

ORDER EXECUTION POLICY

AVIVA WRAP UK LIMITED &
AVIVA PENSION TRUSTEES UK
LIMITED

1. INTRODUCTION

- 1.1 This policy applies to all investors on the Aviva Platforms, offered by Aviva Wrap UK Limited and Aviva Pension Trustees UK Limited. This policy should be read in conjunction with the product terms and conditions and other relevant documentation.
- 1.2 This policy provides information about Our 'Order Execution Policy' as required by the Markets in Financial Instruments Directive (MiFID and MiFID II) and the Financial Conduct Authority (FCA). As a 'retail client' under the FCA's client categorisation rules, You receive the maximum protection under the FCA rules. This policy provides an explanation of how Aviva ensure the best possible result for You when receiving and transmitting orders for execution using the Aviva Platforms.
- 1.3 The category of a Client, whether Professional or Retail, should have no bearing on how We execute a Client order. The execution of both Professional and Retail Client orders will follow this Order Execution Policy.
- 1.4 Upon placement of Your order on an Aviva Platform, the following Order Execution policy details Aviva's implemented steps to achieve best execution for You.
- 1.5 **Warning: If You, Your adviser or DIM give Us any specific instructions on how to deal with an order, it could mean We can't take the steps detailed in this Order Execution Policy that are designed to get the best possible result when executing orders in line with best execution regulations.**
- 1.6 This Policy is available online at [aviva.co.uk/best-execution-policy](https://www.aviva.co.uk/best-execution-policy)
- 1.7 You can also request this directly from Us.

2. DEFINITIONS

ACD means an Authorised Corporate Director in respect of a Fund.

AFM means an Authorised Fund Manager in respect of a Fund.

Aviva means any of the companies in the Aviva Group (the group of companies of which Aviva PLC is the ultimate holding company) that may provide services to an Aviva Platform and the product portfolios provided by:

- Aviva Wrap UK Limited
- Aviva Pension Trustees UK Limited

or any other third party appointed by any one of them to supply services relating to the above.

Aviva Platform means the online portfolio management services provided by Aviva. This includes the provision of transaction and

administration facilities. Aviva offers a stocks and shares ISA, stocks and shares Junior ISA (JISA) and investment account (GIA) issued by Aviva Wrap UK Limited. It also offers a self-invested personal pension issued by Aviva Pension Trustees UK Limited. All Investors may choose to invest in Collective Investment Schemes offered by the platforms. Some investment types such as ETIs, Insured funds and Structured Products are not available to all investors.

Dilution Levy means the adjustment that may be imposed by a fund manager to share out the costs incurred when a need to deal in underlying assets is triggered by investor purchases or redemptions of Fund units/shares. This is to prevent these costs diluting the value of units/shares held by continuing investors.

DIM means a Discretionary Investment Manager.

Equities means an interest in a company in the form of shares.

Exchange Traded Fund (ETF) means a market security that tracks an underlying index.

Exchange Traded Instruments (ETIs) means a quoted security such as an equity, ETF or Investment Trust.

Execution Venue means where the exchange of monies is undertaken. Our nominated stockbroker represents the Execution Venue in the trading of ETIs. In the trading of Funds and Structured Products, the Execution Venue will be represented by Aviva or the Fund provider.

FCA means the Financial Conduct Authority.

Fund means an FCA authorised or recognised:

- unit trust
- Insured Fund or
- Open Ended Investment Company (OEIC) or other
- Collective Investment Scheme in which units or shares can be purchased.

Insured Fund means a fund in which You buy units. The Insured Funds available to the pension are accessed through a master policy held by Aviva Pension Trustees UK Limited and issued by Aviva Life & Pensions UK Limited. The Insured Funds available to the ISA are accessed via a life policy issued by Aviva Life & Pensions UK Limited and entered into between Aviva Wrap UK Limited, Aviva Life & Pensions UK Limited and Aviva Client Nominees UK Limited. Aviva Client Nominees UK Limited as the ISA Manager's nominee will hold the life policy on your behalf. At all times the assets and units of all Insured Funds belong to Aviva Life & Pensions UK Limited who use them to work out the benefits to be provided.

