

Burrell Stockbroking Pty Ltd – Best Execution Policy under a Multi-market Environment

Australia provides a multi stock exchange market environment to promote competition and resilience. Traditionally all orders executed through the Australian Securities Exchange (ASX) have been processed through their TradeMatch order book. The Government granted Chi-X Pty Ltd a licence to operate an Australian Financial Market from 31 October 2011 in competition to the ASX. From February 2022 Chi-X changed its name to CBOE Australia. In response to the multi-market environment, the ASX developed new order books called CentrePoint and PureMatch to compete with the introduction of Chi-X (now CBOE). The Australian Securities and Investments Commission (ASIC), as regulator of the markets, developed new rules and regulations to deal with the issues brought on by the introduction of competition between exchange markets. These current rules, called the ASIC Market Integrity Rules (Securities Markets), introduced a new best execution obligation on market participants, such as Burrell Stockbroking (Burrell), in addition to our existing obligations. Under the rules, Burrell has an obligation to obtain the best outcome for our clients when handling orders to execute trades on these new markets. This is known as our Best Execution Obligation.

Burrell considers that it meets its Best Execution Obligation by executing orders solely through the ASX TradeMatch and ASX CentrePoint order books. This is due to the potential cost of maintaining a dual market participation, and passing these increased costs on to clients. Further, CBOE does not have an end of day closing price auction.

Burrell continues to review the best outcome results and has concluded that best execution outcomes are still being achieved by executing orders solely through the ASX TradeMatch and ASX CentrePoint order books. As a result Burrell has not connected to either the CBOE MidPoint market order book or the ASX PureMatch order book. As such, **Burrell executes orders solely through the ASX**. It is our position that clients are not materially disadvantaged by our execution policy at this time. However, clients' need to be aware that as CBOE increases its volume share of market trades, there is a possibility that a better price may have been achieved on that market. CBOE also offers some products that are solely available on that market. As at the date of the policy, Burrell has not seen any significant demand for these products. Burrell will continue to review best execution outcome results.

Burrell will meet its Best Execution Obligation by taking all reasonable steps to obtain the best possible outcome for its clients. Best outcome means different things for different clients. For retail clients best outcome will mean best total consideration – in other words, the purchase or sale price after brokerage and GST. If you are a retail client, this will mean that Burrell will always attempt to obtain the best total consideration for your order unless you instruct us otherwise. For wholesale clients, best outcome may include price, cost, speed, likelihood of execution and any other relevant order consideration. Burrell will generally give price a higher relative importance when obtaining the best outcome but may also take into consideration a range of different factors, including the requirement for timely execution, the liquidity of the market, potential price impact and the size of the order.

Burrell will also continue to execute wholesale and retail orders through our designated trading representatives. Where we receive *specific instructions* from our clients we will take reasonable steps to execute those instructions, even though they may not achieve the best possible execution outcome; provided they do not conflict with other obligations under the Corporations Act, the Market Integrity Rules or other relevant laws and regulations. Wholesale clients may provide standing instructions or execution requirements which can include instructions to opt-out of our Best Execution procedures.

On receipt of a reasonable request by a client we will provide the client with evidence that the order has been executed in accordance with our policies and procedures. On receipt of a request we will advise the client of the estimated time to provide the necessary information.

Burrell will periodically review its Best Execution procedures and practices. We will review annually any opt-out or standard instructions received from a wholesale client.

Last reviewed June 2022