

Officium Asset Management

Policy for selecting and evaluating intermediaries and counterparts

In conformity with paragraphs 314-69 to 314-75 before entering into relations, Officium Asset Management verifies that the intermediaries have the authorization and capacity to supply the services it needs.

Regarding brokers, Officium Asset Management makes sure that it receives the intermediary's execution policy.

The absence of an undertaking by the broker to ensure best execution would render any contractual relationship impossible.

Constituting a file

The supporting documents which must constitute the file of the intermediary or the counterpart are requested by the manager who wishes to work with this company and are centralized by the internal controller. The file shall thus constitute:

- The signed contract with the intermediary or counterpart
- An evaluation notice
- Documents relating to the identity and capacity of the intermediary in cases where the latter is not a financial organization. For establishments certified in France by the AMF and the CECEI, this verification may be informal since the information is available on the websites of the providers
- The execution policy transmitted by the broker.

Criteria of evaluation

The principle criteria for the selection and evaluation of intermediaries and counterparts are:

- The cost of the service
- Availability
- Responsiveness
- The quality of the service
- Solidity of finances and reputation

Other criteria may be added with a view to improving the evaluation.

Moreover, coefficients weight the criteria so as to classify them in order of importance by the PSI.

It is to be noted that the 'financial analysis' criterion must be taken into account in an autonomous way in conformity with paragraph 314-75-1 of the general regulations of the AMF.

Evaluation of intermediaries/counterparts

Frequency

The meeting for the selection of intermediaries shall determine the counterparts with whom Officium Asset Management will work by establishing annually an evaluation of these intermediaries according to criteria defined in the previous chapter, and with different coefficients for each of them.

This evaluation is at the disposal of the Compliance and Internal Control Officer.

Modalities

The evaluation of each intermediary or counterpart requires the updating of the factsheet.

The set of results job by job is compiled and gives rise to a general appreciation which enables:

- The validation/modification of the evaluation of each intermediary.
- Checking the coherence of evaluations with the analysis of the flow of orders.

Decisions

If an intermediary or a counterpart no longer responds to the qualitative or quantitative criteria defined by Officium Asset Management, the direction may decide:

- To limit the flow of orders with the broker;
- To suspend relations;
- To send a letter to the intermediary or counterpart informing them of the dysfunctions observed.

In cases where the criteria are no longer fulfilled and if OAM wishes to put an end to the commercial relationship with an intermediary or counterpart, it must, to the extent that it is possible, undo the set of transactions in progress with the establishment in question.

Policy of executing orders

OAM does not have direct access to the markets but uses the services of intermediaries (brokers). Thus the policy of best execution which the asset management company must set up consists above all of the two following points:

- The application, from the very start, of a policy of best selection of brokers which consists in ensuring the services of the best intermediaries;
- The application, thereafter, of a certain number of controls with the aim of verifying the securing of the best possible result when carrying out orders.