BEST EXECUTION AND ORDER HANDLING POLICY

This is our best execution and order handling policy, which we follow when executing orders on behalf of clients.

Clients giving us orders to trade after receiving this policy will be consenting to having their orders handled by ourselves under the terms of this policy.

Best Execution

At Heritage we owe all of our clients a duty of best execution. This means that we are obliged to take all sufficient steps to obtain the best possible result for that client when executing your orders.

As Heritage operate as a Model B firm all of client orders have to be submitted through our custodians. Our custodians additionally owe all of our clients a duty of best execution.

Best execution does not mean achieving the best price for every client order, but rather the best possible result that they can reasonably be expected to achieve with the resources available.

We have an obligation to implement procedures that provide for the prompt, fair and expeditious execution of client orders in relation to other client orders or our own trading interests.

When does best execution apply?

- When we have an order in respect of a financial instrument AND we are arranging transactions with our custodians (for example, placing an order through our custodians online trading system, known as “receiving and transmitting orders”);
- When making an investment decision in accordance with a discretionary mandate given by a client; and
- When a client places an order for execution-only services or services on a non-discretionary basis.

PLEASE NOTE: if the client provides us with specific instructions this may prevent us from taking the steps set out in our policy to obtain the best possible results for the execution of that order in respect of the elements covered by these instructions. Executing a client order in accordance with their instructions satisfies our obligation to take sufficient steps to obtain the best possible result for the execution of that order.

How do we satisfy the best execution obligation?

We have to take all sufficient steps to obtain the best possible results for our clients AND we must also take into account:

- Any other relevant considerations, such as:
  a) The investment intent of the portfolio manager who created the order when operating on a discretionary mandate; and
  b) The characteristics of financial instruments that are the subject of that order.

- Whether you have given us any special instructions (as execution according to those instructions will satisfy the best execution obligation).

Execution Venues

As Heritage operate as a Model B firm all of client orders have to be submitted through our custodians.

Class of Instruments

	Equities	Investment Funds	Fixed Income	Heritage's Commission*	Broker's Commission	Total Commission
Multrees Investor Services Ltd	X	X	X	0.25% (minimum £50)	0.10%	0.35% (minimum £50)

*****Heritage's Commission only applies to trades not within Heritage funds (i.e. not within the Heritage Managed Portfolio Fund, the Heritage Absolute Return Fund or the SVS Heritage Balanced Portfolio Fund)

Best Execution Monitoring

Heritage will ensure that there is monitoring of best execution in place depending on the volumes of trades that are being executed. The purpose of this monitoring will be to ensure the effectiveness of the best execution policy and to meet the regulatory obligations of best execution.

This will be done internally by quarterly thematic testing. We will pick a sample of trades and find outliers that appear to be outside of our pre-determined factors. The pre-determined factors will include reference points or relevant benchmarks such as mid-prices, or a volume weighted average price for the interval of data that we are testing.

Order Handling

All client orders must be given in writing.

We are required to ensure prompt, fair and expeditious execution of client orders, relative to other orders or our interests

We must execute client orders promptly and execute comparable client orders promptly and sequentially unless the characteristics of the order or prevailing market conditions make this impossible, or the interests of the client require otherwise.

We will satisfy the following conditions when carrying out client orders:

a. Ensure that orders executed on behalf of clients are promptly and accurately recorded and allocated;
b. Carry out otherwise comparable client orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the client require otherwise;
c. Inform a retail client about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

We also do not have to treat client orders sequentially if the orders are received by different media and it would not be practicable to do so.

If your order is to be aggregated with other client orders and/or with our own orders, the effect of aggregation may work to your disadvantage in relation to a particular order.

Fair allocation

We will allocate all orders fairly and will not give preference to one client over another.

If we have aggregated client orders with our own orders and we cannot complete the total order we will fill the client orders first unless we can show that without our participation the order could not have been filled on such favourable terms or at all.

Reviewed 20th August 2024