

Architas Multi-Manager Limited & Architas Advisory Services Limited (“Architas”, “AMML”, “AASL”)

Summary of our Order Execution Policy (January 2020)

Contents

1. Introduction	2
2. Architas Financial Instrument Trading	2
3. Client Order Handling Principles	3
4. Trading methods	3
5. Execution Factors	4
6. Consideration of Execution Factors by Instrument Type	4
7. Broker selection	8
8. Access to and allocation of Initial Public Offerings (“IPOs”)	8
9. Aggregation of Orders	9
10. Trade Allocation	9
11. Receipt of Benefits	9
12. Delegate Investment Managers	9
13. “Second line” Execution Monitoring	10
14. Ongoing Assessment of Delegates	11
15. Disclosures and reporting to clients	11
16. Glossary of Terms used in this document	12

1. Introduction

Please note that terms written in **bold italics** are defined in a Glossary in Section 5.

1.1. Purpose and Scope

The purpose of this document is to outline the approach Architas Multi-Manager Limited and Architas Advisory Services Limited ("Architas", "AMML", "AASL", "we", "us") adopt to ensure sufficient steps are taken to obtain the best possible results ("best **execution**") for our clients (which includes the **funds** we manage) when trading **financial instruments** on their behalf.

The document briefly summarises the nature of trading in **financial instruments** carried out by Architas and other firms acting on our behalf ("our **agents**") and then outlines our policies governing this trading.

This policy covers all trades in **financial instruments** that Architas carries out for clients, including those where:

- We, or our appointed **agent, execute** a trade on behalf of our clients directly with an **execution** venue;
- we or our appointed **agent, place** with, or transmit an order to, another entity for **execution**; or
- we have delegated investment management to a third party (a "sub-manager") who **executes** or **places** orders on our behalf under that mandate.

2. Architas Financial Instrument Trading

2.1. Financial Instrument Types

The scope of **financial instrument** types invested in by Architas **Investment team** on behalf of its clients is limited to the following:

- **Listed instruments**, such as **Investment Trusts**;
- **Exchange Traded Funds ('ETF's)**; and
- **Unlisted collective investment schemes ("CIS")**

2.2. Delegation of **placement** and execution:

Architas **places** its orders in **instruments** with certain third parties who provide **execution** services or who **place** Architas' orders with other parties for **execution**. The particular third party that Architas uses is determined by the **instrument** type, as follows:

Instrument Type	Delegate
Investment Trusts	Northern Trust Securities LLP (NTS LLP)
Exchange Traded Funds (ETFs)	Northern Trust Securities LLP
Unlisted CIS	State Street Bank and Trust Co, BNP Securities Services (Luxembourg and Paris), Vidacos Nominees Ltd

2.3. Delegation of Investment Management

In certain circumstances Architas may elect to delegate investment management to a third party.

Where Architas delegates to third party firms, these firms may **execute** orders in a wider range of **financial instruments** (for example equities, bonds and derivatives) compared to the **instrument** types used directly by the Architas **Investment team**. In such circumstances, the third party firm will handle and **execute** or **place** orders in accordance with its own **execution** policy (including [aggregation/allocation](#) of orders). Such **execution** is overseen as part of our Operational Due Diligence on such third party firms.

3. Client Order Handling Principles

When carrying out client orders (including portfolio trades on behalf of Architas **funds** we manage):

- Orders executed on behalf of clients should be promptly and accurately recorded and allocated; and
- Otherwise comparable orders should be carried out sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the client require otherwise.

We aim to prevent the misuse of information relating to client orders by the application of insider trading and personal account dealing procedures.

4. Trading methods

4.1. Order Types

There are various different ways in which trades in financial instruments may be executed. Methods used by Architas are listed below:

4.1.1. Unlisted collective investment schemes - From the Manager

Shares or units in **unlisted collective investment schemes** may only be purchased through the fund manager, or their appointed **registrar**, at the published price and at the official valuation point of the fund.

4.1.2. ETFs and Investment Trusts

ETFs and **Investment Trusts** are usually traded on "markets" (stock exchanges or other, usually electronic 'venues') where buyers and sellers agree, usually through a broker, on the details of the trade. For such trades, the exact time of the deal, the price obtained and the arrangements for settlement can vary according to a fairly complicated set of factors.

