

RTS 28 Quality of Execution Annual Report

Davidson Kempner European Partners, LLP (“the Firm”) - 30th April 2021

Introduction

The recast Markets in Financial Instruments Directive and Regulation (together, “MiFID2”), and Regulatory Technical Standard (“RTS”) 28 ([Delegated Regulation \(EU\) 2017/576](#)), as implemented in the UK, require the Firm as a MiFID investment firm to publish on an annual basis:

- a list of their **top 5 execution venues** (including brokers) in terms of trading volumes for all executed client orders per class of **financial instruments** (reports are included in this report in accordance with requirements of RTS 28)¹;
- a list of their **top 5 execution venues** (including brokers) in terms of trading volumes for all executed client orders in **securities financing transactions** per class of financial instruments (report is included in this report in accordance with requirements of RTS 28)²;
- for each class of financial instrument, a summary of the analysis and conclusions they draw from their monitoring of the **quality of execution** obtained on execution venues (including brokers) where they executed all client orders in the previous year³.

This quality of execution report must be published on the Firm’s website in an electronic format available for downloading by the public and should be kept in the public domain for a minimum period of two years.

¹ Article 3(1) of [RTS 28](#)

² Article 3(2) of [RTS 28](#)

³ Article 3(3) of [RTS 28](#)

RTS 28 Quality of Execution Annual Report

Firm: *Davidson Kempner European Partners, LLP* (“the Firm”)
Calendar Year Disclosure Period: *1 January 2019 to 31 December 2020*
Date: *30 April 2021*

Summary of classes of instruments included in this report, and classes of instruments not included in this report (because the Firm has not executed client orders in that class of instruments):

The data for each financial instrument is contained in the quantitative report.

Classes of instruments included in this report	Classes of instruments not included in this report
<ul style="list-style-type: none">Equities, Contracts for Difference, Equity Derivatives, Currency Derivatives, Debt Instruments (Bonds), Securitised Derivatives (Warrants and Certificate Derivatives and Other Securitised Derivatives), Commodities Derivatives, Options and Futures admitted to trading on a trading venue and Other Commodities Derivatives), Credit Derivatives and Exchange Traded Products.	<ul style="list-style-type: none">Debt Instruments (Money Market Instruments), Structured Finance Instruments, Interest Rate Derivatives (Options and Futures admitted to trading on a trading venue), Emission Allowances and Other Instruments- e.g. units in funds.

Class of instrument	Equities – Indirect Execution	
General observations	The results are largely in line with expectations. Areas of trading cover Merger Arbitrage, Equity Long/Short, Distressed Investments and Convertible Bond hedging activity. We have included aggregated data followed by tick size data extrapolated from available ESMA data.	
	Summary of analysis	Conclusion
Execution factors	<p>The relative importance of the execution factors was determined by the following execution criteria:</p> <ul style="list-style-type: none"> • e.g. the characteristics of the Client, including the categorisation of the Client as professional; • the characteristics of the Client order, including where the order involves a securities financing transaction (“SFT”); • the characteristics of the financial instrument that are the subject of that order; and • the characteristics of the brokers and/or execution venues to which that order can be directed. 	The relative importance given to the execution factors for transactions for each strategy mentioned above was in line with the Firm’s Order Execution Policy.
Close links, conflicts of interest and common ownership with respect to execution venues	<p>Close links</p> <p>The Firm has the following close links with brokers that were used to execute orders:</p> <p>Davidson Kempner Capital Management LP (“DKCM”) indirectly owns over 75% of the economic interest in the Firm.</p> <p>Davidson Kempner Asia Limited (“DKAL”) is directly wholly owned by DKCM and DKAL and the Firm are affiliates under common control.</p>	<p>Close links</p> <p>These close links did not influence the Firm’s selection of DKCM or DKAL as a broker as the Firm followed its order execution and conflicts of interest policy.</p>
	<p>Conflicts of interest</p> <p>See close links section above</p>	<p>Conflicts of interest</p> <p>See close links section above</p>
	<p>Common ownerships</p> <p>See close links section above</p>	<p>Common ownerships</p> <p>See close links section above</p>
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	The Firm has no specific arrangements to report.	N/A

Factors leading to a change in the list of execution venues listed in the Order Execution Policy	The list of brokers listed in the Firm's Order Execution Policy was reviewed. There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.	N/A
Differentiation across client categories	N/A - The Firm's client is a professional client	N/A
Use of data / tools relating to quality of execution	The Firm has used data and/or tools relating to quality of execution for the period relating to this report using a Transaction Cost Analysis (TCA) and Best Execution tool from an external vendor.	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. The Firm has instead relied upon data from its TCA and Best Execution tool. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.	N/A.

