguishes between the following kinds of financial instruments when selecting execution venues:

4.1. Equities/ETFs

The Bank fulfils equity orders on stock exchanges in accordance with the standard stock market principle. To this end, the Bank defines standard exchanges per security or security identification number, taking into consideration the selection criteria listed under Section 3.

The automatic transmission of a client order to a certain exchange is therefore based on a defined standard. As a rule, orders are transmitted for execution to the stock exchange of the country in which the respective company is domiciled.

ETF Orders are generally executed in the stock exchanges indicated by the client or, in such cases (i.e. low liquidity on the regulated market), through Bloomberg RFQ.

4.2. Fixed Income

Orders are generally executed on a regulated exchange or MTF (Multilateral Trading Facility).

In the event of inadequate market liquidity or other reasons indicating an obvious advantage for clients, or if the securities are not traded on an exchange or MTF, the Bank will conduct the execution transaction via interbank trading with another bank or another financial services provider (off-market execution):

- Retail order sizes (up to 50,000 EUR): The Bank generally sends the order to one single exchange or MTF that is considered to give the best achievable execution result;
- Non-Retail order sizes (from 50,000 EUR): The Bank requests a firm quote from a dealer in the OTC market or – if available and economically sensible – from multiple dealers in competition. Dealers to be included in the RFQ execution attempt are selected based on their pre-trade price indications and historical behavior. The trade is done with the counterparty that returned the best price within a reasonable time (price is equal or better than what could be achieved with other execution venue, if any). RFQ execution could be done directly or via third-party broker.

Due to the nature of Fixed Income as a relatively illiquid asset class, internalization (trading with the Bank as a market side counterparty) could be taken into account, as long as the resulting execution price for the Client fulfils the Best Execution requirements (i.e. total consideration/price is equal or better than what could be achieved with other market side counterparties/execution venues).

Special case CHF bonds: following the SIX “Concentration Rule”, orders with a size below 100,000 CHF have to be executed on-exchange on SIX Swiss Exchange. The Bank will handle all applicable order flow accordingly, but only for order sizes > 100,000 CHF, the Bank has the option to execute in the OTC market.

4.3. Certificates, warrants and financial derivatives

Orders involving certificates, warrants and financial derivatives are generally transmitted to a stock exchange for execution. In the event of inadequate market liquidity or other reasons indicating an obvious advantage for clients, or if the securities are not traded on an exchange, the Bank will conduct the execution transaction via interbank trading with the respective issuer or with another trading partner who regularly quotes prices in the corresponding securities (“market maker”).

4.4. Investment Funds

This Best Execution Policy applies when acquiring or selling investment fund units via the custodian bank. However, due to the characteristics of these markets, the Bank has limited discretion in

defining the parameters of execution of these orders, and some obligations are considered to be fulfilled per se.

Subscriptions or redemptions of investment funds are generally transacted directly or indirectly on a fund trading platform via the respective custodian bank at the applicable net asset value.

In such cases, funds could be transacted directly with the respective Transfer Agent.

5. Client-specific Instructions

Specific instructions from the client to the Bank (in connection with the execution of a specific order) may impede ZIL or the Bank from ensuring the best possible result as set out in the Policy for that particular part of the order, as the Best Execution obligation is considered satisfied when the Bank follows the specific client instruction for that part of the order.

Therefore, to the extent that the client gives ZIL an instruction, this instruction overrides the Best Execution obligation for the scope of the particular instruction.

Examples of such instructions may include, but are not limited to, requests to execute an order over a particular timeframe.

In particular:

- *Instructions concerning execution venue:*

The Bank shall follow the client's instructions with regards to execution venue, considering the Zarattini Execution Venues.

- *Instructions concerning trading currency:*

The Bank shall follow the client's instructions regarding trading currency, provided the security in question can be traded in the specified currency.

- *Instructions concerning special kinds of orders:*

Client instructions can also refer to the type and nature of order execution without specifying a particular execution venue (for example orders to be fulfilled in several stages depending on the market situation). For this kind of orders, the general practice between market players applies.