Investment means any asset held in a product on an Aviva Platform such as equities, units/shares in Funds, Structured Products and cash.

Investment Trust means a closed-end fund established to produce income through investments. They have a fixed number of shares and trade on an exchange.

KIID means Key Investor Information Document

KID means Key Information Document

Model Portfolio means a list of specific Funds/ cash/assets with set percentage allocation at commencement.

Professional Client, as defined by the FCA, includes but is not limited to:

- investment firms and credit institutions or any other authorised or regulated financial institution, insurance companies, collective investment schemes or their management companies, pension funds or their management companies
- a company that meets two of the following size requirements:
 - has a balance sheet total of EUR 20,000,000;
 - has a net turnover of EUR 40,000,000;
 - owns funds of EUR 2,000,000;
- where Aviva has taken adequate assessment of the expertise, experience and knowledge of the Client that gives reasonable assurance, in light of the nature of the transactions or services envisaged, that the client is capable of making their own investment decisions and understanding the risks involved.

PTM means Panel on Takeovers and Mergers

Retail Client, as defined by the FCA, is a client who isn't a Professional Client or an eligible counterparty, such as a national government or central bank.

SDRT means Stamp Duty Reserve Tax

Structured Products means structured investment products which involve investing for a fixed period in order to achieve a return which may be linked to the performance of a stock market index or other asset(s).

Us/We/Our means any of the companies in the Aviva Group or third parties appointed by them to administer the products on an Aviva Platform.

You/Your means the investor named in the application form for a product issued by Aviva Wrap UK Limited or Aviva Pension Trustees UK Limited.

3. TYPES OF FINANCIAL INSTRUMENT

3.1 Currently, the types of financial instrument that We can accept orders for are:

- Funds which are units or shares in Collective Investment Schemes such as Unit Trusts and Open Ended Investment Companies (OEICs)
- Units in Insured Funds
- UK Equities
- Exchange Traded Funds
- Investment Trusts
- Structured Products
- Any other investment that We might make available from time to time.

3.2 Not all investment types are available on all products.

4. BEST EXECUTION

4.1 We'll ensure the best possible outcome for You by regularly monitoring the execution of orders and the venues that We use in line with regulations. When We place an order for an investment in a financial instrument We will consider a number of factors including, but not limited to:

- price
- costs that You will incur
- the efficiency of transmission and execution
- the nature of the instruction, including size of order
- the likelihood of successful execution and settlement.

4.2 We'll generally consider the price of the investment as the most important factor for obtaining the best possible outcome. However, We realise that there may be circumstances related to You, the particular financial instrument, or the relevant markets which will cause other factors to be given a higher priority.

4.3 We'll determine the best possible outcome with reference to the price of the investment and the total cost to be incurred by You. These include:

- execution venue fees,
- clearing and settlement fees and
- any other fees paid to third parties directly linked to the execution of the order.

4.4 For investments in Funds and Structured Products, in practice there will only be one execution venue that We can use to deal with Your order. As such, there will only ever be one available price; the price of the underlying assets. The application of best execution is largely limited to the accurate and timely placing of Your order.

4.5 For orders relating to investments in ETIs We send orders to Our nominated stockbroker who has arrangements in place to provide You with the best possible results in terms of the price and other relevant factors that they can achieve under the circumstances in line with this policy. Your costs are fixed per order and We'll not pass on any additional brokerage or exchange fees. Where a financial instrument is illiquid (rarely traded) or the size of the order is unusually large compared to normal trading volumes, Our ability to successfully execute the order may take precedence over other execution factors.

4.6 Aviva currently operates with one nominated stockbroker on the Aviva Platforms, so they will represent the Execution Venue in the trading of ETIs.