We or **NTS LLP** may interact with a broker in different ways: so the broker may trade with us either as **agent** or as [principal](#). A broker acts as **agent** when it **executes** orders for us by interacting directly on order books of other investment firms / stock exchanges and when it [crosses](#) stock from other clients of the broker and us (e.g. Architas may be selling a particular **instrument** which another client of the broker is buying).

We or **NTS LLP** can place deals on markets in a number of different ways. Sometime we will leave the choice of approach to **NTS LLP** sometimes we may direct them to trade in a particular ways, for example:

- [At market](#) price;
- Via a “[Request for Quote](#)” ([RFQ](#)) system;
- At [market closing price](#);
- By ‘[working an order](#)’;

The Glossary to the document sets out more information about these methods of trading.

From time to time, shares may come available directly from the ‘issuer’ via an [initial public offering \(IPO\)](#) or a [secondary offering](#).

5. Execution Factors

When we and our **agents** [place](#) or **execute** deals for clients, no matter what the method of trading, we are required by Regulations to first take account of certain characteristics of the trades (“**Execution** Factors”) and to do our best to obtain for our client the best possible outcome (often known as ‘best execution’).

The **Execution** Factors for an order are:

- The price;
- The [total cost](#)
- The speed at which the order is executed
- The likelihood of successful execution and of [Settlement](#)
- The size of the order
- The nature of the order

This section explains, in respect of trades in each of our **instrument** types:

- (a) the relative importance we attach to each of the factors; and
- (b) any other factors we take into account

6. Consideration of Execution Factors by Instrument Type

Our investment team monitors NTS LLP's performance in each of the trades it places. In doing so, it takes into account the various execution factors, but gives these different priorities according to the instruments involved and the nature of the order being placed, as follows:

6.1. ETFs

6.1.1. Price

Price is the key factor for us when transacting in [liquid ETFs](#). We monitor prices against the most relevant benchmark. Our systems will highlight any **executions** outside of certain level of variation from these benchmarks. We have set thresholds for this variation based on a review of the spread of historical performance..

We feel that **executions** outside of this band should be relatively rare given the **liquid** nature of the asset class.

The particular benchmark used depends on the nature of the order as follows:

[At Market and Request for Quote \(RFQ\)](#)

Most typically we consider [Arrival price](#) the most suitable benchmark. We will highlight any trades whose prices deviate more than a certain amount from the benchmark. We set this amount following periodic reviews of the spread of NTS LLP's historical performance. We feel that **executions** outside this range should be relatively rare given the **liquid** nature of ETFs and the competitive **RFQ** process.

Any trades executed at prices outside the benchmark range must be explained in writing by the responsible member of the **Investment team**. This explanation is reviewed by **Investment team** management and by our **Risk team**.

[In Line with Volume](#)

Occasionally, if we are placing a particularly large order on the market, we may instruct **NTS LLP** to "work" the order over a period; splitting the order into batches and executing the batches at intervals over that period. Doing this helps to ensure that we are not distorting the price by placing unusually large volumes in the market at any particular point. In such cases we would typically review prices against a measure known as the [interval volume weighted average price](#) which shows the average of the arrival prices over the course of the period during which the order is being worked.

[Market Close Orders](#)

On other occasions we might instruct **NTS LLP** to execute the trade "at **market close**", meaning that we ask them to obtain a price as close as possible to that published as the **closing price** of the market. **NTS LLP** may be able to achieve this exactly, particularly for a small order, by placing the order into the market's close of day auction, where all trades are guaranteed to get the **closing price**. Otherwise **NTS LLP** will use its discretion to get as close to their estimate of the price as possible.

We generally set higher tolerances for **IVWAP** orders than for the **arrival price** to reflect the wider time horizon for **IVWAP** orders and the potential for price impact from other market volume for both **IVWAP** orders and **market close orders**, over which we have no control

6.1.2. Total cost of Execution

As Architas uses **NST LLP** as a sole agency broker, explicit cost on a trade by trade basis is less relevant as we have agreed fixed costs per transaction. We would, though, expect **crosses, placings** and **IPOs** to be executed at a reduced commission cost to reflect the less onerous nature of the order with the broker simply acting as intermediary. We review overall broker costs annually to ensure that overall costs remain competitive with the wider market place.

