



Best Execution and Client Order Handling Policy

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Applicable to	<ul style="list-style-type: none"> • IFPIM • The Members of the Board IFPIM • All professionals acting for or on behalf of IFPIM
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Definitions

- “**IFPIM**” or “**the IFM**” or “**the Company**” means IFP Investment Management S.A.
- “**IFM**” means Investment Fund Manager
- “**UCITS Management Company**” means an IFM authorised to manage UCITS
- “**UCI**” means Undertaking for Collective Investment
- “**Board**” means Board of Directors of IFPIM
- “**Board Members**” means the Members of the Board of Directors of IFPIM
- “**CSSF**” means Commission for the Supervision of the Financial Sector (*Commission de Surveillance du Secteur Financier*), the competent authority for the supervision of the financial sector in Luxembourg
- “**Conducting Officers**” means the members of Senior Management
- “**Senior Management**” means the means the persons who effectively conduct the business
- “**Executive Committee**” means the committee composed of the members of Senior Management of IFPIM
- of the IFM on a day to day basis
- “**Internal Control Functions**” collectively refers to:
 - o The Permanent Risk Management Function
 - o The Compliance Function
 - o The Internal Audit Function
- “**Employee**” means employee (a member of staff) or secondee
- “**Professionals**” means employee (a member of staff) or secondee, Board member or Senior Manager

Introduction to IFPIM

IFPIM is authorised as:

- A Management Company authorised under Chapter 15 of the Law of 17 December 2010;
- Discretionary wealth management;
- Investment advice.

IFPIM is authorised to:

- Manage UCITS and Mutual Funds, i.e. perform the activities of:
 - o Portfolio management;
 - o Fund administration;
 - o Marketing and distribution;
- Provide the following services:
 - o Wealth management services:
 - Discretionary portfolio management on a customer-by-customer basis;
 - Investment advice;

Scope

IFPIM's Best Execution and Client Order Handling Policy (the "Policy") applies to the execution of transactions on behalf of the following Entities/clients:

- funds collectively managed by IFPIM;
- both retail and professional clients for individual portfolio management of IFPIM;
- both retail and professional clients for investment advice of IFPIM;

This Policy applies to all financial instruments for which IFPIM executes transactions on behalf of its clients, including, but not limited to:

- equity;
- bonds;
- money market instruments;
- units in collective investment undertakings;
- listed and unlisted derivatives.
- and similar instruments

This Policy will apply in the absence of any specific instructions by the client.

Purpose of the Policy

The purpose of the Best Execution and Client Order Handling policy is to ensure that IFPIM executes client orders on terms that are most favourable to the client.

When providing portfolio management services, IFPIM will ensure the wealth managers always act in the best interests of the investors when choosing a broker for the purpose of executing financial transactions on behalf of IFPIM.

Regulatory Framework

a. International framework

- Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU
- Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive

The UCITS Directive requires management companies to act in the best interest of a UCITS they manage when:

- a) executing decisions to deal on behalf of the UCITS in the context of the management of their portfolios.
- b) placing orders to deal on behalf of the managed UCITS with other entities for execution, in the context of the management of their portfolios.

b. Luxembourg framework

- Law of 5 April 1993 on the financial sector, as amended
- Law of 17 December 2010 concerning undertakings for collective investment
- Law of 30 May 2018 on markets in financial instruments
- Grand-Ducal Regulation 30 May 2018 on the protection of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits
- CSSF Regulation 10-04 transposing Commission Directive 2010/43/EU of 1 July 2010 implementing the UCITS Directive as regards organisational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a depositary and a Management Company
- CSSF Circular 07/307 (as amended by Circulars CSSF 13/560, CSSF 13/568 and 14/585) on MiFID: Conduct of business rules in the financial sector
- CSSF Circular 18/698 on the authorisation and organisation of investment fund managers incorporated under Luxembourg law and specific provisions on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the activity of registrar agent

Best Execution

a. General Provision

When IFPIM executes an order on behalf of a client, it will take all reasonable steps to achieve best execution.

In general, IFPIM will take into account the following factors to achieve best execution:

- price;
- costs;
- speed;
- likelihood of execution and settlement;
- size, nature or any other relevant consideration;
- reputation and professionalism of the intermediary;
- market impact.

For determining the relative importance of each of those factors, IFPIM will take into account the following criteria:

- the characteristics of the client:
 - o For clients for discretionary management, this includes their categorization as retail or professional;
 - o For funds, this includes the objectives, investment policy and risks specific to the fund, as indicated in the prospectus or as the case may be in the fund rules or articles of association of the fund;
- the characteristics of the client order;
- the characteristics of the financial instruments involved;
- the characteristics of the execution venue to which the order can be directed.

b. Specific provisions

When IFPIM executes an order on behalf of a retail client, it will determine the best execution by considering the price of the financial instrument and the costs related to the execution. These costs will include all expenses, incurred by the client, which are directly related to the execution of the order.

