

CDC Wealth Management - Best Execution Policy

Top 5 Providers

Introduction

In transmitting investment applications on behalf of clients to third parties, we will take all sufficient steps to ensure that we obtain the best possible outcome. This is referred to as 'best execution'.

All orders generated, whether as a result of client instruction, or a consequence of CDC policy, will be executed through third parties (platforms). These instructions can be entered into the system by an administrator, however, will only be submitted once they have been checked by either a senior administrator or the Adviser. For the purposes of Best Execution, there are therefore two elements – CDC's own policy and the obligations of the platform provider, who will have their own policy.

As a BiPRU firm, CDC is required to publish the top 5 providers we have used for routing orders over the previous 12 months. This information for the period to 31st March 2021 is contained below.

Execution Factors

When placing orders with other firms for the execution of orders or when transmitting orders, we will take sufficient steps to obtain the best possible result for our clients, which might include some of the following factors:

- Price
- Cost
- Speed
- Likelihood of execution and settlement
- Size
- Nature of the order
- Characteristics of the order, e.g. if a securities financing institution is involved
- Characteristics of the financial instruments involved
- Characteristics of the execution venues being considered
- When the order is received or generated
- Any other relevant consideration

For retail clients, the cost of execution is often the most important aspect in obtaining the best possible result. CDC treats all customers as 'retail' as this affords greater protection, so we will assume cost is the most important outcome in most instances but this will not always be the case, as achievement of Best Execution can often be a combination of factors.

Timely Execution

In terms of timing, the following policy will apply for client driven orders, executed by our selected platform:

- Service target – to execute by close of the business day following receipt (T+1)
- Minimum Service Standard – to execute by close of the second business day following receipt (T+2)

Executing Your Order

In arranging for the execution of orders, we will use a platform provided by a third party. Once the decision has been made to trade or on receipt of a client order and instruction given to the platform provider, Best Execution becomes the responsibility of that entity and will be governed by their policy.

Execution Venues

We will regularly assess third party platforms available to us to identify those that will enable us, on a consistent basis, to obtain the best possible result when arranging the execution of orders. The list will then be updated, where necessary, following such assessment. All third parties have responsibilities in relation to best execution and client order handling. CDC will undertake periodic monitoring, via weekly sample checks, to ensure that they are meeting the relevant requirements.

Whilst the reporting requirement is to publish a top 5, CDC only routes orders to 4 providers. For the year to 31st March 2021 the top order venues for order transmission were as follows:

1. Standard Life
2. Parmenion
3. Zurich
4. Aegon

The Investment Director conducts an audit of trading volumes across all providers annually (in Aug). CDC also conducts weekly sample checks of trades and over the course of 2020/21 we have found no quality issues in relation to best execution from any of the above providers.

Monitoring and review of our execution policy

We will regularly monitor the effectiveness of our best execution policy to identify and, where appropriate, correct any deficiencies. In particular, this will cover the execution quality of any third parties referred to in the policy.

We will also review our best execution policy on an annual basis and whenever there is a significant change that affects our ability to continue to obtain the best possible results for clients.