Class of instrument	Contracts for Difference – Indirect Execution	
General observations	The results are largely in line with expectations. Areas of trading cover Merger Arbitrage, Equity Long/Short, Distressed Investments and Convertible Bond hedging activity. Transactions that are included within the CFD instrument class are often affected by the Firm seeking “indicative pricing” from an executing broker. If the indicative pricing is acceptable to the Firm, the executing broker then enters into a cash equity transaction with the relevant CFD counterparty and a corresponding CFD arises between the CFD/swap counterparty and the underlying fund or funds on whose behalf the Firm is acting. Although the pricing of the cash equities transaction influences the pricing of the related CFD/swap, the Firm has not included the indicative pricing activity conducted with executing brokers in the analysis of its top five execution venues above (or in the equities instrument class) because the Firm does not execute (or transmit or place orders that give rise to) such cash equities transactions. Instead, the Firm has, for the purposes of the CFD instrument class, counted only the CFD transactions to which the relevant funds are party (and has treated its involvement in effecting those transactions as a form of “direct” execution, with the consequence that it has categorised the relevant CFD counterparties as execution venues rather than brokers).	
	Summary of analysis	Conclusion
Execution factors	<p>The relative importance of the execution factors was determined by the following execution criteria:</p> <ul style="list-style-type: none"> • e.g. the characteristics of the Client, including the categorisation of the Client as professional; • the characteristics of the Client order, including where the order involves a securities financing transaction (“SFT”); • the characteristics of the financial instrument that are the subject of that order; and • the characteristics of the brokers and/or execution venues to which that order can be directed. 	The relative importance, including the financing rate, given to the execution factors for transactions was in line with the Firm’s Order Execution Policy.
Close links, conflicts of interest and common ownership with respect to execution venues	<p>Close links</p> <p>The Firm has the following close links with brokers that were used to execute orders:</p> <p>Davidson Kempner Capital Management LP (“DKCM”) indirectly owns over 75% of the economic interest in the Firm.</p> <p>Davidson Kempner Asia Limited (“DKAL”) is directly wholly owned by DKCM and DKAL and the Firm are affiliates under common control.</p>	<p>Close links</p> <p>These close links did not influence the Firm’s selection of DKCM or DKAL as a broker as the Firm followed its order execution and conflicts of interest policy.</p>
	<p>Conflicts of interest</p> <p>See close links section above</p>	<p>Conflicts of interest</p> <p>See close links section above</p>

	<p>Common ownerships</p> <p>See close links section above</p>	<p>Common ownerships</p> <p>See close links section above</p>
<p>Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received</p>	<p>The Firm has no specific arrangements to report.</p>	<p>N/A</p>
<p>Factors leading to a change in the list of execution venues listed in the Order Execution Policy</p>	<p>The list of brokers listed in the Firm's Order Execution Policy was reviewed. There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.</p>	<p>N/A</p>
<p>Differentiation across client categories</p>	<p>N/A - The Firm's client is a professional client</p>	<p>N/A</p>
<p>Use of data / tools relating to quality of execution</p>	<p>The Firm has used data and/or tools relating to quality of execution for the period relating to this report using a Transaction Cost Analysis (TCA) and Best Execution tool from an external vendor.</p>	<p>N/A</p>
<p>Use of consolidated tape provider output</p>	<p>The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. The Firm has instead relied upon data from its TCA and Best Execution tool. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.</p>	<p>N/A</p>

