

Terms and conditions

Investment Management and Dealing

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Introduction and legal status

1. Introduction

- 1.1. These terms and conditions are very important as they form part of a legal contract between us and you should read it in its entirety. If there is anything in these terms and conditions which you do not understand or with which you do not agree, please contact us immediately by phone at 020 7597 4000, by post at 30 Gresham Street, London, EC2V 7QP or alternatively you can contact your chosen investment manager.
- 1.2. For the purpose of these terms and conditions, references to “we”, “our”, or “us” refer to IW&I and references to “you” or “your” refer to the entity or individuals constituting the client(s), unless otherwise stated.
- 1.3. Our entire agreement with you comprises the documents listed below and you should inform us if any of these documents are missing. If there is any part of this document, or any other document which you do not understand, you should contact us. The documents are:
 - These terms and conditions (which we may change from time to time in accordance with section 48 (Changes) of these terms and conditions).
 - The client agreement and/or any agreement setting out our fees for the relevant services agreed between us.
 - Our service brochure and rate card which details our charges.
 - Our Managing Your Investments document and the commencement letter (for discretionary managed clients only).
 - IW&I Fund Factsheet and *Key Investor Information Document* (“KIID”)
 - Any other document or letter for additional services as agreed between us which states in it that it forms part of our agreement.

The above are the documents which, together, make up our agreement with you (our “*Agreement*”).
- 1.4. Once we have agreed to provide you with services, our *Agreement* will apply to you, to any accounts you have opened with us, to any trades or transactions effected with or through us and to any future accounts that you may open with us. Our *Agreement* is legally binding and supersedes any earlier agreement provided by us in respect of the same services. By signing the client agreement and/or any other fee agreement, you are agreeing to the terms set out in our *Agreement*.
- 1.5. For the purposes of the *Agreement* where words or phrases are *italicised* they shall have the meanings set out in the definitions section at Appendix 5. Where words and phrases are undefined, where appropriate, they shall have the meaning ascribed to them in the *FCA rules*.
- 1.6. The main business of IW&I is the provision of investment management, financial planning services, wealth planning service and the *IW&I SIPP*. These terms and conditions relate to our investment management and dealing services. There are separate terms and conditions for our financial planning service, wealth planning service and the *IW&I SIPP*.
- 1.7. Our investment management and dealing services cover our discretionary management, advisory investment management and execution only services, unless otherwise stated.
- 1.8. The *client money* and assets section 23 to 31 details the arrangements we have in place for handling your assets and in particular the arrangements if you elect to use our nominee services. You should note that if you are a client of our *ISA* services or the *IW&I SIPP*, the assets within your portfolio will be held in our nominee company and/or we will act as custodian of your assets.
- 1.9. There are specific provisions contained within the appendices for particular services we offer as listed below. If you have signed up to one of these services you should also familiarise yourself with the relevant appendices.
 - 1.9.1. Appendix 1 – This section applies to clients of financial advisers. If you are such a client, you should also bear in mind that you will be a discretionary client and that the relevant clauses in these terms and conditions will apply.
 - 1.9.2. Appendix 2 – Additional clauses relating to our AIM service are detailed within this section. This service is a discretionary service dealing in specific

instruments and with a predefined investment objective and risk profile and as such the relevant clauses of these terms and conditions also apply to this service.

- 1.9.3. Appendix 3 – Applies to the *ISA* service we offer.
- 1.9.4. Appendix 4 – Applies to the Junior *ISA* ("*JISA*") service we offer.
- 1.10. Our order execution policy and a summary of our conflicts of interest policy are also contained within this document. These apply to all the services we offer and you should also familiarise yourself with the content of these appendices. If you have any questions or require further information, your investment manager will be happy to discuss either of these documents with you.
- 1.11. References in our *Agreement* to any statute or legislation shall include any modification or re-enactment and shall include any secondary or subordinate legislation made under it and any rules or guidance made under it. References to clauses and appendices shall be references to clauses in or appendices to these terms and conditions unless the context requires otherwise.
- 1.12. The documents comprised in our *Agreement* shall in the event of any conflict between the terms contained in any of them take priority over each other in the order in which they are listed in the definition of "*Agreement*" in the definitions section at Appendix 5 of these terms and conditions.

2. Legal status

General information about IW&I:

- 2.1. IW&I is a limited liability company incorporated in England and is a member of the *London Stock Exchange*. Our registered office is at 30 Gresham Street, London, EC2V 7QN, United Kingdom or as informed from time to time. Our registered company number is 2122340. The other addresses at which we carry out business with you may be found on the letterhead received from your chosen investment manager.
- 2.2. We are authorised and regulated by the Financial Conduct Authority (*FCA*) and we are entered on the *FCA*'s register under number 124537. You can check this on the *FCA*'s register by visiting the *FCA*'s website <https://register.fca.org.uk> or by contacting the *FCA* on 0800 111 6768. The address of the *FCA* is: 12 Endeavour Square, London, E20 1JN.

