

Best Execution Policy

Version: 3.0
October 2021



true potential
investments



Contents

1. Overview	3
2. Asset classes in scope.....	3
3. Execution factors	3
4. Execution criteria.....	4
5. Obtaining Best Execution	4
6. Specific Instructions.....	6
7. Dealing in Collective Investment Schemes.....	6
8. Currency.....	7
9. Fees, costs and Inducements	7
10. Monitoring and Review	7



1. Overview

True Potential Investments LLP (“**TPI**” also “we”, “us”) is obligated to take all sufficient steps to obtain, when executing orders, the best possible results for clients taking into account a range of factors.

This Best Execution Policy (the “**Policy**”) sets out the arrangements on how TPI seeks to provide best execution as outlined in the Financial Conduct Authority (“**FCA**”) Conduct of Business Sourcebook (“**COBS**”) and the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (known as “**MIFID II**”).

2. Asset classes in scope

This Policy applies to TPI should the firm deal in the following classes of financial instruments:

- **Equities:** including Shares and Depositary Receipts.
- **Debt instruments:** including Bonds and Money Market Instruments.
- **Derivatives:** including interest rate derivatives, credit derivatives, currency derivatives, equity derivatives and commodities derivatives.
- Units or shares in collective investment schemes (“**CIS**”).
- Contracts for difference.
- **Exchange traded products:** including exchange traded funds, exchange traded notes and exchange traded commodities.
- Other instruments.

3. Execution factors

For each client order we will make every effort to ensure the best possible results taking into account the following ‘execution factors’:

- **Price:** The price at which a transaction is executed.
- **Costs:** Explicit costs (for example custody or exchange fees) and implicit costs (for example slippage and spreads).
- **Speed:** The efficiency of transmission and execution.
- **Likelihood of successful execution and settlement:** the probability that a trade order will be successfully completed, either in whole or in part.
- Size of the order.



- Nature of the order.
- **Any other relevant consideration:** Any other factor which is not listed above which we may wish to prioritise in order to achieve the best result for clients.

What constitutes the best possible result may vary depending on the situation and does not always equate to obtaining the best price or the lowest cost. However, for many clients price will normally be the most important aspect in obtaining best possible results.

4. Execution criteria

We will also take into account the 'execution criteria' set out in COBS when executing client orders, which are summarised below:

- **Characteristics of the client:** Classification (for example whether a retail client, professional client or fund).
- **Characteristics of the client order:** includes type of financial instrument, size, whether there are specific instructions.
- **Characteristics of the financial instrument(s) that are subject to the order:** consideration of market conditions and liquidity.
- **Characteristics of the venue to which that order can be directed:** includes reliability and efficiency of the execution venue, associated counterparties, pre-trade and post-trade transparency.

These execution criteria are assessed on an ongoing basis as part of our execution procedures.

5. Obtaining Best Execution

True Potential Portfolios and the True Potential Growth-Aligned and Global Managed Fund range

The True Potential Portfolios ("TPP") are a suite of discretionary-managed investment solutions. The Portfolios are multi asset solutions which provide diversification by asset class and geographic region, alongside manager style and implementation. We provide ten Portfolios, mapped to five Morningstar risk profiles from Defensive to Aggressive; further details are available on <https://www.tpllp.com/true-potential-portfolios/>.

The True Potential Growth-Aligned and Global Managed funds are a risk-based series of



multi-asset investment funds, where investment decisions are made on a discretionary basis by TPI. Bloomberg Trading Facility Limited's multilateral trading facility ("**Bloomberg MTF**") is utilised as the principal venue for which we route orders for equities, debt instruments and exchange traded products. Orders are placed electronically by a Request for Quote function ("**RFQ**") for a firm price if possible, from at least three approved counterparties ("**Participants**") on the venue, when a quote is accepted by TPI, Bloomberg MTF will then execute the trade.

We will periodically assess Bloomberg MTF and other execution venues used by our counterparties to identify if they enable them on a consistent basis, to obtain the best possible results. The list of approved counterparties, Participants and execution venues will be updated, where necessary, following such assessment.

We do not have any conflicts of interest or close links with any of the execution venues, market makers, brokers or affiliates with which we route orders to trade. We do not route orders to counterparties or Participants that are not approved, or execute outside a trading venue, as counterparty risk arising from execution outside a trading venue is outside our risk appetite.

