

BEST EXECUTION POLICY

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1. PURPOSE

Basis Capital Markets Limited (“Basis” or “the Firm”) is authorised and regulated in the UK by the Financial Conduct Authority (“FCA”). The Firm is committed to adhering to all applicable legal and regulatory requirements. This Policy aims to set out Basis’ approach to ensure that its organisational arrangements and procedures enable it to comply with the relevant requirements for order handling and best execution.

2. POLICY OVERVIEW

This document describes Basis’ Order Handling & Execution Policy (the “Best Execution Policy”), which sets out the requirements imposed by the second Markets in Financial Instruments Directive (“MiFID II”) and the Financial Conduct Authority (“FCA”) regarding the handling of client orders and the provision, where applicable, of best execution.

Under these Rules, where Basis executes client orders or routes or transmits orders for execution to another entity, including any affiliates, Basis is required to:

- Establish and implement policies and procedures, including this Best Execution Policy, to allow Basis to obtain the best possible result for its clients when executing client orders in Financial Instruments¹. This is the “best execution” rule.
- Implement procedures and arrangements for prompt, fair, and expeditious execution of client orders.

3. EXECUTION FACTORS

When executing specific client orders, Basis is required to take all sufficient steps to obtain the best possible results for clients, taking into consideration the following “execution factors”, listed in no particular order of importance:

1. Price: What is the best price available in the market?
2. Cost: Both explicit and implicit execution costs, including but not limited to trading venue fees, clearing fees, and commissions, will be considered.
3. Speed: Orders should be executed as promptly as possible, except where a better result may be achieved by delaying the execution. Clients should be informed at such a time that it is best to postpone the execution.
4. Likelihood of Execution: The prevailing liquidity of the relevant financial instrument will be considered when determining whether an order can be executed in its entirety on a trading venue.
5. Likelihood of Settlement: Consideration will be given to whether the resulting trade can be settled according to client instructions.
6. Size: The market impact of an order will be considered. For example, large orders may impact the relevant financial instrument’s prevailing market price or liquidity.

¹ As defined in Annex 1 of this Execution Policy

7. Nature of the client order: Constraints relating to the execution of the order may impact the result obtained and
8. Any other consideration that Basis considers relevant to the execution of an order.

Basis will determine the relative importance of each execution factor to achieve the best possible result by considering the following criteria:

9. The type of Client (including regulatory client categorisation).
10. The Client's order characteristics (including transaction type, size, and likely market impact).
11. The characteristics of the financial instruments to which the order relates.
12. The characteristics of the execution venues (if more than one) where the client order can be executed, and
13. Any other circumstance that the Firm deems relevant to the execution of the order.

The relative importance of each execution factor may vary according to the class of financial instruments to which your order relates.

In the absence of express instructions from a client, Basis will exercise its own discretion in determining the execution factors and relative importance.

In OTC markets, Basis will check the fairness of the price proposed to the Client by gathering market data used in estimating the price of such products and, where possible, comparing that data with similar or comparable products.

Basis, in its capacity as agent or matched principal, will adhere to the guidelines in the FX Global Code, including:

1. Communicate with the Client regarding the nature of their relationship.
2. Seek to obtain the result requested by the Client.
3. Establish a transparent order execution policy that should supply information relevant to the Client order that may include:
 - information on where the Firm may execute the Client orders.
 - the factors affecting the choice of execution venues, and
 - information on how the Firm intends to provide for the prompt, fair, and expeditious execution of the Client order.
 - Be transparent with the Client about the Firm's terms and conditions, which set out fees and commissions applicable throughout the agreement; and
 - share information relating to orders accepted on an Agency basis with any market-making or Principal trading desks only as required to request a competitive quote.

Basis will use reasonable endeavours to act under this Best Execution Policy, but the Firm does not guarantee that the best possible price will be obtained in all circumstances. There may be occasions when Basis changes the priorities of the execution factors, where the Firm determines that the best price may not lead to the best possible result for the Client. For example, during a severe market disruption or in the event of a system outage, other execution factors, such as "likelihood of execution", may become a priority.