It is important to note that ZIL reserves the right to refuse any client instruction should it be in contradiction to compliance rules.

Depending on the characteristic of each venue, the Bank accepts market orders, limit orders and stop orders.

In the case that a limit/stop loss order cannot be placed on the relative execution venue (i.e. the reference market cannot accept it) or for that security is not possible to place limit or stop loss order, the Bank will communicate it to the Client.

In any case, the Client has to give to the Bank the exact validity for each limit or stop loss order and, for forex orders, also the time maturity, including the location considered.

Unless otherwise specified, orders placed by the Client shall expire at the end of the day during which they were given.

“Good until cancelled” orders placed by the Client shall remain valid until the 31st of December of the calendar year during which they were given.

6. Reception and transmission of client Orders to selected Brokers

Subject to any specific instructions that may be given by the Client (see Section 5), the Bank may transmit the order to an external entity, such as a third-party broker, for execution.

If the Bank instructs a third party to execute a client's order, the corresponding transaction will be conducted subject to the measures that the third party has taken to ensure best possible execution.

The Bank may add or remove Brokers as deemed appropriate to obtain the best possible result for the client. The Bank selects only Brokers that combine high quality services standards with effective Best Execution arrangements in order to obtain Best Execution on a consistent basis.

The selection on Brokers may have an impact on price and cost of the execution. Therefore, the execution factors price and cost are important elements in the Broker selection process.

7. Monitoring

The Bank and ZIL shall monitor compliance with its order execution policy.

Each trimester, ZIL's Compliance Function shall send a request to the Bank for a Best Execution Report. ZIL's Compliance Officer selects randomly twenty (20) transactions from that trimester's trades and sends them to the Bank's Treasury & Securities Exchange Department to be able to provide ZIL with the Best Execution Testing on each selected transaction. The Bank's Report shall contain all the relevant details and confirmations such as source of Price.

Testing is carried out on the below criteria:

- Time;
- Price;
- Size;
- Nature of order;
- Market situation; and
- Volume

For a sample of the Report kindly see Appendix B.

8. Review

ZIL and/or the Bank are expected to review their execution policy and order execution arrangements at three intervals: annually, whenever there is a material change that could impact parameters of best execution, and on a regular basis. Such reviews should be undertaken with a fair degree of formality and independence, such that they are sufficient to help ZIL and/or the Bank to identify and, where appropriate, correct any deficiencies. Such reviews should take advantage of newly available

execution data made public by execution venues, as required by MiFID II Article 27(3), as well as information published by firms on their top five execution venues.

The client allows the Bank to make such amendments in this sense on a unilateral basis. ZIL shall notify clients of any material changes to their order execution arrangements or execution policy, in particular regarding the trading venues, by posting an updated version of this document on the website: www.zarattini.com.mt.

9. Error in transmission

A trading error is defined as an error in the placement, execution or settlement of a client's trade. It is not a trading error if the mistake is corrected before the trade is settled. Although inevitable trading errors may occur, the real damage is done if ZIL or the Bank does not address and handle them appropriately. The below are some examples of trading errors:

- Trading the wrong security;
- Over-allocation of a security;
- Buying or selling an incorrect amount of a security; or
- Purchasing rather than selling a security.

The Bank shall keep a record of each trading error in a log explaining what error occurred and how it was corrected.

Unless evidence can be given of gross negligence by the Bank, the Client shall bear any losses and be liable for all risks resulting from the use of the mail, telephone, telefax, Internet, E-Mail or any other means of transmission or physical transport, in particular as may be caused by loss, delay, misunderstanding, mutilation, or multiple execution.

10. Recording of telephone conversations and electronic communications

To increase certainty, investor protection and deterrence of market abuse, ZIL shall record telephone conversations from start to end or electronic communications when:

- Receiving and transmitting orders;
- Executing orders on behalf of clients; and
- Dealing on own account.

ZIL is required to record all telephone conversation and electronic communications that relate to activities that are intended to result in the conclusion of a transaction or the provision of client order services, even if they in fact do not. Records shall be kept for five years, and potentially a further two years where the MFSA requests it.