Class of instrument	Equity Derivatives – Direct Execution (i) Options and Futures admitted to trading on a trading venue (ii) Swaps and other equity derivatives	
General observations	The results are largely in line with expectations. Areas of trading covers Merger Arbitrage. The volume of trading in this financial instrument is low averaging less than 1 transaction per business day in 2020.	
	Summary of analysis	Conclusion
Execution factors	The relative importance of the execution factors was determined by the following execution criteria: <ul style="list-style-type: none"> • e.g. the characteristics of the Client, including the categorisation of the Client as professional; • the characteristics of the Client order, including where the order involves a securities financing transaction (“SFT”); • the characteristics of the financial instrument that are the subject of that order; and • the characteristics of the brokers and/or execution venues to which that order can be directed. 	The relative importance given to the execution factors for transactions for each strategy mentioned above was in line with the Firm’s Order Execution Policy.
Close links, conflicts of interest and common ownership with respect to execution venues	Close links The Firm has no close links to report.	Close links N/A
	Conflicts of interest The Firm has no conflicts of interest to report.	Conflicts of interest N/A
	Common ownerships The Firm has no common ownership to report.	Common ownerships N/A

<p>Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received</p>	<p>The Firm has no specific arrangements to report.</p>	<p>N/A</p>
<p>Factors leading to a change in the list of execution venues listed in the Order Execution Policy</p>	<p>The list of execution venues listed in the Firm's Order Execution Policy was reviewed. There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.</p>	<p>N/A</p>
<p>Differentiation across client categories</p>	<p>N/A - The Firm's client is a professional client</p>	<p>N/A</p>
<p>Use of data / tools relating to quality of execution</p>	<p>The Firm has not used data and/or tools relating to quality of execution for the period relating to this report.</p>	<p>N/A</p>
<p>Use of consolidated tape provider output</p>	<p>The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.</p>	<p>N/A</p>

Class of instrument	Currency Derivatives – Direct Execution	
	(i) Options and Futures admitted to trading on a trading venue (ii) Swaps and other equity derivatives	
General observations	The results are largely in line with expectations. This activity is primarily used to hedge market risk and covers all areas of trading conducted by the Firm.	
	Summary of analysis	Conclusion
Execution factors	<p>The relative importance of the execution factors was determined by the following execution criteria:</p> <ul style="list-style-type: none"> • e.g. the characteristics of the Client, including the categorisation of the Client as professional; • the characteristics of the Client order, including where the order involves a securities financing transaction (“SFT”); • the characteristics of the financial instrument that are the subject of that order; and • the characteristics of the brokers and/or execution venues to which that order can be directed. 	The relative importance given to the execution factors for transactions for each strategy mentioned above was in line with the Firm’s Order Execution Policy.
Close links, conflicts of interest and common ownership with respect to execution venues	<p>Close links</p> <p>The Firm has no close links to report.</p>	<p>Close links</p> <p>N/A</p>
	<p>Conflicts of interest</p> <p>The Firm has no conflicts of interest to report.</p>	<p>Conflicts of interest</p> <p>N/A</p>
	<p>Common ownerships</p> <p>The Firm has no common ownership to report.</p>	<p>Common ownerships</p> <p>N/A</p>
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	The Firm has no specific arrangements to report.	N/A

Factors leading to a change in the list of execution venues listed in the Order Execution Policy	The list of brokers listed in the Firm's Order Execution Policy was reviewed. There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.	N/A
Differentiation across client categories	N/A - The Firm's client is a professional client	N/A
Use of data / tools relating to quality of execution	The Firm has used data and/or tools relating to quality of execution for the period relating to this report using a Transaction Cost Analysis (TCA) and Best Execution tool from an external vendor.	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. The Firm has instead relied upon data from its TCA and Best Execution tool. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.	N/A

Class of instrument	Debt Instruments – Bonds – Direct Execution	
General observations	The results are largely in line with expectations. Areas of trading primarily cover Distressed Investments and Convertible Bond activity.	
	Summary of analysis	Conclusion

