

# BEST EXECUTION POLICY

## INTRODUCTION

Last update: November 2015

### **This procedure refers to**

- The CSSF circular CSSF 07/307 (MIFID) as amended by Circulars 13/560, 13/568, 14/585
- The law of 12/07/2013 (AIFMD law)
- The Delegated Regulation n° 231/2013 of 19/12/2012, supplementing the directive 2011/61/EU

### **Objectives:**

The Company established, implemented and maintains an appropriate and documented best execution policy, which determines how it acts in the Client's best interests when placing or sending orders as part of the discretionary management and fund management services.

The policy will be regularly updated in order to reflect changes in business, laws and regulations. The review is at least annual

### **Scope**

This Policy applies both to the provision discretionary portfolio management services and to the management of investment funds.

In the case of discretionary management, this policy applies to both private and professional Clients, with the specific features indicated below.

The Company is not investing or trading its own funds on markets.

### **Outlined procedures:**

1. The general principles and context
2. Execution of decisions to deal
3. The specific client instructions

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### 1. THE GENERAL PRINCIPLES AND CONTEXT

- a. The Company does not execute orders** resulting from investment decisions relating to the portfolios under management, the orders are sent to custodian or brokers for execution.

In this context, the Company is taking all reasonable measures to select entities that will deliver the best possible result for the Client.

As a general principle, the Company is only selecting entities that are subject to MIFID and that have their own best execution policy for orders.

Accordingly, the Company established a broker selection policy and a custodian selection policy.

- b. The Company is placing orders with other entities for execution**

Two cases:

1. there is no choice of different execution venues, the other entity must:
  - ➔ demonstrate that there is no choice of different execution venues
  - hold an evidence of the analysis
2. there is a possible choice:
  - ➔ the below process (section 2.2.) is applicable to the other entity

- c. The Company has an obligation of means**, and cannot guarantee that each individual order will be executed under the best possible conditions.

### 2. EXECUTION OF A TRANSACTION

Two cases:

1. there is no choice of different execution venues
  - ➔ demonstrate that there is no choice of different execution venues
  - ➔ hold an evidence of the analysis
2. there is a possible choice:
  - ➔ The Company is taking all reasonable steps to obtain the best possible result for the Funds they manage or the investors in these Funds, taking into account:
    - price
    - costs
    - speed
    - likelihood of execution and settlement
    - size
    - nature
    - or any other consideration relevant to the execution of the order

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**Knowing that the relative importance of such factors shall be determined by reference to the following criteria:**

- (a) the objectives, investment policy and risks specific to the Fund
- (b) the characteristics of the order
- (c) the characteristics of the financial instruments or other assets that are the subject of that order
- (d) the characteristics of the execution venues to which that order can be directed
- (e) the market information available at the time of the execution

Knowing that for each class of instruments, the entities with which the orders may be placed are validated by the management of the Company, as described in the Broker and Prime Broker Selection Policy

➔ hold an evidence that the orders were executed in accordance with this execution policy

### 3. THE SPECIFIC CLIENT INSTRUCTIONS

#### a. **Specific client instructions in the fund management activity**

The will of a fund investment manager to use a broker that has not been approved in accordance with the Company's selection procedure:

- may prevent the Company from executing its obligation to act in the Fund's best interests
- is therefore subject to the Company's prior approval (due diligence required)

#### b. **Specific client instructions in the discretionary management activity**

The Company is not accepting specific client instruction in the context of discretionary management activity