When liquidity is scarce, we may take opportunity cost into account, especially if we have a strong conviction about the short term future price movement.

We review **total cost** against the monthly Transaction Cost Analysis ("TCA") reports from the broker, highlighting **executions** as referenced above under the heading "Price" .

6.1.3. Speed of execution

Speed of **execution** is less relevant for our typical orders and we **place** more emphasis on other **execution** factors (price, **total cost**).

The Architas **Risk Team** checks our records for orders which are not **placed** in a timely manner (typically defined as within one hour of being raised – but maybe longer for certain types of order). The **Investment team** is required to explain all exceptions to the **Risk Team**, which escalates any issues to the firm's senior management, who, where required, will take appropriate steps to address these.

6.1.4. Likelihood of execution or Settlement

With the **ETF** market there is typically sufficient **liquidity** that likelihood of **execution** is not an important factor for our orders. This is due to the open ended nature of the **instruments**.

6.1.5. Size of the order

If the size is not likely to have a notable market impact, certain ETF orders may be traded directly on an exchange at the prevailing market price rather than via **RFQ**. This includes orders traded for the market closing price, where we may be able to **execute** directly on an exchange at the official market close.

For larger ETF orders we would expect to trade via an **RFQ** process and will record the respective quotes for use in the post-trade analysis (see Section 3.10 for details). For these orders price is typically the most important factor.

6.1.6. Nature of the order

Any specific client (e.g. **Fund**) instructions will be captured within our systems at the point of order **placement** and these will influence how the order is traded; for example: "at the market close"; or "in line with volume".

6.2. Investment Trusts

Compared to ETFs, **Investment Trusts** tend to be **illiquid** (buyers and sellers are harder to come by).

6.2.1. Price

Price is an important factor for us when transacting in less **liquid instruments** (as traders may feel pressure to offer a discount to sell quickly or pay a premium to buy quickly) so we will highlight any Investment Trust **executions** that are more than a certain level below or above the **Arrival price**.

For orders that are executed over a longer period, typically over 2 hours, we would also consider **Interval VWAP** as an appropriate benchmark. If using this as a benchmark we will highlight **executions** that are more than a certain level below the **Interval VWAP**. We set these thresholds based on a review of the spread of historical performance and review them periodically.

However, there may be times when the price achieved falls outside of the set threshold but we still deem it acceptable because of the influence of other factors, in particular, **total cost** and likelihood of **execution** and size of order (see below for details).

For any **IPOs** or **Secondary offerings** the **execution** price should be the published price.

6.2.2. Total cost

Implicit costs:

In certain market conditions, we may accept a trade that falls outside the thresholds referred to under 'Price' above. This is because we may feel that the cost of failing to trade outweighs the premium paid on a purchase or the discount given on a sale. This factor tends to weigh particularly highly when we are seeking to trade relatively large volumes.

Transaction costs:

With a sole agency broker, explicit cost on a trade by trade basis is less relevant as we have agreed fixed costs per transaction. We would though expect **crosses, placings** and **IPOs** to be executed at a reduced commission cost to reflect the less onerous nature of the order with the broker simply acting as intermediary. We will review overall broker costs annually to ensure that overall costs remain competitive with the wider market place.

6.2.3. Speed of execution:

Because of the heightened potential importance of other factors, speed of **execution** becomes relatively less important for Investment Trust trades.

The **Risk Team** checks exceptions for order **placing** timeliness with issues highlighted to management.

6.2.4. Likelihood of execution or Settlement

Given the **illiquidity** of the **investment trust** market, likelihood of **execution** is an important factor for us when **placing** orders in these **instruments**. There may be times when large blocks of stock are made available outside of the prevailing market price and we may consider that this represents an opportunity to trade in an **illiquid** instrument to take advantage of the **liquidity** on offer and to trade in a larger volume that may represent a high percentage of the typical day's average volume.

6.2.5. Settlement

Settlement will only become a factor were we to see an increase in failed trades with our broker but in general is not an important factor to consider with the Investment Trust trades.

