

**Share Dealing**

# Order Handling Policy.

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We are committed to helping you make informed investment decisions. One way we do this is to explain how we will handle your investment instructions. Further details are contained in our Terms and Conditions.<sup>1</sup>

## Our approach to order handling

We will endeavour to arrange the completion of your order in accordance with the following policy.

We will take all reasonable steps to obtain the best possible results when completing a buy or sell order for you.

To do this, we rely on three core components:

1. State-of-the-art technology for routing, completion and monitoring orders.
2. Careful consideration of the elements of order execution.
3. Regular examination of overall execution quality.

## Trading venues

We have carefully considered the available trading venues for your orders and have selected the following organisations as being able to provide the best possible result on a consistent basis.

**For UK trades:** orders in respect of shares in UK listed companies<sup>2</sup> will be routed to the associated Member Firms of the London Stock Exchange, PLUS Markets and AIM (including Retail Service Providers (RSPs) and Market Makers); we reserve the right to route orders to investment firms who perform the same function as RSPs and Market Makers outside a formally regulated Market or Multilateral Trading Facility. For ease of reference we refer to all of these as 'market counterparties'.

**For international trades<sup>2</sup>:** all orders will be routed through Banca IMI or other international market counterparties who will act as agent in dealing with the respective markets and/or their member firms.

**For Unit trusts and OEICS<sup>2</sup>:** orders will be routed to the appropriate fund manager for execution at the next available Assured Valuation Point (AVP) for that particular fund.

<sup>1</sup> In the event that there is a conflict between this policy and our terms and conditions, the terms and conditions will take precedence.

<sup>2</sup> See our brochure or website for details of investments eligible for our service.

## UK markets

**Automated systems:** We use automated systems to request quotes from a large number of market counterparties.

Upon receipt of these quotes we will automatically ascertain the best price available from those returned and then transmit your order to the appropriate market counterparty who will execute it at that price.

**Routing options:** For orders which cannot be completed automatically, for example because the size of your order is greater than that available from our market counterparties to trade electronically, you will be given the option of routing the order to one of our dealers who will then contact a market counterparty and negotiate the order on your behalf. Where appropriate the dealer will obtain multiple price quotes to determine the best price available.

**TradePlans:** Your limit and stop loss (TradePlan) order will be held by us (unless it has expired or is cancelled) until the market price meets, falls below or rises above the price you set. At this point a quote will be requested from a large number of market counterparties and your order will then be handled in line with paragraph (a). In the period between the price being achieved and the execution of the order, the price of the investment may have moved. This may mean that the order is dealt at a slightly different price to the TradePlan price. In certain market conditions, the price difference could be significant. In addition, specific events may cause the price of an investment to move to an unusually high or low price, which may cause your order to be dealt at those prices.

**Market volatility/unavailability:** On very rare occasions market conditions are such that we may be unable to receive and process quotes from all market counterparties, or it becomes impractical for us to do so. These conditions are likely to exist at times of extreme market volatility or where electronic connections to the market counterparties are interrupted. At these times and in order that we can ensure your orders are completed in a timely manner, we may route orders to just one specific trading venue. In these circumstances we will, of course, endeavour to ensure that you continue to receive the best price reasonably available.

If during normal trading hours the London Stock Exchange is unavailable, which would otherwise mean that your trades could not be executed, we reserve the right to trade, referencing prices from alternate exchanges or venues.

## International markets

We will route your order to our international market counterparty who will trade it at a price at least equal to the price available on the relevant international stock exchange or trading venue.

Limit orders for international shares are processed differently to UK limits; the instruction will be routed to our international market counterparty who will arrange for it to be displayed on the relevant stock exchange or trading venue public limit order system at the price you specified. The stock or cash value of the order will therefore be unavailable for you to trade until the order is cancelled or completed.

# Share dealing.

## Key factors

There are a number of factors including price, costs, speed, likelihood of execution and settlement, size and nature of your order which could affect the outcome. We will take all of these into account, although the principal factors used to determine how your order is carried out are:

1. **Price.** We understand that price is probably the most important element and endeavour to achieve the best possible result for your order, taking into consideration elements such as the size and nature of the order.
2. **Speed.** We seek to provide you with a facility that allows you the ability to complete your order as quickly as possible to minimise the risk of the market moving against your interests.

## Regular review of completed orders and Order Handling Policy

We regularly evaluate the overall quality of completed orders to ensure our high standards are maintained and will take appropriate action if a process can be enhanced.

We will carry out a review of our Order Handling Policy on at least an annual basis to ensure that it allows us to obtain the best overall outcome for our clients. If, as a result of such review, we make any changes to our policy the revised policy will be published on our website. Any material changes will be dealt with in accordance with our terms and conditions.

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