

8AM Global LLP – Best Execution Policy 2019

1. Introduction

In accordance with the best execution obligations under FCA COBS 11.2, 8AM Global LLP will take all reasonable steps to obtain the best possible result when executing orders. 8AM Global does not have retail permissions and does not accept purchase or sale orders from members of the public. All reference to dealing and Best Execution, therefore, is with regard to 8AM Global's fund range.

8AM is not involved in high levels of dealing on stock markets. The majority of investment is into third party funds. On average 1 ½ trades are placed each week. The bulk of these trades carry a limit price. Speed, accuracy and cost are important. Our existing (deliberately) small panel of brokers is sufficient for our needs.

2. Scope

This policy applies to dealing in respect of all relevant Financial Instruments defined under MiFID including equities, bonds, derivatives and money market instruments. However, in practice, all deals are placed on behalf of sub-funds of the 8AM Global's Investment Funds only, and currently include equities, ETFs and a limited number of bonds only.

3. Execution Criteria

The following execution criteria will be considered to ensure the best outcome for the order including the characteristics of:

- the Financial Instrument involved
- the Execution Venues to which the order can be directed

4. Execution Factors (by instrument)

Using the criteria above, our dealers will determine the relative importance of the following executing factors based on commercial market experience and judgement using relevant market information available at the time:

- price;
- costs; (commission etc.)
- size;
- speed;
- likelihood of execution and settlement;
- nature or any other consideration relevant to the execution of a particular order

Equities/ETFs/Bonds

In general, price and costs will be the predominant factors. However, the dealer will establish with the fund manager the rationale behind the trade in order to ascertain the relative importance of the executions factors in order to determine the best trading strategy. In general, these factors will include required speed of completion, price sensitivity, whether the manager is a complete or partial seller of a holding, the liquidity of the stock, whether its in reaction to flow or market or stock news which could impact the direction or volatility of the price or liquidity.

5. Execution Venues

Under the definition, Execution Venue includes a regulated market, a Multi-Trading Facility (MTF), a systematic internaliser or a market maker or other liquidity provider. We assess the Execution Venues available to identify those that will enable us to obtain the best possible result for executing client orders on a consistent basis. In selecting the most appropriate venues for the purpose of executing client orders, we will take into account the criteria and factors relevant to the order as detailed above.

Since 8AM Global is not a direct member of Regulated Market or MTF, we tend to use third party participants to execute client orders that we transmit. For the purposes of this policy, 8AM Global has classified our Approved Brokers as a 'venue' since the majority of client orders will be transmitted through approved brokers who will either execute on a regulated market or act as market maker / internaliser. We have classified the most significant venues based on volumes of transactions executed (see Appendix 1).

An alternative venue source involves Direct Market Access (DMA) routes such as crossing networks and liquidity pooling vehicles which can allow execution of trades to provide best outcome in illiquid stocks or minimises market impact through anonymity.

The choice of venue or broker will be determined by reaction to natural flow, whether the broker is an 'official' broker to the issuer or has recently made recommendations in relation to a particular stock and their risk appetite. The dealer will consider all visible costs such as price and commission and will also consider any hidden costs from market or price impact, implementation shortfall costs, financing costs and also whether it would be advantageous to package a number of single stocks into a basket or portfolio trade to take advantage of price and operational efficiencies.

We do not structure dealing commissions in a way that would discriminate between the potential execution venues.

6. General Terms of order handling

Our general procedures for order handling are set out in accordance with FCA Dealing and Managing rules and ensure timely and fair allocation of orders. Orders are executed sequentially as instructed by the Fund Manager or if prevailing market conditions require otherwise. Orders can be carried out in aggregation with other orders if it is likely that relevant aggregation of orders will work overall to the advantage of any deal.

7. Monitoring

We will monitor the adherence to and effectiveness of our execution policy and arrangements and assess on a regular basis whether the best possible result has been achieved from using the Execution Venues selected. This will be reviewed quarterly by the Investment Committee.

Each trade is monitored by the dealers to check if limits have been met. Each month a selection of trades is made and checked against prevailing prices.

8. Review

We will review the execution policy and order management arrangements at least annually. We will also notify our clients of any material changes to our execution policy / arrangements.

Appendix 1

Equities

- Sun Hung Kai Financial (Previously North Square Blue Oak)
- Stifel