

Order Management and Best Execution Policy - EXTERNAL

global investment management

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1 Purpose and Scope

Momentum Global Investment Management Limited ("**Momentum GIM**") is required to make the following disclosures regarding UK regulatory requirements, as modified by the second Markets in Financial Instruments Directive ("**MiFID II**").

1.1 Regulatory Status

Momentum GIM is authorised and regulated by the Financial Conduct Authority (the "FCA"), whose head office is at 12 Endeavour Square, London, E20 1JN.

1.2 Customer Categorisation

Momentum GIM will treat its clients as Professional Clients pursuant to the FCA rules. Clients have the right to request to be treated as a Retail Client; however, it is the firm's general policy to refuse any such request, save in special cases as determined in the sole discretion of senior management.

2 Order Execution Policy

Momentum GIM manages and deals in investments as agent on behalf of its clients. The firm does not execute orders on a principal-to-client basis or act as an execution venue. Momentum GIM has established and implemented transaction execution arrangements that are designed to allow the firm to take all reasonable steps to obtain the best possible result when executing or placing orders as investment manager on behalf of its clients. In providing best execution to clients, the firm's policy is to review each type of instrument separately. Section six below sets out the criteria applied to the selection process of venues and counterparties.

Momentum GIM's multi-manager agreements require it to select sub-investment managers ("**SIMs**") to manage its client assets in accordance with an agreed investment mandate. In this arrangement, Momentum GIM acts as a portfolio manager and does not directly execute trades in client assets. Nevertheless, Momentum GIM takes all reasonable steps to obtain the best possible result for its clients.

When contracting with SIMs domiciled in the EU, Momentum GIM seeks classification as a Professional Client to ensure that the duty to provide best execution is applied by the SIM. For non-EU SIMs, Momentum GIM will, where possible, seek terms to ensure a duty to provide best execution equivalent to EU requirements. When selecting SIMs, the overall interest of our clients remains the primary consideration.

As part of its due diligence process of collective investment schemes, Momentum GIM will assess the duty of best execution for potential investee funds. Although it will not seek to enforce any changes to the best execution policy of investee funds, the firm will take into account the quality of best execution offered when deciding whether or not the fund is a suitable investment.

In any instance where the firm's Dealing Desk receives an instruction to execute transactions in the same instrument for more than one client, the transactions will be aggregated where possible. Should the transactions not be executed in full, the executions will be allocated to clients in proportion to the size of their intended transactions. Save where orders are required to be aggregated or there are delays in being able to trade a transaction, orders will be executed in the order received and/or with the objective that the transaction is completed as soon as reasonably possible.

3 Specific Instructions

Where Momentum GIM is provided with a specific client instruction in relation to a proposed transaction, the firm will effect that transaction in accordance with those instructions if it is practical to do so. Specific instructions may prevent Momentum GIM from following some or all of the steps provided for within this Policy which is designed to obtain the best possible result for the client. In following such instructions, Momentum GIM will be deemed to have taken all reasonable steps to provide the best possible result in respect of the transaction.

4 Recording of Communications

We will record telephone communications or conversations between Momentum GIM and clients in connection with transactions in financial instruments whether or not they result in a transaction. We can provide details of the recordings to you on request and will retain such records for up to five years.

5 Selection of Execution Venues

Momentum GIM will select execution venues with the aim of obtaining the best possible result in relation to transactions. The firm may use one or more of the following venue types:

- Regulated Markets
- Multilateral Trading Facilities
- Organised Trading Facilities
- Systematic Internalisers
- Market Makers
- Third party investment firms; and/or
- Non-EU entities performing similar functions.

For the purposes of this Policy, “Multilateral Trading Facility”, “Organised Trading Facility” and “Systematic Internalisers” have the meaning given to them in MiFID II and FCA Rules.

