



## Best Execution Policy

Castle Trust adheres to FCA principles for standards of expected business conduct and behaviour to deliver appropriate and fair outcomes for its customers. The Best Execution Policy sets out how Castle Trust achieves the best possible result for customers, subject to any specific instructions that they provide, when buying or selling their investments in Fortress Bonds. Where specific instructions are provided to us on how to execute orders, this may prevent Castle Trust from obtaining the best possible result.

### Introduction

FCA rules require that, when Castle Trust is executing orders on behalf of a customer, it must take reasonable steps to obtain the best possible result for that customer taking into account the relevant execution factors. Castle Trust assesses these execution factors with a view to ensuring the best total consideration for the customers including all applicable costs and expenses associated with investment in its financial products.

Castle Trust provides an investment product we call Fortress Bonds (loan notes). At present there is no effective secondary market for Castle Trust's investment products and Castle Trust acts as a principal with its retail customers. This means that the unit price for Fortress Bonds is fixed at origination and is therefore not the primary consideration as the case may be with other investment products on the market (such as UCITS investment funds, exchange-traded funds, listed equities etc). Factors that Castle Trust will have regard to when satisfying its obligations under the best execution obligations are set out in this document.

### Product Origination and Maturity

Castle Trust's investment products are offered at a fixed initial price during the offer period and are fixed term in duration. Fortress Bonds are listed on the Irish Stock Exchange which is an EU regulated market and reputable trading venue. Given the absence of a secondary market, there are currently no other execution venues trading in Fortress Bonds. However, as part of its commitment to treating customers fairly Castle Trust does not impose any implicit or explicit purchase costs on customers with investment products being offered at par.

The order to execute on behalf of the customer is the completed application (either online, by telephone or by post). The characteristics of financial instruments which are the subject of the customer order are as specified in the terms and conditions and prospectus for each product.

The nature of the products means that investment returns at maturity are fixed (and may be linked to an index) and represent the only and therefore best possible result for customers of a given product. Customers who have successfully applied for a product will have their order executed as per the terms and conditions described for that product at both origination and maturity.

### Early Encashment

Whilst Fortress Bonds are fixed term in nature, customers may contact Castle Trust to request early encashment. Absence of the secondary market means that whilst the underlying securities are listed on EU stock exchanges and are freely transferable, there are currently no alternative execution venues for customers wishing to sell Fortress Bonds prior to their maturity. However, as part of its commitment to treating customers fairly Castle Trust does not impose any implicit costs on customers with investment products being repurchased on the terms set out in relevant product terms and conditions.

**Early encashment is not generally available for Fortress Bonds other than in the case of death of the bondholder.**

Please note that Castle Trust is under no general obligation to allow early encashment, and whether it does so will be entirely at its discretion or accordance with specific product terms. The price paid by Castle Trust will reflect the current value of the security and the remaining duration of the term.

### Ranking of Execution Factors

When assessing best execution Castle Trust ranks the execution factors in the following order (subject to any specific instructions) in order to provide the best result in terms of total consideration:

1. Execution costs
2. Price
3. Size
4. Nature
5. Speed
6. Likelihood of execution and settlement
7. Other considerations.

### Material Change

Castle Trust monitors for any material change that may affect its ability to offer best execution through its current policy and procedures. If a secondary market in Fortress Bonds develops, Castle Trust will review its Best Execution policy and procedures as soon as reasonably practicable and assess whether any amendments to its product terms and conditions are required, so that the policy and the terms remain appropriate for its investment products.

### Customer Communication

Reference to the Best Execution Policy and its location on the website is included in the product terms and conditions.