3. Contacting you

- 3.1. We will contact you by post, telephone, email or via video conferencing software (by prior arrangement) using the details you give us.
- 3.2. We may leave messages for you to contact us on an answering machine, or with the person answering the telephone, unless you tell us not to, but will not disclose any personal information in such messages.
- 3.3. You may contact us by phone at 020 7597 4000, by post at 30 Gresham Street, London, EC2V 7QP or alternatively you can contact your investment manager.
- 3.4. We may also provide you with information via our website at www.investecwin.co.uk

Investment management and dealing services

4. Customer classification

- 4.1. In accordance with the *FCA rules*, we are required to assign you a particular classification. On the basis of the information which you have provided to us, we will categorise you as a *Retail Client*. You have the right to request a different categorisation, for example as a Professional Client, however if you make such a request and we agree to this you will lose some of the protections given to *Retail Clients* by the *FCA rules*. We will only agree if we are permitted under Applicable Law and we will provide you with details of the protections you will lose if we agree to any request you make to be classified as a Professional Client. If you are categorised as a Professional Client, your Client Money and custody assets will be held in accordance with the *FCA client asset rules* as if you were a *Retail Client*.
- 4.2. The application of these terms and conditions to you will vary depending upon your classification, and you should note carefully in these terms and conditions where it is indicated that particular provisions apply only to particular categories of client.

5. Overseas residents

- 5.1. Our services may not be available in countries where they are prohibited by local law. If you are in any doubt, you are strongly advised to contact your legal adviser or to take independent financial and/or tax advice in the country where you are resident. If you relocate to another country you must tell us using the contact details set out at section 3 (Contacting you), and we will use our discretion to determine whether our *Agreement* should be terminated. If so, we will terminate our *Agreement* in accordance with section 49 (Termination). We will not be responsible for the use of our services, and the consequences thereof, where this is prohibited by local law.

6. The services we will provide

- 6.1. For discretionary managed customers:
- 6.1.1. We will provide investment management services to you. This means that we will manage your portfolio on your behalf and have complete discretion over the relevant portfolio to take investment decisions on the basis of your specified investment objectives and risk profile. We shall have full authority at our discretion and without prior reference to you to enter into any kind of transaction or arrangement which we deem suitable for your account as set out in our "Managing Your *Investment*" document.
- 6.1.2. This service will be provided in relation to those investments and your *client money* for which we are authorised to transact in under the Act on a discretionary basis as specified in your client agreement.
- 6.2. For AIM customers:
- 6.2.1. We will provide a discretionary investment management service to you in relation to solely eligible *AIM shares*. Without imposing any restriction on the number or type of *AIM companies* within the *AIM market* in which we may invest, we will normally hold shares in a minimum of 15 *AIM companies* and usually a maximum of 30, depending on the amount invested, spread across a variety of sectors within the *AIM market*. Specific terms for this service are contained in Appendix 2.
- 6.2.2. Please note that;
- We will not be obliged to provide to you announcements or other market information on any *AIM shares*;
 - The market that we are prepared to deal on is the *AIM market*.
- 6.3. For advisory investment managed customers:
- 6.3.1. We will provide investment advisory services to you. We will provide you with recommendations on the basis of your specified investment objectives and risk profile. We accept responsibility for the suitability of our recommendations and will assess the suitability of our recommendations for your portfolio as a whole. You retain full control over and are responsible for all investment decisions,

including any decision not to act upon any recommendation we have made to you. If we make a recommendation and you decide to enter into a transaction which is different from that recommendation, we will explain to you the risks and the reasons why the transaction is not in accordance with our recommendation before we accept instructions in relation to that investment.

