

J. STERN & CO.

BEST EXECUTION REPORTING (RTS28 DISCLOSURE)

Based on trades executed between 1st January 2020 and 31st December 2020

INTRODUCTION

This document consolidates the required disclosures covering the trading activity of J. Stern & Co. LLP (the “**Firm**”) for the period of 1st January 2020 to 31st December 2020, for the following classes of financial instruments:

- Equity – Shares and Depositary Receipts
 - Tick size liquidity bands 5 and 6 (from 2,000 trades per day) ;
 - Tick size liquidity bands 3 and 4 (from 80 to 1,999 trades per day) ; and
 - Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day)
- Debt Instruments and Bonds

Top five execution venue reports in the remaining classes of financial instruments are not included, due to not having been traded by the Firm during that period.

As set out in the Firm’s Best Execution Policy available at www.jsternco.com/legal, the Firm does not execute trades with the market directly and executes all its trades through its approved brokers or through a client’s custodian, where that custodian requires, or has agreed with the client that only the custodian’s own broker team is able to execute an order. References to execution venues below therefore refer to the Firm’s approved brokers only.

ANALYSIS OF QUALITY OF EXECUTION

The Firm is required to publish an explanation of the relative importance it places on the execution factors listed in its Best Execution Policy, as well as an analysis of the quality of executive achieved. The Firm’s analysis for the relevant year is as follows.

An explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution.

The Firm’s approach to the prioritisation of execution factors is set out in detail in its Order Execution Policy. In summary, outside of specific client instructions, the order of priority of the execution factors would depend first on the nature of the instrument to be traded.

For equities, the priority would usually be price, costs, speed/timely execution, likelihood of execution and settlement, size and finally, other considerations. For debt instruments and bonds, the priority would usually be price, costs, likelihood of execution and settlement, likelihood of speed/timely execution, size and, finally, other considerations.

There are inherent trade-offs between the execution factors which have to be continually considered by the Firm’s dealers on a trade-by-trade basis to achieve best execution for a particular trade. The prioritisation of execution factors may therefore change depending on the unique circumstances of a particular trade.

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A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders.

The Firm does not have any close links or common ownership with respect to any approved broker and does not direct trades to any specific execution venue. The Firm may purchase research from approved brokers, or their affiliates, and did so during the period from (a) Cowen and Company LLC, which is affiliated to an approved broker, Cowen International Limited and (b) UBS AG London Branch, which is affiliated to an approved broker, UBS Investment Bank, and to the custodians of a number of clients. The Firm has two separate processes for assessing the performance of approved brokers and research providers.

A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.

The Firm's approved brokers are paid on the basis of pre-agreed commissions per transaction, and the Firm does not receive any discounts or rebates on these services. The Firm may on occasion receive short term market colour and related information from its approved brokers, and, in respect of Debt Instruments and Bonds, considers this essential information prior to instructing an approved broker to execute any trade.

An explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred.

During the period, UBS Investment Bank was added as an approved broker, as the Firm is looking to improve the liquidity and so likelihood of execution

An explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements.

All clients of the Firm are categorised as professional clients. Order execution does not differ according to any such categorisation of the Firm's clients. However, attention is drawn to the Best Execution Policy which draws a distinction between those clients who have a custodian which requires, or has agreed with the relevant client that only the custodian's own broker team is able to execute an order who have a custodian who requires us to trade with them, and those clients who have a custodian where we can trade with an approved broker.

An explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client.

The Firm does not have any retail clients, nor does it have permission to perform activities on behalf of Retail Clients.

An explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) 2017/575.

The Firm uses an external Transaction Cost Analysis ("TCA") provider to monitor the quality of execution and to provide the data contained in this report. However, it should be noted that TCA is just one of the ways the Firm assesses the quality of execution.

Where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

Not applicable.

DISCLOSURE TABLES

Equities

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Table 2 - Professional Clients					
Class of Instrument: Equities - Shares & Depositary Receipts	Equities (i) Tick size liquidity bands 5 and 6 (from 2000 trades per day)				
Notification if <1 average trade per business day in the previous year	N				
Top 5 Venues ranked in terms of volume (descending order)	Proportion of volume traded as a percentage of total in 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
213800UQVP2J3N33CS81 (Williams Trading Europe LLP)	87.70%	66.78%	N/A	N/A	0.00%
21380057FGLGM4J4MV84 (Cowen International Limited)	12.30%	33.22%	N/A	N/A	0.00%
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

Table 2 - Professional Clients					
Class of Instrument: Equities - Shares & Depositary Receipts	Equities (ii) Tick size liquidity bands 3 and 4 (80 to 1999 trades per day)				
Notification if <1 average trade per business day in the previous year	Y				
Top 5 Venues ranked in terms of volume (descending order)	Proportion of volume traded as a percentage of total in 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
213800UQVP2J3N33CS81 (Williams Trading Europe LLP)	85.55%	44.44%	N/A	N/A	0.00%
21380057FGLGM4J4MV84 (Cowen International Limited)	14.45%	55.56%	N/A	N/A	0.00%
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

Table 2 - Professional Clients					
Class of Instrument: Equities - Shares & Depositary Receipts	Equities (iii) Tick size liquidity bands 1 and 2 (0 to 79 trades per day)				
Notification if <1 average trade per business day in the previous year	Y				
Top 5 Venues ranked in terms of volume (descending order)	Proportion of volume traded as a percentage of total in 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
21380057FGLGM4J4MV84 (Cowen International Limited)	100.00%	100.00%	N/A	N/A	0.00%
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

DEBT INSTRUMENTS AND BONDS

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Table 2 - Professional Clients					
Class of Instrument: Debt Instruments - Bonds					
Notification if <1 average trade per business day in the previous year	Y				
Top 5 Venues ranked in terms of volume (descending order)	Proportion of volume traded as a percentage of total in 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
21380057FGLGM4J4MV84 (Cowen International Limited)	100.00%	100.00%	N/A	N/A	0.00%
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-