4. CLIENT CLASSIFICATION

Basis is only authorised to provide investment services to clients classified as either a **Professional Client** or an **Eligible Counterparty**. Basis is not authorised to provide investment services to any client classified as a Retail Client.

5. CONSENT TO EXECUTION POLICY

As part of Basis' client onboarding process, the Firm will seek to obtain the express consent of its clients to this Best Execution Policy before executing client orders. However, Basis will deem such consent to have been provided when the Client has been sent the Policy and subsequently gives Basis orders for execution.

6. SELECTION OF BROKERS FOR TRANSMISSION OF ORDERS

As per Basis' Client Agreement, the Firm may transmit orders to brokers for execution. Basis will only transmit orders to brokers on the Firm's approved list of brokers.

The criteria for selection onto Basis' approved broker list are described in the following section. The factors determining broker selection for any order are outlined for each Financial Instrument in Appendix I.

7. BROKER AND COUNTERPARTY APPROVAL PROCESS

The factors relevant to selecting brokers and counterparties can be grouped into the soundness and the service level of brokers and counterparties, and include the following:

Soundness of broker/counterparty

- Reputation, financial strength, and stability.
- Access to primary and/or secondary markets; and
- Ongoing reliability.

Service level of broker/counterparty

- Best Execution Policy¹;
- Overall costs of a trade, including commissions, mark-ups, markdowns, or spreads.
- Market share.
- Electronic connectivity.
- Block trading and block positioning capabilities.
- Willingness to execute difficult transactions.

¹ In instances where Basis is deemed an Eligible Counterparty, the Best Execution obligation will not apply.

- Willingness and ability to locate and/or commit capital to complete trades; and
- Anonymity of trading activity.

In addition, the following conditions must be met before brokers and counterparties can be approved:

- Accurate and timely execution, settlement, clearance, and error/dispute resolution processes.
- Licensed, as required, to execute the type of transaction; and
- Supervision by national authorities.

8. TRANSACTIONS OUTSIDE A TRADING VENUE

When acting on behalf of clients, and as described in Basis' Client Agreement and Terms of Business, the Firm may transmit the order to another investment firm, execute the order directly on a venue, or execute the order bilaterally with an approved counterparty ("OTC").

Order Transmission: When Basis sends an order to a broker for execution, Basis transmits the order. In transmitting orders, the receiving broker executes the order under its own Execution Policy. Orders may only be transmitted to brokers approved by Basis.

Order Recording: Order details are managed and recorded according to the Firm's Data Protection Policy.

Order Execution: Basis executes transactions directly with an approved counterparty or on a trading venue as a participant or through Direct Electronic Access ("DEA") via a broker's membership. Execution may only occur on approved venues or with brokers approved by Basis. Basis currently executes orders on the following types of venues as defined by MiFID II:

- Multilateral Trading Facilities (MTF);
- Systematic Internalisers (SI);
- Third party investment firms and/or affiliates acting as a Market Maker or other liquidity providers; and
- Non-EU entities performing similar functions.

Internal crossings: Basis may use internal crossings when the result works to the overall advantage for all involved clients relative to what would be achievable by outright trading in the market. Basis uses internal crossings to reduce the total cost of trading for clients by avoiding market impact, information leakage, and spread costs.

Depending on the instrument type, Basis may use one of the following benchmarks to determine the crossing price: current mid-market price, volume-weighted average price, market-on-close price, or NAV time-strike. Basis will, in most instances, use the mid-market price as the benchmark to ensure equal treatment of clients. Internal crossings between Basis clients are carried out externally through approved brokers or venues.

When Basis executes transactions outside of trading venues, the Firm obtains prior express consent from clients through a general agreement or concerning individual transactions. Such consent is necessary due to the additional risks associated with executing transactions outside a trading venue, such as counterparty risk.

When Basis conducts activity in OTC markets, it will only be able to give clients visibility to prices communicated to the Firm by other clients that operate in the same market; accordingly, any "best

outcome” will solely be within these limits. However, when executing orders or deciding to deal with OTC products, Basis will check the fairness of the price proposed to the Client by gathering market data to estimate the price of such products and, where possible, by comparing them with similar or comparable products. Basis will inform clients before conducting activity in OTC markets and ensure all necessary consent is obtained.