Recordings of telephone conversations will be handled with the highest confidentiality and shall be stored on a highly safe server to ensure the quality, accuracy and completeness of the records of all telephone conversations and electronic communications and are readily accessible and available to clients on request. Only with the authorization of the Legal and Compliance Department of the Bank or the Compliance Officer the access to the recordings will be possible.

Records must cover communications made with, sent from or received by equipment provided or permitted by ZIL. Employees must never communicate with clients using privately owned equipment where ZIL is unable to record or copy records as required by law. The recording of all telephone conversations is affected solely for the use in case of:

- The necessity of clarification of any misunderstandings resulting in claims or contestations arising from any orders/instructions given telephonically between the Company or the Bank and any of its clients;
- To assist any investigation being carried out by the Compliance Officer, Internal Audit or Board of Directors; or
- To assist any investigation being carried out by the MFSA or any other Authority.

Requests for the hearing of any conversation is to be done in writing upon the appropriate form (Appendix E).

During the listening in of any conversation the Compliance Officer must be present and is responsible to draw up a text of the relative conversation which is to be kept on file.

Communication of orders placed through other channels must be stored in a durable medium such as mails, faxes, emails or documentation of client orders made at meetings. The content of face-to-face conversations with clients shall be documented by a file note or written minutes in a durable medium. Minimum required information to be recorded for face-to-face meetings is:

- Date and location of meeting;
- Identity of the attendees and initiator of the meeting; and
- Other relevant information about the transaction including price, volume, type of order and when it shall be transmitted or executed.

Durable medium means that records can be replayed or copied and must be retained in a format that does not allow the original record to be altered or deleted.

Records are periodically monitored by the Compliance Function to monitor compliance with the Policies and procedures.

The client acknowledges and accepts that ZIL reserves the right to record phone calls and electronic communications on devices as provided by it, at its own discretion.

11. Acceptance of Client's Orders

The Bank shall accept orders of the Client at its offices, whether they are transmitted to the Bank in writing, by telephone, by E-Mail or by electronic trading network devices.

The Client may place his orders on every Business Day during regular business hours, i.e. between 08:30. and 17:30. Central European Time.

The Bank is not responsible for the execution of orders given outside the parameters mentioned above. Moreover, the execution services are not available during the European Central Bank Holidays (Target Holidays).

12. Essential Elements of Client's Orders

Each and every order of the Client shall have to contain (if in writing) or mention (if by phone) the following elements as a minimum requirement:

- Indication as to whether it is a buy or sell order;
- Name and identification of the Security (e.g. ISIN code);
- Quantity;
- Price; and
- Type of order (e.g. “at best”, “fill or kill”, etc...)

If given in writing, the Client's order shall bear a valid and binding signature.

13. Order Cancellations and Amendments

The Client can request a cancellation/amendment for the not executed size/quantity of orders.

By receiving a cancellation/amendment request from the Client, the Bank attempts to cancel/amend the order in the execution venue but does not give the Client any guarantee that it can perform the cancellation/amendment request in time and prevent (partial or full) order execution.

The Bank confirms the acceptance of the cancellation/amendment request to the Client as soon as the Bank has received the cancellation/amendment confirmation from the execution venue.

After the complete execution of an order, the order can no longer be cancelled/amended.

14. Allocation Process

The Bank or ZIL will not carry out an order or transaction for their own account or for other clients' accounts in aggregation with another order unless the following conditions are met:

- It is unlikely that the aggregating of orders and transactions will work overall to the disadvantage of any client whose order is to be aggregated; or
- It is disclosed to each client whose order is to be aggregated, either orally or in writing.

Regarding all public offerings of shares, participation certificates and dividend-right certificates, as well as convertible bonds and bonds cum warrant, the Bank has adopted specific rules in order to grant a fair and transparent allocation process.

These rules are applied also for cumulative orders partially filled.