6.2.6. Size of the order:

For **Investment Trusts**, the size of the order becomes a more important factor for larger orders given their **illiquid** nature. For smaller orders we would expect to be able to transact close to the prevailing market price but for larger orders we accept that from time to time we may need to accept a discount or pay a premium on the prevailing market rate, reflecting the opportunity to trade in a large block of shares.

However, in these situations we will also consider the market impact of trading in a large volume in an **illiquid instrument** (see “Any other considerations” below).

6.2.7. Nature of the order

Any specific client (e.g. **Fund**) instructions (for example limits - not to sell below or buy above a certain price) will be captured within our systems at the point of order **placement** and these will influence how we trade the order.

6.2.8. Any other consideration relevant to the efficient execution of the order

If we are trading a significant proportion (5% or more) of the total issuance of a particular **Investment Trust** we will take market impact into account. That is to say, we will consider whether our trading could have the opportunity to distort the market in shares of that **instrument**. This might then impact negatively on price or **total cost**.

6.3. Unlisted, open-ended collective investment schemes

As **unlisted CIS** must be purchased and redeemed directly with the operator or the operator's appointed transfer agent, our scope for discretion over **execution** is limited to the day on which we **place** the order. Price and speed and likelihood of **execution** are not factors that **execution** policy can influence. In certain circumstances, we may choose to stagger a large order in order not to disrupt the orderly operation of the scheme concerned. This would usually be arranged in negotiation between our **Investment team** and the operator.

7. Broker selection

NTS LLP routes orders to other financial intermediaries or venues for **execution**. Neither commission nor turnover targets are set for **execution** counterparties. **NTS LLP** publishes its current list of approved brokers in its best **execution** policy and monitors the performance of the venues selected. We have reviewed the list, which is subject to change, and have deemed it appropriate for our clients. We keep the list under review and perform our own independent monitoring of the approved brokers on an on-going basis.

8. Access to and allocation of Initial Public Offerings (“IPOs”)

Architas may participate, when appropriate, in **IPOs** and **secondary offerings**. If we do, these are made available to all our **Funds** and may be applied for in accordance with

investment policies/guidelines. **Allocations** are made on a pro-rated basis in line with the **allocation** policy.

9. Aggregation of Orders

Architas will only carry out a client order (including an order for one of the **funds** Architas manage) in **aggregation** with another client order (including an order for another **fund** Architas manages) if Architas is satisfied that to do so would not be likely to disadvantage either client.

The **Investment team** is required to record why the **aggregation** is unlikely to cause client detriment. These records are subject to challenge from the Compliance function. However, clients should be aware that the effects of **aggregation** may, in certain circumstances, result in a financial disadvantage in relation to a particular order.

10. Trade Allocation

For orders across multiple **funds** where there is **partial execution**, **allocation** is always made on a pro-rata basis (with respect to the orders **placed**, not the size of the relevant **funds**). However, if that results in a holding which, in the relevant **fund** manager's opinion, is too small to be suitable (for example, it is below minimum market size or would incur disproportionate costs to the client) then the relevant **fund** may be excluded from the **allocation**. **Allocations** which are not pro-rated are agreed by the Chief Investment Officer or their nominated delegate in advance and the rationale is recorded within the order management system at the point of **allocation**.

11. Receipt of Benefits

In line with the Financial Conduct Authority's requirements, we have an Inducements policy and a set of procedures and controls designed to ensure that we do not offer or accept payments of benefits that could compromise our or others' duty to act always in the best interests of clients. This includes procedures respecting the acceptance of research. Architas will not accept research from brokers or venues except either when we pay for it from our own resources, or if we are participating in a trial period of no longer than 3 months. Further information on receipt of benefits is available in the prospectuses of our UK **Funds**.

12. Delegate Investment Managers

Architas will only delegate to firms who are subject either to the Markets in Financial Instruments Directive ("MiFID") or to a regulatory regime of an equivalent standard, which means that we will only delegate to managers who have an order **execution** policy meeting the MiFID standard.

Architas requires all delegate managers to comply with their best **execution** policies and Architas take the following steps to ensure that they do so.