9. DIRECT ELECTRONIC ACCESS

Basis offers its clients direct electronic access.

10. ALGORITHMIC TRADING

Basis often uses algorithmic trading protocols provided by the brokers with whom it transacts. All algorithms used by Basis are assessed as part of the broker approval process and continuously reviewed.

11. APPLICATION OF BEST EXECUTION

Basis is only authorised to deal with Professional Clients and Eligible Counterparties. The Firm does not conduct any activity with retail clients.

Best Execution does not apply to Eligible Counterparties. Instead, the best execution obligation applies where Basis is dealing with Professional Clients, but only in situations where the Client is deemed to be placing legitimate reliance on the Firm to protect their interests regarding the execution of a transaction or where we have agreed to a contractual obligation to do so. Several factors determine legitimate reliance, including the “Four-Fold” cumulative test.

11.1 QUOTE DRIVEN MARKETS AND LEGITIMATE RELIANCE – THE FOUR-FOLD TEST

To determine whether best execution applies to orders where a client has requested a quote, Basis will decide if the Client has placed a legitimate reliance on Basis to protect the Client’s interests regarding the pricing and other essential elements of a transaction (the execution factors described above). To evaluate whether there is ‘legitimate reliance’, Basis will apply the “Four-Fold” cumulative test, which considers:

1. Which party initiates the transaction; where a client approaches Basis, the Client is less likely to place reliance on the Firm.
2. Market practice and a convention to “shop around”; clients are accustomed to obtaining quotes from several market participants in certain markets, which indicates that they are less likely to rely on Basis.
3. There are relative levels of price transparency within a market; where a client has ready access to prices, they are likely to place less reliance on Basis.
4. Information is provided by Basis, and any agreement is reached between Basis and a client.

Where Basis determines, based on all these considerations, that the Client is not legitimately relying on

the Firm, then best execution will not apply.

12. ORDER HANDLING

When Basis carries out client orders, it must ensure that orders are:

- Transmitted or executed promptly.
- Accurately recorded and allocated; and
- Executed sequentially unless the characteristics of the order or prevailing market conditions make this impracticable or the Client's interests require otherwise.

13. AGGREGATION AND ALLOCATION OF ORDERS

In some circumstances, Basis may aggregate orders from several clients to either improve the quality of execution or the likelihood of a transaction's success. Basis will only do this where it can meet the following requirements:

1. It is consistent with the obligation of fair treatment of clients, and it is unlikely to work overall to the disadvantage of any client whose order is to be aggregated.
2. Disclosure is made to each Client where order aggregation occurs that the effect of aggregation may disadvantage a client about a particular order; and
3. If the aggregation involves multiple client orders, Basis will allocate the orders fairly and will not give preference to one Client over another.

14. SPECIFIC INSTRUCTIONS

When a client provides Basis with specific instructions concerning all or part of an order, Basis will execute the order according to those instructions. In doing so, Basis will be treated as having satisfied its best execution obligations concerning those parts of the order to which the specific instructions do not apply.

Basis will not induce a client to instruct it to execute an order in a particular way by expressly indicating or implicitly suggesting the content of an instruction.

A client providing Basis with specific instructions may prevent Basis from taking the steps designed to obtain the best possible result in executing that order. As noted in Section 6, Basis will request specific instructions from its Client regarding the Execution Venue upon receipt of a client order.

15. ELIGIBLE COUNTERPARTIES

Where Basis has classified a client as an Eligible Counterparty, Basis is not required to apply best execution. However, Basis will always act in its Client's best interests, must act honestly, fairly, and professionally, and communicate clearly and not misleadingly, taking into account the Eligible Counterparty's business.

16. THIRD PARTY PAYMENTS

Per FCA requirements, Basis discloses all costs and related charges that will apply in providing its services and strictly adheres to the inducement rules.