All allocations are based on objective criteria and a fair treatment of clients is warranted within the different group of clients. Allocations against the promise of certain considerations are deemed prejudiced and are therefore prohibited (laddering, quid pro quo agreements, spinning).

In the IPO Procedure the principal objective criteria that the Bank could take into consideration (also in combination) are:

- random allocations;
- size of order;
- proportion of subscriptions;
- time of subscription order;
- subscription rate offers (in the case of an auction); and

- other objective criteria.

The Bank and ZIL have to establish the necessary internal rules and take appropriate measures to ensure compliance with these directives.

15. Top Five Venues

MiFID II Article 27(6) and Regulatory Technical Standard (RTS) 28 requires ZIL to publish annually for each class of financial instruments the top five execution venues in terms of trading volumes where it executed client orders in the preceding year and information on the quality of execution obtained. RTS 28, Article 2 sets out further detail regarding this publication obligation, explaining that firms must include the following information in specified format:

- Class of financial instrument;
- Venue name and identifier;
- Volume of client orders executed on that execution venue expressed as a percentage of total executed volume;
- Number of client orders executed on that execution venue expressed as a percentage of total executed orders;
- Percentage of the executed orders referred to in point (d) that were passive and aggressive orders;
- Percentage of orders referred to in point (d) that were directed orders;
- Notification of whether it has executed an average of less than one trade per business day in the previous year in that class of financial instruments.

RTS Article 2(3) further requires ZIL to publish for each class of financial instrument a summary of the analysis and conclusions it draws from its detailed monitoring of the quality of execution obtained on the execution venues where it executed all client orders in the previous year. This information must include:

- an explanation of the relative importance ZIL gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when making assessments of the quality of execution;
- a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;
- a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;
- an explanation of the factors that led to a change in the list of execution venues listed in ZIL's execution policy, if such a change occurred;
- an explanation of how order execution differs according to client categorization, where ZIL treats such category of client differently and where it may affect the order execution arrangements;
- an explanation of how ZIL has used any data or tools relating to the quality of execution including any data published under 27(10) (a) of Directive 2014/65/EU;
- an explanation of how ZIL has used, if applicable, output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU which will allow for the development of enhanced measures of execution quality or any other algorithms used to optimize and assess execution performances.

ZIL shall publish this information in the format specified in Annex III on its website, in a machine-readable format, available for downloading by the public, in the following link: <https://www.zarattini.com.mt/customer-info/> This report shall remain on the website for a minimum of 2 years from the date of publishing. A new report shall be uploaded by the end of April of the following year to the reporting period.

16. Fines and Sanctions

Articles 69 and 70 of MiFID II give regulators broad supervisory and sanctioning powers to implement fines and measures that are “effective, proportionate and dissuasive”. In the case of legal entities, regulators may impose maximum administrative fines of at least €5,000,000 or up to 10% of total annual turnover. Furthermore, if the benefit derived from an infringement can be determined, regulators can impose an administrative fine of at least twice the amount of the benefit derived from the infringement even if it exceeds the maximum amounts specified above.

17. Conflict of Interest / Inducements

It is not always possible to avoid conflicts of interest in an entity such as one forming part of the Banca Zarattini Group, which offers multiple investment services to its clients. In accordance with the relevant statutory provisions, ZIL shall therefore provide its clients with this information as to the steps it has taken to address the issue of conflicts of interest.

Conflicts of interest can arise between the company, other companies in the Group, the Group Executive Management, the employees, the Group’s tied agents or other persons who are associated with the Group, and its clients, or between its clients.

In particular, conflicts of interest can arise:

- where inducements are given to, or received from, third parties (e.g. placing commission or recurring commissions on sales, payments in kind) in connection with the investment services ZIL provides to its clients;
- as a result of performance-related compensation paid to employees and agents;
- where inducements are given to employees and agents;
- where employees have access to information that is not publicly available.

To avoid extraneous interests having any influence on activities, ZIL have committed itself and its employees to observe high ethical standards. ZIL expects at all times, diligence and honesty, lawful and professional conduct, compliance with market standards and, above all, regard at all times to the client’s best interests.