Architas will perform a review of each of the delegate managers to further understand and document the trade flow specific to trade **execution** processes for each of the asset class types invested in for Architas clients or **funds**. This includes review of Best **Execution** policies and procedures, the trading systems used for each asset class and understanding the best **execution**, trading reports and data that can be obtained by Architas on an on-going basis.

This work will be documented and any areas of weakness in the delegate managers' processes will be escalated to Architas Management.

13. "Second line" Execution Monitoring

This applies to orders executed by Architas, by our designated **execution agents**, and by any delegate managers.

We will engage in post trade **execution** monitoring to assess both the timeliness and the quality of order **execution** carried out across all **instrument** types.

- For orders executed in **unlisted CIS** units and in **listed instruments** via our SSC, we monitor the timeliness and accuracy of orders on a regular basis, using a risk-based approach, by the independent Architas Business **Risk team**. Any deviation from agreed process or Order Execution Policy will be challenged and documented.
- For orders **placed** through our **NTS LLP**, the quality of the **executions** will be monitored by both **Investment Team** management and our **Risk Team** as part of an ongoing assessment of the overall quality of the service provided.
- Orders **executed** by or for any sub-delegated managers will be monitored by the Architas Operational Due Diligence ("ODD") team.

As part of the quality assessment of any appointed execution agents or delegate managers, documentation will be requested from executing parties including a TCA report. This would typically provide details of the **executions** including some or all of the below:

- Value Traded
- Trade Price
- Order Volume
- Fill size (enabling us to identify **partial executions**)
- **Bid/Offer** Spread size
- Prior Opening Price
- Closing Price
- Volume Weighted Average Price ("**VWAP**") Price.
- Implementation shortfall / **arrival price**

The report may also analyse the execution with reference to a benchmark or reference price. Architas will monitor all or a subset of the orders with a focus on any orders executed at prices notably away from the reference price and may make reference to prices from an independent source, for example, Bloomberg, as part of this analysis.

Where placing orders for listed instruments we will periodically consider appropriate new execution methods, brokers or venues to ensure we offer our clients best execution. We will periodically review and monitor the execution performance and quality of any appointed agents and the counterparties selected using, for example, the TCA reporting and will document the findings in a regular periodic assessment. Challenge will be made as required to the executing parties. Different benchmarks or reference prices may be used for

comparison purposes for different instrument types or different order types. As part of this on-going and periodic review we will assess whether there has been a significant event or material change in the appointed agent or counterparty such that it has impacted or may impact the overall execution quality, level of service or breadth of venues employed for example. If so, we shall consider making changes to the appointed agent/s.

14. On-going Assessment of Delegates

The Architas Operational Due Diligence (“ODD”) team and the Architas *Investment team* perform a number of checks to ensure, as far as practicably possible, that any appointed *execution agents* and any sub-managers are fulfilling their legal and regulatory requirements in delivering best execution on an on-going basis. These checks include:

- Requesting relevant procedural documentation and policies related to order **execution** e.g. the Order **Execution** Policy & Order **Allocation** Policy;
- Requesting evidence that these policies are implemented, tested by appointed **execution agents** and the sub-managers, enforced and managed appropriately where any issues are found;
- Requesting copies of TCA reports to evidence how best **execution** has been achieved;
- Performing independent checks on the delegate's adherence to their policy by requesting a sample of trades and checking whether these trades were executed close to the reference price using an independent price source e.g. Bloomberg, or against the other **execution** factors outlined in section 3.3.

15. Disclosures and reporting to clients

On an annual basis Architas publishes, for each class of **financial instruments**, the top five counterparties in terms of trading volumes where Architas **placed** client orders for **execution** in the preceding year and information on the quality of **execution** obtained.

This information is available on the Architas' website in machine-readable electronic format, in accordance with a set template, and available to download by all clients.

In addition to publishing information on the counterparties with which client orders are executed and the number/volume of orders executed on each venue, Architas publishes for each class of **financial instruments**, a summary of the analysis and conclusions drawn from Architas' detailed monitoring of **execution** quality obtained on the **execution** venues used during the previous year.

If a client requests additional information in respect to these disclosures and reporting, Architas will respond clearly and within a reasonable timescale.