Basis does not accept third-party payments or receive any remuneration, discount, or non-monetary benefit for routing client orders to third parties. The Firm will not permit such practice, as it would violate the inducement and conflict of interest requirements under MiFID II.

17. GOVERNANCE AND REVIEW PROCESS

17.1 THE THREE LINES

Basis implements the three lines of defence approach to the Firm's best execution governance. This policy acts as part of the first line, along with adherence to it and monitoring by the trading desk. Independent scrutiny is carried out by the Compliance team, which forms the second line. The third line is provided by senior management and oversight.

- First line: The Firm's broking desk monitors execution quality and 'first line' controls. Basis' front-office staff fully understand the Firm's best execution policies and processes, seeking to deliver the best execution consistently.
- Second line: The Compliance team undertakes independent monitoring of the quality of execution as the 'second line of defence'. Testing is undertaken on an 'as required' basis, and if issues arise, these are discussed with the broker in the first instance. Where immediate remedial action can be taken, this is implemented. Any actions that cannot be immediately rectified will be reported to the Firm's CEO.
- Third line: The Firm's CEO is ultimately responsible for ensuring compliance with this policy. It bases its decisions on information provided by the first and second lines and, where appropriate, its own investigations. The CEO is responsible for ensuring this policy is reviewed at least annually.

17.2 REVIEW AND OVERSIGHT OF POLICY

This Best Execution Policy and Basis' execution arrangements are reviewed annually, or whenever a material change occurs that affects the Firm's ability to continue to provide the best possible result for the execution of client orders. Basis will notify clients of any changes to the Best Execution Policy by updating the client-specific summary on Basis' [website](#).

18. MONITORING AND REPORTING

At a client's request, Basis will demonstrate that it has executed a client's orders in accordance with its policies and procedures. Basis will retain records of all requests to demonstrate best execution, as required by the FCA Rules.

19. CLIENT COMMUNICATIONS AND DISCLOSURE

19.1 DISCLOSURE OF APPROPRIATE INFORMATION TO CLIENTS

It is an FCA requirement that Basis provides clients with ‘appropriate information’ on its best execution policy, which explains how orders will be executed clearly, provides sufficient detail, and can be easily understood by clients.

Basis aims this document to provide clients with the appropriate information, but if you have any questions, please contact us at compliance@basiscap.com.

19.2 DEMONSTRATING BEST EXECUTION TO CLIENTS AND THE FCA

Basis can demonstrate to clients, on request, that all trades have been executed under this policy and, where applicable, demonstrate that best execution has been achieved. Basis considers that this policy, along with its internal monitoring and oversight programme, is sufficient to demonstrate that the Firm has taken all necessary steps to deliver the best execution to its clients consistently.

ANNEX 1 FINANCIAL INSTRUMENTS

1. Transferable securities (such as shares and bonds)
2. Money-market instruments
3. Units in collective investment undertakings
4. Options, futures, swaps, forward rate agreements, and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivative instruments, financial indices, or financial measures that may be settled physically or in cash.
5. Options, futures, swaps, forwards, and any other derivative contracts relating to commodities must be settled in cash or may be settled in cash at the option of one of the parties other than because of default or other termination event.
6. Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled if traded on a regulated market, an MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled.
7. Options, futures, swaps, forwards, and any other derivative contracts relating to commodities that can be physically settled are not otherwise mentioned in point 6 of this section and are not for commercial purposes, which have the characteristics of other derivative financial instruments.
8. Derivative instruments
9. Financial contracts for differences (including stocks and equity indices)

ANNEX 2 FOREIGN EXCHANGE SPOT

A2.1 PRODUCTS IN SCOPE

Foreign ex

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change (FX) spot is not defined as a Financial Instrument under MiFID II and thus not subject to best execution requirements. However, as part of Basis' obligation to act honestly, fairly, and in clients' best interest, Basis below describes how trading in FX spot is undertaken.

A2.2 HOW BASIS APPLIES BEST EXECUTION

Basis trades in competition on all RFQ trades among approved brokers. At the Client's request, Basis may also trade FX spot with client-specific brokers.