Execution factors	<p>The relative importance of the execution factors was determined by the following execution criteria:</p> <ul style="list-style-type: none"> • e.g. the characteristics of the Client, including the categorisation of the Client as professional; • the characteristics of the Client order, including where the order involves a securities financing transaction ("SFT"); • the characteristics of the financial instrument that are the subject of that order; and • the characteristics of the brokers and/or execution venues to which that order can be directed. 	<p>The relative importance given to the execution factors for transactions for each strategy mentioned above was in line with the Firm's Order Execution Policy.</p>
Close links, conflicts of interest and common ownership with respect to execution venues	<p>Close links</p> <p>The Firm has no close links to report.</p>	<p>Close links</p> <p>N/A</p>
	<p>Conflicts of interest</p> <p>The Firm has no conflicts of interest to report.</p>	<p>Conflicts of interest</p> <p>N/A</p>
	<p>Common ownerships</p> <p>The Firm has no common ownership to report.</p>	<p>Common ownerships</p> <p>N/A</p>
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	<p>The Firm has no specific arrangements to report.</p>	<p>N/A</p>
Factors leading to a change in the list of execution venues listed in the Order Execution Policy	<p>The list of brokers listed in the Firm's Order Execution Policy was reviewed. There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.</p>	<p>N/A</p>
Differentiation across client categories	<p>N/A - The Firm's client is a professional client</p>	<p>N/A</p>

Use of data / tools relating to quality of execution	The Firm has used data and/or tools relating to quality of execution for the period relating to this report using a Transaction Cost Analysis (TCA) and Best Execution tool from an external vendor.	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. The Firm has instead relied upon data from its TCA and Best Execution tool. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.	N/A

Class of instrument	Debt Instruments – Bonds – Indirect Execution	
General observations	The results are largely in line with expectations. Areas of trading cover Distressed Trading and Convertible Bond activity.	
	Summary of analysis	Conclusion
Execution factors	<p>The relative importance of the execution factors was determined by the following execution criteria:</p> <ul style="list-style-type: none"> • e.g. the characteristics of the Client, including the categorisation of the Client as professional; • the characteristics of the Client order, including where the order involves a securities financing transaction (“SFT”); • the characteristics of the financial instrument that are the subject of that order; and • the characteristics of the brokers and/or execution venues to which that order can be directed. 	The relative importance given to the execution factors for transactions for the strategy mentioned above was in line with the Firm’s Order Execution Policy as executed via an affiliate.
Close links, conflicts of interest and common ownership with respect to execution venues	<p>Close links</p> <p>The Firm has the following close links with brokers that were used to execute orders:</p> <ul style="list-style-type: none"> • Davidson Kempner Capital Management LP (“DKCM”) indirectly owns over 75% of the economic interest of the Firm. • Davidson Kempner Asia Limited (“DKAL”) is directly wholly owned by DKCM and DKAL and the Firm are affiliates under common control. 	<p>Close links</p> <p>These close links did not influence the Firm’s selection of DKCM or DKAL as a broker as the Firm followed its order execution and conflicts of interest policy.</p>
	<p>Conflicts of interest</p> <p>See close links section above</p>	<p>Conflicts of interest</p> <p>See close links section above</p>
	<p>Common ownerships</p> <p>See close links section above.</p>	<p>Common ownerships</p> <p>See close links section above</p>

<p>Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received</p>	<p>The Firm has no specific arrangements to report.</p>	<p>N/A</p>
<p>Factors leading to a change in the list of execution venues listed in the Order Execution Policy</p>	<p>The list of brokers listed in the Firm's Order Execution Policy was reviewed. There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.</p>	<p>N/A</p>
<p>Differentiation across client categories</p>	<p>N/A - The Firm's client is a professional client</p>	<p>N/A</p>
<p>Use of data / tools relating to quality of execution</p>	<p>The Firm has used data and/or tools relating to quality of execution for the period relating to this report using a Transaction Cost Analysis (TCA) and Best Execution tool from an external vendor.</p>	<p>N/A</p>
<p>Use of consolidated tape provider output</p>	<p>The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. The Firm has instead relied upon data from its TCA and Best Execution tool. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.</p>	<p>N/A</p>

