

IRE AIFM Hub

Best execution policy

UPDATED

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Policy Approver	Board of managers

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26/08/2019	1	David Luksenburg	Conducting officer
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1. Objectives:

IRE AIFM Hub (the "AIFM") is committed to take all reasonable steps to obtain the best possible result when placing orders on behalf of AIFs under management or placing orders with third parties for execution, taking into account price, costs, speed, likelihood of execution and settlement, size, nature and/or any other relevant order execution consideration. AIFM's obligation to obtain the best possible result for AIFs under management and their investors is referred to as "Best Execution".

The relevance of the above factor should be determined with regards to:

- The objectives, investment policy and risks specific to the alternatives investments funds (AIFs) under management as specified in their legal documentation;
- The characteristics of the orders;
- The characteristics of the financial instrument that is the subject of the order,
- The characteristics of the execution venues to which the order can be directed.

The AIFM shall not be required to comply with the rules set out in this policy when making portfolio management decisions in connection to AIFs which do not invest in assets relevant to best execution rules and especially private equity and real estate investments. The AIFM shall nevertheless take all reasonable steps to obtain the best possible results for these AIFs and their investors.

2. AIFM acting as portfolio manager

2.1 Orders execution process

The AIFM does not execute itself orders in the market resulting from investment decisions relating to the portfolios under management.

The orders are executed on the markets by intermediaries to whom the AIFM transmits its orders (the "Brokers" which could include the depositary banks of the AIFs under management).

The AIFM ensures that Brokers are able to offer the best execution when executing orders transmitted by the AIFM and its funds under management.

AIFM's obligations therefore do not lead to duplicating the Brokers' efforts but rather to organizing a cascading liability regime. Therefore, the selection procedure of the AIFM focuses on the following elements:

- the selection criteria, for each category of instrument of the intermediary(s) to which its orders will be transmitted;
- the definition of control framework of the effectiveness of the best execution policy of the Broker(s),
- the annual and ad-hoc review of the Policy resulting from the means of controls implemented, and
- the communication to the AIFs and other clients of information on the processes put in place to ensure the best execution of orders.

When the AIFM acts as portfolio manager, the following criteria must be taken into account when selecting a Broker including among others:

- brokerage fees and quoted prices relative to market benchmarks;
- quality of execution - access to the places of registration and other places of execution;

- quality of business relationships and market information provided;
- quality of transactions' settlement / delivery, and
- timing of "advice of execution" receipt.

The Brokers for which a connection is envisaged are preselected according to their reputation, their credit quality, their human and technical resources, their relevance in the intended market (volumes traded), their access to the different markets, their experience and the absence of major sanction on the activity.

3. AIFM delegating portfolio management

3.1 Orders execution process

The orders are transmitted to the brokers selected by the portfolio management delegate for execution.

In the context of the performance of the oversight of delegated functions, the AIFM analyses the policies of the delegate in order to ensure that the delegate may take all reasonable measures to deliver the best possible result for the Fund and its investors.

Accordingly, the AIFM will also be entitled to request and obtain relevant information and evidence from the Delegate on the application of the best execution policy.

4. Monitoring and Review

The AIFM will monitor the effectiveness of its execution arrangements and Best Execution Policy internally but also with AIFs under management's delegated parties.

The AIFM will review this Best Execution Policy and its order execution arrangements at least annually.