A2.3 THE ORDER HANDLING PROCESS

Basis nets as many of all trades in the same currency cross pair as possible and trades as an RFQ on either an MTF or with an SI. To tap directly into the liquidity in primary FX markets, Basis may trade larger orders using algorithms. Before using algorithms, Basis will perform a pre-trade analysis on the expected time of order execution, expected participation rate, and expected costs of trading with an algorithm vis-à-vis trading in an RFQ.

A2.4 EXECUTION VENUES AND BROKERS

To evaluate the quality of the selected venue, we analyse, e.g., reversion numbers and market share based on quarterly venue analysis. If we deem a venue to underperform consistently, we may ask the broker to stop executing orders on the venue on our behalf. Where applicable, broker selection is subject to the Client's ISDA agreements.

A2.5 BENCHMARKING AND MONITORING

Monitoring of execution quality in algorithmic FX spot transactions is based on transaction cost analysis (TCA).

ANNEX 3 FOREIGN EXCHANGE DERIVATIVES

A3.1 PRODUCTS IN SCOPE

This section provides further details regarding applying best execution requirements to foreign exchange (FX) derivatives, including FX forwards, FX swaps, and non-deliverable forwards (NDF).

A3.2 HOW BASIS APPLIES BEST EXECUTION

Basis seeks execution of client orders in FX derivatives through brokers by transmitting orders to them for execution in accordance with their execution policies.

A3.3 PRIORITISATION OF EXECUTION FACTORS

For professional clients in foreign exchange derivatives, Basis will prioritise price, costs, speed, likelihood of execution and settlement, size, market impact, price risk, and the nature of the order or any other consideration relevant to the execution of the order.

A3.4 THE ORDER HANDLING PROCESS

FX forwards are traded either via RFQ or algorithms. FX swaps and NDFs are traded in competition as RFQ. In RFQs, Basis selects the broker for execution based mainly on the Execution Factors of price and costs. Algorithmic trades are typically used for larger orders. In algorithmic trades, Basis will select the best broker for execution based on the outcome of a pre-trade analysis of the expected total costs of trading and the anticipated time of order completion.

A3.5 EXECUTION VENUES AND COUNTERPARTIES

In FX derivatives, Basis may transmit orders to a broker for execution or bilateral execution. Basis may only trade with approved brokers, either client-specific or where ISDA agreements are in place. Where FX spot is traded and converted to FX forwards, Basis may decide on the optimal venue for execution. Venue selection is determined by market share of the venue, costs, and venue toxicity.

Where applicable, the derivatives trading obligation will mean that FX derivatives transactions are done over a trading venue.

Broker selection is subject to the Client's ISDA agreements.

A3.6 BENCHMARKING AND MONITORING

Monitoring of execution quality in algorithmic FX derivatives transactions is based on transaction cost analysis (TCA).

ANNEX 4 EQUITY DERIVATIVES

A4.1 PRODUCTS IN SCOPE

This section provides further details regarding applying best execution requirements to equity derivatives. It includes only equity index futures.

A4.2 HOW BASIS APPLIES BEST EXECUTION

Basis seeks execution of client orders in equity derivatives through brokers by transmitting orders to them for execution with the primary objective of minimising slippage to the given reference benchmark selected by Basis.

A4.3 PRIORITIZATION OF EXECUTION FACTORS

For professional clients within equity derivatives, the Basis will be prioritised as follows: price, costs, speed, likelihood of execution and settlement, size, market impact, price risk, and nature of the order or any other consideration relevant to the execution of the order.