16. Glossary of Terms used in this document

<p>Aggregation</p> <p>Back to first incidence of term in the text</p>	<p>If Architas has several orders in the same instrument for various clients (or funds) we may aggregate buy orders or sell orders together to get the best possible price for the trades (in general, the larger the order, the better the price)</p>
<p>Allocation</p> <p>Back to first incidence of term in the text</p>	<p>If an aggregated order is partially executed the person executing will have to decide how to allocate the different priced trades between the various clients. This process is known as allocation</p>
<p>Arrival Price</p> <p>Back to first incidence of term in the text</p>	<p>The Arrival Price is the average of the current bid and offer prices being quoted on the market</p>
<p>Offer Price</p> <p>Back to first incidence of term in the text</p>	<p>The price a broker is quoting to sell a particular instrument</p>
<p>At the Market Order</p> <p>Back to first incidence of term in the text</p>	<p>An order executed immediately at the prevailing market price</p>
<p>Bid price</p> <p>Back to first incidence of term in the text</p>	<p>The price a broker is quoting to buy a particular instrument</p>
<p>Collective Investment Scheme or Unlisted</p> <p>Back to first incidence of term in text</p>	<p>An “open-ended” fund whose shares can only be bought and sold from the scheme’s operator at a price determined by the operator, based on the value of the investments in the portfolio (the “net asset value”, or “NAV”). The scheme is called “open-ended” because the operator creates or cancels units at each valuation point to meet demand. The number of shares in issue can change at every valuation point. Valuation points are set in advance and may be daily, weekly or at some other pre-set interval.</p>
<p>Crossing Stock</p> <p>Back to first incidence of term in the text</p>	<p>The process of matching a buy order from one client with a sell order from another. Architas does not cross orders ‘internally’ but a broker may cross Architas orders with those of its other clients</p>
<p>Exchange Traded Fund (“ETF”)</p> <p>Back to first incidence of term in text</p>	<p>An open ended fund that is traded on a stock exchange. ETFs are similar in many ways to traditional collective investment schemes, except that shares in an ETF can be bought and sold throughout the day, like stocks, through a broker-dealer. Unlike traditional collective investment schemes, ETFs do not sell or redeem their individual shares at net asset value (NAV).</p>
<p>Financial instruments (“instruments”)</p> <p>Back to first incidence of term in text</p>	<p>A monetary contract between two parties, which can be traded and settled. Examples of financial instrument traded by Architas are shares in Investment Trust Companies and units in collective investment schemes.</p>
<p>Fund</p> <p>Back to first incidence of term in the text</p>	<p>A pooled investment vehicle that allows a group of investors to benefit from the skill and scale provided by a professional investment manager. Investors buy shares (or units) and the manager invests the proceeds into portfolio of financial instruments and other assets.</p>
<p>In-line with Volume</p> <p>Back to first incidence of the term in the text</p>	<p>Splitting the order into batches and executing the batches at intervals over that period. The batch volume is set with reference to information about prevailing average volume sizes for the instrument in question</p>

<p>Interval VWAP</p> <p>Back to first incidence of term in the text</p>	<p>The VWAP calculated over a fixed interval around the trade or the order</p>
<p>Investment Team</p> <p>Back to first incidence of term in the text</p>	<p>The team at Architas whose members are qualified and authorised by the firm to trade instruments on behalf of clients and funds</p>
<p>Investment Trust</p> <p>Back to first incidence of term in the text</p>	<p>An Investment Trust is a kind of fund set up as a company and listed on a stock exchange. The number of shares in issue is fixed at the IPO, although it may be changed at certain events such as secondary issues or ‘buy-back’ programmes.</p> <p>Investors may either subscribe at the IPO or at secondary issues or can buy or sell shares on the exchange through a broker. The price of the shares is not set by the manager but is determined by supply and demand on the exchange.</p>
<p>IPO</p> <p>Back to first incidence of term in the text</p>	<p>Initial Public Offering. The offering of new shares to the public at a price that is fixed in advance by the issuer.</p>
<p>Liquid or Liquidity (and Illiquid or Illiquidity)</p> <p>Back to first incidence of term in the text</p>	<p>The degree to which an instrument can be quickly bought or sold in the market at a price reflecting its intrinsic value.</p> <p>In other words: the ease of converting an instrument into cash.</p> <p>Illiquid refers to the state of an instrument that cannot easily be sold or exchanged for cash without a loss in value. Illiquid instruments may also be hard to convert into cash quickly because of a lack of ready and willing purchasers of the instrument.</p>
<p>Listed Instruments</p> <p>Back to first incidence of term in the text</p>	<p>A financial instrument that is listed on a stock exchange or other trading venue.</p>
<p>Market Closing Price</p> <p>Back to first incidence of term in the text</p>	<p>The At Market, bid and offer prices at moment at which the relevant market closes</p>

