

## Order execution policy summary

This is a summary of the order handling and execution arrangements we use when we execute orders, or arrange for others to execute orders, on your behalf. Upon reasonable request we can provide further information about our policies and arrangements and how they are reviewed.

JM Finn carries out discretionary, advisory and execution only transactions for clients. To execute your orders we use our dealing desk for UK instruments and for overseas instruments we transmit orders to external firms such as third party brokers. We have a policy in place which governs how we intend to select firms to whom we will transmit orders. Our main concern will be the evidence to show such firms meet the standards of best execution that JM Finn is obliged to meet under European regulation, although we also consider their charges, their financial stability and our clients' overall credit exposure to them.

The financial instruments that we either execute or transmit orders in are:

- Equities (shares and depositary receipts)
- Debt instruments (government and corporate)
- Currency
- Warrants
- Exchange-traded products (exchange traded funds, exchange traded notes and exchange traded commodities)
- Collective investment schemes (unit trusts, open ended investment companies)
- Investment companies or investment trusts

We are committed to taking all sufficient steps to obtain the best possible result for you, taking into account the following execution factors:

- Price
- Costs
- Speed
- Likelihood of execution and settlement,
- Size
- Nature, or
- Any other consideration relevant to the execution of an order

We will usually attach the highest relative importance to total consideration when executing orders. Total consideration comprises the price of the relevant financial instrument and the costs related to its execution.

We consider the following criteria for determining the relative importance of the execution factors:

- The characteristics of the client including the categorisation of the client as retail or professional;
- The characteristics of the order;
- The characteristics of financial instruments that are the subject of that order
- The characteristics of the execution venues to which that order can be directed; and
- Our own commercial judgement and experience.

For example, where a stock is very liquid, we may use an automated system which polls for the best available price and the transaction is executed within seconds. Where a stock is less liquid, we may contact market makers directly to establish where we will be able to obtain the best price for the size of the transaction or we may decide to work the order gradually to try to achieve a better price than we might if we tried to execute the entire order immediately. We will take into account any instructions that you have given us which may prevent us from achieving the best possible result for the execution of those orders, but we will not allow a retail client to direct which broker we place an order with.

When transmitting foreign equity orders, the primary execution factor taken into account would be the total cost of the transaction. We would therefore transmit the order to the broker offering the lowest total commission rate and price for execution in that country.

## **TRADING VENUES AND EXECUTION VENUES**

When we are carrying out client orders in UK instruments we may use any of the following Trading Venues.

- Regulated Markets (RM)
- Multilateral Trading Facilities (MTFs); and
- Organised Trading Facilities (OTFs) - JM Finn does not currently use any OTFs as part of our execution policy but we will keep this under review.

There may be circumstances in which JM Finn executes or transmits orders outside of a Trading Venue using one of the following execution venues:

- Systematic Internalisers (SIs) – firms which, on an organised, frequent, systematic and substantial basis, deal on their own account in investments outside of a Trading Venue;
- market makers – firms that assume the risk of holding a certain number of shares of a particular security in order to facilitate the trading of that security, with whom we deal outside of a Trading Venue; and
- other liquidity providers such as brokers, where there may in particular be counterparty risk which is the risk of any execution venue we use being unable to settle our trades.

We will assess, on a regular basis, the quality of execution afforded by the venues we use, the information published by those venues on their execution quality and whether we need to change our execution arrangements as a result of our monitoring. We will keep our website up to date with the top five venues we use for each of the different financial instruments, this information can be found at: [www.jmfinn.com/order-execution](http://www.jmfinn.com/order-execution).

Regardless of the venue used by us, JM Finn charges a standard fee. All fees can be found on our Schedule of Charges. However, please note that venues do set different fees for the service they provide which will be indicated on each confirmation of transaction as a market charge. We endeavour to obtain the best fee available from venues but we always take into consideration the price that can be achieved in order to have the best overall outcome for a client's order. We do not accept any inducements from venues to ensure that our selection process for the venues we use is not influenced by anything other than the factors we have set out above.

## **ORDER HANDLING**

We will execute client orders promptly and execute comparable client orders sequentially unless:

- The characteristics of the order or prevailing market conditions make this impossible.
- The interests of the client require otherwise.
- The orders are received by different media and it would not be practicable to do so.

We may combine your orders with our own orders and orders of other clients. We will only combine orders with those of other clients where we reasonably believe that this will not operate to a client's disadvantage. However, on occasions the effect of aggregation may work to the client's disadvantage in relation to a particular order. We will allocate all orders fairly and will not give preference to one client over another.

## **CLIENT CONSENT**

By accepting our Terms and Conditions, you give us your prior express consent to execute orders outside of a Trading Venue. We will only seek to do this when we believe it is in your best interests to do so, for example because a better price can be obtained from an SI.

We are also required, unless you expressly instruct otherwise, to publish certain limit orders (orders for execution only at a certain price or better) in a manner which is easily accessible to other market participants should market conditions be such that we cannot immediately execute the order. Such publication will not always be in the client's interest (for example, because doing so can itself sometimes adversely affect the market price), and our Terms and Conditions incorporate the client's express consent that, when dealing with a limit order that is not immediately executable, we may exercise discretion not to publish the order.

In all other respects, by using our service after receiving this summary, clients will be deemed to have consented to having their orders handled by us in accordance with the arrangements summarised in this document. Please note that clients have the right to request evidence to demonstrate that trades have been executed in accordance with the policy.