

# **NEWCOURT RETIREMENT FUND MANAGERS LIMITED**

## **Order Execution Policy**

### **1 Introduction**

- 1.1 This Order Execution Policy is prepared by NRFM pursuant to the requirements of S.I. No. 375 of 2017 - European Union (Markets in Financial Instruments) Regulations 2017(MIFID II). NRFM are required to put in place a best execution policy and to take all sufficient steps to obtain, on a consistent basis, best execution for our clients when receiving and transmitting orders on their behalf (which is known as Best Execution). The best possible result takes into account price, costs, speed, likelihood of execution and settlement
- 1.2 Where we have classified you as a retail client, we consider that we owe you a duty of Best Execution in relation to financial instruments within the scope of MIFID II which fall within our scope of permissions (which are set out in paragraph 2 below).
- 1.3 The aim of this document is to provide you with information on our best execution policy (“the Policy”).

### **2 Scope and Application**

- 2.1 The Policy only applies to retail clients and in relation to the following financial instruments:
- (a) Units or shares in an undertaking for collective investment in transferable securities (“UCITS”)
  - (b) Money Market Instruments
  - (c) Transferable securities
- (referred to below as “Financial Instruments”)
- 2.2 The Policy will apply when we receive and transmit orders in respect of Financial Instruments (“an Order”).

### **3 How best execution will be achieved**

#### **3.1 The obligation**

- 3.1.1 We will take all reasonable steps to obtain the best possible result for you.
- 3.1.2 When we transmit an order on your behalf in respect of each trade we will act as agent and we will apply the factors in 3.2, 3.3 and 3.4 below. This will be indirect execution which refers to the practice of transmitting orders to brokers, for which the broker is then responsible for execution. These orders may be transmitted to the broker by various methods including by telephone, email or any electronic order entry and transmission system.
- 3.1.3 With respect to units or shares in a UCITS, shares in an investment company and units in a unit trust, given that all of the units and / or shares in these investments are provided at the net asset value of the relevant investment fund and only one execution venue exists for each investment fund, the process to transmitting the order to the relevant product producer for execution produces the best result for the client on each occasion.
- 3.1.4 This obligation is subject to any specific instructions which you provide to us.

#### **3.2 The Execution Factors:**

- (a) The factors that we will take into account when carrying out your Orders in respect of each trade include:

- (i) Price – this is the price at which a transaction is executed
- (ii) Costs – this includes explicit external costs such as brokerage, exchange or clearing fees as well as implicit costs such as spreads;
- (iii) Speed – this refers to the amount of time that elapses between the trade order and the successful execution of that trade;
- (iv) likelihood of execution and settlement – this refers to NRFMs estimation of the probability that the trade order will be successfully completed in part or whole;
- (v) size – for large orders or illiquid instruments only a partial fill may be received and this may vary between brokers and venues. Where the whole trade is unlikely to be filled, the size of the potential fill will increase in importance;
- (vi) nature; and
- (vii) any other consideration relevant to the execution of an order – means any other factor which NRMF may wish to prioritise in order to achieve the best result for its clients. Examples may be the need to maintain anonymity and / or reduce the market impact of the trade, diversification of counterparty exposure or to meet regulatory requirements such as transaction reporting.

(referred to below as “Execution Factors”)

### 3.3 Importance of the Execution Factors

3.3.1 When we carry out an Order on behalf of a retail client, the best possible result must be determined in terms of the total consideration, representing the price of the Financial Instrument and the costs relating to execution. Speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transactions costs may be given precedence over the immediate price and cost consideration only insofar as they help to deliver the best possible result in terms of the total overall price and costs to the retail client.

#### 3.3.2 The impact of the Best Execution Criteria in determining the importance of the execution factors:

- (a) When we carry out your Orders we will take into account the following criteria:
  - (i) the characteristics of the client – for example are they retail or professional; and
  - (ii) the characteristics of the client order – factors such as the type of client, size and urgency of the order will be relevant; and
  - (iii) the characteristics of the Financial Instruments; and
  - (iv) the execution venues to which the client order is directed (where appropriate) – such as reputation, reliability, transparency reporting and counterparty types.

### 3.4 Third Party Executing Entities Selection

3.4.1 When we transmit Orders, we place significant reliance on the following list of third party executing brokers for executing trades. A list of executing entities will be published on our website and will be updated from time to time, [www.nrfm.ie](http://www.nrfm.ie). Where these executing entities execute trades for you outside of a Trading Venue we will require your prior express consent. We will not notify clients individually of changes to the list of executing entities. We will publish annually details of the top five executing entities in terms of trading volumes for all executed client orders on behalf of our retail clients in the preceding year along with the quality of execution obtained. We will conduct due diligence on each third party we transmit orders to by assessing them under criteria such as:-

- Commission rates and spreads
- Third party execution policies
- quality of execution
- Clearance and settlement skills
- Quality of service
- access to execution venues
- reputation and creditworthiness
- Regulatory reporting obligations fulfilment

Stocks and shares in companies	<p>Davy, Goodbody / Fexco, Merrion, Cantor Fitzgerald, Redmayne Bentley, Stocktrade and Campbell O'Connor</p> <p>The stockbroking firms listed here are the firms currently used by clients but the list is not exhaustive and clients are not restricted to these providers.</p>
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Government and corporate bonds	<p>Davy, Goodbody / Fexco, Merrion, Cantor Fitzgerald, Redmayne Bentley, Stocktrade and Campbell O'Connor</p> <p>The stockbroking firms listed here are the firms currently used by clients but the list is not exhaustive and clients are not restricted to these providers.</p>
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In the case of collective investment schemes (referred to at (a) – (e) at 2.1 above) there is generally no range of execution venues to choose from rather orders must be provided to the administrator of the scheme which will process the application a net asset value basis. We will accordingly make subscription or redemption requests following this process.

#### 4 Client Order Handling

In seeking to obtain best execution for our clients we will:-

- Promptly and accurately record and transmit all orders received and route them to the execution broker based on the factors described above;
- Follow all client orders where a specific instruction is provided;
- Promptly inform a client if a material difficulty arises that is relevant to the execution of the order upon becoming aware of it.

#### 5 Specific instructions

5.1 You are warned that if you provide us with specific instructions in relation to the Order, this will prevent us from taking the steps that we have designed and implemented in our Policy. We will therefore be taken to have satisfied our obligation to take all reasonable steps to obtain the best

possible result, in relation to the part or aspect of the order to which your instructions relate.

## **6 Monitoring and review**

- 6.1 We will monitor compliance with our best execution policy on an on-going basis.
- 6.2 We will review our best execution arrangements regularly but at least annually and whenever a material change occurs that affects our ability to continue to obtain the best possible result for our clients.
- 6.3 We will notify you of any material changes by sending you a new copy of the Policy.

## **7 Consent**

- 7.1 By signing the Declaration of Holder section in the relevant application form, you consent to the Best Execution Policy.

By signing the attached you will provide your express consent for any trades placed by third party brokers outside a trading venue.

If you would like additional information on our conflicts of interest policy or if you have any queries or concerns, please do not hesitate to contact us

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**Newcourt Retirement Fund Managers Limited**

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**NRFM ORDER EXECUTION POLICY – EXPRESS CONSENT**

**Date:**

**Client Name:**

**Client Signature:**

**I give my consent to placement of trades outside a regulated trading venue when NRFM acting as agent transmit orders on my behalf to executing entities**