

Veritas Investment Management LLP

Order Execution Policy

Introduction

This policy sets out the arrangements that Veritas Investment Management (“VIM”) has established for complying with the obligation to take all reasonable steps, when dealing, to obtain the best possible result for its clients, in accordance with the FCA’s rules.

Accordingly, VIM has established this Order Execution Policy, which sets out how we place and execute orders on behalf of our clients.

VIM is a discretionary investment manager and outsources its dealing as follows:-

- As part of a custody and administration outsourced service, VIM uses the SEI dealing services, whereby SEI organises the placing of trades in all the securities that are in client portfolios.
- VIM issues SEI with trade instructions to route all Equity orders to its approved broker, Winterflood Business Services (WBS), for execution

The role of VIM

VIM is a discretionary investment manager and outsources its dealing. The outsourcing of dealing allows VIM to focus its resources on its core business, discretionary investment management, whilst obtaining state of the art trading technology in order to achieve the best results for our clients.

The role of SEI

Neither VIM nor SEI executes transactions themselves; rather SEI places an order with WBS and instructs that firm to execute in line with VIMs instruction. In this way SEI is an order router of trades on behalf of VIM and in its capacity as an order router, SEI regards speed/timeliness of execution and certainty of execution/settlement to be the most important execution factors.

Aggregation

SEI’s trading platform allows VIM to aggregate client orders and instruct pooled, or batches of pooled trades prior to instructing SEI. This is applicable for both Equity and CIS asset types and is generally utilised by VIM in order to keep trading costs low for the end customer(s).

Aggregated Equity orders

After initial aggregation, the trade is routed automatically to SEI, via the platform, and then on to WBS via FIX messaging (this is a straight-through-process and no further aggregation occurs). Trades are routed sequentially, promptly and accurately with no manual intervention from SEI.

Trade allocation post settlement works the same as above but in reverse. Trades will be allocated promptly and accurately in the order the trade confirmation was received by SEI.

SEI's platform automatically allocates partially filled Equity orders on a pro-rated basis. Where there is a trade that cannot be equally split between End Customers, the Platform will allocate the odd amount to the largest client trade and any allocation exceptions are monitored by SEI as part of SEI's daily trade review process.

Aggregated CIS and Hedge Fund orders

After initial aggregation by VIM, where applicable, SEI will apply further systemic aggregation per asset, based on fund, and/or Approved Entities, dealing cut off time(s). CIS and the majority of Hedge Fund orders are systemically routed by SEI to the relevant entity for execution. Where a Hedge Fund order cannot be systemically routed, SEI will manually trade this with an Approved Entity.

The role of WBS

WBS have been appointed as VIM's approved broker. WBS is required to meet a number of Best Execution requirements when executing orders in accordance with the FCA rules. WBS will use their commercial experience and judgement in determining the relative importance of the best execution factors, and in general, they will regard price as the most important of these factors for obtaining the best possible result. However, there may from time to time be circumstances for some customers, particular instruments or markets where other factors may be deemed to have a higher priority.

WBS have set out the factors they take into consideration when achieving Best Execution in their Execution Policy which is available on request.

Monitoring the effectiveness of execution arrangements and policy

VIM monitors the effectiveness of this Policy and in particular, the performance of its third party providers. Where the monitoring reveals the need for any changes or enhancements to be made, these will be implemented as appropriate.

Review of the Order Execution Policy

This policy will be reviewed at least annually or more frequently as required. We will specifically notify clients of any material changes to this policy and any non-material changes will be communicated via an updated policy being place on our website.

Disclosure of the Policy

This order execution policy is provided as part of our client-on-boarding process, is available on our website www.veritasinvestment.co.uk and is also available on request.

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