Class of instrument	Securitised Derivatives (Warrants and Certificate Derivatives and Other securitised Derivatives)- Direct Execution	
General observations	The results are largely in line with expectations. Areas of trading primarily cover Merger Arbitrage, Distressed Investments and Convertible Bond Arbitrage activity. The volume of transactions was low averaging less than 1 transaction per business day in 2020 in each of the above financial instruments.	
	Summary of analysis	Conclusion
Execution factors	<p>The relative importance of the execution factors was determined by the following execution criteria:</p> <ul style="list-style-type: none"> • e.g. the characteristics of the Client, including the categorisation of the Client as professional; • the characteristics of the Client order, including where the order involves a securities financing transaction ("SFT"); • the characteristics of the financial instrument that are the subject of that order; and • the characteristics of the brokers and/or execution venues to which that order can be directed. 	The relative importance given to the execution factors for transactions for each strategy mentioned above was in line with the Firm's Order Execution Policy.
Close links, conflicts of interest and common ownership with respect to execution venues	<p>Close links</p> <p>The Firm has no close links to report.</p>	<p>Close links</p> <p>N/A</p>
	<p>Conflicts of interest</p> <p>The Firm has no conflicts of interest to report.</p>	<p>Conflicts of interest</p> <p>N/A</p>
	<p>Common ownerships</p> <p>The Firm has no common ownership to report.</p>	<p>Common ownerships</p> <p>N/A</p>
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	The Firm has no specific arrangements to report.	N/A

Factors leading to a change in the list of execution venues listed in the Order Execution Policy	The list of execution venues listed in the Firm's Order Execution Policy was reviewed. There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.	N/A
Differentiation across client categories	N/A - The Firm's client is a professional client	N/A
Use of data / tools relating to quality of execution	The Firm has not used data and/or tools relating to quality of execution for the period relating to this report.	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.	N/A

Class of instrument	Securitised Derivatives (Warrants and Certificate Derivatives and Other securitised Derivatives)- Indirect Execution	
General observations	The results are largely in line with expectations. Areas of trading primarily covers Convertible Bond Arbitrage activity. The volume of transactions was low averaging less than 1 transaction per business day in 2020 in each of the above financial instruments.	
	Summary of analysis	Conclusion
Execution factors	<p>The relative importance of the execution factors was determined by the following execution criteria:</p> <ul style="list-style-type: none"> • e.g. the characteristics of the Client, including the categorisation of the Client as professional; • the characteristics of the Client order, including where the order involves a securities financing transaction (“SFT”); • the characteristics of the financial instrument that are the subject of that order; and • the characteristics of the brokers and/or execution venues to which that order can be directed. 	The relative importance given to the execution factors for transactions for each strategy mentioned above was in line with the Firm’s Order Execution Policy.
Close links, conflicts of interest and common ownership with respect to execution venues	<p>Close links</p> <p>The Firm has the following close links with brokers that were used to execute orders:</p> <p>Davidson Kempner Asia Limited (“DKAL”) is directly wholly owned by Davidson Kempner Capital Management LP (“DKCM”) and DKAL and the Firm are affiliates under common control.</p>	<p>Close links</p> <p>These close links did not influence the Firm’s selection of DKAL as a broker as the Firm followed its order execution and conflicts of interest policy.</p>
	<p>Conflicts of interest</p> <p>See close links section above</p>	<p>Conflicts of interest</p> <p>See close links section above</p>
	<p>Common ownerships</p> <p>See close links section above</p>	<p>Common ownerships</p> <p>See close links section above</p>

<p>Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received</p>	<p>The Firm has no specific arrangements to report.</p>	<p>N/A</p>
<p>Factors leading to a change in the list of execution venues listed in the Order Execution Policy</p>	<p>The list of execution venues listed in the Firm's Order Execution Policy was reviewed.</p> <p>There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.</p>	<p>N/A</p>
<p>Differentiation across client categories</p>	<p>N/A - The Firm's client is a professional client</p>	<p>N/A</p>
<p>Use of data / tools relating to quality of execution</p>	<p>The Firm has not used data and/or tools relating to quality of execution for the period relating to this report.</p>	<p>N/A</p>
<p>Use of consolidated tape provider output</p>	<p>The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.</p>	<p>N/A</p>

