Instinet Europe applies for FCA registration as a Payment Institution

LONDON – March 16, 2015 – Driven by customer demand, Instinet Europe Limited (Instinet) today announced its application as a Payment Institution with the Financial Conduct Authority (FCA).

Instinet's designation as a Payment Institution will enable it to offer a new segregated cash management and payment service solution to clients who have chosen to operate a hard dollar 'research payment account.'

The service is a highly complementary addition to Instinet's existing Commission Management business, having seen Commission Sharing Arrangement (CSA) balances double year on year, and hit a new record high in February 2015. The payment service solution will give clients long term optionality, continuity and stability as they navigate the evolving regulatory landscape.

"Instinet's CSA platform remains a core part of our business in Europe, and we have experienced significant growth in this area in recent years. We lead by the quality of our Commission Management services, as well as our ability to provide clients with long-term, cost-effective solutions. Applying to become an authorized Payment Institution, enables Instinet to offer our clients the flexibility to choose a solution that works best for them," said Adam Toms, CEO of Instinet Europe Limited.

Instinet is at the forefront of innovation, providing clients with Commission Management solutions, to effectively manage their investment research payments through CSAs. With heightened regulatory focus on the consumption and payment of those services, some asset managers are seeking alternative mechanisms to pay for the investment research they consume. As a Payment Institution, Instinet will appeal to firms who may choose to use their own resources, or more commonly, the assets of the underlying investors through direct fund charges, to pay for investment research.

Subject to FCA approval, the new registration will support firms looking to outsource the cash management and payment administration of that model to an experienced provider.

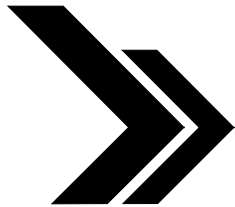-ENDS-

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About Instinet
As the equity execution services arm of the Nomura Group, Instinet Incorporated's subsidiaries provide independent, agency-only brokerage services to clients throughout the world. Through its advanced suite of electronic trading tools, experienced high-touch trading group and unparalleled access to insightful content and unique agency-only liquidity, Instinet helps institutions lower overall trading costs and ultimately improve

investment performance. Over the course of its 40+ year history, Instinet has introduced a range of now industry-standard trading technologies as well as the world's first major electronic trading venue, one of the first U.S. ECNs and, most recently, the Chi-X businesses. For more information, please visit instinet.com.