A4.4 THE ORDER HANDLING PROCESS

In determining the best execution broker, we consider the following factors:

- Historic performance: broker's average execution quality relative to a relevant trading benchmark;
- Accuracy and timeliness of execution & settlement: broker's ability to pass on trade information during execution, as well as matching and settlement of trades in due time;
- Reputation and financial strength: how the broker is publicly perceived and the broker's creditworthiness;
- Quality of service: The broker's ability and willingness to meet specific trading requirements, follow up on trades, and handle trades professionally. In addition to the above, we consider the following factors in high-difficulty orders:
 - Access to liquidity: broker's ability to source relevant liquidity and find the other side of our trades.
 - Block trading capabilities: broker's ability to facilitate blocks and provide risk capital / principal trading at a competitive price.
 - Willingness to execute difficult transactions: broker's willingness to commit capital to facilitate execution on highly illiquid orders.
 - Anonymity of trading: how the broker manages the block trading while minimising information leakage. If order conditions are met in high-difficulty orders, traders may act on liquidity opportunities. These trades are typically traded within the spread at the time of execution. However, as the most critical factor is liquidity, traders may go outside the spread to access liquidity.

A4.5 EXECUTION VENUES AND BROKERS

Equity index futures are traded on the designated exchanges.

A4.6 BENCHMARKING AND MONITORING

Monitoring of execution quality in equity derivatives is based on transaction cost analysis (TCA).

ANNEX 5 COMMODITY PRODUCTS

A5.1 PRODUCTS IN SCOPE

This section provides further details regarding the application of best execution requirements in relation to commodity derivative products. Spot commodity products do not fall within the meaning of Financial Instruments. Nevertheless, we are subject to obligations to treat clients fairly and to manage any conflicts that may arise relating to spot commodity product transactions.

A5.2 HOW BASIS APPLIES BEST EXECUTION

When executing orders on behalf of clients, Basis selects Execution Venues consistent with our approach to taking sufficient steps to provide Best Execution, which is set out in section 6 of this Policy. Specific factors that we consider when selecting an Execution Venue depend on the Asset Class of the Financial Instrument and the nature of the service in question.

A5.3 PRIORITIZATION OF EXECUTION FACTORS

For professional clients in commodity products, Basis prioritises price and the likelihood of execution, and the remaining factors are generally given an equal ranking.

A5.4 THE ORDER HANDLING PROCESS

Orders are transmitted to our execution broker, which will work the order in the market.

A5.5 EXECUTION VENUES AND BROKERS

Basis may either transmit orders to a broker for execution or execute bilaterally. It may only trade with approved brokers, either client-specific or where ISDA agreements are in place. Where spot commodities are traded and converted to forward contracts, Basis may decide on the optimal venue for execution. Venue selection is determined by the venue's market share, costs, and toxicity.

Where applicable, the derivatives trading obligation will mean that commodity derivatives transactions are done over a trading venue.

Broker selection is subject to the Client's ISDA agreements.

A5.6 BENCHMARKING AND MONITORING

Monitoring of execution quality in commodities is based on transaction cost analysis (TCA).

ANNEX 6 ENERGY

A6.1 PRODUCTS IN SCOPE

This section provides further details regarding the application of best execution requirements in relation to energy products. Spot energy products do not fall within the meaning of Financial Instruments. Nevertheless, we are subject to obligations to treat clients fairly and to manage any conflicts that may arise relating to spot commodity product transactions.

A6.2 HOW BASIS APPLIES BEST EXECUTION

When executing orders on behalf of clients, Basis selects Execution Venues consistent with our approach to taking sufficient steps to provide Best Execution, which is set out in section 6 of this Policy. Specific factors that we consider when selecting an Execution Venue depend on the Asset Class of the Financial Instrument and the nature of the service in question.

A6.3 PRIORITIZATION OF EXECUTION FACTORS

For professional clients within exchange traded products, Basis will prioritise as follows: price, costs, speed, likelihood of execution and settlement, size, market impact, price risk, and nature of the order or any other consideration relevant to the execution of the order.

A6.4 THE ORDER HANDLING PROCESS

Basis executes orders in exchange traded products directly through a request-for-quote (RFQ) process via a trading platform or transmitted to a broker, which will work the order in the market.

A6.5 EXECUTION VENUES AND BROKERS

The nature of the order is important in determining how to execute it optimally. There are two overall order types: orders arising from investment decisions and flow-driven orders.

A6.6 BENCHMARKING AND MONITORING

Monitoring of execution quality in exchange traded products is based on transaction cost analysis (TCA).

