

EXECUTION AND ORDER-HANDLING POLICY

1. Introduction

This document (the “Policy”) specifies the procedures which E. Öhman J:or Fondkommission AB (“Öhman”) will follow when executing or transmitting orders in financial instruments with or for its non-professional and professional clients, with the aim to obtain the best possible result for its clients.

An order can be executed in parts using more than one of the methods described below.

When a non-professional or professional client places an order or otherwise instructs Öhman to carry out a transaction concerning financial instruments with or on behalf of the client, the client shall be considered to have accepted that the transaction be carried out in accordance with the Policy. If a client gives Öhman a specific instruction, either generally or in relation to a transaction (e.g. by requesting that Öhman should act as a direct counterpart, or should execute the order on a specific trading venue or in a specific manner), then such instructions will take precedence over this Policy. A specific instruction may prevent Öhman from taking the steps implemented through this Policy to obtain the best possible result.

2. The relative importance of different factors of best execution

In executing or transmitting an order, Öhman will take into account the following matters: the size and nature of the order, the price at which it is likely to be executed and the costs which will be incurred, the speed and likelihood of both execution and settlement, and any other consideration which Öhman in its judgment considers to be relevant to the execution or transmission of the order.

Normally, Öhman will regard price as being the most important factor. However, in some cases other factors may be considered more important, for example in the case of orders for which execution can reasonably be expected to have an impact on either the prevailing price of the financial instrument or the markets on which it could be executed, or the likelihood or speed of execution or settlement, or if other circumstances makes it relevant to consider other factors than the price to be more important.

3. Methods for order execution

Öhman may execute client orders directly on one or more regulated markets or MTFs or, if Öhman is not a direct member of a certain market, through a third party.

Öhman may also execute orders outside the technical system of a regulated market or an MTF, for example by executing it on Öhman’s own account or directly against another client’s or a third party’s order. By consenting to this Policy, the client also accepts that orders may be executed in this manner, unless the client expressly instructs differently.

4. Execution of orders in financial instruments regularly traded on external trading venues

This section applies to transactions in any financial instrument which is mainly traded on a regulated market (e.g. NASDAQ OMX), MTF or other organized trading venue. As such, this section covers the majority of financial instruments, including:

- shares admitted to trading on a regulated market or MTF (e.g. shares admitted to trading on NASDAQ OMX and NGM);
- derivatives admitted to trading on a regulated market or MTF (e.g. options, futures listed on NASDAQ OMX); and
- units in collective investment undertakings admitted to trading on a regulated market or MTF.

Öhman will normally handle client orders in such financial instruments by promptly routing the order for execution upon a trading venue to which Öhman has access, directly or through a third party, and which Öhman considers provides best execution in accordance with section 2 above.

Öhman may execute the order in such separate transactions in the market or markets, as appears in Öhmans reasonable judgement as to be likely to produce the best overall result.

Öhman may also execute all or part of the order against Öhman's own account or directly against the order of another of its clients. In such cases, such execution would normally be expected to be at a price which reflects the prevailing market conditions (i.e. be at or within the volume weighted spread).

Öhman may in some instances quote prices, firm or indicative, to its clients. If the client accepts a firm quote, or in the case of indicative quotes, when Öhman confirms the price to the client and the client accepts the price, an agreement concerning the transaction will be concluded directly between Öhman and the client. In such situations Öhman will be deemed to have received a specific instruction from the client to carry out the order in accordance with the agreement between the client and Öhman, which instruction will take precedence over the contents of this Policy.

5. Most frequently used execution venues

Öhman participates in the trading on a variety of different trading venues, either through direct membership or through one or more third parties that give Öhman direct market access to certain trading venues via the membership of the third party. Öhman regularly reviews what trading venues to use. For a list of the trading venues that Öhman primarily uses at the moment, through membership of its own or direct market access provided by a third party, please refer to Öhman's web site www.ohman.se.

To execute transactions in instruments that are not traded on venues where Öhman participates directly or through direct market access, Öhman will access alternative venues, usually through the services of a third party broker with which it has established a relationship. Third party brokers used are regularly reviewed as to their ability to provide best execution.

6. Execution of orders in instruments not regularly traded on an external trading venue

This section applies to transactions in financial instruments that are normally traded directly against a counterpart (OTC), for example;

- government bonds and other money market instruments;
- corporate bonds;
- OTC-derivatives and other instruments created by Öhman or another intermediary; and
- Structured products, i.e. products where the yield is linked to the performance of a specific index or a reference interest rate.

In these cases Öhman will normally either provide quotes to the client or carry out the client's order as principal, i.e. by entering into the transaction against its own account, at a sound price. The pricing will take into account the prevailing market price of the underlying asset (if any) and further, the cost of Öhman's business model and the utilization of own capital to support Öhman's dealings with clients. If the client accepts a firm quote from Öhman, or in the case of indicative quotes, when Öhman confirms the price to the client and the client accepts the price, an agreement concerning the transaction will be concluded directly between Öhman and the client. In such situations Öhman will be deemed to have received a specific instruction from the client to carry out the order in accordance with the agreement between the client and Öhman, which instruction will take precedence over the contents of this Policy.

Öhman may also execute the order against the order of another client of Öhman or against a third party located by Öhman.

7. Execution of orders in units in collective investment undertakings (investment funds) not admitted to trading on a regulated market or MTF

Öhman will execute/transmit its clients' orders relating to units in collective investment undertakings by transmitting them for immediate execution in accordance with the prospectus for the fund (or equivalent) to the fund management company (or equivalent) responsible for administering the fund in question.

8. Limited orders

If the client places a limited order, i.e. an order with a minimum selling price or a maximum buying price, concerning shares that are admitted to trading on a regulated market and Öhman, under the prevailing market conditions, cannot immediately execute the limited order, Öhman may, in consideration of the client's best interests, refrain from publishing the order immediately. The foregoing shall not apply if the client expressly instructs Öhman to publish the order.

9. Order handling, aggregation and allocation

Öhman will execute clients' orders promptly, fairly and efficiently. Otherwise comparable client orders will be executed in accordance with the time of their reception unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the client require otherwise.

Öhman may aggregate a client order with other orders (orders of either other clients or Öhman's own transactions). Such aggregation will only take place in the event that Öhman believes that the aggregation would be unlikely to operate to the clients' overall disadvantage, however the effect of aggregation may work to a client's disadvantage in relation to a particular order.

An aggregated order will be allocated fairly at the average price of the transaction. If it is only possible to execute an aggregated order partially, the executed part will be allocated pro rata at the average price of the transaction. If a client order has been aggregated with transactions for Öhman's own account and the aggregated order is partially executed, Öhman will normally allocate the related trades to the client in priority to Öhman.

10. The impact of disrupted markets, system failures etc

In some cases, as a result of a system failure or otherwise, Öhman may feel that it is in the best interests of both it and its clients to use a method other than as described in this Policy in order to execute or transmit orders. In such cases, Öhman will take all reasonable steps to achieve the best overall result for its clients possible under the circumstances.

11. Review

Öhman will regularly review the contents of this Policy as well as the election of trading venues and third party brokers. Changes and updates to this Policy will be published on Öhman's web site, www.ohman.se. Changes and amendments to the Policy will become applicable on the day following the day of publication of the revised version of the Policy on the web site.