With a view to establishing a uniform standard across the Group in dealing with conflicts of interest the Group has adopted a range of measures including the following:

- implementing rules governing the taking, giving and disclosure of inducements;
- establishing firewalls through the implementation of information barriers, the separation of duties, and/or physical segregation;
- the operation of insider lists and watch lists with a view to the monitoring of sensitive information flows and the prevention of misuse of insider information;

- the operation of a restricted list, one of the purposes of which is to counter possible conflicts of interest by prohibiting any trading or advisory activity or financial analysis on the part of the parties concerned;
- reporting to the proper authority any dealing in securities on the part of employees who might be exposed to potential conflicts of interest by reason of their functions.

Appendix A – List of Execution Venues

Please note that this list of Execution Venues is not exhaustive. This list will be kept under review and updated in accordance with the Best Execution Policy. The Bank reserves the right to use other execution venues in addition to those listed here where it deems appropriate.

All venues are accessed via a third-party broker.

Cash Equities

Country / Liquidity Pool	Execution Venue Name
Europe	
Austria	Wiener Boerse AG
Belgium	Euronext - Brussels
Denmark	NASDAQ OMX Nordic Exchange - Copenhagen
Finland	NASDAQ OMX Nordic Exchange - Helsinki
France	Euronext - Paris
Germany	Berlin
Germany	Dusseldorf
Germany	Frankfurt
Germany	Hamburg
Germany	Hannover
Germany	Munchen
Germany	Stuttgart
Germany	XETRA
Greece	Athens Exchange
Ireland	Irish Stock Exchange
Italy	Borsa Italiana
Luxembourg	Bourse de Luxembourg
Netherlands	Euronext - Amsterdam
Norway	Oslo Bors
Portugal	Euronext - Lisbon
Spain	Spain Bolsa De Madrid
Sweden	NASDAQ OMX Nordic Exchange - Stockholm
Switz erland	Berne Stock Exchange
Switz erland	SIX Swiss Exchange
United Kingdom	London Stock Exchange
North America & Latin America	
Canada	Toronto Stock Exchange
Canada	TSX Venture Exchange
Mexico	Bolsa Mexicana De Valores
United States	NASDAQ
United States	NYSE - New York Stock Exchange
United States	NYSE American
United States	NYSE ARCA
United States	OTC Bulletin Board
Asia & Pacific	
Australia	Australian Securities Exchange
Hong Kong	The Stock Exchange of Hong-Kong
Japan	Nagoya Stock Exchange
Japan	Tokyo Stock Exchange
New Zealand	New Zealand Stock Market
Singapore	Singapore Exchange
Thailand	The Stock Exchange of Thailand

Exchange Traded Funds

Country / Liquidity Pool	Execution Venue Name
instruments listed	(see Cash Equities)
Bloomberg RFQ	

Fixed Income - Cash Bonds

Country / Liquidity Pool	Execution Venue Name
OTC	
Various liquidity provider in the OTC-market	
European MTFs (RFQ Based)	
Bloomberg MTF / non MTF	
European RMs/MTFs	
Austria	Wiener Börse AG
Belgium	Euronext - Brussels
France	Euronext - Paris
Germany	Börse Frankfurt
Germany	Börse Stuttgart
Germany	Börse München
Germany	Börse Düsseldorf
Germany	Börse Berlin
Germany	Börse Hamburg/Hannover
Germany	Deutsche Börse Xetra
Italy	Borsa Italiana (MOT/ExtraMOT)
Italy	EuroTLX
Italy	HI-MTF
Netherlands	Euronext - Amsterdam
Portugal	Euronext - Lisbon
Switzerland	SIX Swiss Exchange

ETD - Exchange Traded Derivatives (Futures & Options)