5.1 List of Execution Venues

Execution Venue	Equities	Exchange Traded Products	Other Instruments
Alvarium Securities	x		
Bank of America			x
Bridport			x
Brown Brothers Harriman			x
Canaccord Genuity	x	x	
Cantor Fitzgerald	x		
Cenkos	x		
Citi			x
Flow Traders		x	
Goodbody	x		
Hobart Capital	x	x	
Investec	x		
Jane Street			x
Jefferies	x	x	x
JP Morgan	x		x
Liberum	x		
Mitsubishi			x
N+1 Singer	x		
Numis Securities	x		
Olivetree Financial	x		
Optiver		x	
Panmure Gordon	x		
Peel Hunt	x		
Shore Capital	x		
Stifel Nicolaus Europe	x		
Toronto Dominion			x
Unit Trust Managers (UTMs)- various			x
Winterflood Securities	x	x	
Zeus	x		

6 The Quality of Execution

In addition to the above factors, where Momentum GIM effects a transaction for a client, subject to any specific instructions received from the client, the firm will take all sufficient steps to obtain the best possible result for clients, giving consideration to all execution factors listed below and taking into account: the circumstances of the client, the nature of the order, the characteristics of the financial instrument and any other relevant external factors, including the execution venues to which the order can be directed. The relative importance of each execution factor may vary for each trade.

Order type

Will determine which combination of the

Price

Will often be the main factor, along with likelihood of execution. Price means the net price i.e., including charges levied by the execution venue (see below).

Cost

There is often a charge levied by execution venues for handling execution orders, usually in the form of a commission i.e., brokerage. Momentum GIM seeks to minimise these execution costs, but only to the extent that it does not impact the level of service provided by the execution venue. The cost of using an execution venue will vary, depending on the service being provided and the characteristics of the financial instrument.

Size

Depends on the circumstances of the client. Will influence the appropriate execution strategy and likely speed of execution.

Speed

Depends on the circumstances of the client and the time at which the order is placed e.g., the number of trading hours remaining before the market close but will typically be subordinate to price. Prioritising speed could be detrimental to price.

Settlement

The likelihood of settlement being achieved and efficiency with which the venue delivers trade confirmations to Momentum GIM.

Likelihood of execution

This will be the main consideration, along with price and is influenced by the size of the order being executed, choice of execution venue and external factors, such as the prevailing market environment.

Type of order

Depending on the type of order, it will determine which type of execution will be appropriate in delivering best execution.

- price;

- cost of the transaction;
- the need for timely execution;
- the liquidity of the market;
- the size of the order; and
- the nature of the financial transaction (including whether the instrument is listed on a regulated market, or if it is traded over the counter).

In the absence of any other specifically agreed arrangements, Momentum GIM will exercise its own discretion in determining the factors that should be considered for the purpose of providing "best execution".

While Momentum GIM will take all reasonable steps to satisfy itself that it has processes in place for the delivery of the best possible result, the firm does not guarantee that it will always be able to obtain the best possible result in relation to each transaction.

This Policy does not intend to place fiduciary or other duties or responsibilities upon Momentum GIM over and above the specific obligations provided for in the Investment Management Agreement between the firm and the client, unless otherwise contracted between us, Momentum GIM will always act in what it believes to be the best interest of its clients, regardless of its own or any third-party interests.

7. Direct Private Investments

Momentum GIM would be unlikely to invest in private market transactions directly due to the liquidity constraints imposed on private investments. Typically, the locked-up nature of private capital transactions, make them unsuitable for MGIM's clients/funds who would require more liquidity than that offered by these type of investments, which may include but is not limited to private equity, private debt and private infrastructure and property.

Even if MGIM was investing in these markets on behalf of their clients/funds, their very nature means that there is only one vendor and one price at which the investment can be purchased, and that price is usually calculated on a, forward looking basis and not known in advance of placing a trade. As such it is not possible to apply a best ex policy to direct private market transactions as there are not multiple vendors/counterparties. Private market exposure can still be achieved through the purchase of listed vehicles offering exposure (such as investment trusts). Where these vehicles are purchased on exchange then previously detailed best ex policy would apply in the same way as it would for listed public equities.

