

The Rules for Work Organization and Assurance of Compliance Function

Annex no. 11

**INVESTMENT DECISIONS EXECUTION
POLICY****I. General part**

This policy regulates investment decisions execution, while managing portfolios of financial instruments for discretionary asset management clients and mutual funds. The policy determines the places of orders execution, brokers and causes leading to the selection of places and brokers.

Dovre Forvaltning, UAB (therefore - **Company**) goal is to ensure that orders are executed on the best terms for the client / mutual fund.

When submitting orders these factors are taken into account:

- Market price of the financial instrument;
- Peculiarities of the financial instrument;
- Trading hours of the stock market;
- Speed of order execution;
- Market liquidity;
- The likelihood to execute the order;
- Size of the order;
- The costs of implementing the transaction;
- Order type;
- Restrictions given by the client in advance;
- Disclosure of the order in the market;
- Quality of broker's recommendations;
- Other factors that affect the efficient execution of an order.

These circumstances are not listed in the order of importance, because the importance of each parameter can vary according to the specificities of financial instruments. To ensure the best execution of an order overall impact of these factors is considered.

For discretionary asset management clients the relative importance of the above mentioned parameters is assessed on the basis of the following criteria:

- Client's characteristics, including category of the client to which the client is assigned (professional or retail);
- Investment decision's characteristics;
- Financial instrument's characteristics;
- Orders execution places characteristics.

In managing a portfolio of retail clients' financial instruments, the best possible result is determined by the total settlement amount, which includes the price of the financial instrument and the costs of implementing the investment decision. The costs of implementing the investment decision include all customer's costs directly related to the execution of the investment decision, including enforcement costs, clearing and settlement fees, and all other related fees payable to third parties involved in the execution of the investment decision.

For mutual funds the relative importance of the above mentioned parameters is assessed on the basis of the following criteria:

- Mutual fund's objectives, investment policy and risks as it is referred in the mutual fund's establishment documents;
- Investment decision's characteristics;
- Financial instrument's regarding which the decision was taken characteristics;
- Orders execution places whereas the investment decision may be executed characteristics.

II. Classes of financial instrument

Classes of financial instruments, into which the asset of mutual fund's/financial instruments' portfolio can be invested:

- Transferable securities;
- Money market instruments;
- Collective investment undertakings units and shares;
- Derivative financial instruments.

The Company may forward the investment decisions for the following classes of financial instruments to any broker mentioned in the relevant fund's prospectus. A specific broker is selected in accordance with chapter III provisions.

Investment fund's assets may also be invested in deposits. Contract for the deposit may be signed with the fund's custodian or with the selected bank and fund's custodian.

III. Brokers

When choosing order execution mediators (brokers) the Company assesses:

- The transparency of the broker's activity;
- The quality of broker's recommendations;
- Ability of the broker to execute the order;
- Timeliness of order execution;
- The cost level;
- Other relevant factors.

The main mediators of the Company's orders shall be:

- Banks;

- Brokerage firms;
- Other intermediary that satisfy the requirements.

The number of the Company's mediators should be sufficient to ensure the order execution in the best terms for the client / mutual fund.

IV. Places of the order executions

The Company chooses the places for order execution regarding to:

- Liquidity and accessibility to other market participants;
- The transparency of price formation;
- The likelihood to execute the order;
- Timeliness of order execution;
- The cost level;
- The restrictions of order size;
- Other relevant factors.

The main places for the Company's orders shall be:

- Regulated markets;
- Electronic multilateral trading systems managed by brokerage companies;
- Brokerage firms that are carrying out a systematic trading;
- Other eligible places.

The Company selects one or more order execution places for each financial instrument category. In most cases that place is a liquid regulated market where the financial instrument is registered and traded.

V. Order submission

An order can be submitted:

1. Online through an electronic platform (provided by the broker);
2. By telephone;
3. By e-mail;
4. By fax.

The specific method of an order submission is arranged with the broker. All orders are recorded and stored in the investment decisions registration journal. The portfolio manager is responsible for ensuring that investment decisions are filed in a separate document as part of the Investment decision making policy prior to their registration in the investment decision registration journal.

VI. Joint orders

In order to ensure equal treatment of clients and mutual funds, when the portfolio manager makes an investment decision on a particular financial instrument purchase / sale for clients / mutual funds of the same category he issues a joint order. In cases where there is a decision to include a certain investment instrument into a different category portfolio, orders for these portfolios are included in a joint order.

Joint order is given only when there is no reason to believe that joining the investment decisions will negatively affect any of the fund's or other client's (on who's expenses these decisions will be made) interests.

In case of failing to buy / sell the requested amount of financial instruments as the consequent allocation of the transaction in proportion to all clients and / or mutual funds, the certain clients / mutual funds would suffer unreasonably high transaction costs, the joint order is executed in the following ways:

1. A financial instrument is bought / sold only for small investors*;
2. A financial instrument is bought / sold only for big investors**.

Concrete method is chosen by the Manager.

* Small investors - a client or a mutual fund whose portfolio is of a small size, and therefore, the allocation of partly received financial instruments on a pro rata basis would have unreasonably high costs.

**Big investor – a client or a mutual fund whose portfolio size is large enough that the allocation of partly received financial instruments on a pro rata basis would not have unreasonably high costs.

The Company does not combine investment decisions taken on the behalf of investment funds' or clients' with the investment decisions taken on the behalf of the Company.

VII. General requirements for the implementation of investment decisions

Measures and procedures to ensure that the mutual fund's investment decisions are promptly and accurately recorded and distributed:

- Accounting is being done according to the Net asset value calculation methodology (checking the balance, etc.);
- Distribution is ensured by specifying the mutual fund's account in the order. In case of a joint order, the distribution is done according to preliminary calculations, if the full amount is not received - on a pro rata basis.

Measures and procedures which ensure that similar investment decisions would be carried out simultaneously and promptly, unless the investment decisions or the prevailing market conditions make it impossible to fulfill the order, or when it is contrary with the interests of the investment fund:

- The possibility to give joint orders (see chapter V).

Financial instruments and cash received after the settlement of an executed investment decision are promptly and correctly accounted in the corresponding client or investment fund's account, if applicable, the sub-fund's or class of units and (or) series account.

The Company has no right to misuse information relating to pending investment decisions, and must take all necessary steps, that none of the related persons could abuse this information.

VIII. Final provisions

The Company constantly monitors the effectiveness of this policy. If there are some weaknesses found, the Company takes actions that are necessary to correct them.

Investment decisions execution policy shall be reviewed at least once a year and every time a material change that could affect the Company's ability to achieve the best result for the investment fund / clients.

The Company must act in such a way that at any time it could prove that the investment decision has been transferred to another entity to carry out in accordance with the Investment decisions execution policy.