4.7 More detail on the timely placing of orders is contained within the order allocation sections of this Policy.

5. CURRENCY OF ORDERS

5.1 Orders placed through an Aviva Platform will always be executed in pounds sterling (GBP).

6. COLLECTIVE INVESTMENT SCHEMES – BEST EXECUTION

6.1 The transmission and execution of orders for investments in Collective Investment Schemes are always undertaken directly with the respective AFM or ACD of that scheme. In these circumstances, best execution is limited in its application as all such orders are executed directly with the AFM or ACD and not through an exchange. However, We'll continue to satisfy Ourselves that the AFM or ACD of a particular fund is best placed to provide You with the best outcome from Your order.

6.2 We'll oversee these transactions to ensure that Your, Your adviser or a DIM's orders are not unduly delayed, are executed successfully and receive the relevant price within the product terms and conditions.

7. ETIs – BEST EXECUTION

7.1 Execution of dealing orders for ETIs is undertaken for Us by Our nominated stockbroker who is a member of the London Stock Exchange (LSE).

7.2 Aviva passes all orders in ETIs to Winterflood Business Services for execution. Winterflood Business Services is required to establish and implement an order execution policy to allow Us to obtain the best possible result. Their Order Execution Policy is available on request, but this

policy provides an explanation of how We ensure the best possible result for You when receiving and transmitting orders for execution with Winterflood Business Services.

7.3 When You, Your adviser or a DIM place an order to trade in an ETI in the UK, Our nominated stockbroker will use their technology to assess the prices provided by a number of retail service providers and market makers that they've selected. We'll then execute Your order electronically with the provider which offers Our nominated stockbroker the most competitive price, with consideration to the other factors We have laid out.

7.4 We'll monitor the performance of Our stockbroker by reviewing trades undertaken to ensure that they comply with this policy and with contractual and regulatory duties. This will be done by monitoring the prices achieved by trades to ensure that they're competitive, taking into account prevailing market conditions.

7.5 All transactions in ETIs will be carried out and reported subject to the regulations of the LSE. If an order cannot be executed or it relates to a financial instrument not normally offered through the Aviva Platforms, or offered on the Aviva Platforms but not normally traded on the LSE We may refuse to execute the order.

8. ORDER HANDLING

8.1 When dealing in investments We must be in receipt of a valid order from You, Your adviser or a DIM.

8.2 Orders that are valid are orders input by You, Your adviser or DIM on the Aviva Platform.

8.3 Where it is not possible to input an order directly onto the Aviva Platforms We may accept an order from You. The order must be specific and You or Your adviser must confirm You have seen the relevant KIID/KID before a deal can be allocated.

8.4 In exceptional circumstances where You are unable to instruct Your adviser to execute Your order through the Aviva Platforms, We may accept Your order directly from You. Execution of Your order will take longer than an online order and We may require additional information from You. This is because additional work is required by Aviva to check and execute Your order to ensure that it's valid. Your order will be inputted into the platform by Us within one working day of Us receiving and validating the order. Where the order cannot be validated, We'll inform You. Other activities on your account may prevent us from inputting your order. In such circumstances, your order will be inputted into the Platform within one working day of the completion of those activities.

- 8.5 We'll purchase Your chosen investments only when payments can be treated as cleared funds to You and Aviva. This will be at the point Your money is allocated to Your Aviva Platform account and reflected as cash available to trade on the Aviva Platform.
- 8.6 If the means of payment fails then any investment made with such a payment will be cancelled, or sold, and Aviva reserves the right to deduct any shortfall from You.
- 8.7 If We receive a payment which does not enable Us to identify You, or Your Aviva Platform account, We'll take all necessary steps to identify it. We will not be liable for any losses, direct or indirect, which may subsequently arise as result of the time taken to do this.
- 8.8 We'll sell Your chosen investments only when those assets can be treated as settled to You and Aviva.
- 8.9 Other orders on Your Aviva Platform account, either requested directly by You, Your adviser or a DIM, or via Our terms and conditions (for example fee disinvestments), may delay subsequent orders placed by You, Your adviser or your DIM, if those orders haven't completed.
- 8.10 When trading for You, We may aggregate orders (combine a number of orders together) with those of other investors because We reasonably believe that such aggregation will work to Your advantage. However, You should be aware that on some occasions it is possible that aggregation may work to Your disadvantage. Neither Aviva Wrap UK Limited nor Aviva Pension Trustees UK Limited conduct proprietary trading and therefore client orders will never be aggregated with those of the firm.
- 8.11 Model Portfolio orders will cut off up to 15 minutes earlier than other Platform orders.

