Best Execution Policy

Introduction and Scope
This Policy sets forth information relating to how Mesirow Financial Currency Management (“MFCM”) seeks to provide best execution in accordance with regulatory requirements. MFCM is committed to achieving best execution on behalf of its clients and this Policy sets out our business practice of taking all sufficient steps to obtain the best possible result when we execute orders on behalf of our clients.

This Policy applies to all portfolio managers and traders at MFCM who place trades on behalf of clients, regardless of where they are located, the type of instrument traded or on what venue the trades are placed.

This Policy should be read in conjunction with MFCM’s Counterparty Selection and Monitoring Policy in order to understand the full scope of MFCM’s counterparty selection process and best execution philosophy. This policy details MFCM’s policies and procedures for evaluating and monitoring the execution performance of counterparties.

Best Execution
MFCM will take all sufficient steps to obtain the best possible result for our clients, taking into account the following factors:

- Price
- Costs
- Speed
- Likelihood of execution and settlement
- Size
- Nature
- Liquidity
- Market Holidays
- Process Issues
- Any other consideration relevant to the execution of a particular order

The relative importance of these execution factors will be determined based on the following criteria:

- The characteristics of the client or fund
- The characteristics of the transaction, including prevailing market conditions
- The characteristics of the financial instruments that are subject of that transaction
- The characteristics of the brokers and execution venues available
- The market obligation relevant to the transaction

Although price will ordinarily merit high importance, the weighting given to these factors can be expected to vary according to, among other things: (1) the purpose of the trade, (2) the type of instrument, and (3) market conditions involved. The factors may vary throughout the day, even on the same type of trades, and require flexibility for effective implementation.

Counterparty Selection
MFCM’s most important factor in choosing a trading counterparty is the quality of their trade execution. Specifically, MFCM considers the following factors as part of execution performance:

- counterparty liquidity
- competitiveness of spot and forward pricing
- quality of order management
- order slippage
- speed and likelihood of execution
- quality of operational process

MFCM determines the relative importance of each factor on a client by client basis by considering client specific mandate parameters, maturity duration, currency pairs, order type, client counterparty preferences and credit availability.

1 MFCM is a business unit within Mesirow Financial Investment Management, Inc. (“MFIM”) and Mesirow Financial International UK, Limited (“MFIUK”). MFIM is a SEC registered investment advisor, a CFTC registered CTA and a member of the NFA. MFIUK is registered with the FCA, is a CFTC registered CTA and a member of the NFA.

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Execution Venues

As an integral part of its service, MFCM will exercise discretion, to the degree that it has been granted, providing custom execution venue determination.

Subject to any specific limitations or instructions that may be given by our clients, MFCM will select the execution venue that it considers the most appropriate for a given client at that time. Transactions may be executed:

- On regulated markets
- On multilateral trading facilities (“MTFs”)
- On electronic communication networks (“ECNs”)
- Swap Execution Facility platforms
- Over the counter (“OTC”) with Systematic Internalisers (“SIs”)
- OTC with approved counterparties

We determine the execution venue in respect of a particular order by taking into consideration the following factors:

- The depth of liquidity and the relative volatility of the market
- The speed and likelihood of execution
- The creditworthiness of the counterparty on the venue
- Explicit costs and implicit costs
- Execution capabilities, expertise, and reputation of the counterparty on the venue
- The need for timely execution and/or confidentiality of the transaction
- Size and nature of the transaction
- The reliability and accuracy of the counterparty’s or venue’s communication and settlement processing
- Other matters relevant to the selection of a venue for portfolio transactions for any client

See Appendix A for a list of significant execution counterparties and venues.

Client Instructions

If a client gives MFCM specific instructions for executing a particular transaction, we will ensure that execution is performed in adherence with the specific instruction. Any specific instruction received from a client may prevent MFCM from taking the steps we have designed and implemented in this Policy to obtain the best possible result for the execution of those orders in respect of the elements covered in the specific instruction. Hence, our ability to provide best execution will be limited to the extent that we are following specific instructions from our clients.

Order Placement

MFCM executes orders on the following FX instruments: FX forwards (deliverable and non-deliverable), FX spot, FX swaps, FX futures, FX options and other FX-based instruments determined by MFCM to be appropriate with respect to a particular client or strategy.

FX transactions that are scheduled for immediate execution, where speed of execution and price are the most important factors, should be placed in a Multi-Bank Platform (“MBP”) or multilateral facility (“MLF”), if possible.

