

This Order Handling Policy sets out how we handle your orders and place your deals. By placing an order with us, you agree to us acting in accordance with this Order Handling Policy. We deal on an execution only basis and are committed to achieving best execution, treating clients fairly and acting with honesty and integrity at all times. If you give us a dealing instruction we will assume that you are both happy with and agree to this Order Handling Policy.

When you buy and sell investments we consider a range of factors to determine the best way of placing your deal. These include:

- The price – we believe that this is our clients' key consideration
- Costs
- The speed at which we will be able to complete your deal
- The likelihood of being able to place the deal and settle it
- The size of your deal
- The nature of your order and other relevant considerations

Whereas price will usually be the primary factor, we may determine that other factors are more important in achieving the best results for you. When assessing the relative importance of these factors we will consider the following criteria:

- Your classification as a retail client
- The order
- The financial instrument the order relates to
- The execution venue the deal can be placed through

If you choose to give us specific instructions regarding the way you would like us to place your order, for example by directing us to a specific broker, we will proceed in line with that instruction. Where applicable, other aspects of the order not covered by the specific instruction will be processed in line with this Order Handling Policy. Please note that a specific instruction may prevent us from achieving the best results for you.

From time to time we may need to execute your order outside a regulated market or a multilateral trading facility. Should this be necessary we will gain your express consent before executing the order.

When we deal for you we rely on the services of a number of third parties to execute your trade. Please check [www.hl.co.uk/bestex](http://www.hl.co.uk/bestex) or contact us for details of the third parties we use for particular categories of investment. The third parties we use have in place execution policies that enable us to comply with our obligations to achieve the best possible result for you.

Deals in unit trusts, OEICs and unlisted collective investment funds are placed directly with the relevant fund manager.

Deals in UK and overseas equities, warrants, exchange traded funds and government and corporate bonds will usually be passed through our electronic order routing system. This system automatically obtains quotes and places your deal with the venue providing the best price. Orders that cannot be transacted through the electronic order routing system will be dealt manually through the market by our dealers. Manual dealing may involve dealing outside of a regulated market where trades may not be reported to the London Stock Exchange. Should this be necessary we will gain your express consent before executing the order.

Investments covered by our overseas share dealing service will be dealt at the overseas market price and converted into sterling by a UK-based market maker at the prevailing interbank exchange rate. We will charge you a separate foreign exchange (FX) charge on each deal – see Tariff of Charges for details.

## TYPES OF ORDER

In the case of shares there are three ways you can give us dealing instructions. Please ensure you read the online Stop Loss and Limit order terms and conditions on our website before you place these types of order.

1. 'At Best': an order to buy or sell at the best price available in the market at that time. We will deal at best unless you state otherwise. If you deal by telephone we normally check the current market price and deal while you are on the telephone. On some occasions we may have to place the order manually and we may be unable to confirm the deal on the telephone. As market prices can change at any time, it is possible that the price could have gone up or down since the price was quoted to you. If you are concerned about this you should consider the use of a limit order.
2. 'Fill or Kill': an order to buy or sell immediately at a specified price or better. If your order cannot be filled immediately, it will be cancelled.
3. 'Limit Order': an order to buy or sell which is triggered once your specified price has been observed.

Online limit orders can be left open for up to 90 days. All limit instructions placed over the telephone will be kept until the end of the working day on which the instruction is given. We use level 1 real time data published by the London Stock Exchange to determine whether your order has been triggered. All telephone limit instructions are accepted on a 'best endeavours' basis and are only accepted at the discretion of the dealer. Please be aware that, owing to fluctuations in foreign exchange rates, it is possible that limit orders relating to stock denominated in a currency other than sterling may be executed outside of your chosen limit. You will only be notified that a limit order has been cancelled where your order was placed online. Notification will only be given by email.

Publishing limit orders – If you place a limit order in shares on a regulated market and it is not fulfilled immediately you agree that Hargreaves Lansdown need not disclose or publish details of your unexecuted limit orders.

4. Stop Loss/Trailing Stop Loss: an order to sell an existing shareholding which is triggered if the bid price falls to, or below, a specified level. A trailing stop loss is similar, however rather than having a fixed stop price, it rises if the share price rises but remains fixed when the share price falls. We use level 1 real time data published by the London Stock Exchange to determine whether your order has been triggered. Stop losses and Trailing Stop losses are only available online and can be left open for up to 90 days.

### **RISKS**

Some stocks occasionally display abnormally wide spreads. These may only last for a few seconds but at that point any affected orders could be executed.

### **PHASING**

The phasing option allows you to invest a lump sum and spread the investment in six equal instalments over six months. The first instalment will be placed by the end of the working day following the day of receipt of your application, and subsequent investments will be placed on the same day in each month, or if this is not a business day, the next working day. Any excess funds will be placed in the last instalment. Pending investment your subscription will be held as cash, earning interest at the normal rate. Any interest will not be invested under the phasing option, instead it will be held pending your instructions. Once the first investment has been placed the dealing date cannot be amended, unless you instruct us to invest the entire outstanding balance, which you may do at any stage. If you would like to amend the fund into which your investments are being placed or cancel the phasing option you must inform us in writing 10 working days before the dealing date in the next month. Any changes in initial savings and loyalty bonuses will take effect from the next instalment. The phasing option is available for a minimum total investment of £600 per fund invested in certain unit trusts and OEICs, within a HL Stocks & Shares ISA, HL Lifetime ISA, HL SIPP or HL Fund & Share Account. The phasing option is not available for transfers or switching investments currently held within the HL ISA, HL Lifetime ISA, HL SIPP or HL Fund & Share Account.

### **THIRD PARTY BUSINESS AND TRANSFERS**

If you ask us to buy or sell investments provided by a third party, such as unit trusts and OEICs, we shall pass your instructions on to the investment provider who will place your deal under the provisions of their own Order Handling Policy.

### **MONITORING**

We shall monitor our Order Handling Policy to ensure that it produces the best results for our clients and we shall let you know if we ever need to make any material changes to it.

### **BEST EXECUTION MONITORING**

We monitor trades daily using a third-party monitoring tool to determine whether best execution has been achieved. Where it has not, we will investigate and seek modification of the trade execution where possible and appropriate.