Country	Trading Place Name
Eurex	
Germany/ Switzerland/ France/Netherlands/Italy/Austria/ Spain/ Belgium	EUREX
USA	
Usa	Nyse Amex
	Nyse Arca
	Nyse
	Nasdaq OMX
	BOX Options Exchange
	CBOE
	CME
	ISE
	PHLX
	EGDX
	MIAX
Other Markets	
Australia	Australian Stock Exchange
Belgium	Euronext Brussels
Canada	Montreal Exchange
Denmark	Nasdaq OMX
France	Euronext Paris
Italy	Borsa Italiana
Japan	Osaka Securities Exchange
Netherlands	Euronext Amsterdam
Norway	Oslo Bors
Portugal	Euronext Lisbon
Sweden	Nasdaq OMX
Spain	Bolsa de Madrid
United Kingdom	ICE Future
United Kingdom	London Stock Exchange

Appendix B – Sample Report for Best Execution Testing

Appendix C – Templates

ZIL shall publish the top five execution venues in terms of trading volumes for all executed client orders per class of financial instruments referred to in Appendix D. Information regarding retail clients shall be published in the format set out in Table 1 and information regarding professional clients shall be published in the format set out in Table 2. The publication shall exclude orders in Securities Financing Transactions.

Table 1: Information regarding Retail Clients

Class of Instrument					
Notification if < 1 average trade per business day in the previous year	Y/N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					

Table 2: Information regarding Professional Clients

Class of Instrument					
Notification if < 1 average trade per business day in the previous year	Y/N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					

Table 3: Information regarding all executed client orders in Securities Financing Transactions

Class of Instrument					
Notification if < 1 average trade per business day in the previous year	Y/N				

Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
Name and Venue Identifier (MIC or LEI)		
Name and Venue Identifier (MIC or LEI)		
Name and Venue Identifier (MIC or LEI)		
Name and Venue Identifier (MIC or LEI)		
Name and Venue Identifier (MIC or LEI)		

Appendix D – Classes of Financial Instruments

(a) Equities — Shares & Depositary Receipts:

- i. Tick size liquidity bands 5 and 6 (from 2 000 trades per day);
- ii. Tick size liquidity bands 3 and 4 (from 80 to 1 999 trades per day);
- iii. Tick size liquidity band 1 and 2 (from 0 to 79 trades per day);

- (b) Debt instruments:
 - i. Bonds;
 - ii. Money markets instruments;
- (c) Interest rates derivatives:
 - i. Futures and options admitted to trading on a trading venue;
 - ii. Swaps, forwards, and other interest rates derivatives;
- (d) credit derivatives:
 - i. Futures and options admitted to trading on a trading venue;
 - ii. Other credit derivatives;
- (e) currency derivatives:
 - i. Futures and options admitted to trading on a trading venue;
 - ii. Swaps, forwards, and other currency derivatives;
- (f) Structured finance instruments:
- (g) Equity Derivatives:
 - i. Options and Futures admitted to trading on a trading venue;
 - ii. Swaps and other equity derivatives;
- (h) Securitized Derivatives:
 - i. Warrants and Certificate Derivatives;
 - ii. Other securitized derivatives;
- (i) Commodities derivatives and emission allowances Derivatives:
 - i. Options and Futures admitted to trading on a trading venue;
 - ii. Other commodities derivatives and emission allowances derivatives;
- (j) Contracts for difference;
- (k) Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities);
- (l) Emission allowances; and
- (m) Other instruments.

Appendix E – Request for listening to a Recorded Telephone Conversation

Reference No: _____

Request for listening to a Recorded Telephone Conversation

The undersigned

(name & surname)

(name & surname)

Request to listen to the undermentioned telephone conversation:

(provide details & reason for request)

Date of conversation:

Time (kindly indicate exact time as possible):

Between Zarattini Int. Ltd. and:

Furthermore I would like to include the presence of the person indicated hereunder:

- ☐ Compliance Officer
- ☐ External referee (to be agreed between both parties – fees to be borne by the the person making the request)
- ☐ External Notary (to be agreed between both parties – fees to be borne by the the person making the request)
(kindly indicate for how long required)

To draw up text of conversation in writing.

Other observations:

Date And Place: _____ Client's Signature: _____

Date and Place: _____ Observer's Signature: _____