

Instinet Europe Limited Best Execution Policy

INSTINET

1 Order execution policy

Instinet Europe Limited ('Instinet') is pleased to provide you with our Policy for obtaining best execution for our clients. As the leading global agency broker, Instinet has long been committed to obtaining best execution. Instinet views the Markets in Financial Instruments Directive ('MiFID') and the requirement to provide clients with more information on our best execution policy as an opportunity to again demonstrate what we believe is our competitive advantage in the marketplace.

In this policy, we have set out information concerning how we determine where to execute orders and which venues we access. Instinet views obtaining best execution as a continual process that requires ongoing review and assessment. Accordingly, if you have any questions or constructive comments on how we may better obtain best execution for you or your clients, please do not hesitate to contact your Instinet representative or the Instinet compliance department directly.

2 Our duty

Instinet Europe Limited [including Instinet Europe Limited branches established in EEA territories] ('Instinet Europe Limited' or 'Instinet') has a duty to take all reasonable steps to obtain the best possible result for the execution of client orders.

3 Application

This Policy applies only to those customers that have been classified by Instinet as 'Professional', in accordance with the MiFID defined term. This Policy is not applicable to 'Eligible Counterparties' or to clients that make their own trading decisions and trade completely at their own discretion.

4 Specific instructions

Where Instinet is given specific instructions with regards to the execution of an order, Instinet will execute the order in accordance with the specific instruction(s) given. Best execution obligations will not apply to the extent of that instruction.

Instinet Europe Limited Best Execution Policy

5 Trading services

Agency Sales Trading

For clients that require assistance in formulating trading strategies or advice and expertise to implement their trading strategies, Instinet's agency sales trading desk is their primary access to Instinet's execution services. The traders on the desk will assess whether the order can be better handled manually or through the use of our trading algorithms.

To the extent that the order is handled by our agency sales trading desk, we will take into account a variety of factors relevant to your order including (but not limited to):

- 1 your instructions,
- 2 the size of the order and,
- 3 its likely market impact

Instinet periodically assesses its partners and its execution venues to ensure that we have taken all reasonable steps to obtain best execution on a consistent basis.

Global Portfolio Trading

Clients use Instinet's portfolio trading experts in New York, London, Hong Kong and Tokyo along with advanced trading technology and global connectivity to trade efficiently stock portfolios anywhere in the world. The GPT team use Newport, Instinet's portfolio execution management system.

Algorithmic Trading

Instinet has a number of advanced algorithmic strategies that provide opportunistic, event-driven execution within a risk-controlled framework. These strategies aim to achieve a variety of trading objectives which can be determined by the client. The client can further adapt the strategy by dynamically adjusting a range of parameters. Customised strategies can also be requested.

Direct Market Access

Clients using Instinet's DMA offering whether via FIX or Instinet's front-ends all benefit from Instinet's SmartRouter which attempts to achieve best execution on the client's behalf. If clients specifically choose to opt out of using SmartRouter by choosing their own execution venues then Instinet's Best Execution Policy will not apply as the clients are making their own trading decisions.

6 Execution venues

In selecting execution venues suitable for this execution policy, Instinet's primary considerations have been liquidity, efficient price formation and sound infrastructure to enable efficient trading and settlement. A list of the execution venues that Instinet currently access are listed in the Appendix. To the extent that you believe an execution venue other than those selected by Instinet may provide a valuable opportunity to receive better executions, please contact your Instinet representative or the Instinet compliance department.

Internal Crosses (Non block size orders)

From time to time Instinet may source natural liquidity from our global client base for the other side of your order and cross internally. The execution price of this cross will depend on your limit, if any, the price on the primary market, and any other circumstances such as liquidity. On most occasions, Instinet will transact at a price within the primary market spread.

European SmartRouter

European SmartRouter is a tool that, on receipt of an order, scans all accessible execution venues that trade European stocks and determines the venue on which the order will execute at the best price. European SmartRouter uses its discretion to find the optimal destination for the execution of client orders, accessing both light and dark liquidity pools. Orders are handled in strict time priority.

Instinet will continue to closely monitor each of the execution venues it accesses for executing European stocks to determine if alternative sources of execution provide a material opportunity to achieve best execution.

7 Chain of execution

There will be instances when Instinet will pass an order to another broker for execution. Typically this will occur when Instinet is not a member of the domestic exchange. Instinet have selected a preferred local broker for each jurisdiction in which it has no local presence. These brokers have been chosen on the basis of historical good execution and technology. The local brokers will be reviewed periodically as to the quality of their execution. If Instinet determines that a broker or brokers are not, in Instinet's opinion, providing best execution, they will be removed from Instinet's local broker list unless and until such time as their execution improves.

8 Monitoring and review

Instinet's Best Execution Committee will formally meet quarterly to assess our execution venues and partners. Instinet will continue to monitor market developments to ensure that we are timely in making changes that will aid us in achieving best execution. In the instance where Instinet are required to make a material change to this policy, our clients will be informed as circumstances reasonably require.