6.1 Sub-Investment Manager Accounts & Collective Investments

Momentum GIM is the investment manager of several multi-manager products and allocates the majority of client funds to either SIMs via segregated accounts, or directly in collective investment schemes, which include hedge funds and unlisted private equity funds.

Momentum GIM's investee funds are manager traded. There is generally no alternative to trading directly with the scheme operator when an investment is made or redeemed, and the firm is offered a uniform price based on the collective net asset value of the underlying assets. The price of investee funds received by the firm is uniform, and thus the best available price in the circumstances. Momentum GIM assumes no responsibility or obligation to enter into any rebate or fee-sharing agreement with any fund or fund manager for the benefit of a client, nor does it represent that it will procure a particular level of rebate or fee-share for the client, save that Momentum GIM will where it does receive such rebate or fee-share always pass on and confer such benefit to the client.

MGIM will take practical steps to reduce the chance of incurring an anti-dilution levy (ADL) although ADL thresholds, where applicable, are fund specific, may change daily and are not usually known in advance. As such no guarantee can be given that an ADL will be avoided. Consideration will be given to the client's circumstances and the current market environment'

Initial charges may also be applied. In determining whether it is in the interest of clients to pay an initial charge, Momentum GIM will review alternative means of exposure, the client's circumstances and the likely holding period of the investment. MGIM have not paid an initial charge on any existing holdings at the time of writing.

Momentum will always explore whether it is possible to invest in the lowest fee share class available.

Where financial instruments are exchange-traded, a comparative price is readily available, and Momentum GIM will continue to utilise price as the primary determining factor in establishing execution quality for its clients.

6.2 Listed/Quoted Fixed Income Securities

In respect of Fixed Income securities, Momentum GIM will generally use price as the determining factor when selecting a brokerage or execution venue. The factors referred to in Sections Five and Six will be of secondary consideration. If the firm's Dealing Desk opts to deviate from this approach, it will for reasons in its opinion be of the client's interest and will document the reason for doing so.

6.3 Exchange Traded Instruments

Where financial instruments are exchange-traded, a comparative price is readily available, and Momentum GIM will continue to utilise price as the primary determining factor in establishing execution quality for its clients.

6.4 Derivative Instruments

Momentum GIM may utilise exchange-traded derivatives as part of efficient portfolio management (EPM), where mandates permit their use, including the implementation of asset allocation overlay.

6.4.1 Over-the-counter Traded Instruments

Alternative prices are not always available for more complex OTC securities, which makes it difficult to make price comparisons. Due to the onerous process of pricing and structuring a complex bipartite derivative agreement, obtaining alternative counterparty prices is not always practical when there is no confirmed intention to place the trade with a particular counterparty. Trading counterparties on the sell-side are reluctant to quote one-off prices, or alternatively are likely to offer expensive prices to discourage using up their traders' time.

For more complex OTC securities which have no prices for direct comparison, Momentum GIM will deviate from a primarily price focussed approach and will place greater emphasis on other factors when selecting the trading counterparty. These may include (but are not limited to):

- the credit worthiness of the counterparty
- quality of legal documentation for ISDA/ISMA purposes
- speed and reliability in resolving documentation issues
- collateral management and frequency of mismatch
- margin terms; and
- the administrative efficiency of the middle and back-office staff

6.4.2 Foreign Exchange Instruments

Momentum GIM places Foreign Exchange transactions via FXALL. FXALL is an electronic market/exchange place that is FCA regulated, SAS 70 certified, PwC audited and MiFID-compliant, with a verified continuity of business plan. Momentum GIM is able to request quotes from a number of counterparties that have been approved and then trade at the most favourable price.

