

# Ternary Fund Management

## Order Execution Policy

### 1. Purpose

This document sets out the principles and procedures governing the execution of orders in financial instruments by Impactfull Partners (the “Firm”), in accordance with **MiFID II (Directive 2014/65/EU, Article 27)**, **CSSF Circular 18/698**, and **MAS Guidelines on Licensing, Registration and Conduct of Business (SFA04-G05)**.

The objective is to take all reasonable steps to obtain the best possible result for clients on a consistent basis, considering price, costs, speed, likelihood of execution and settlement, order size and nature, and any other relevant factors.

This policy supplements the Firm’s General Terms of Business and forms part of the compliance and fiduciary duties owed to clients.

### 2. Client Consent

By entering into a contractual relationship with the Firm, clients expressly consent to:

- The application of this Order Execution Policy.
- The execution of orders outside a regulated market, multilateral trading facility (MTF), or organised trading facility (OTF), where deemed in the client’s best interest.
- The non-immediate publication of limit orders in certain market conditions, if disclosure would compromise client interests.

Where a client issues specific execution instructions, the Firm will follow these instructions. However, such instructions may prevent the Firm from taking all steps designed to obtain best execution.

### 3. Execution Arrangements

The Firm does not maintain an internal dealing desk. Orders are transmitted for execution to carefully selected **broker-dealers, counterparties, and execution venues** that meet regulatory standards of transparency, financial stability, and execution quality.

**Selection Criteria include:**

- Quality of execution (historical performance across asset classes).
- Access to liquidity and breadth of coverage.
- Costs of execution (explicit and implicit).
- Operational robustness and settlement efficiency.
- Regulatory standing and financial soundness.

The approved list of counterparties is reviewed **at least annually** by Compliance and Risk Management, and more frequently if conditions warrant.

#### 4. Best Execution Factors

When executing orders on behalf of clients, the Firm will consider the following factors, weighted according to client type, instrument, and market conditions:

- **Price and total consideration** (price plus all execution costs) – primary factor for retail clients.
- **Speed and likelihood of execution** – particularly relevant for illiquid or fast-moving instruments.
- **Order size and market impact** – ensuring minimal disruption to prevailing market prices.
- **Nature of the order** – including client-specific instructions, time sensitivity, or order type.
- **Any other considerations** – including counterparty risk, settlement arrangements, and reputational concerns.

For professional clients, the Firm may prioritise speed, likelihood of execution, or other factors over price, depending on the context.

#### 5. Order Handling, Aggregation and Allocation

- Orders are executed **promptly, fairly, and in chronological order**.
- Client orders may be aggregated where the Firm reasonably believes this will result in better outcomes. Allocation is then carried out on a **fair and equitable basis**, in accordance with the Firm's Allocation Policy.
- Aggregation may occasionally operate to a client's disadvantage; however, the Firm will ensure no systematic unfair treatment of clients.

- Trade errors are recorded, reported to Compliance, and any losses are borne by the Firm (not by clients).

## 6. Execution Venues and Counterparties

The Firm may use the following categories of execution venues:

- Regulated markets.
- Multilateral Trading Facilities (MTFs).
- Organised Trading Facilities (OTFs).
- Systematic Internalisers (SIs).
- Market makers and liquidity providers.
- OTC platforms and counterparties.

Where it is in the best interests of the client, the Firm may execute transactions outside a trading venue. Clients are deemed to consent to such execution upon acceptance of this policy.

## 7. Specific Instructions

Clients may provide specific instructions on order execution (venue, timing, price limits). Such instructions will be followed; however, they may prevent the Firm from obtaining the best possible result under the policy. Specific instructions take precedence over best execution factors.

## 8. Monitoring and Review

- The Firm monitors execution quality on a continuous basis, including periodic sampling of trades.
- Counterparty performance is assessed against regulatory standards and internal benchmarks.
- The policy is reviewed **at least annually**, or sooner if there are material changes in market structure, regulation, or counterparties.
- An annual **Best Execution Report** will be published in accordance with CSSF and MiFID II requirements, including disclosure of top five execution venues/counterparties by asset class.

## 9. Governance and Oversight

- The **Compliance Officer** maintains oversight of adherence to this policy.
- Material changes are approved by the **Board of Directors** and communicated to clients.
- A **Conflicts of Interest Register** is maintained to record and mitigate any conflicts arising in trade execution (e.g., soft dollar arrangements, cross-trading).

## 10. Disclosure

This policy, together with any updates, is available on request and via the Firm's website. Clients will be notified of material changes in a timely manner.