On the occasion we place an order to execute a cross trade (where buy and sell orders for the same security or instrument are executed between more than one fund) we will route orders to execute the cross transactions at the lowest possible cost to each fund, in the interests of the mandates concerned and managing conflicts of interest fairly.

True Potential Wealth Platform

The True Potential Wealth Platform ("**Platform**") is a collection of services and tools to arrange, manage, and track your investments easily. The platform holds circa 3,000 investment funds which, depending on your circumstances, could be used to achieve your investment objective. The Platform has been in operation from 2011 and we have a great deal of experience in helping individuals to effectively access and manage their investments. The Platform is designed to enable clients to manage their investments more easily; and either through an intermediary or directly (where appropriate), you can instruct us to buy, sell and switch your investments.

Client trade orders on the Platform are processed in accordance with the Terms of our Dealing and Custody Service and we work to process client trade orders in equities and



transmit to our counterparty Winterflood Securities Limited (“**WSL**”) as soon as possible upon receipt of a valid instruction. WSL have a best execution obligation for clients, as TPI place a legitimate reliance to execute the orders received through the Platform.

Orders to buy or sell equities on the Platform are submitted to Winterflood at two ‘dealing times’ of 9.30am and 3.30pm. Trades received from 9:30am to 3:30pm are typically processed at 3:30pm, trades received after 3.30pm are processed at 9.30am the following business day, any overnight trades are typically processed before 9:30am on the next business day. Some trading days are busier than others, including around public holidays; despite our reasonable efforts on occasion we may not meet these processing times and the trade will be processed at the next available opportunity.

Both TPI and our counterparties may aggregate trade orders to the extent permitted by applicable law and regulations to ensure both fair treatment of clients and to seek more favourable prices and costs or more efficient execution on the securities to be purchased or sold. When orders are passed by WSL to third party counterparties and brokers this will be in accordance with WSL Order Execution Policy. There may be occasions where the aggregation of orders result in clients obtaining a worse price than if that order was executed separately, or be subject to disadvantageous rounding.

6. Specific Instructions

If an instruction is given that price is not the most important factor in executing your instructions, we will make every effort to comply with the instructions but cannot guarantee this. This may be due to either the nature of the order, or the type of financial instrument you wish to trade in. We will make all decisions as to the execution venues where Platform orders are routed, therefore, we cannot accept instructions from clients to execute an order via a specific trading venue.

7. Dealing in Collective Investment Schemes

When we route orders for clients in CIS (including Unit Trusts and Open-Ended Investment Companies (OEICs)) to our counterparties Allfunds Bank S.A. and True Potential Administration LLP we regard the likelihood of execution (i.e. the ability for that counterparty to execute the order in a timely manner) as the most important factor regardless of client type.

Providers of Unit Trusts and OEICs generally calculate and set their prices once a day, in



accordance with FCA rules and regulations. For the vast majority of CIS there is no secondary market (i.e. trades are not done on a stock exchange) and as such the majority of orders for the purchase or sale of shares/units will be routed to the Operator, Manager or Administrator of the collective investment scheme for execution.

Once trades have been processed, the unit price achieved is not guaranteed to be the price of the same day, as trading delays may be experienced and/or trading windows may vary from one fund manager to the next.

8. Currency

If a product provider accepts transactions in another currency other than pound sterling 'GBP', the client will bear the increased risk and costs of any currency conversion.

Our Best Execution requirements are met through reference to the prices provided by the respective counterparty.

9. Fees, costs and Inducements

As outlined in COBS and MIFID II TPI is prohibited from paying or accepting from any party (other than the client or a person on behalf of the client) any fee or commission or providing to or receiving from any party (other than the client or a person on behalf of the client) any non-monetary benefit.

10. Monitoring and Review

We adopt appropriate controls and procedures to assess execution quality when routing trade orders for execution which are reviewed on an ongoing basis. Significant and/or consistent deviation from best execution is reviewed and addressed internally, with measures implemented as required to ensure client orders continue to receive the best possible outcomes.

On an annual basis for each class of financial instrument TPI will publish execution quality data in our top 5 execution venues report (RTS28 Disclosure) and/or the top 5 execution brokers report (Delegated Regulation Article 65(6) Disclosure).

This Policy will be reviewed annually, or more frequently should a material change affect arrangements.



Published October 2021

With investing, your capital is at risk. The value of your investments will rise and fall at times and you could get back less than you invest.

This Policy is not intended to constitute investment advice.



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