

# WILSONS BEST EXECUTION ARRANGEMENTS

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The providing entity of the services described in this document is:

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("Wilsons")

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## BEST EXECUTION ARRANGEMENTS

### Best Execution

As a market participant, Wilsons Advisory and Stockbroking Limited (Wilsons) is required to handle and execute client orders in accordance with the best execution obligation in Rule 3.8.1 of the ASIC Market Integrity Rules (Securities Markets) 2017.

In other words, Wilsons must take reasonable steps to obtain the Best Outcome for our clients.

### What is 'Best Outcome'?

'Best Outcome' will mean different things to different clients.

For our purposes of 'Best Outcome', Wilsons categorises clients as Retail or Wholesale.

Please speak to your adviser if you are unsure which classification you fall into.

### Retail Clients

For retail clients, Best Outcome means obtaining the total consideration.

That is, taking reasonable steps to obtain:

- The lowest purchase price plus transaction costs when buying; or
- The highest sale price less transaction costs when selling.

Best purchase price means the best available price across all Order Books. Where the best price (for the volume of the client order) is spread across multiple order books, Wilsons will take reasonable steps to obtain the best overall price.

This may include accessing each of the best prices on each order book or it may be that the best price is achieved by transacting against one or a number of price points on a single order book.

### Wholesale Clients

For Wholesale Clients, the Best Outcome may be price, costs, speed, execution certainty or any combination of these outcomes.

The following table provides a description of the factors that may be taken into consideration.

| Factors                              | Description  |
|--------------------------------------|--|
| <b>Price of the relevant product</b> | <p>Price is an important outcome, however, it may not represent the Best Outcome at a given point in time.</p> <p>For example, the order book of a licensed market that is displaying the best price may not have much volume.</p>   |
| <b>Costs</b>                         | <p>Costs can be both explicit and implicit. A transaction may appear to have a higher cost when considering the explicit costs but may in fact be lower when implicit costs are considered.</p> <p>For example, a large order if executed in one lot may be subject to lower overall transaction fees than if the order was broken into many smaller parts.</p> <p>However, smaller transactions executed throughout the course of a day may achieve lower prices, resulting in lower overall costs.</p>                                   |
| <b>Speed</b>                         | <p>Speed is an important outcome for some clients.</p> <p>It is important where a client needs to exit a position quickly or is concerned that the price may move in an adverse direction when they are trying to hedge a position.</p> <p>Speed may, however, be less relevant for clients that are taking a longer-term view of the relevant product.</p>  |
| <b>Execution certainty</b>           | <p>Where a client seeks certainty that a large order will be executed, likelihood of execution may be an important outcome. The volumes available at each price point on each order book of a licensed market may be relevant.</p> <p>For example, it may be possible to execute smaller orders at the best price on a single order book, but larger orders may involve taking out orders across multiple price points. Executing part of a larger order on a single order book may mean subsequent executions become less favourable.</p> |

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### What is an Order Book?

An Order Book is an electronic list of buy orders and sell orders, maintained by or on behalf of a market operator. This is often referred to as a financial market exchanges where the trading of securities takes places.

Wilson may send your order to one of the following Order Books:

|                        |  |
|------------------------|--|
| <b>ASX</b>             | ASX TradeMatch® is a securities exchange that trades ASX listed securities.  |
| <b>ASX CentrePoint</b> | ASX CentrePoint is ASX's dark pool mid-point matching system.  |
| <b>Chi-X</b>           | Chi-X Australia ('Chi-X') is a securities exchange that trades ASX listed securities.<br><br>This Order Book includes Chi-X CentrePoint Chi-X's dark pool mid-point matching system. |

Wilson does not operate an internal crossing system.

### Transmitting orders to Order Books

The table below set out how orders will be transmitted to the Order Books:

|   |  |
|---|--|
| <b>IRESS Best Market Router (BMR)</b>             | Generally, client orders will be transmitted to the Order Books via the IRESS BMR. The IRESS BMR automates routing of orders to achieve best market execution outcomes.                              |
| <b>Manual Entry</b>                               | Where a DTR has reviewed an order and deems that manually transmitting the order will achieve the Best Outcome, the DTR will manually transmit the order by choosing either one or more Order Books. |
| <b>ITG Algorithm (Institutional Clients only)</b> | Where a DTR has received an Institutional Client order, they may choose to pass the order through an ITG Algorithm.<br><br>ITG Algorithms will use the IRESS BMR when choosing an Order Book.        |

### Differing trading hours and Opening/Closing Mechanisms

The ASX and Chi-X Order Books have different opening and closing mechanism. This means that one market may be trading whilst the other is not. This section details how orders will be handled in these circumstances.

|                                       |   |
|---------------------------------------|---|
| <b>IRESS Best Market Router (BMR)</b> | The IRESS BMR will pass all orders (including ACOP and ITG orders) received outside Normal/Continuous Trading hours to the ASX Order Book until the ASX is in Normal Trading. |
|---------------------------------------|---|

|                     |  |
|---------------------|--|
| <b>Manual Entry</b> | Where a DTR uses Manual Entry to transmit an order in line with this policy, they may transmit it to any Order Book during any Market Phase to achieve the Best Outcome. |
|---------------------|--|

### Instructions that are inconsistent with Best Outcome

This section outlines how Wilsons will handle instructions that are inconsistent with Wilsons' Best Execution obligations:

|                          |  |
|--------------------------|--|
| <b>Retails Clients</b>   | Where a retail client provides instructions in relation to handling and executing order that are inconsistent with Wilsons obtaining the Best Outcome, Wilsons will take reasonable steps to handle and execute the order to satisfy those instructions.<br><br>Retail client instruction that inconsistent with Wilsons' Best Execution obligations can only be for a single order. Retail Clients cannot provide a standing instruction.   |
| <b>Wholesale Clients</b> | Where a Wholesale Client provides instructions in relation to handling and executing an order that are inconsistent with Wilsons obtaining the Best Outcome, Wilsons will take reasonable steps to handle and execute the order to satisfy those instructions.<br><br>Wholesale clients may provide specific order by order instructions or a standing instruction in respect of the handling and execution of orders. The instruction to opt out of best execution protection applies for up to 12 months from the date the instruction was received by Wilsons. The instruction must be renewed by the client. |

Where your instruction is inconsistent with Wilsons obtaining Best Outcome, we will still attempt to obtain Best Outcome notwithstanding any limitation you have placed on the order. For example, if you provide an instruction to execute an order on the ASX, Wilsons will still take reasonable steps to obtain the Best Outcome on the ASX.

For more information, please contact 1300 655 015

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[www.wilsonsadvisory.com.au](http://www.wilsonsadvisory.com.au)  
For your nearest office  
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