

# The iimia plc Order Execution Policy: Professional Clients

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## INTRODUCTION

The purpose of this document is to provide all of our Professional clients with information in relation to our Order Execution Policy.

From 1 November 2007 and in accordance with new regulatory requirements set out by the Financial Services Authority (FSA), we are required to provide you with information about the steps we take to obtain the best possible result when executing client orders or receiving and transmitting orders for execution.

## YOUR CATEGORISATION

We will classify you under the MiFID rules as a Professional Client from 1 November 2007 for the purposes of all regulated investment services provided to you. You must notify us immediately if your circumstances change and you consider that this may affect your eligibility to be classified as such.

You have the right to request a different categorisation as a Retail Client or Eligible Counterparty.

Categorisation as a Retail client would enable you to receive an increased level of client protection than under your current categorisation. However, it is not our policy to accept such a request to be treated as a Retail Client. Categorisation as an Eligible Counterparty would result in you losing the benefit of certain client protections, such as 'best execution'. If you wish to discuss your categorisation with us please contact your usual iimia contact.

## ORDER EXECUTION

iimia plc will owe a duty of best execution when executing orders on your behalf, and when we transmit or place orders with other firms for execution. We consider ourselves to be in receipt of an order where an execution instruction is given to us that gives rise to contractual or agency obligations to you.

Subject to any specific instructions given by you, when executing such orders on your behalf, we will exercise our discretion in determining the factors that we need to take into account and take all reasonable steps to achieve best execution. When placing orders with other firms for execution we will monitor the execution arrangements of these firms to satisfy ourselves that they are complying with the overarching best execution requirement.

## SPECIFIC CLIENT INSTRUCTIONS

If you provide us with a specific dealing instruction it may prevent us from following our Order Execution Policy as we would usually do but, under FSA rules we will be deemed to have complied with the best execution requirement to the extent of that instruction. On some occasions, either at our own instigation or upon a client's instruction, we will seek price discovery and/or execute an order by means of a bookbuilding exercise. The objectives of this policy

will be deemed to have been met if a clearing price for a client's order [that] has been determined by means of an open bookbuilding (with or without a marketing price range). An order executed by way of a fixed price bookbuilding will be deemed to have been executed in response to a specific instruction as to price as well as meeting the other factors affecting execution quality.

## EXECUTION FACTORS

In meeting our best execution obligations to you, in most circumstances 'total consideration' will be the most influential execution factor however depending on the characteristics of the financial instrument concerned we may also consider the following criteria:

- Certainty of execution
- Order size
- Speed of execution
- Settlement
- Any other relevant criteria to the execution of the order

We will determine the relative importance of each of these Execution Factors by using our commercial judgement and experience in light of available market information and taking into account the Execution Criteria below.

## EXECUTION CRITERIA

The 'Execution Criteria' that we will consider are the characteristics of:

- The client
- The order
- The Financial Instruments that are the subject of that order, and
- The Execution Venues to which the order can be directed.

## EXECUTION VENUES

In establishing our Execution Policy, we have identified a variety of different execution venues that we may use depending on the nature of the financial instrument concerned. In executing orders for you we will place a significant reliance on these execution venues in order to obtain the best possible result on a consistent basis. These will include Regulated Markets (for example London Stock Exchange) and the Retail Service Provider network (RSP).

A list of the execution venues we may use can be found at [www.iimia.co.uk](http://www.iimia.co.uk). Some financial instruments may only be traded on one venue (notably if we purchase units/shares of a collective investment scheme (CIS), the venue will be the fund manager/CIS operator itself). When purchasing such units, where ever possible we will either purchase institutional units/shares or purchase them at or near the creation price, and therefore removing any or the majority of initial charge that would otherwise be levied.

We will regularly assess the execution venues available and may add or delete venues in accordance with our obligation to provide you with the best possible execution on a consistent basis. You should refer to our web site from time to time as you will not be notified of any such changes to our list of execution venues.

In cases when we transmit your order to another broker or dealer for execution we may:

- Determine the ultimate execution venue ourselves by accessing specific execution venues through such third parties; or
- Instruct the other broker or dealer accordingly (having already satisfied ourselves that they have arrangements in place to enable us to comply with our Order Execution Policy).

### **CONSENT**

The regulations require that we must obtain your prior consent to our order execution policy. Depending on our dealing relationship with you we will deem you have provided such consent if we do not hear otherwise from you and therefore will continue to trade on your behalf, or when you give an order after 1 November 2007.

We must however, obtain your express prior consent prior to executing an order in an instrument outside of a Regulated Market or MTF. Please find attached a consent form

### **MONITORING**

We will monitor both our compliance with our Order Execution Policy, and the quality of execution of third parties to whom we have passed orders. We will advise you of any material changes to our order Execution Policy as necessary.

Should you require any further information or assistance in relation to the Order Execution Policy please contact your usual iimia contact.



**iimia plc**