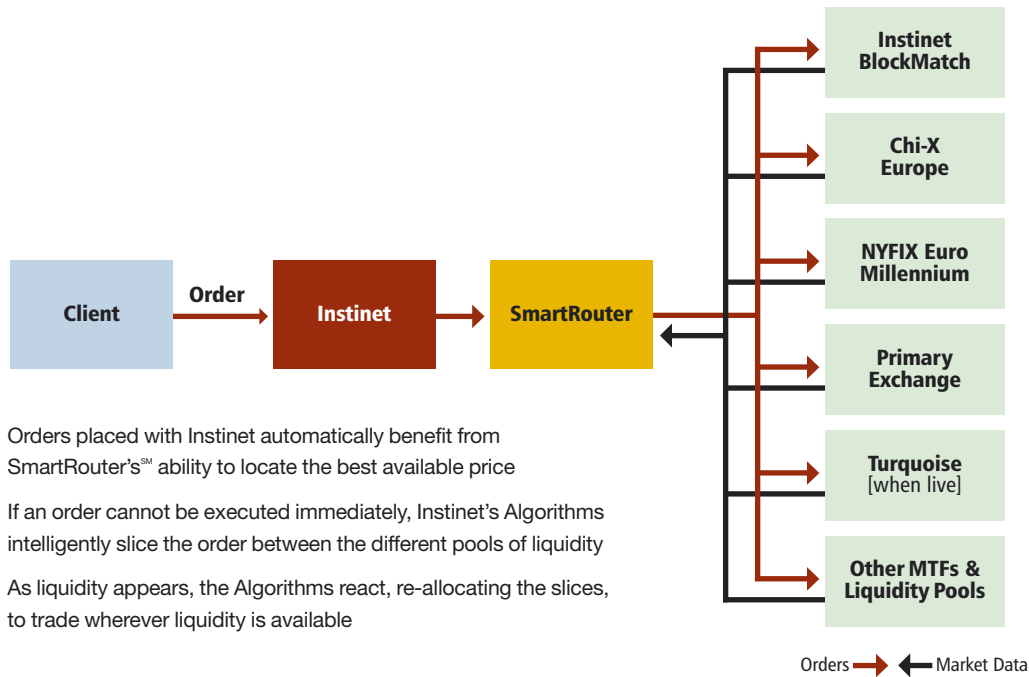
If at any time you have questions or concerns about how a particular order was handled, Instinet would be pleased to demonstrate how the order was handled and what steps were taken to achieve best execution. We welcome your input at any time.

9 Exclusions

The obligations established in this policy extend to transactions executed with or through Instinet Europe Limited only. This policy does not apply to other Instinet entities.

Appendix

Instinet's SmartRouter ensures that your order interacts with all available pools of liquidity to achieve best execution



Current European execution venues

- Athens Stock Exchange*
- BlockMatch (pan-European MTF)
- Borsa Italiana
- Budapest Stock Exchange*
- Chi-X (pan-European MTF)
- Deutsche Börse (Frankfurt Stock Exchange* and Xetra)
- Dublin Stock Exchange*
- Istanbul Stock Exchange*
- London Stock Exchange
- NYSE Euronext Amsterdam Stock Exchange
- NYSE Euronext Brussels Stock Exchange
- NYSE Euronext Lisbon Stock Exchange*
- NYSE Euronext Paris Stock Exchange
- OMX Copenhagen Exchange
- OMX Helsinki Exchange
- OMX Stockholm Exchange
- Oslo Stock Exchange
- Prague Stock Exchange*
- Riga Stock Exchange
- Spanish Stock Market Interconnection System (SIBE)*
- SWX Europe (Swiss Exchange)
- Tallinn Stock Exchange
- Turquoise (pan-European MTF) — when live
- Vienna Stock Exchange
- Vilnius Stock Exchange
- Warsaw Stock Exchange*

Asterisk indicates an exchange accessed via a local broker

Instinet Europe Limited www.instinet.com

UK Sales Team, 26th Floor, 25 Canada Square, Canary Wharf, London E14 5LB uksalesteam@instinet.co.uk Tel +44(0)20 7154 8844
New York +1 877 467 8463 / **Paris** +33 (0)1 73 03 87 00 / **Zurich** +41 (0)44 200 4747 / **Frankfurt** +49 (0)69 7104 8860

© 2008 Instinet, LLC and its affiliated companies. All Rights Reserved. INSTINET is a registered service mark in the United States and other countries throughout the world. Instinet, LLC is a subsidiary of Instinet Incorporated, which is itself a wholly-owned subsidiary of Nomura Holdings, Inc., and is a member FINRA/SIPC. Approved for distribution in Europe by Instinet Europe Limited which is authorised and regulated by the Financial Services Authority.

This Fact Sheet is provided for informational purposes only, and does not constitute an offer, solicitation, or recommendation with respect to the purchase or sale of any security.