When there is more than one competing venue to execute an order, the commissions and costs - on behalf of the client - of IFPIM for executing the order on each of the eligible execution venues, will be taken into account in the assessment of the best execution.

c. Specific client instructions

When the client gives specific instructions (i.e. when the client fixes one factor of his order like price or time for instance, this order will be considered as been given under specific instructions) relating to the execution of an order, for example the indication of an execution venue, IFPIM will handle that order in accordance with this specific instruction.

Whenever IFPIM executes an order or a specific aspect of an order following specific instructions from the client, for example the indication of an execution venue, IFPIM will be

deemed to have taken all reasonable steps to obtain best execution for all other factors of the order and has consequently fulfilled all legal obligations concerning best execution vis-à-vis said client.

Clients should, however, take into account that any specific instruction may prevent IFPIM from taking the steps that it has designed and implemented to obtain the best possible result for the execution of those orders in respect of the elements covered by those orders.

Order Execution

An execution venue is a regulated market, a multilateral trading facility ("MTF"), a systematic internaliser, a market maker or another liquidity provider or an entity that performs a similar function in a non-European Economic Community country to the functions performed by any of the aforementioned.

When placing orders for execution, IFPIM will handle the order by transmitting it to a counterparty, and will determine the execution venue. IFPIM will ensure that the counterparty has proper arrangements in place that enable IFPIM to comply with this Policy.

Orders can be executed outside a regulated market or MTF.

a. Selection criteria of the execution venues

- IFPIM selects the execution venue in order to deliver the best execution possible to clients
- IFPIM qualitatively selects the execution venue in order to get liquidity, good clearing, and have a good service in the execution.
- IFPIM regularly reviews the execution venues to make sure they respect high standard of transparency in the execution.

The execution venues for orders in Equities or similar instruments (non-exhaustive list and subject to possible modifications) are:

- Euronext Paris, Euronext Amsterdam,
- Copenhaguen-Nasdaq-OMX, Stockholm-Nasdaq-OMX
- Oslo-Oslo Exchange
- Frankfurt-Xetra
- Milano-Borsa italiana
- London-London Stock Exchange
- US-Nasdaq; S&P500

The execution venues for orders in bonds or similar instrument are:

- Luxembourg
- Switzerland

Broker selection is undertaken with reference to the following criteria:

b. Selection process of the execution venues and of the brokers is undertaken with reference to the following process:

- Reputation and reliability
- Good access to the market considered
- Overall costs that are related to the quality of the execution
- Good system for execution
- Good settlement and capacity to react in case of error
- Supervised by local authority

Non-exhaustive list of brokers and subject to possible modifications:

For Equities or similar products:

- Jefferies, London
- Carnegie, Stockholm
- Cowen, London
- Baader Bank, Germany

For Bonds or similar products:

- BCEE, Luxembourg
- BDL, Luxembourg
- Binck Bank, Belgium
- Interactive Brokers, London
- I.F.P. Intermoney Financial Products S.A., Switzerland

Client Order Handling

a. General provision

IFPIM promptly and accurately receives and allocates orders executed on behalf of clients.

IFPIM carries out comparable client orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable or the interests of the clients require otherwise.

IFPIM transmits client orders to various recognized counterparties on a "first come, first served" basis. If possible, IFPIM aspires to keep the time for the handling of orders to a minimum. After checking orders for consistency and consequently applying the four-eye principle, they are immediately placed at a selected counterparty. IFPIM monitors this to the extent of the instruments at its disposal.

IFPIM will inform clients of any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

b. Allocation and aggregation of orders

IFPIM will only carry out a client order in aggregation with another client order when it is unlikely that the aggregation of orders and transactions will work to the disadvantage of any client whose order is aggregated.

Aggregated orders have significant benefits for the client, the main benefit being the lower cost. IFPIM will only aggregate client orders if they are initiated with the same set of execution instructions, if they are initiated on the same day and if they will follow the exact same order chain.

If an aggregated order is partially executed, the order will be settled for the different clients on a pro rata basis, according to the contribution made to the aggregated order. The order management system of IFPIM only permits pro rata allocation whenever an aggregated order is partially executed.

Review and Monitoring

The principles of this Policy are incorporated in the organization, processes and systems of IFPIM.

Periodical ex-post monitoring on the application of the principles is performed with a view to identifying and, where appropriate, correcting any deficiencies.

IFPIM reviews the Best Execution and Client Order Handling Policy, at least, on a yearly basis and updates it whenever necessary.

Updates may occur in case of (non-exhaustive list):

- changes in legislation;
- changes in business activities of IFPIM or services provided by IFPIM;
- organizational changes within IFPIM;
- new internal rules, procedures or policies within IFPIM.

If a client requires more information on this Policy or any other aspect of best execution, the client may contact IFPIM.