

CERBERUS EUROPEAN CAPITAL ADVISORS, LLP

Annual disclosure of the top execution venues by trading volume used to execute professional client orders

(Markets in Financial Instruments Directive 2014/65/EU Article 27(6))

Disclosure Period: 2017

Class of Instrument	Class 4: Debt instruments				
	Sub-Class: Bonds				
Notification if <1 average trade per business day in the previous year	Y				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total of 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
Citigroup Global Markets Inc. (MBNUM2BPBDO7JBLYG310)	73.17%	50%	N/A	N/A	N/A
J.P. Morgan Securities PLC (K6Q0W1PS1L1O4IQL9C32)	24.39%	25%	N/A	N/A	N/A
Barclays Bank PLC (G5GSEF7VJP5I7OUK5573)	2.44%	25%	N/A	N/A	N/A

Summary of the analysis and conclusions drawn from monitoring the quality of execution obtained on the execution venues (or “brokers”) where client orders were executed in the 12 months to 31 December 2017

Cerberus European Capital Advisors, LLP (“CECA”) is authorised by the FCA as a portfolio manager and to deal as agent for Professional Clients.

CECA monitors the effectiveness of its order execution arrangements on a regular basis through the following controls:

- *Negotiation of transactions are undertaken by experienced trading staff utilizing available market data;*
- *An adequately diversified range of large, reputable brokers are available for the execution of transactions;*
- *Execution prices are compared to available execution venue data;*
- *Cerberus Operations considers the comparability of any transaction costs (including broker commissions and exchange fees) to agreed rates;*
- *Matching and settlement capability is monitored; and*
- *An annual review of the effectiveness of CECA’s execution arrangements is undertaken by Compliance and reported to the CECA’s Management Committee.*

No deficiencies were identified in CECA’s execution arrangements in 2017.

(a) Relative importance of the execution factors in assessing the quality of execution

Subject to any specific client instructions, the execution factors that CECA considers in order to determine the manner in which an order will be executed are: price, costs, speed, likelihood of execution and settlement, together with any other consideration relevant to the execution of the order. CECA trading staff exercise their discretion to determine which of these factors, or combination of them, will be relevant to achieve the best result. Ordinarily, price will merit a high relative importance in obtaining the best possible result with liquidity as the next most important factor.

(b) Close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

CECA has no close links, conflicts of interests and/or common ownership with respect to any execution venues used to execute orders and transactions.

(c) Description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

There are no specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.

CECA does not receive inducements from its appointed brokers other than minor non-monetary benefits which are judged not to impair CECA’s duty to act in the best interests of its clients and which are capable of enhancing the quality of client service. The types of minor non-monetary benefits that may be received

include: information relating to financial instruments such as market commentaries, participation at conferences or seminars on specific financial instruments and reasonable and proportionate hospitality of a de minimis value.

(d) Explanation of the factors that led to a change in the list of execution venues listed in CECA's execution policy, if such a change occurred;

Brokers are generally only added to the list of execution venues where CECA perceives that they have access to a wider liquidity in the relevant financial instrument in the relevant market with brokers being removed where they are perceived as not offering sufficient liquidity in the relevant financial instrument or for service or operational reasons.

(e) Explanation of how CECA has used any data or tools relating to the quality of execution and, where applicable, an explanation of how the CECA has used output of a consolidated tape provider.

CECA uses available market data on execution prices to gain assurance as to the quality of execution provided by executing brokers.