

Order Management and Best Execution Policy

global investment management

Version

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Table of contents

1	Purpose and Scope	4
1.1	Regulatory Status	4
1.2	Customer Categorisation.....	4
2	Order Execution Policy	4
3	Specific Instructions.....	4
4	Selection of Execution Venues	5
5	The Quality of Execution.....	5
6	Process for Delivering Best Execution.....	6
6.1	Sub-Investment Manager Accounts & Collective Investments.....	6
6.2	Listed/Quoted Fixed Income Securities.....	6
6.3	Exchange Traded Instruments	6
6.4	Derivative Instruments.....	6
6.4.1	Over-the-counter Traded Instruments.....	7
6.4.2	Foreign Exchange Instruments	7
6.5	Off Exchange Transactions	7
6.6	Listed Equities (including Investment Trusts).....	7
6.7	Direct Private Equity Investments.....	8

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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 possible.

3 Specific Instructions

Where Momentum GIM is provided with a specific client instruction in relation to a proposed transaction, the firm will affect 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 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.

In addition to the above factors, when selecting the most appropriate venues or counterparties to execute client orders, Momentum GIM will assess (amongst any other important considerations):

- the client’s best interests in terms of executing the client’s order(s) under an advisory or discretionary mandate;
- the ability of the venue to manage complex orders;
- the speed and reliability of execution;
- the creditworthiness of the counterparty; and
- the quality of any related clearing and settlement facilities.

5 The Quality of Execution

Where Momentum GIM effects a transaction for a client, subject to any specific instructions received from the client, the firm will determine the best possible result taking the following, and other significant factors, into account:

- 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 taken into account 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.

6 Process for Delivering Best Execution

As an institutional investment manager, Momentum GIM does not generally transact with Retail Clients, nor does it engage with clients categorised as Eligible Counterparties, as described in the FCA Rules. All current clients of Momentum GIM are Professional Clients and for the purposes of this document it is assumed that all recipients of this policy are Professional Clients. The firm contracts with third party brokers and dealers so that Momentum GIM is always classified as a Professional Client rather than an Eligible Counterparty (in respect of all its trading relationships) in order to preserve maximum regulatory protection for our clients.

Momentum GIM considers both the investment activity and the type of financial instrument traded to achieve the best possible result for its clients. Clients should note that Momentum GIM receives no services or soft incentives for its own benefit through initiatives or other commission arrangements and does not receive for itself any form of commission or recompense as a reward for directing brokerage on client assets towards any broking entity, counterparty or execution venue.

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.

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. The factors referred to in Section Five 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 utilises various exchange-traded derivatives in the implementation of the 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 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.

The relative importance of each factor will be determined by the Head of Fixed Income Desk, or any other nominated CF30 investment manager.

6.4.2 Foreign Exchange Instruments

Momentum GIM places Luxembourg SICAV 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, ICC fund trades which are not related to hedging are placed with a single FX counterparty, Brown Brothers Harriman (BBH); this is done using Infomediary, their propriety internet based system. Momentum GIM staff review BBH's reports, which detail the quality of their prices against the market levels received via the "mgimops" e-mail address. Momentum GIM trades the hedge trades via FXALL as per the Luxembourg SICAV-SIFs set out above.

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)

When placing a trade with client assets in listed equities, including investment trusts and REIT's traded on the secondary market, Momentum GIM will use a broker, price generally being the determining factor. The factors referred to in Section Five will be of secondary consideration.

However, CF30 dealers within the Momentum GIM Operations team may choose to deviate from this approach in certain instances but will document their reasoning on a case by case basis.

6.7 Direct Private Equity Investments

Momentum GIM is not required to adhere to best execution for investments made by private placement with the operator of a private equity partnership.