Best Execution Report 2017

Background

4 Shires Asset Management Limited ("4 Shires") is required by the Financial Conduct Authority ("FCA") to take all reasonable effort to obtain "best execution" for its clients. Best execution refers to the way that 4 Shires undertakes investment transactions on behalf of its clients in order to obtain the best outcomes for clients at the point of trade. Please see our Order Execution Policy for further information.

Under The Markets in Financial Instruments Directive II ("MiFID"), 4 Shires is required to disclose each year, and, for each type of financial instrument it trades in on behalf of its clients, its top 5 trading venues used. This includes by monetary volume and by the discrete number of orders. 4 Shires is also required to identify which proportion of trades are conducted "passively" (where liquidity is added to the market, e.g. through a limit order), or "aggressively" (where liquidity is removed from the market, e.g. through an at market best order). We have identified these as LIM and MKT orders respectively.

4 Shires treats all clients as retail clients for the purposes of best execution.

Monitoring

4 Shires monitors the effectiveness of its order execution arrangements, as per the below:

- Details of all transactions are recorded with estimated price based on prevailing bid/offer of the security and the price actually achieved;
- Due diligence of counterparties;
- An annual review of the Order Execution Policy (or more frequent if there are material changes);
- An annual assessment of 4 Shire's order execution arrangements.

A narrative for best execution is written by each dealer at the point of trade, highlighting the reasons for the method of execution chosen and an ongoing commentary where there is a delay between order submission and order execution (i.e. where the submitted order does not execute instantaneously).

4 Shires assesses and manages any conflicts of interest that may arise (if any) from its use of execution venues on a regular basis.

4 Shires does not have any close links, conflicts of interests or common ownerships with respect to any counterparties used to execute orders. 4 Shires does not receive any payments or non-monetary benefits for executing trades at a specific execution venue. Any other incidental payments made to/received from an order execution venue must adhere to 4 Shires gifts and inducements policy.

In 2017, there were no reasons for 4 Shires to consider that any conflict of interest existed between it and its execution venues.

Payments may be made by 4 Shires to its execution venues for the provision of third party investment research under MiFID II regulations, and not in connection with any particular trade(s). Members of 4 Shires staff and staff of execution venues may attend relevant events and functions of the other firm in such research capacity.

No payments were received by 4 Shires from its execution venues.

Top 5 Execution Venues

4 Shires trades in the following types of listed security:

- Direct Bonds
- Direct Equities
- Exchange Traded Funds (ETFs)
- Investment Trusts

4 Shires' best execution statistics are outlined below:

Direct Bonds

Row Labels	Broker Business (£)	% of Volume	Orders Executed	% of Orders
Jarvis	**£141,357.23**	**100.00%**	**21**	**100.00%**
Unspecified	£141,357.23	100.00%	21	100.00%
Grand Total	**£141,357.23**	**100.00%**	**21**	**100.00%**

4 Shires had low transactional volume in direct bonds during 2017. This was primarily due to decreasing issuance of retail bonds which has predicated a move away from ownership of direct bonds to bonds held in collective investment schemes (unit trusts or investment trusts). A significant proportion of this business is conducted through Winterflood due to the efficiency of their Winner trading platform.

Direct Equities

Row Labels	Broker Business (£)	% of Volume	Orders Executed	% of Orders
Jarvis	**£8,750,000.99**	**61.80%**	**365**	**87.11%**
Unspecified	£8,750,000.99	100.00%	365	100.00%
Cenkos	**£3,809,330.48**	**26.91%**	**30**	**7.16%**
Unspecified	£3,809,330.48	100.00%	30	100.00%
Winterflood	**£813,089.46**	**5.74%**	**15**	**3.58%**
Unspecified	£813,089.46	100.00%	15	100.00%
Panmure Gordon	**£692,410.64**	**4.89%**	**8**	**1.91%**
Unspecified	£692,410.64	100.00%	8	100.00%
Allenby Capital	**£93,292.60**	**0.66%**	**1**	**0.24%**
Unspecified	£93,292.60	100.00%	1	100.00%
Grand Total	**£14,158,124.17**	**100.00%**	**419**	**100.00%**

The majority of trading activity in 2017 was in direct equities. 4 Shires primarily trades direct equities through its custodian, Jarvis Investment Management Limited, via its RSP service. 4 Shires may also execute bulk trades through Jarvis in liquid FTSE 100 investments where it is not likely that paying additional third party broker fees will result in an improvement in price. There are no broker fees payable to Jarvis.

Cenkos Securities plc is primarily used for smaller companies reflecting the expertise of the firm. The relatively high volume compared to the low number of trades reflects the nature of few, larger bulk deals executed by Cenkos in less liquid securities.

Exchange Traded Funds

Row Labels	Broker Business (£)	% of Volume	Orders Executed	% of Orders
Jarvis	**£1,269,794.49**	**100.00%**	**68**	**100.00%**
Unspecified	£1,269,794.49	100.00%	68	100.00%
Grand Total	**£1,269,794.49**	**100.00%**	**68**	**100.00%**

Due to the liquid nature of the particular ETFs that 4 Shires trades in, 4 Shires does not consider it in the best interests of clients to trade in ETFs and pay additional fees using third party broker as this will not normally result in an improvement in price. Should 4 Shires trade in less liquid ETF in the future, this stance may change.

Investment Trusts

Row Labels	Broker Business (£)	% of Volume	Orders Executed	% of Orders
Jarvis	**£2,595,869.36**	**36.97%**	**179**	**67.80%**
Unspecified	£2,595,869.36	100.00%	179	100.00%
Cenkos	**£2,012,072.90**	**28.65%**	**22**	**8.33%**
Unspecified	£2,012,072.90	100.00%	22	100.00%
Panmure Gordon	**£1,500,796.27**	**21.37%**	**25**	**9.47%**
Unspecified	£1,500,796.27	100.00%	25	100.00%
Winterflood	**£647,744.80**	**9.22%**	**25**	**9.47%**
Unspecified	£647,744.80	100.00%	25	100.00%
Old Mutual	**£265,772.09**	**3.78%**	**13**	**4.92%**
Unspecified	£265,772.09	100.00%	13	100.00%
Grand Total	**£7,022,255.43**	**100.00%**	**264**	**100.00%**

4 Shires was active in investment trust trading in 2017. In term of volume, there was a reasonably even split between Jarvis, Cenkos and Panmure Gordon. The latter two brokers were generally for trades in larger size, since they both represent a low number of orders.

The relatively low volume conducted through Jarvis but high number of orders represents smaller RSP trades for individual clients. The balance through

Winterflood (primarily on its Winner platform) largely represents smaller trades for multiple clients where an RSP is otherwise not available through Jarvis.

Investment trust trades conducted via Old Mutual were solely for investment bonds where trading on Old Mutual's platform is the only available execution venue.

Quality of Execution

The relative importance 4 Shires ascribes to its order execution factors is highlighted in the Order Execution Policy.

4 Shires obtains indicative estimated prices from Alpha Terminal Level 2 facility prior to trade.

Numis Securities was added as an approved execution venue in 2017.

Disclaimer

This report has been provided on a best endeavours basis. Whilst we believe all data is accurate, some data is unavailable for the categorisation of trades between "passive" (LIM) and "aggressive" (MKT) orders. Where this information is not available the order type has been identified as "Unspecified". As far as 4 Shires is aware, trades with an unspecified order type occurred prior to the reporting requirement for these types of trades.