



## ORDER HANDLING

### BACKGROUND INFORMATION ON ORDER HANDLING

#### **Prior express consent to execute orders outside a trading venue**

##### **Why is Berenberg asking for express consent before executing orders outside a trading venue?**

EU legislation requires Berenberg to obtain your prior express consent before executing your orders outside a trading venue. This information sheet, the Execution Policy<sup>1</sup> and Terms of Business have been compiled in accordance with Art. 27 par. 5 of Directive 2014/65/EU ('MiFID II')<sup>2</sup>.

##### **What types of orders are affected?**

Only instruments which are permitted to be traded on a trading venue are affected by this consent. If an instrument cannot be traded on a trading venue (e.g. regulated market, MTF or OTF), Berenberg does not need permission to execute outside a trading venue.

##### **What are the advantages of executing orders outside a trading venue?**

Berenberg may execute your orders on own account partly in its discretion as a Systematic Internaliser or OTC and may thereby be able to offer price improvements or risk pricing.

##### **What are the possible disadvantages of executing orders outside a trading venue?**

In circumstances whereby Berenberg executes orders outside of a trading venue, there may be consequences such as counterparty risk etc., which could be disadvantageous for you.

#### **Prior express instruction to Berenberg not to immediately make public any limit order in respect of shares admitted to trading on a trading venue that are not immediately executable**

##### **Why is Berenberg asking for explicit instructions not to immediately publish unexecuted orders?**

Art. 28 par. 2 of MiFID II requires Berenberg to obtain your prior express instruction not to make public any limit order relating to shares traded on a trading venue that are not immediately executed under prevailing market conditions.

Berenberg believes it is in your best interest that Berenberg uses its discretion to decide whether to make an order public or not, taking into account your interests. When such an order is placed and cannot be executed immediately, Berenberg will not publish the unexecuted order whilst it remains unexecuted, unless Berenberg believe it is in your best interest to do so.

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<sup>1</sup> Berenberg policy for the execution of orders in financial Instruments for institutional professional clients

<sup>2</sup> Please note that any reference to MiFID II should also be understood as a reference to those national laws and regulations giving effect to MiFID II in the respective jurisdictions as they apply from time to time.