

**Hilltop Fund Management LLP**  
(the “Firm”)

**BEST EXECUTION POLICY – client summary**

When providing portfolio management services, the Firm is required to comply with the obligation to act in accordance with the best interests of its Clients when placing orders with other entities for execution (“best execution”).

Best execution involves the Firm taking all sufficient steps to obtain the best possible result for the clients’ transaction. This result can be measured by a number of execution factors though for retail clients it is defined in terms of “total consideration”, comprising of price, costs (including execution venue fees), clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. Costs may be excluded, however, that are attributable to differences in the nature of the services that the Firm provides to its Clients.

**The Firm’s Typical Dealing Arrangements for Different Types of Investment**

The Firm typically instruct trades in **Collective Investment Schemes** in addition to **Foreign Exchange** in the form of spot and/or FX forwards in connection with hedging such positions for Client portfolios and an **OTC** option in connection with enlarging exposure to a product managed by the Firm for a Client. The Firm typically does not trade other types of financial instrument. The Firm does not instruct trades in Equities or Bonds.

**Collective Investment Schemes**

The Firm has no choice of execution venue and trading is done at NAV. Trades are not executed on regulated execution venues. The Firm will usually trade direct with the Fund Manager and/or the service providers of a Scheme on terms available to any permitted subscriber. Occasionally the Firm may be able to negotiate terms not generally available, though in the substantial majority of cases will secure only standard terms. It might not be possible or suitable (for example per a given Client mandate) for the Firm to instruct trades on non-standard terms even if available. Transaction costs are pre-agreed with service providers and re-negotiated where possible.

**Foreign Exchange (FX)**

The FX market is wholly over the counter and off exchange across all FX products. Under normal market conditions, the Firm will generally execute with a primary FX counterparty electronically for FX forwards and telephonically for spot FX. The Firm reviews publically available spot pricing when instructing forwards and periodically reviews comparative pricing via sample historic trades analysis seeking best execution – on the basis of which, mindful of other execution factors, the Firm may add or change providers.

**Over the Counter Products (OTC)**

OTC products are products that are traded other than on a formal exchange (for example structured products or FX). Over the counter products are dealt either directly between the Firm and its Client, or may be sourced via a third party. The order routing process will depend firstly on the execution factors. Further issues that may affect the order process include the following:

- For bespoke, highly negotiated transactions or for those which may be original trading ideas or for which the Firm has a duty of confidentiality to the originating firm, the Firm will route such orders exclusively to the originating firm since there will be no other available market liquidity within a reasonable timeframe; and

- For some more standardised products, the Firm will usually select and price poll from a shortlist of dealing counterparties identified by the Firm to be among the most competitive in the field concerned.

The Firm uses a single counterparty set up by its Client with regard to OTC trades for a bespoke product and has no discretion to select from more than one venue.

### **Execution Factors**

Subject to any specific instructions given by its Client(s), when placing orders on their behalf, the Firm will take all sufficient steps to obtain the best possible result for them by taking into account the following execution factors as applicable:

- Price;
- Costs;
- Speed;
- Likelihood of execution;
- Settlement;
- Order size;
- Nature;
- Venue; and
- Any other relevant consideration(s).

The Firm does not need to obtain the best possible results for its Clients on every single occasion; rather it will verify on an ongoing basis that the execution arrangements it has established work well throughout the different stages of the order execution process. The Firm will take all appropriate remedial actions if any deficiencies are detected to achieve the best possible results for its Clients on an ongoing basis.

Best execution applies to all financial instrument types, although execution factors should be considered and applied as appropriate to different instruments depending on their relative importance. In the majority of cases, the Firm would typically expect that the most significant issue to be taken into account will be the total consideration to be paid or received. However, there will be occasions when one or more of the other factors listed above may be more important or relevant and, as discretionary managers, the Firm may use its judgement and experience to give greater prominence to these other than price on occasion as applicable.

The Firm's client order handling procedures require that the relative importance of execution factors are always assessed and the execution of trades can be evidenced as being consistent with its defined priority of the relevant execution factors.

The Firm will only handle orders for Professional clients.

The Firm does not have close links with any Execution Venue nor common ownership.

### **Execution Venues**

Primarily, brokers and venues or counterparties are selected based on their ability to meet the best execution factors listed above as applicable. The lists of venues and counterparties to be used will be updated from time to time depending on the nature of any changes to the type of investments which the Firm manages and in the light of experience. From time to time, the Firm may use execution venues or counterparties that are not included on the list where it deems this to be appropriate in order to be able to continue to meet its obligation to obtain the best possible results for its Client(s).

In order to act in the best interests of its Clients, the Firm will periodically assess the market landscape to determine whether or not there are alternative venues that the Firm could use for its Clients. Any specific client instructions may prevent the Firm from obtaining the best possible result for the client.

Where the Firm executes orders outside a trading venue, other risks such as counterparty risk arise. The Firm seeks to mitigate this risk by instructing trades with counterparties on whom it has performed due diligence to establish, in the Firm's judgement, sufficient financial strength and quality of operational processes and controls.

The Firm instructs trades in underlying investment funds (Other instruments) with the indicated entities listed below being counterparties executing an order on behalf of the Firm for the benefit of its' Client. Where the Firm deals in FX forwards or structured finance instruments it executes with the entities listed below acting as counterparty to the transaction.

The below tables lists the execution venue / counterparty for each class of financial instrument the Firm places significant reliance on for execution.

<b>MiFID Financial Instrument Class</b>	<b>Counterparty / Execution Venue</b>
Other instruments	<b>RBC Investor Services Bank S.A.</b> LEI - 549300IVXKQHV607PY61 Type: Custodial Bank  <b>RBC Investor Services Ireland Ltd</b> LEI - 549300SCM0CLLTRZE394 Type: Administrator  <b>Hilltop Funds Master ICAV</b> LEI - 635400H4FWTQ6DRWNZ87 Type: Counterparty  <b>Royal Bank of Canada (Channel Islands) Ltd</b> LEI - 0LC1OXN013FUKQASJB58 Type: Custodial Bank
Swaps, forwards and other currency derivatives	<b>Royal Bank of Canada</b> LEI -- ES7IP3U3RHIGC71XBU11 Type: Counterparty Bank
Structured finance instruments	<b>Royal Bank of Canada</b> LEI -- ES7IP3U3RHIGC71XBU11 Type: Counterparty Bank

**A Single Execution Venue**

The Firm may select only one execution venue to execute client orders in a given class of financial instrument where it is able to demonstrate that such a choice enables it to consistently achieve the best results for its Clients.

**Routing Orders**

The Firm does not accept remuneration, discount or any non-monetary benefit for the decision to route client orders to a particular trading or execution venue.

**Reporting**

The Firm will publish reports on an annual basis of the top five investment firms in terms of trading volumes where it transmitted or placed client orders for execution in the preceding year and the information on the quality of execution obtained and take account of that information and the information published by execution venues on execution quality in their policies on best execution.

**Additional Information**

Where a client makes reasonable and proportionate requests for information about its policies or arrangements and how they are reviewed to an investment firm, that investment firm shall answer clearly and within a reasonable time.

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