Class of instrument	Commodities derivatives and emission allowance Derivatives – Direct Execution (i) Options and Futures admitted to trading on a trading venue (ii) Other commodities derivatives and emission allowances derivatives	
General observations	The results are largely in line with expectations. Areas of trading cover Merger Arbitrage and Distressed Investments activity. The volume of transactions was low averaging less than 1 transaction per business day in 2020 for the above financial instrument.	
	Summary of analysis	Conclusion
Execution factors	The relative importance of the execution factors was determined by the following execution criteria: <ul style="list-style-type: none"> • e.g. the characteristics of the Client, including the categorisation of the Client as professional; • the characteristics of the Client order, including where the order involves a securities financing transaction (“SFT”); • the characteristics of the financial instrument that are the subject of that order; and • the characteristics of the brokers and/or execution venues to which that order can be directed. 	The relative importance given to the execution factors for the strategy mentioned above was in line with the Firm’s Order Execution Policy. This financial instrument is primarily using for hedging activity.
Close links, conflicts of interest and common ownership with respect to execution venues	Close links The Firm has no close links to report.	Close links N/A
	Conflicts of interest The Firm has no conflicts of interest to report.	Conflicts of interest N/A
	Common ownerships The Firm has no common ownership to report.	Common ownerships N/A

<p>Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received</p>	<p>The Firm has no specific arrangements to report.</p>	<p>N/A</p>
<p>Factors leading to a change in the list of execution venues listed in the Order Execution Policy</p>	<p>The list of execution venues listed in the Firm's Order Execution Policy was reviewed.</p> <p>There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.</p>	<p>N/A</p>
<p>Differentiation across client categories</p>	<p>N/A - The Firm's client is a professional client</p>	<p>N/A</p>
<p>Use of data / tools relating to quality of execution</p>	<p>The Firm has not used data and/or tools relating to quality of execution for the period relating to this report.</p>	<p>N/A</p>
<p>Use of consolidated tape provider output</p>	<p>The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.</p>	<p>N/A</p>

Class of instrument	Credit Derivatives- Direct Execution	
General observations	The results are largely in line with expectations. Areas of trading primarily cover Distressed Investments and Convertible Bond Arbitrage activity. The volume of transactions was low averaging less than 1 transaction per business day in 2020 in each of the above financial instruments.	
	Summary of analysis	Conclusion
Execution factors	<p>The relative importance of the execution factors was determined by the following execution criteria:</p> <ul style="list-style-type: none"> • e.g. the characteristics of the Client, including the categorisation of the Client as professional; • the characteristics of the Client order, including where the order involves a securities financing transaction ("SFT"); • the characteristics of the financial instrument that are the subject of that order; and • the characteristics of the brokers and/or execution venues to which that order can be directed. 	The relative importance given to the execution factors for transactions for each strategy mentioned above was in line with the Firm's Order Execution Policy.
Close links, conflicts of interest and common ownership with respect to execution venues	<p>Close links</p> <p>N/A</p>	<p>Close links</p> <p>N/A</p>
	<p>Conflicts of interest</p> <p>The Firm has no conflicts of interest to report.</p>	<p>Conflicts of interest</p> <p>N/A</p>
	<p>Common ownerships</p> <p>The Firm has no common ownership to report.</p>	<p>Common ownerships</p> <p>N/A</p>
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	The Firm has no specific arrangements to report.	N/A

<p>Factors leading to a change in the list of execution venues listed in the Order Execution Policy</p>	<p>The list of execution venues listed in the Firm's Order Execution Policy was reviewed.</p> <p>There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.</p>	<p>N/A</p>
<p>Differentiation across client categories</p>	<p>N/A - The Firm's client is a professional client</p>	<p>N/A</p>
<p>Use of data / tools relating to quality of execution</p>	<p>The Firm has not used data and/or tools relating to quality of execution for the period relating to this report.</p>	<p>N/A</p>
<p>Use of consolidated tape provider output</p>	<p>The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.</p>	<p>N/A</p>

