

OVERVIEW

In placing or transmitting applications on your behalf to third parties, we will take all reasonable steps to ensure that we obtain the best possible result for you. This is referred to as 'best execution'.

We will take all reasonable steps to obtain the best possible result for the execution of client orders. We will endeavour to act in the clients' best interests at all times when placing orders with other entities for execution.

We transmit or place orders with other third parties for execution and do not execute trades ourselves. Our best execution policy will not duplicate the other third parties' own internal policy, assuming they are also authorised by the FCA.

We will nonetheless review the best execution arrangements of the third parties we wish to use to determine whether they will allow us to comply with the FCA best execution requirements.

Where relevant, this may include asking those third parties to which orders are transmitted / placed for a copy of their best execution policy.

We may combine your instructions with those of other clients. At times this may work to your advantage and others to your disadvantage.

It is in the interests of our clients and our firm that we obtain the best possible result when placing orders with other firms e.g. third party brokers and fund managers for the execution of client orders or when transmitting orders on behalf of clients. We are required to take all reasonable steps to provide best execution when carrying out such transactions and, on your request, to provide you with a copy of the policy that we have adopted to achieve that objective.

This best execution policy applies to orders in financial instruments such as funds and other securities. You should read this policy in conjunction with your discretionary management agreement.

EXECUTION FACTORS

When placing orders with other firms for the execution of orders or when transmitting orders, we will make every effort to ensure the best possible result for our clients taking into account the following factors:

- Price
- Cost
- Speed
- Likelihood of execution and settlement
- Size
- Nature of the order
- Any other relevant consideration

For retail clients, the price and cost of execution of the order will normally be the most important aspect in obtaining the best possible result. We will therefore assume this is the most important outcome for your transaction unless you tell us otherwise.

EXECUTING YOUR ORDER

In arranging for the execution of your order:

- We may use a third-party broker or platform to execute your order

- We may trade as an agent (where our scope of regulatory permissions allows us to do so)

COMBINING ORDERS (AGGREGATION)

You acknowledge and agree that:

- When we deal for you, we may combine your order with our own orders and orders of other clients if we believe that aggregation can generally be expected to work to the advantage of all parties concerned;
- On some occasions, aggregation may disadvantage you (for example, in terms of price);
- When we combine orders or when an order cannot be executed as a single transaction, we may execute it in a series of deals and confirm to you the aggregate of these at an average price; and
- We may allow brokers who deal on your behalf to combine deals with their own and their clients' deals, subject to Regulatory Requirements.

When a combined order cannot be filled, we will allocate the order to all participants on a pro rata basis, unless:

- It is not in your interest to receive a reduced allocation (for example, if we are of the view that the deal is not economic when considered against dealing costs); or
- We are prevented from doing so under Regulatory Requirements.

SPLIT ORDERS

You acknowledge and agree that when we deal for you, we may split your order into more than one trade if we reasonably believe this to be in your best interests. On some occasions, a split of your order may result in you obtaining a less favourable price.

EXECUTION VENUES

All orders placed by us are executed through AJ Bell Securities Limited who have responsibilities in relation to best execution and client order handling and will provide details upon request.

We will also undertake periodic monitoring to ensure that they are meeting the relevant requirements.

CLIENT SPECIFIC INSTRUCTIONS

If you have given instructions that price is not the most important factor in executing your instructions, we will make every effort to comply with your instructions but cannot guarantee this. This may be due to either the nature of the order, or the type of financial instrument you wish to trade in.

We will make all decisions as to where the orders are placed in relation to the execution venue. We will therefore not accept specific instructions from clients regarding the venue where your order is executed.

COLLECTIVE INVESTMENT SCHEMES

For orders in collective investment schemes e.g. Unit Trusts, OEICs and Investment Trusts, we will place the order directly with the fund manager/platform provider/custodian and/or the operator of the collective investment scheme.

CHARGES

It is our policy that commission and charging structures will not influence either the selection of execution venues, or the order flow that follows as a result of the execution process. We will therefore not discriminate between the execution venues we use to arrange execution of your orders.

MONITORING AND REVIEW OF OUR EXECUTION POLICY

We will regularly monitor the effectiveness of our best execution policy to identify and, where appropriate, correct any deficiencies. In particular, this will cover the execution quality of any third parties referred to in the policy.

This review should be carried out regularly (on at least an annual basis) or whenever a material change occurs that affects our ability to continue to obtain the best possible result for our clients.

Staff Understanding

All relevant staff are made aware of this policy to highlight and emphasise the importance of best execution.

CONFLICT OF INTERESTS

We will endeavour always to act in the best interests of you, our client. However, circumstances can arise where we or one of our other clients may have some form of interest in business being transacted for you. If this happens or we become aware that our interests or those of one of our other clients conflict with your interests, we will write to you and obtain your consent before we carry out your instructions, and detail the steps we will take to ensure fair treatment.

The purpose of our conflicts of interest policy is to:

- Identify the circumstances which constitute or may give rise to a conflict of interest entailing a risk of damage to our clients
- Specify the procedures to be followed and measures to be adopted in order to manage such conflicts
- In preparing the policy we have taken into account a number of factors including:
- Whether circumstances might arise where we make a financial gain or avoid a financial loss at the expense of you as a client
- Whether we have an interest in the outcome of a service provided to you distinct from your interests
- Whether we have a financial or other incentive to favour the interest of another client or group of clients over your interests

Examples of the potential conflicts of interest we have identified include:

- Where we have confidential information regarding an existing or former client which would be of value to another part of our firm or to other clients of our firm
- If a transaction carried out on your behalf relates to an investment in respect of which we or an associate may benefit from a commission, fee, mark up or mark down payable otherwise than by you as a client, and we or an associate may also receive fees from the counterparty to such a transaction
- If we act as agent for you as a client in relation to transactions in which we are also acting as agent for other clients and associates.

Against this background our conflicts policy can be summarised as follows:

- Where a conflict arises, your interests as a client will always be put before our interests and those of our employees

- Where our firm has a material interest in a transaction to be entered into for you, all reasonable steps will be taken to ensure fair treatment for you

We have established procedures to ensure fair treatment between clients. For example, when executing an aggregated order for a client which is not filled, securities which are obtained are allocated fairly between clients

- We will not enter into dealing arrangements that could compromise our ability to comply with our best execution obligations
- We have a policy designed to minimise the risk of conflicts arising in situations where staff receive or provide gifts/inducements from clients or third parties
- We have a personal account dealing procedure to reduce potential conflicts in situations where staff deal for their own account
- We have internal organisational arrangements which act as information barriers controlling the disclosure of information within the firm and preventing the unauthorised release of restricted information to other areas of the firm
- We have an independence policy that requires staff to act disregarding any material interest or conflict of interest when advising a client or dealing for a client in the exercise of discretion

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