Premier Miton INVESTORS

Order Allocation Policy

Introduction

This Order Allocation Policy ("Order Allocation Policy" or "Policy") applies to all financial instruments that Premier Fund Managers Limited (PFM) transacts in on behalf of its clients.

Financial instruments are assets that are bought and sold by the funds. They may include company shares, fixed income securities (including bonds issued by governments and companies), convertible bonds (that can convert into company shares), shares in other funds and investment trusts, derivatives, warrants and forward transactions (whose value is based on the change in price of an underlying investment), foreign exchange transactions (also known as FX) and hedging instruments (which are used to offset the risk of another investment falling in price) as well as other financial instruments (together, "Financial Instruments"). More details about the financial instruments a particular fund invests in can be found in the fund's prospectus, a copy of which is on our website, or you can ask us for a copy.

A glossary of terms is provided at the end of this Policy.

Scope

This Policy requires that purchases and sales of Financial Instruments should be allocated fairly across all clients unless there are reasons for acting differently. Subject to the rules of the Financial Conduct Authority (the "FCA Rules"), PFM may aggregate orders to buy Financial Instruments for clients with those of other clients and will allocate such transactions on a fair and reasonable basis.

When PFM aggregates a client order with an order for another client or an own account order it must do so in accordance with this Policy and ensure that it is consistently applied.

Aggregation

PFM will aggregate all orders for the same Financial Instrument and execution criteria arriving at the centralised dealing desk unless specifically instructed by the client not to do so.

When PFM aggregates a client order with an order for another client it must do so in accordance with this Policy and ensure that it is consistently applied.

PFM will ensure that the Policy is effectively implemented, providing for the fair allocation of aggregated orders and transactions.

Allocation

When aggregating an order. PFM may execute the order in part if does not prove possible to buy or sell all of the Financial Instruments that make up an order. This is also known as a partial fill or partial execution. Partially filled aggregated orders shall be allocated on a pro-rata basis amongst the clients participating in the aggregated trade in proportion to the size of the original orders placed for each client. Where the aggregated order is only partially executed and PFM determine that pro-rata allocation is not appropriate due to the minimum investment size has not been met, PFM will in the case of a trade adding to an existing position, upsize to the minimum investment size where permitted by investment mandate and regulatory rules and reduce other allocations. Where it is a new position and it would be uneconomic to hold such a small position, the allocation will be allocated to the larger holders.

Where the execution of an order is 100% complete, each client participating in an aggregated trade will receive the same average price and shall be charged the same commission rate.

Criteria

Where an order is given on behalf of a number of clients, and where a pre-allocation has been made for those clients, the Financial Instruments concerned should be allocated on a pro-rata basis unless there are sound reasons for applying alternative allocation criteria such as price and volume allocated.

Financial Instruments would not be allocated to a client if it would be uneconomic or prohibitive, from a dealing cost point of view, for the client. An allocation would be regarded as uneconomic or prohibitive if the administrative cost of the order or transaction was disproportionate to the value of the Financial Instrument allocated.

All allocations should be made on a timely basis and records kept of the basis of allocation and any change to that allocation.

Glossary

Bond	A loan, usually to a company or government that can be bought or sold on a regulated financial market, that pays interest;
Broker	A person who arranges the purchase or sale of a financial instrument on a regulated financial market
Derivative	A contract whose value is based on the change in price of a specific asset or index. When derivatives are used within a fund, it doesn't necessarily increase risk. However, price changes in the underlying asset can translate into big swings in the value of derivatives (up and down), which has a direct effect on the value of the fund
Regulated financial market	A regulated place where assets such as bonds, company shares and other assets (also known as financial instruments) can be bought and sold, for example the London Stock Exchange
Fixed income securities	Government and corporate bonds generally offer a fixed level of interest to investors, so their value can be affected by changes in interest rates. When central bank interest rates fall, investors may be prepared to pay more for bonds and bond

	prices tend to rise. If interest rates rise, bonds may be less valuable to investors and their prices can fall.
Financial Conduct Authority (FCA) rules	The FCA's handbook of rules and guidance (including the Glossary made available by the Financial Services and Markets Act
Fill	The term used to describe when a one, or a series of transactions are carried out to complete an order
Financial instrument	Asset that can be traded e.g. bonds or company shares
Foreign exchange (FX)	Where investments in a fund are denominated in currencies other than sterling (for example, if a fund holds assets priced in euros), its value will be affected by changes in the relevant exchange rate. FX transactions may be used to hedge these investments to manage the risk of unfavourable changes in the currency exchange rate.
Forward or option	A customised contract between two parties to buy or sell an asset at a specified price on a future date. These can be used for hedging
Hedging	A hedge is designed to offset the risk of another investment falling in price. It can also act as a limit on potential gains if the investment that has been hedged increases in value
Investment manager	A person or firm that manages investments in financial instruments on behalf of clients.
Investment trust	A publicly listed company that invests in financial instruments on behalf of their investors. When you invest you are buying shares in an investment trust, like you would in a company.
Order	Instruction to buy or sell financial instruments
Partial fill	A term used to describe when one or a series of transactions only partially completes an order, leaving some financial instruments either not bought or unsold
Share	An equal portion representing part ownership of a company. Shares can be bought or sold on a regulated financial market and can also apply to a fund;
Transaction	The exchange of cash for a financial instrument and vice versa
Warrants	A derivative that gives the right, but not the obligation, to buy or sell a financial instrument—most commonly a company share—at a certain price before expiration.