9. ORDER ALLOCATION – COLLECTIVE INVESTMENT SCHEMES

- 9.1 Aggregation may result in orders being of such a size that the AFM or ACD of the respective Fund impose a Dilution Levy, to protect the other investors within that Fund. Any Dilution Levy is applied equally across all investors whose trading instructions have been aggregated within that order.
- 9.2 Where aggregation results in a small amount of cash that cannot be reasonably allocated to individual investors, We'll move the money to Our own bank account and pay it to Our chosen charity annually. If aggregation results in a small asset holding that cannot be reasonably allocated to individual investors We'll sell the assets and pay the proceeds to Our chosen charity annually.

- 9.3 Some Funds have a minimum order value. If You, Your adviser or a DIM place an order for less than this amount, then We may hold the order as pending until We receive further orders that enable Us to meet the minimum amount. This holding period may result in price movements which may or may not be in Your favour. We reserve the right to reject orders where the minimum trading value is not met. In this instance the cash amount of a buy order will be returned to Your Aviva Platform cash account.
- 9.4 As AFMs and ACDs have cut off times for accepting orders, we aggregate Your orders at multiple times throughout the day closest to that of your chosen Fund or Model Portfolio cut off. If orders are received after the last aggregation point before an AFM's or ACD's dealing cut off time, Your orders are carried forward to the next aggregation point. This delay may result in a different price to that expected when Your order was placed due to price movements which may or may not be in Your favour.
- 9.5 We'll use best endeavours to place orders with external fund managers at the next dealing cut off time following order aggregation. Deals within two valuation points from order aggregation would be considered prompt.

10. ORDER ALLOCATION – EXCHANGE TRADED INSTRUMENTS

- 10.1 Investments can be made in Equities, Investment Trusts and ETFs. Access to other exchange traded assets may be available at Our discretion.
- 10.2 Aggregation may result in orders becoming outside normal market size. This can result in the aggregated order receiving a price which is different to that which would have been applied to a single deal.
- 10.3 All relevant charges will be payable at the prevailing rate. All charges and any taxes or levies will be displayed on your contract note.
- 10.4 Orders can be submitted as quote and deal, limit orders or at best orders.
- 10.5 Quote and deal allows You or an adviser to get an online quote to buy or sell while the market is open. You or Your adviser will then have 15 seconds to transact, and the price will then be confirmed. However, it may not be possible to buy or sell at that price at all times, due to external factors beyond Our control. Examples of such external factors may include: market liquidity; and/or order size; and/or volatility of the stock which mean an order cannot be placed and may be deferred or cancelled. We shall not be liable for any loss or loss of opportunity suffered by You in these scenarios.