Class of instrument	Credit Derivatives - Indirect Execution	
General observations	The results are largely in line with expectations. Areas of trading primarily cover Distressed Investments and Convertible Bond Arbitrage activity. The volume of transactions was low averaging less than 1 transaction per business day in 2020 in each of the above financial instruments.	
	Summary of analysis	Conclusion
Execution factors	<p>The relative importance of the execution factors was determined by the following execution criteria:</p> <ul style="list-style-type: none"> e.g. the characteristics of the Client, including the categorisation of the Client as professional; the characteristics of the Client order, including where the order involves a securities financing transaction ("SFT"); the characteristics of the financial instrument that are the subject of that order; and the characteristics of the brokers and/or execution venues to which that order can be directed. 	The relative importance given to the execution factors for transactions for each strategy mentioned above was in line with the Firm's Order Execution Policy.
Close links, conflicts of interest and common ownership with respect to execution venues	<p>Close links</p> <p>The Firm has the following close links with brokers that were used to execute orders:</p> <ul style="list-style-type: none"> Davidson Kempner Asia Limited ("DKAL") is directly wholly owned by Davidson Kempner Capital Management LP ("DKCM") and DKAL and the Firm are affiliates under common control. 	<p>Close links</p> <p>These close links did not influence the Firm's selection of DKAL as a broker as the Firm followed its order execution and conflicts of interest policy.</p>
	<p>Conflicts of interest</p> <p>See close links section above</p>	<p>Conflicts of interest</p> <p>See close links section above</p>
	<p>Common ownerships</p> <p>See close links section above</p>	<p>Common ownerships</p> <p>See close links section above</p>

<p>Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received</p>	<p>The Firm has no specific arrangements to report.</p>	<p>N/A</p>
<p>Factors leading to a change in the list of execution venues listed in the Order Execution Policy</p>	<p>The list of execution venues listed in the Firm's Order Execution Policy was reviewed.</p> <p>There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.</p>	<p>N/A</p>
<p>Differentiation across client categories</p>	<p>N/A - The Firm's client is a professional client</p>	<p>N/A</p>
<p>Use of data / tools relating to quality of execution</p>	<p>The Firm has not used data and/or tools relating to quality of execution for the period relating to this report.</p>	<p>N/A</p>
<p>Use of consolidated tape provider output</p>	<p>The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.</p>	<p>N/A</p>

Class of instrument	Exchange Traded Products- Direct Execution	
General observations	The results are largely in line with expectations. Areas of trading primarily cover Merger Arbitrage activity. The volume of transactions was low averaging less than 1 transaction per business day in 2020 in each of the above financial instruments.	
	Summary of analysis	Conclusion
Execution factors	<p>The relative importance of the execution factors was determined by the following execution criteria:</p> <ul style="list-style-type: none"> • e.g. the characteristics of the Client, including the categorisation of the Client as professional; • the characteristics of the Client order, including where the order involves a securities financing transaction ("SFT"); • the characteristics of the financial instrument that are the subject of that order; and • the characteristics of the brokers and/or execution venues to which that order can be directed. 	The relative importance given to the execution factors for transactions for each strategy mentioned above was in line with the Firm's Order Execution Policy.
Close links, conflicts of interest and common ownership with respect to execution venues	<p>Close links</p> <p>The Firm has no close links to report.</p>	<p>Close links</p> <p>N/A</p>
	<p>Conflicts of interest</p> <p>The Firm has no conflicts of interest to report.</p>	<p>Conflicts of interest</p> <p>N/A</p>
	<p>Common ownerships</p> <p>The Firm has no common ownership to report.</p>	<p>Common ownerships</p> <p>N/A</p>
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	The Firm has no specific arrangements to report.	N/A

Factors leading to a change in the list of execution venues listed in the Order Execution Policy	<p>The list of execution venues listed in the Firm's Order Execution Policy was reviewed.</p> <p>There were no material changes to the list of execution venues/brokers in the Firm's Order Execution Policy.</p>	N/A
Differentiation across client categories	N/A - The Firm's client is a professional client	N/A
Use of data / tools relating to quality of execution	The Firm has not used data and/or tools relating to quality of execution for the period relating to this report.	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers for the period relating to this report due to the absence of products that would allow us to process and use the data effectively. However, for subsequent reports, the Firm intends to use output from consolidated tape providers going forwards when it is available via its purchase of an external vendor tool to monitor quality of execution.	N/A