

Best Execution and Client Order Handling Policy

Introduction and Purpose

Gate Capital is required to act honestly, fairly, and professionally in accordance with the best interest of clients when providing investment services.

The Best Execution and Client Order Handling Policy sets out how Gate Capital will ensure that all reasonable steps are taken to obtain best possible result for all clients and that their orders are handled in a fair, just, and timely manner.

Definition

Best execution is the obligation on a firm to take all reasonable steps to obtain the best possible result when executing client orders or placing orders with other entities to execute. There are a number of execution factors to consider when delivering best execution including price, cost, speed, likelihood of execution and settlement, size, and nature of the order.

Application

This Best Execution and Client Order Handling Policy applies to Gate Capital when executing client orders or placing orders with (or transmitting orders to) other entities for execution.

This Best Execution and Client Order Handling Policy applies to all financial instruments for which Gate Capital carries out orders on behalf of its clients. The Best Execution and Order Handling policy will not apply to the extent Gate Capital follows specific instructions from a client when executing client orders or placing an order with, or transmitting an order to, another entity for execution.

Gate Capital has used the four-fold cumulative test to help determine whether the client legitimately relies on us to provide best execution. The tests are:

- Which party initiates the transaction
- Questions of market practice and the existence of a convention to shop around.
- The relative levels of price transparency within a market.
- The information provided by a firm and any agreement reached.

However, Gate Capital will always seek to provide our clients with the best possible result in respect of each trade.

Policy – Best Execution

General Obligation

The best execution obligation requires Gate Capital to ‘take reasonable steps to achieve the best possible result on a consistent basis’ rather than in every case.

Execution Factors

Gate Capital is required to assess best execution by taking into account the “execution factors” which include price, costs, speed, likelihood of execution and settlement, order size, execution

reliability of executing broker, nature, or any other consideration relevant to the execution of the order.

Gate Capital is required to exercise judgement in the best interests of its clients given their diverse needs and requirements and is required to take into account several criteria to determine the relative importance of the execution factors:

the characteristics of the client, including the categorisation of the client as retail or professional;

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.

Gate Capital is responsible for assessing the relative importance of the execution factors in light of these criteria and this may result in a range of different permissible approaches to executing client orders.

Brokers and Execution Venues

A list of approved brokers is kept on the GATEway system. The list is regularly reviewed and subject to change as set out in this Policy. The following outlines Gate Capital's approach to selecting counterparties.

Placing Orders with Brokers

In choosing a broker from the approved list, Gate Capital has taken care to select those Brokers that, in Gate Capital's view, consistently provide a high-quality execution service in relation to that type of investment instrument. Where Gate Capital places an order with a Broker, Gate Capital is not responsible for controlling or influencing the arrangements made by the Broker relating to the execution of that order (e.g., Gate Capital does not control the Broker's choice of execution venues, such as exchanges, multilateral trading facilities or internal dealing facilities). Gate Capital is not required to duplicate the efforts of the Broker to whom an order is passed in ensuring the best possible result. Gate Capital's obligations are therefore to ensure that the Brokers included in this policy are the ones who will assist it to comply with its best execution obligations (by delivering the best possible result) and that orders are passed to those Brokers in accordance with the policy.

Direct Execution of Decisions to Deal

In the case of transactions that Gate Capital itself executes directly on behalf of clients, the Execution Venues on or with which it executes those transactions. The Execution Venues identified must at least include those that enable Gate Capital to obtain on a consistent basis the best possible result for the execution of client orders.

Where Gate Capital is dealing with brokers on a request for quote basis, and orders are not placed with the broker for execution, then the counterparty is classified as an "Execution Venue." In choosing the Execution Venues for a particular Instrument Class, Gate Capital has taken care to select those Execution Venues that, in Gate Capital's view, enable it to obtain on a consistent basis the best possible results for its clients.

Executing/Placing Orders with Execution venues/Brokers that are not on the approved list

Gate Capital employees must not place orders with a Broker that has not been approved unless there are exceptional circumstances. Any execution of a transaction with an Execution Venue or placing of an order with a Broker that falls outside the approved list must be pre-approved by the Chief Operating Officer, or in their absence a director of the firm.

Best Execution Considerations for Each Instrument Class

Gate Capital's assessment of the relative importance of the execution factors in relation to decisions to deal in each Instrument Class is detailed in the table Appendix A. This policy differentiates between each of the separate categories of financial instrument where Gate Capital's clients invest.

Client notification/consent requirements

Gate Capital has an obligation to provide its clients with appropriate information on this policy. To comply with this obligation, Gate Capital has sent its clients a summary of this policy. To the extent that Gate Capital effects direct executions on behalf of a portfolio management client, it will also have an obligation to obtain the client's consent to this policy.

To the extent that Gate Capital makes any material changes to this policy (whether pursuant to the review process or otherwise), it is obliged to notify the changes to its clients. Compliance will ensure that such notifications are made.