For administrative purposes, Some fund trades are placed with a single FX counterparty, Northern Trust (NT), JPMorgan (JPM) or Butterfield Bank (BBG). Momentum GIM staff review NT's reports, which detail the quality of their prices against the market levels received via the "mgimops" e-mail address. Momentum GIM also trades FX hedges via FXALL

The firm believes that the above approaches are entirely appropriate to achieving the best interests of our clients.

6.5 **Off Exchange Transactions**

Index straddle contracts are available on exchange, however the relevant Momentum GIM dealer reserves the right to execute them off exchange (i.e., OTC), if the strike price offered on the exchange traded contract is less favourable.

Momentum GIM will seek and retain written client consents to execute client orders off the exchange for securities listed on regulated markets.

6.6 **Listed Equities (including Investment Trusts)**

Momentum GIM will employ a combination of three execution strategies when selecting venues to execute orders in equities on behalf of clients.

7.6.1 Natural Liquidity

Firstly Momentum GIM will assess whether there is "natural liquidity" available, and if beneficial to trade some or all of the order.

If one of the execution venues is actively bidding/offering shares, then Momentum GIM will make an enquiry with that execution venue. Ahead of that enquiry, Momentum GIM will reference the current market bid/offer price and bid/offer size. A judgement will be made as to what price will represent the best possible result for the client, taking into account historical liquidity, any recent financial instrument specific news flow, the current market environment, and the size of the order, as well as the client's circumstances e.g., how important speed is as an execution factor.

7.6.2 Worked Order

Second execution strategy, if there is no or limited "natural liquidity" available and Momentum GIM does not wish to obtain a "risk quote" (see below).

Momentum GIM will review which execution venues have historically participated in the most volume of traded shares in the financial instrument in question. The execution venue that has historically participated in the most volume of shares traded will typically be selected first to "work the order", with prescribed volume and or price limit constraints.

If insufficient progress is made over a reasonable amount of time, then Momentum GIM will consider using additional execution venues. Explicit execution charges will be considered when selecting another execution venue but is likely to be a relatively unimportant execution factor, as Momentum GIM has negotiated similar terms with the execution venues with which Momentum GIM has formal agreements.

7.6.3 Risk Quote

First execution strategy if speed is an especially important execution factor, otherwise it will be the third execution strategy employed. The importance of speed as an execution factor will be influenced by the client's circumstances, Momentum GIM's judgement with respect to how attractive the prevailing market price is and how vulnerable Momentum GIM judge the price to changing quickly.

Several "risk quotes" may be obtained, to ensure that all sufficient steps are being taken to obtain the best possible result for the client, however, it might not always be in the client's interest to advertise demand or supply of an equity to several execution venues simultaneously or in quick succession. This may especially



be the case for equities with low levels of liquidity. Momentum GIM will not always reveal its direction or full size when obtaining risk quotes.

Risk quotes will be reviewed, considering the size of the order and referencing the current market bid/offer price, the bid/offer size, the historical liquidity of the financial instrument, any financial instrument specific news flow and the current market environment. It may be the case that a “risk quote” can only be obtained for part of the order.

6.7 Direct Private Investments

Momentum GIM would be unlikely to invest in private market transactions directly due to the liquidity constraints imposed on private investments. Typically the locked up nature of private capital transactions make them unsuitable for MGIM’s clients/funds who would require more liquidity than that offered by these type of investments, which may include but is not limited to private equity, private debt and private infrastructure and property.

Even if MGIM was investing in these markets on behalf of their clients/funds, their very nature means that there is only one vendor and one price at which the investment can be purchased, and that price is usually calculated on a forward looking basis and not known in advance of placing a trade. As such it is not possible to apply a best ex policy to direct private market transactions as there are not multiple vendors/counterparties. Private market exposure can still be achieved through the purchase of listed vehicles offering exposure (such as investment trusts). Where these vehicles are purchased on exchange then previously detailed best ex policy would apply in the same way as it would for listed public equities.