

ORDER EXECUTION POLICY (“OEP”)

1. Introduction

This policy statement outlines the processes applied by Prytania Investment Advisors LLP (“Prytania” or the “Firm”) when executing orders and making recommendations to deal for portfolios.

The Firm is authorised and regulated by the Financial Conduct Authority (“FCA”). The Firm undertakes discretionary portfolio management for a range of clients, with a mixture of strategies and its permissions enable it to advise on investments, arrange deals in investments, deal in investments as agent, make arrangements with a view to transactions in investments and manage investments. In addition, the Firm also has the permission to manage unauthorised AIFs as the result of the implementation of Alternative Investment Fund Managers Directive (“AIFMD”).

As a discretionary portfolio manager, the Firm makes the decisions to deal and subsequently either transmits or actually executes these decisions on behalf of its clients.

The Firm is an investment firm and as a result of the above permissions and activities undertaken, it falls under the Market in Financial Instruments Directive (“MiFID”) and AIFMD. Investment firms are required to ensure that they take all reasonable steps to deliver the best possible result when executing orders on behalf of clients, taking into account the Execution Factors. In relation to the Firm’s MiFID Best Execution obligations, the requirements are set out in the FCA Handbook under COBS 11.2. Under Article 28 of AIFMR the Firm is required to act in the best interest of the AIFs it manages or the investors in the AIF when placing orders to deal with other entities for execution. Article 28 (2) of AIFMR requires the Firm to have in place a policy that details how the Firm complies with this obligation.

It should be noted that this Policy applies to both the Firm’s AIFM and non-AIFM business in all cases, unless otherwise specified. The term “Firm” should be deemed to apply to the Firm in its capacity as an AIFM as well as an investment manager to funds, which are not subject to AIFMD, and managed accounts.

When providing the service of portfolio management, the Firm will always act in the best interests of its clients when placing orders with other entities for execution. Those orders result from decisions by the Firm to deal in financial instruments on behalf of its clients.

Best Execution is a multi-faceted process covering all types of financial instruments. In order to meet the requirements the Firm is required to take all reasonable steps to ensure that the Best Execution obligation will be applied in a manner that takes into account the different circumstances associated with the execution of orders as they relate to particular types of financial instruments. Best Execution will further take into account qualitative issues such as perceived liquidity and future market price volatility in order to judge the appropriateness of such investment in relation to the stated objectives of a fund or AIF.

2. Purpose

As required by FCA regulations, the Firm has developed this Order Execution Policy (“OEP”) setting out the arrangements that the Firm has in place to comply with its Best Execution obligation.

3. Obligation

All personnel of the Firm with the authority and/or responsibility to place orders must ensure that, in placing orders, they always act in the best interests of each client. Generally this will be met by following the approach set out in this policy unless there is a demonstrable reason why adherence to the policy may result in a sub-optimal trade. In the event of employing such an alternative approach, the individual must record and report the circumstances to the Compliance Officer. In so far as the Firm receives specific instructions from a client in relation to a transaction for a managed account or “fund of one”, those instructions will supersede the OEP. Client orders must be received in writing prior to execution, or, where suitable authorities held, taken verbally and confirmed in writing as soon as possible thereafter. Execution of such an order must comply with the client instructions and, where not covered by the client’s instructions, with this OEP as appropriate in the context of the client’s instructions.

4. Limited Application

Given the nature of the securities generally traded by the Firm, it is often the case that the financial instrument to be traded may only be traded via a single counterparty / broker. In these circumstances, the OEP may have limited scope.

5. Execution Factors

When executing an order, the Firm will take into account both quantitative and qualitative factors. These include, but are not limited to:

- Asset availability (purchase only);
- Price;
- Broker/Counterparty’s relevant expertise related to specific instruments traded;
- Speed of execution;
- Transaction costs, including fees and commissions;
- Ability to execute and certainty of settlement;
- Size of the order;
- Nature of the order;
- Market impact; and
- Other considerations relevant to the order, such as client’s existing positions and market demand.

Differing precedence can be given to these and other factors in the trading process, dependent on the individual situation.

6. Execution Criteria

When executing a client order, the Firm must take into account the following criteria for determining the relative importance of the Execution Factors:

- The characteristics of the client / fund;
- The characteristics of the client order;
- The characteristics of the financial instruments that are the subject of that order; and
- The characteristics of the execution venues to which that order can be directed.

7. Use of Brokers / Counterparties

Currently all financial instruments traded by the Firm are traded “Over the Counter” or “OTC”, a term used to describe instruments traded via a dealer network as opposed to a centralised exchange.

In order to deliver Best Execution, the Firm keeps as broad a range of market counterparties as possible whilst simultaneously ensuring that each counterparty is of acceptable overall risk through an internal approval process. Further, this OEP limits the firm to executing orders with parties that are regulated and monitored by the financial regulators in the OECD.

Despite having a relatively large number of counterparties, the uniqueness of each security can limit our ability to utilise a competitive tender process to ensure Best Execution and therefore factors other than price may have a significant influence over the order execution and selection of counterparty(ies).

8. Client Consent

The Firm is required by the regulations to obtain the consent of each client to our OEP. Unless the client advises us to the contrary, we will deem that consent to have been provided as a result of an investment into any fund or managed account under the control of the Firm.

9. Evidence of Best Execution

We are obliged by the FCA rules to be able to demonstrate to our clients, at their request, that we have executed transactions in accordance with this OEP. It is therefore essential that transaction records provide adequate details for this purpose.

10. Pooled Orders

Orders on behalf of several clients and/or funds and/or AIFs may be aggregated as a block order, however only to the extent that this represents a benefit to all clients involved. Upon execution of block orders, principles of fair allocation will apply.

11. Trading between clients and/or funds and/or AIFs

Trades between AIFs and/or funds and/or managed accounts must meet Best Execution requirements for all legs of the trade.

No direct trading with or between any funds managed by the Firm is permitted and must be executed with an approved market counterparty at the market price.

12. Changes to this OEP

The disclosure to our clients, continuous implementation and regular review of this OEP is our obligation under MiFID and relevant legislation in England and Wales.

In line with FCA requirements and with Article 28 (3) of AIFMR, we will monitor on a regular basis the execution quality of our brokers and the effectiveness of our arrangements. In particular the quality of execution provided by our counterparties will be considered. Where the monitoring reveals the need for any changes or enhancements to be made, these will be implemented as appropriate.



This OEP will be reviewed at least annually by the Firm's ExCo and any recommended changes must be approved by its Audit & Risk Committee. Whenever deemed necessary, the policy will be updated.

In the event that the Firm amends this OEP in such a way as to bring about a material change, it is the responsibility of the Compliance Officer to ensure that we notify all investors and clients of that change. A material change is one where its disclosure is necessary to enable you to make a properly informed decision about whether to continue utilising our services. Immaterial changes will not be the subject of a notification.

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