If not using a MBP or MLF, trades can be placed on a platform that is operated by a separate counterparty, via Bloomberg IB Chat or through a recorded phone line. If a trade is not placed on a MBP, it is preferred that the portfolio manager or trader shop the trade to several alternative counterparties and select a counterparty that provides the best execution using the factors set forth in this Policy. This is not applicable if the client mandate uses only a single counterparty.

FX transactions scheduled for contingent execution, for example limit orders, where price and likelihood of execution are the two most important factors, can be placed on a trading venue other than an MBP if the venue is deemed to offer superior execution at the point when the order is placed. Resting orders left in the market with a single counterparty similarly may be appropriate where the need for execution at a certain price is the overriding factor. FX execution for residual positions resulting from rebalancing trades and rolls can be handled on an exception basis. Such trades may be uploaded into a single bank platform as a bulk trade and executed in a batch.

Exceptional circumstances

MFCM may from time to time execute orders in a manner that differs from the process contemplated by this Policy because of system failures, market disruption, and other reasons that are unavoidable and beyond MFCM’s reasonable control. In such an event, MFCM will still endeavor to place or, as the case may be, execute orders on the best terms available in the relevant circumstances.

Monitoring and Review

In order to evaluate the effectiveness of our overall execution arrangements, we will review these execution arrangements on an on-going basis. This review will include a combination of some or all of the following key activities:

- Supervisory oversight to ensure that the order execution on execution venues follows this Policy and that decision-making for non-standard executions is exercised at sufficient level of authority

2 MFCM regularly assesses the reliability and creditworthiness of its selected OTC trading counterparties in accordance with its Counterparty Selection and Monitoring Policy and only executes transactions where appropriate documentation is in place to reduce potential risks associated with trading outside of a trading venue. Generally, MFCM discourages clients from limiting OTC trading counterparties to a single or small roster as it increases exposure to a single bank, limits the ability of MFCM to achieve best execution and may increase risks associated with trading outside of a trading venue.

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Periodic review of execution effectiveness based on information obtained from counterparties, liquidity providers, third party data providers and/or TCA provided by independent third-party data providers and exception reports with information including trade details, reason and justifications for deviation

Review of counterparties as set forth in the MFCM Counterparty Selection and Monitoring Policy as well as evaluation of counterparty execution quality in connection with this Policy

Delegation Arrangements

In certain circumstances where permitted pursuant to contractual arrangements with a client, MFIM or MFIUK may delegate all or part of the discretionary management of a client portfolio. In such circumstances, MFIM or MFIUK will take all reasonable steps to ensure that the delegate complies with best execution requirements set forth herein in all material respects.

Publication of top execution venues and summary analysis of execution quality

On an annual basis, MFIUK summarizes and makes public, for each class of financial instrument, the top five entities in terms of trading volumes where MFIUK transmitted or placed orders for execution in the preceding year.

In addition to the above, MFIUK publishes for each class of financial instrument, a summary of the analysis conducted and conclusions drawn from the monitoring of the execution venues utilized. Specifics of what the analysis is to cover include:

- relative importance MFIUK gave to the execution factors when assessing quality of execution;
- description of any close links, conflicts, common ownerships with respect to any execution venues used;
- description of any specific arrangements with execution venues regarding payments made/received, discounts, rebates or non-monetary benefits;
- explanation of factors that led to a change in the list of execution venues used by MFIUK;
- explanation of how order execution differs according to client categorization; and
- an explanation of how MFIUK has used any data or tools relating to quality of execution published by execution venues.

MFIUK publishes this information on Mesirow’s website in a machine-readable electronic format available for download by the public.

Policy Review

This Policy will be reviewed at least annually.
APPENDIX A

This section below provides a non-exhaustive list of counterparties/venues used by MFCM to execute orders. Only those counterparties/venues are listed that we place significant reliance on. Any additional counterparties/venues used, but not listed here, will still have been selected in accordance with this Policy.

**Counterparties**
Barclays Bank Plc.
Citibank N.A.
HSBC Bank USA
HSBC Bank Plc.
Societe Generale SA
Standard Chartered Bank
Westpac Banking Corporation
The Toronto-Dominion Bank
Northern Trust Corporation
State Street Bank and Trust Company

**Execution Venues**
FX Connect
FXall