- In some cases this price may not reflect the final cost of the transaction as this could be impacted by additional charges such as SDRT and/or the PTM levy.
- 10.6 We accept limit orders where You or Your adviser can place limits on the price You're prepared to accept for the deal, provided that the order is above any minimum level We set from time to time. Any such order will be held as defined by Your adviser up to a maximum of 30 days.
- 10.7 For at best orders, We'll send the order and aim to achieve the best price We can at that time, subject to liquidity and Our trading cap. Delays between an order being placed with us and Our nominated stockbroker placing the order in the market may result in price movements which may or may not be in Your favour.
- 10.8 All orders and regular orders (payments or withdrawals) made within a Model Portfolio, will be instructed as scheduled market orders. The final cut off for scheduled market orders is 3:00pm, but orders placed after 2:45pm may complete the next business day due to the time taken to aggregate orders.
- 10.9 Scheduled market orders are submitted to Our nominated stockbroker three times a day and aim to achieve the best price We can at that time, subject to liquidity and Our trading cap. Delays between Your, Your adviser or a DIM's order being placed with us and Our nominated stockbroker placing the order in the market may result in price movements which may or may not be in Your favour.
- 10.10 Scheduled market orders in ETIs may be aggregated where multiple deals in the same ETI exist. We'll disaggregate the shares/units purchased upon confirmation of the price received from Our nominated stockbroker, and allocate You the maximum number of shares/units for Your order.
- 10.11 Where excess shares/units exist due to aggregation these will be allocated to You based on the value of Your order. A maximum of one additional share/unit will be allocated to investors with the highest value orders until all excess shares/units have been allocated. If You receive an additional share/unit You'll be charged for this additional share/unit based on the price received from Our nominated stockbroker.
- 10.12 Where aggregation results in a small amount of cash that cannot be reasonably allocated to individual investors We'll move the money to Our own bank account and pay it to Our chosen charity annually. If aggregation results in a small asset holding that cannot be reasonably allocated to individual investors We'll sell the assets and pay the proceeds to Our chosen charity annually.
- 10.13 Orders executed before market close on the same day the order is placed would be considered prompt.
- 10.14 FCA regulations require that We stipulate how assets are allocated to investors in the event that the order cannot be fulfilled in its entirety. Our nominated stockbroker doesn't conduct partial orders. As such, if they're unable to entirely fulfil an order then that order will be cancelled.
- 10.15 Settlement of ETI transactions is undertaken directly with Our nominated stockbroker. Each transaction will be due for settlement in full on the settlement date.
- ## 11. ORDER ALLOCATION – INSURED FUNDS
- 11.1 On the Aviva Platforms at 4:00pm every business day, all orders received are aggregated for each Fund, and We endeavour to execute the aggregated orders at the next valuation point. If We receive Your order to buy or sell units after 4:00pm (note: for orders placed in a Model Portfolio this may be as early as 3:45pm) on any business day, or on a weekend or bank holiday, then We'll treat Your order as if it had been received on the next business day. This delay may result in a different price to that expected when the order was placed due to price movements in the Funds traded. This may or may not be in Your favour.
- 11.2 Deals within one valuation point from order aggregation would be considered prompt, except where a later valuation point is applied in accordance with Our product terms and conditions.
- 11.3 The number and type of Insured Funds You can invest in at any one time may be limited. There may be a minimum and maximum number of units that can be held in any Insured Fund at one time through the Aviva Platforms.
- ## 12. ORDER ALLOCATION – STRUCTURED PRODUCTS
- 12.1 Your or Your adviser's order will be aggregated with those of other investors and if the Structured Product is available, We'll place the aggregated order on your behalf each business day up to the end of the offer period. The Structured Product provider will purchase the assets for You on the strike date, which means that any reference to any investment interest shown in the provider's literature will not apply.
- 12.2 In the unlikely event that aggregation results in an order being greater than the Structured Product provider is able to accept, We'll review

each individual order with a view to reducing the aggregated order size. This may result in Your or Your adviser's individual order being cancelled.

- 12.3 Where aggregation results in a small amount of cash that cannot be reasonably allocated to individual investors, We'll move the money to Our own bank account and pay it to Our chosen charity annually. If aggregation results in a small asset holding that cannot be reasonably allocated to individual investors, We'll sell the assets and pay the proceeds to Our chosen charity annually.
- 12.4 Structured Products have a minimum order value. If You or Your adviser place an order for less than this amount, then We may hold the order as pending until We receive further orders that enable Us to meet the minimum amount. This holding period may result in missing the close date to invest in the Structured Product chosen. We reserve the right to reject orders where the minimum order value is not met. In this instance the cash amount of the order will be returned to Your Aviva Platform cash account.
- 12.5 In the event of the Structured Product being oversubscribed or no longer offered, Your original investment amount will remain in Your Aviva Platform cash account.