<p>Northern Trust Securities LLP (NTS LLP)</p> <p>Back to first incidence of term in the text</p>	<p>Architas has appointed Northern Trust Securities LLP to provide Trade Execution services for all listed instruments. These listed instruments include shares in Investment Trusts and in Exchange Traded Funds ("ETFs"), where these are held in portfolios directly managed by the Architas Investment team. We place orders with NTS LLP for them to execute.</p> <p>NTS LLP is based in the UK and is authorised and regulated by the Financial Conduct Authority ("FCA"). It has the permissions from the FCA required for providers of execution services, on an agency basis. As an FCA regulated firm, NTS LLP is required to maintain and comply with its own best execution policy when determining where to execution client orders (including those from Architas).</p> <p>When executing orders for Architas' clients as placed by Architas, NTS LLP owes us and our clients a duty of best execution. Architas is satisfied NTS LLP's Best Execution policy meets both the FCA's requirements and those of the business that we have delegated to them. Architas will continue to review the policy and adherence to the requirements outlined in the policy on at least an annual basis and whenever NTS LLP updates it.</p> <p>Architas has reviewed NTS LLP's Order Allocation Policy and deems it in line with the regulatory requirements.</p>
<p>Offer price</p> <p>Back to first incidence of term in the text</p>	<p>The price a broker is quoting to sell a particular instrument</p>
<p>Partial Execution ("Partial Fills")</p> <p>Back to first incidence of term in the text</p>	<p>If a certain price may only be obtained for part of a particular order, other parts of the order may be executed at a less favourable price. This is known as partial execution or as a partial fill</p>
<p>Place or Placement</p> <p>Back to first incidence of term in the text</p>	<p>Arrange for someone else to complete an order</p>
<p>Request for Quote ("RFQ") Order</p> <p>Back to first incidence of term in the text</p>	<p>An order executed at a price previously quoted by the broker. The RFQ process usually involves the trader asking several brokers to quote for the same instrument</p>
<p>Risk Team</p> <p>Back to first incidence of term in the text</p>	<p>The team, independent of the Investment team, that is responsible for reporting to Senior Management on the management of risks faced by the firm and its clients.</p>
<p>Secondary Offering</p> <p>Back to first incidence of term in the text</p>	<p>The issuer of existing shares creates new shares to raise further capital for the enterprise.</p>
<p>Settlement</p> <p>Back to first incidence of term in the text</p>	<p>A trade is settled when the cash and the legal title to the instrument change hands, usually simultaneously with each other.</p>

<p>Total Cost of Execution</p> <p>Back to first incidence of term in the text</p>	<p>The cost of the instrument itself plus the ‘explicit’ transaction costs (brokers’ fees or commissions), plus the ‘implicit’ costs (for example the cost of a missed trading opportunity)</p>
<p>Trade Execution or “Execution” or Execute</p> <p>Back to first incidence of term in the text</p>	<p>The completion of a buy or sell order.</p>
<p>Trading as Agent</p> <p>Back to first incidence of term in the text</p>	<p>Executing a deal on behalf of a client. An agency dealer does not commit their own capital to the trade.</p>
<p>Trading as Principal</p> <p>Back to first incidence of term in the text</p>	<p>Executing a deal on one’s own behalf. If the broker is trading as principal, Architas will buy the instrument from or sell the instrument to the broker</p>
<p>VWAP</p> <p>Back to first incidence of term in the text</p>	<p>The volume weighted average price is a trading benchmark used by traders that gives the average price an instrument has traded at throughout the day, based on both volume and price. It is important because it provides traders with insight into both the trend and value of an instrument.</p>