ANNEX 7 CONTRACTS FOR DIFFERENCE (CFD)

A7.1 PRODUCTS IN SCOPE

This section provides further details regarding the application of best execution requirements in relation to CFDs.

A7.2 HOW BASIS APPLIES BEST EXECUTION

Basis seeks execution of client orders in CFDs through a broker by transmitting orders to the broker for execution in accordance with the broker's execution policy.

A7.3 PRIORITIZATION OF EXECUTION FACTORS

In CFD trades, Basis does not prioritise between Execution Factors due to the nature of all transactions being executed between the Firm's clients and the selected prime brokers for CFDs.

A7.4 THE ORDER HANDLING PROCESS

Orders are transmitted for execution to our prime broker.

A7.5 EXECUTION VENUES AND BROKERS

When we transmit orders for execution, the broker selects the venue on our behalf. Based on quarterly venue analysis, we analyse reversion numbers and market share to evaluate the quality of the chosen venue. If we deem a venue to underperform consistently, we may ask the broker to stop executing orders on the venue on our behalf.

A7.6 BENCHMARKING AND MONITORING

Monitoring of execution quality in CFDs is based on transaction cost analysis (TCA) and daily outlier reports.

ANNEX 8 EXCHANGE TRADED PRODUCTS

A8.1 PRODUCTS IN SCOPE

This section provides further details regarding the application of best execution requirements in relation to exchange traded products. This includes exchange traded funds and exchange traded notes.

A8.2 HOW BASIS APPLIES BEST EXECUTION

Orders are executed directly by Basis through an RFQ process via a trading platform or transmitted to brokers who will execute according to their execution policies. Basis trades in competition on all RFQ trades among approved brokers.

A8.3 PRIORITIZATION OF EXECUTION FACTORS

For professional clients within exchange traded products, Basis will prioritise as follows: price, costs, speed, likelihood of execution and settlement, size, market impact, price risk, and nature of the order or any other consideration relevant to the execution of the order.

A8.4 THE ORDER HANDLING PROCESS

Basis executes orders in exchange traded products directly through a request-for-quote (RFQ) process via a trading platform or transmitted to a broker, which will work the order in the market.

A8.5 EXECUTION VENUES AND BROKERS

The nature of the order is important in determining how to execute it optimally. There are two overall order types: orders arising from investment decisions and flow-driven orders.

A8.6 ORDERS ARISING FROM INVESTMENT DECISIONS

Orders arising from investment decisions may result in reallocating existing holdings or adding new holdings. These orders are typically linked and conditional regarding market exposure, cash restrictions, or time zones. These orders are generally traded with the primary objective of minimising slippage to the given reference benchmark selected by Basis. In this regard, the trading team may react to liquidity opportunities.

A8.7 FLOW DRIVEN ORDERS

Flow-driven orders are the result of flows in client portfolios. These orders are typically traded as close as possible to the NAV time-strike, making the Execution Factors of speed and likelihood of execution of higher relative importance.

A8.8 BENCHMARKING AND MONITORING

Monitoring of execution quality in exchange-traded products is based on transaction cost analysis (TCA).

ANNEX 9 FINANCIAL INSTRUMENTS NOT TRADED BY THE FIRM

Some classes of Financial Instruments, as defined in Commission Delegated Regulation (EU) 2017/576, are not traded by Basis and thus fall outside the scope of this Policy. These include:

#	Ref.	Products Traded by Basis	Products <u>Not</u> Traded by Basis
a)	-	-	Equities
b)	-	-	Debt Instruments
c)	-	-	Interest Derivatives
d)	-	-	Credit Derivatives
e)	3	Currency (FX) Derivatives	-
f)	-	-	Structured Finance Instruments
g)	4	Equity Derivatives	-
h)	-	-	Securitized Derivatives
i)	5	Commodity Derivatives and Emission Allowances Derivatives	-
j)	7	Contracts for Difference	-
k)	8	Exchange Traded Products	-
l)	-	-	Emission Allowances
m)	-	-	Other Instruments
-	2	FX Spot	-
-	6	Energy	-