13. SWITCHING

- 13.1 You, Your adviser or a DIM may instruct Us to sell units or shares in Your assets and these may be reinvested in other assets. On receipt of Your, Your adviser's or a DIM's order We'll process the sale in the specified asset followed by the purchase of the specified asset(s).
- 13.2 Where applicable purchase orders will be placed once all sale prices have been confirmed to Us by the relevant party and reflected in Your portfolio and Aviva Platform account. There may therefore be incidences where You're disinvested for a period and potentially be subjected to adverse market movements.
- 13.3 There may be situations where We delay settlement of the switch in until the receipt from the switch out has occurred to prevent the use of other clients' money.

14. CORPORATE ACTIONS: CLOSURES, MERGERS AND SUSPENSIONS

- 14.1 When a corporate action event occurs that results in a Collective Investment Scheme or ETI being liquidated, We'll notify You. You, Your adviser or a DIM will need to place reinvestment instructions should you wish this cash to be reinvested into market. In most cases We'll not receive advanced notice of these proceeds however where this occurs, We'll endeavour to inform you ahead of receipt.
- 14.2 Where an asset is merged into another asset as a result of a corporate action, existing orders will be deemed to be in the merged asset unless assets are held in a Model Portfolio. Orders within a Model Portfolio will be moved to cash unless the DIM or adviser managing this model takes action upon notification of the corporate action.
- 14.3 The firm is reliant upon third-party data in such a corporate action and order cancellation or re-keying into the new fund will be completed within two days of receipt of all necessary information from the market.
- 14.4 In the event that an asset becomes suspended or deferred by the asset manager or exchange, Your order may be cancelled or the transaction delayed until such a time that the suspension or deferment is removed.

15. CONSENT

- 15.1 Our Product terms and conditions provide information about this policy and that it will apply if You, Your adviser or a DIM submit an order. You'll be deemed to have consented to that order being executed in accordance with this policy.
- 15.2 If, for any reason, We deem it necessary and in Your best interests to execute an order outside of a regulated market or multi-lateral trading facility then in accordance with the product terms and conditions You hereby expressly give Us consent. This would only occur where an asset becomes restricted while held by Us on Your behalf.
- 15.3 In accordance with Your Product terms and conditions in the event You or Your adviser place a limit order which is not immediately executed, You hereby expressly give Us permission not to make the unexecuted order, or any part of it public.

16. ANALYSIS OF BEST EXECUTION

- 16.1 Aviva will analyse trades at varying points to ascertain if orders have been executed in accordance with this policy, Product terms and conditions and relevant FCA rules.
- 16.2 Analysis of trades will focus on timeliness, price and accuracy of any trade.
- 16.3 If We're responsible for an error in the valuation of, or transactions within Your Aviva Platform account, We'll place Your portfolio valuation back in the position it would have been in had the error not occurred, in accordance with Our Product terms and conditions.
- 16.4 Where, due to circumstances beyond Our control, We're unable to do this, We'll make suitable arrangements to compensate. This may be by way of a one off payment.
- 16.5 Where the pricing error occurs due to actions of a third party, although We don't accept responsibility for such errors, We'll take reasonable steps to seek payment of compensation from the third party concerned on Your behalf.
- 16.6 We perform annual due diligence on Our contracted third parties, including Our nominated stockbroker, to ensure they remain suitable for transmitting orders on the Aviva Platforms.

17. POLICY REVIEW

- 17.1 This policy will be formally reviewed at least once per year or at any other time where there is a material change to Our procedures or arrangements, as covered by this policy.

NEED THIS IN A DIFFERENT FORMAT?

Please get in touch if you would prefer this document (GN61005) in large print, braille or as audio.

HOW TO CONTACT US

 **0800 068 6800**

 **contactus@aviva.com**

 **MyAviva.co.uk**

| Insurance | Wealth | Retirement |

Aviva Wrap UK Limited. Registered in England and Wales No. 4470008. Aviva, Wellington Row, York, YO90 1WR. Authorised and regulated by the Financial Conduct Authority. Firm reference number 231530.
(For Pension Portfolio and Pension only) Aviva Pension Trustees UK Limited. Registered in England and Wales No. 2407799. Aviva Wellington Row, York YO90 1WR. Authorised and regulated by the Financial Conduct Authority. Firm reference number 465132.