

DYNAMIC PORTFOLIO LIMITED

**BEST EXECUTION
POLICY**

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TABLE OF CONTENTS	PAGE
INTRODUCTION	2
SCOPE	2
ORDER EXECUTION	2
BEST EXECUTION FACTOR	2
BEST EXECUTION CRITERIA	3
EXECUTION VENUES	3
EXECUTION VENUE SELECTION	4
CLIENT INSTRUCTIONS	5
ORDER HANDLING	5
MONITORING AND REVIEW	6

DYNAMIC PORTFOLIO LIMITED

Best Execution Policy

1. Introduction

The Markets in Financial Instruments Directive requires all investment firms when executing orders on behalf of clients to take reasonable steps to obtain the best possible result. Dynamic Portfolio Limited have established and implemented a best execution policy ("Policy") setting out the most important and/or relevant factors that it takes into account in complying with its best execution obligations. The purpose of this document is to set out in detail its' execution arrangements and best execution policy.

2. Scope

This policy applies to the Professional Clients of Dynamic Portfolio Limited and to the execution of all orders initiated by Dynamic Portfolio Limited on behalf of its clients in the following Financial Instruments:

- Equities
- Bonds
- Money Market Instruments
- Exchange Traded Derivatives
- Equity & Fixed Income OTC (Over the counter) Derivatives
- Collective Investment Schemes

Dynamic Portfolio Limited will only execute Client Orders as agent.

3. Order Execution

When executing Client Orders we will act in the best interests of our clients at all times and will take all reasonable steps to obtain the best possible result for our clients taking into account the factors and criteria set out below, subject to any instruction given by our client (see section 8).

4. Best Execution Factor:

The execution factors to be taken in to account when executing Client Orders are as follows:

- Price

- Costs
- Speed
- Likelihood of execution
- Likelihood of settlement
- Size of the trade
- Nature of the trade
- Any other consideration relevant to the execution of the order

Ordinarily, price and costs together will merit high relative importance in achieving best execution, but other factors may take precedence, where for example speed of execution may be more important due to the nature of the order, or client cash flow requirements, or the trade is large compared to the liquidity of the relevant instrument.

The relevant importance of these factors will be determined by considering the characteristics of the order, the financial instrument, the counterparty and the execution venue.

5. **Best Execution Criteria**

When we execute an order on behalf of our clients, we will determine the relative importance of the aforementioned best execution factors based on our experience and judgement, per product type, with respect to available market information at the time and taking into account the following best execution criteria:

- The characteristics of the client (including its categorisation, mandate and restrictions).
- The characteristics of the Client Order, including the size of the trade relative to other trades in the instrument, and the need to minimise possible market impact.
- The characteristics of the Financial Instruments which are the subject of the Client Order.
- The characteristics of the Execution Venues to which the Client Order can be directed (please see section 7 for further details)

6. **Execution Venues**

The list of execution venues on which we may execute a Client Order is set out below, but it is not exhaustive. It includes those venues on which we place

significant reliance in our aim to obtain on a consistent basis the best possible result for the execution of Client Orders.

Broker Execution – Dynamic Portfolio Limited will place the order with a third party (including an affiliate) with whom it has entered into an agreement for handling Client Orders. This includes, but is not limited to, agency sales trading, algorithmic trading or automated trading, capital commitment, and direct market access etc. The company selects brokers based on potential counterparty risk and quality of execution. Dynamic Portfolio Limited evaluates the quality of the dealers or brokers that it trades with on a regular basis and conducts trades only with approved counterparties that are on the company's Approved List of Counterparties.

Electronic Crossing Network – Dynamic Portfolio Limited will cross orders with a recognized third party crossing network with whom it has entered into an agreement for handling Client Orders.

Liquidity Aggregator – Dynamic Portfolio Limited will route orders to approved Systematic Internalisers or Market Makers in order to access pools of non-displayed liquidity as well as liquidity aggregators such as Stanbic IBTC, Capital Access, Investment One, FSDH Securities, UBA Stockbrokers, FCSL Asset Management, Rencap Securities, Capital Bancorp, Magnartis Finance, FBN Securities, Codros Capital, Greenwich Securities and Partnership Investment. Dynamic Portfolio Limited will endeavor to execute the order on the most favourable terms while minimizing the effects of information leakage and market impact. On Exchange (Regulated Market/Multilateral Trading Facility ("MTF")) – Dynamic Portfolio Limited will execute orders on directly accessed regulated markets and MTFs utilizing Direct Market Access ("DMA") tools or algorithms facilities provided by approved counterparties.

7. Execution Venue Selection

Subject to any specific client instructions (see section 8 below), the selection of an Execution Venue for the execution of an order will be based solely upon the Execution Criteria and Execution Factors referred to above.

However, the decision to use any of the venues set out in section 6 may also be influenced by other additional criteria, although this is always conditional upon obtaining the best possible result for our clients. These additional criteria include:

- Financial Screening, and the management of counterparty risk
- Suitability and expertise of counterparty
- Market Depth

- Counterparty integrity
- Access to liquidity
- Quality of research
- Capital utilisation
- Existence of appropriate documentation and credit limits
- Confidentiality
- Reduced potential for information leakage

Notwithstanding the above, Dynamic Portfolio Limited reserves the right to execute a Client Order using a method or venue other than the methods or venues that it has indicated, where it considers this to be in the best interests of the Client. In such cases, the company will endeavor to execute based on the same best execution principles, as summarized in this document.

8. Client Instructions

Where a client gives a specific instruction for the execution of a Client Order (for example on transition or redemption, or where the client instructs Dynamic Portfolio Limited to direct commission to certain brokers) then the order will be executed in accordance with those instructions. In such circumstances Dynamic Portfolio Limited should make the client aware that following their instruction may prevent the company from taking some of the aforementioned steps to obtain the best possible result for the execution of that Client Order (to the extent of the instructions).

In such circumstances, Dynamic Portfolio Limited will be treated as having satisfied its best execution obligation in respect of the part or aspect of the order to which the instructions relate.

9. Order Handling

Dynamic Portfolio Limited is required to execute Client Orders in an expeditious and fair manner for all Clients. Client orders will be aggregated with other Client Orders (in accordance with the relevant SEC and The NSE rules), if:

- The characteristics of the Client Order make them suitable for aggregation; and
- If in Dynamic Portfolio Limited's opinion it is unlikely that the aggregation of Client Orders will work overall to the disadvantage of any client whose order is to be aggregated; and
- Dynamic Portfolio Limited complies with its order allocation procedures.

Dynamic Portfolio Limited stores the records of its trading activity for a minimum of ten years in accordance with the rules of the NSE and the SEC.

10. **Monitoring and Review**

Dynamic Portfolio Limited will review this best execution policy at least annually and whenever a material change occurs that affects our ability to continue to obtain the best results for our clients on a consistent basis. Any material changes will be posted on:

<http://www.dynamicportfolio.com>

Dynamic Portfolio Limited will monitor the effectiveness of our best execution policy and execution arrangements to identify and where appropriate correct any deficiencies. This will include an assessment of whether the Execution Venues included in this policy continue to provide the best possible result for our clients.