



Summary of Research Policy

Introduction

Oriel Securities Limited ('Oriel Securities') is a corporate and institutional stockbroking and advisory firm. The ethos of our research department is to produce ideas driven, commercially focused, rigorous research in a timely fashion, to create value for our clients.

Definition and Designation of Research

We define research as the expression of investment opinion backed by detailed analysis of the issuer in question along with an assessment of the fundamental drivers of the market in which the issuer operates as well as its competitive strengths and weaknesses.

We do not hold out as 'impartial', and will designate as 'Connected', research on issuers where the analyst is aware of the existence of a contractual corporate broking and/or corporate finance relationship between Oriel Securities and the issuer. We will disclose this prominently on our research.

In all other cases where an analyst is unaware of the existence of a contractual corporate broking and/or corporate finance relationship (either due to the absence of such a relationship or as a result of the operation of our 'Chinese Walls' policy), Oriel Securities will hold out its research as 'impartial' and designate it as 'Unconnected'. For the avoidance of doubt, only material produced by the Oriel Securities research department will be held out as 'Unconnected'. We have established internal procedures in order to identify and manage the "grey areas" around these definitions i.e. where the analyst is aware that the Oriel Securities corporate department, which provides corporate finance and corporate broking services, is actively marketing to an issuer but has not as yet been appointed.

Research Recommendation Structure

Other than Equity Investment Funds research our research recommendation structure is based on our assessment of the performance of the shares on an absolute basis over the following six months:

Buy	an increase in price of greater than 10%
Add	an increase in price of greater than 5% but less than 10%
Hold	no material change in price
Reduce	a fall in price of greater than 5% but less than 10%
Sell	a fall in price of greater than 10%

In respect of Equity Investment Funds research, our research recommendation structure is driven by our assessment on a sector relative basis over the following six months:

Positive	positive view based on key factors
Neutral	neutral view based on key factors
Negative	negative view based on key factors

Our assessment is based on such key factors as the quality of management, performance record, structure (including leverage), portfolio diversification, dividend yield and discount / premium to net asset value.



Frequency of Issue and Disclosures

No formal timetable exists in relation to the frequency of issuing research reports. However, Oriel Securities is mindful of the need to ensure that investors are kept up to date with ongoing developments and recognises that this requirement might be greatest around the release of financial information on the part of the issuer. No announcement will be made on the discontinuation of coverage.

Oriel Securities may from time to time send analysts' models and/or draft research to issuers with a view to ensuring their factual accuracy. For the avoidance of doubt, the interpretation of such facts and the expression of opinion is a matter for Oriel Securities alone. To the extent that no material amendments are received from the issuer in question, no reference to the document having been sent to the issuer will be made. In circumstances where material amendments are made, the fact of such a change will be disclosed.

We shall disclose in respect of our research whether the contributing analyst and/or other employees who could reasonably be expected to have access to the substance of the research recommendation, including any connected parties as defined under our Personal Account dealing rules, has a shareholding in the subject of the research recommendation. We shall also disclose whether Oriel Securities holds shares in the issuer if this holding is deemed to be significant. We define significant as a holding of 5% or greater of the issuer's outstanding share capital and/or a holding whose value, to be taken as the carrying value, is greater than 10 per cent of Oriel Securities' net assets as per the latest set of audited accounts.

We will publish, on a quarterly basis, the percentage of our coverage universe falling into each classification within our research recommendation structures. We will also undertake the same exercise in respect of those issuers within each structure that we designate as 'Connected'. For the purposes of this exercise, we include both the Official List as well as shares traded on AIM.

Supervision and remuneration of analysts

The management of the research department is the preserve of the Head of Research who reports directly to the Head of Equities, being a member of the Board of Oriel Securities. Research analysts are remunerated by a combination of fixed salaries and discretionary bonuses. The Head of Research determines the allocation of bonuses within the research department, based on their assessment of individuals' performance against the benchmark for the research department. Whilst this allocation is made in conjunction with the wider management of the firm and the final allocation agreed by the Board of Oriel Securities, analysts' remuneration is not directly linked to specific investment banking transactions of the firm or any affiliated company. However, the central bonus pool is dependent on the firm's performance as a whole, including the performance of the corporate department, which provides corporate finance and corporate broking services.

Further information

Should you wish for further details of our procedures please contact our Compliance Officer on 020 7710 7600.