- 6.3.2. Where we provide a personal recommendation to you we will provide you with a suitability report and when relevant we will provide a *Key Information Document* (KID), or equivalent where KIDs are not available, in good time before any transaction is concluded. Where the agreement to buy or sell a financial instrument is initiated by you and is concluded using distance communication which prevents the delivery of the suitability report and KID (or equivalent) in advance and in a durable medium, you consent to receiving these without due delay after the conclusion of the transaction unless you inform us that you wish to delay the transaction in order to receive the suitability report in advance.
- 6.3.3. This service will be provided in relation to those investments and your *client money* for which we are authorised to advise upon and transact in under the Act on an advisory basis as specified in your client agreement.
- 6.4. For execution only customers:
- 6.4.1. All transactions will be undertaken on an “execution only” basis. Execution only services are provided by us when we execute trades on your behalf but without providing advice or personal recommendations. We will not advise you about the merits of a particular transaction, any corporate action or the composition of your account. We will not have any discretion in relation to your account and will act for you only in accordance with instructions given by you to us, and will not seek your further instructions, either before or after effecting the transaction on your behalf. Where an execution-only order is accepted by us we are not responsible for ensuring the investment is suitable for you.
- 6.4.2. We may also at your request open an execution only account for you to hold assets that you have asked us not to sell, for example shares in a current or former employer acquired through a share incentive scheme, or in cases where a disposal would result in you realising a significant capital gain. We will not advise you about the merits of any such asset, nor the suitability of these assets for your individual circumstances or risk profile, nor provide you with tax advice. We will not have any discretion in relation to any such account and will act for you only in accordance with the instructions given by you to us, and will not seek your further instructions either before or after effecting any subsequent transaction on your behalf in relation to any such assets. Where an instruction is received from you in relation to any such asset, we will not advise of the merits thereof, nor will we be responsible for ensuring that the transaction is suitable for you.
- 6.4.3. If you instruct us to enter into an execution only transaction then:
- we shall not have any duty to advise you in respect of either that execution only transaction or any subsequent or potential sale of any asset acquired under that execution only transaction; and
 - we are not responsible for assessing the appropriateness of that execution only transaction.
- 6.4.4. Where you instruct us to enter into an execution only transaction in an investment that is a complex financial instrument in accordance with the *FCA rules*, we have a duty under the *FCA rules* to assess the appropriateness of the execution only transaction by reference to your experience, knowledge and understanding of the risks involved. If we consider (on the basis of the information that we obtain and/or already hold about you) that the execution only transaction is not appropriate for you, we will warn you about this. If, notwithstanding the warning that we have given you, you ask us to proceed with the execution only transaction and we execute the transaction for you, you will be solely responsible for that decision and we will have no liability to you in respect of it. The provisions of this section are without prejudice to our general rights to refuse to execute your orders or instructions.

- 6.4.5. We therefore require you to provide us with information regarding your knowledge and experience of the investments in question so that we can assess the appropriateness of a particular investment for you in accordance with the *FCA rules*. We will contact you from time to time to verify that the information that you have provided remains accurate.
- 6.4.6. Where you instruct us to buy a financial instrument and this is initiated by you and concluded using distance communication which prevents the delivery of the KID in advance, you consent to receiving the KID without due delay after the conclusion of the transaction.
- 6.4.7. When providing execution only services, where we disclose the target market for a particular product to you we require you to inform us of any information relevant to the target market assessment of any stock you wish to purchase.
- 6.4.8. For clients of the IW&I Fund Service, only purchases in one of the IW&I funds will be permitted within your account. For other purchases a separate execution only account will need to be opened with us.
- 6.5. For all customers:
- 6.5.1. Upon entering into this *Agreement*, and at any other time during which these terms and conditions are in force, there will be documents and other information we may reasonably require that we may ask you to provide or expect you to provide in order to provide services under this *Agreement*. This will include:
- Providing us with prompt notification of changes to any contact details, including your home address, email address, telephone number or mobile number previously provided to us, or change in your nationality or country of residence;
 - Providing us with prompt notification of changes to any bank account or third party payments previously instructed to us;
 - Providing us with any confirmation in change to your legal or corporate structure; and
 - Asking you to provide us with relevant information which is personal to you which is necessary for us to be able to provide the relevant service to you such as your knowledge and experience in relation to particular products and services, and your financial situation and investment objectives, so as to enable us to recommend the investment services and financial instruments that are suitable for you.
- It is important that you keep us informed of any changes in your personal circumstances or to the information above, as this may affect the services we provide to you.
- 6.5.2. Where we hold a valid signed client agreement for you, we reserve the right to register your stock in our nominee company name or in the name of a third party as detailed in 23.1.1, before carrying out any transactions on your behalf. Additionally, we reserve the right to ensure cleared funds are available in your account prior to any purchases being made on your behalf.
- 6.5.3. In relation to our investment management services, other than the execution only service, we provide restricted advice. This means that while we can advise and invest in a wide range of investments in order to construct a diversified portfolio, our analysis may be limited to a narrower range of products than an independent adviser would offer. The types of investments we offer within our investment management services and their associated risks are described in our Managing Your investments document. We will assess the breadth of the whole market for those types of investments we do offer. Although we are not tied to any providers, we may from time to time invest or advise on investments produced within the Rathbones Group. These will only be offered if the performance is comparable to investments of their peer group.
- 6.5.4. Prior to signing the client agreement, please ensure that you have read and understood the risks relating to the investments which may be offered or used in the services we provide to you. For discretionary managed clients, these can be found in our “Managing Your Investments” document. For all other clients, we

will provide you with relevant product literature when we provide your suitability report.

- 6.5.5. We will not advise you about the merits of a particular transaction if you are dealing on an execution only basis. Unless we agree to the contrary in writing, we will not be responsible for providing ongoing portfolio management services for stocks acquired on an execution only basis.
- 6.5.6. We will not be obliged to provide to you announcements or other market information on any investment other than in respect of corporate actions for non-discretionary clients with stock in our custody.
- 6.5.7. For non-retail investment products purchased against the sale of a retail investment product(s), the purchase of the non-retail investment product(s) may be dealt for extended settlement.
- 6.5.8. The markets that we are prepared to deal on may be limited by our ability to settle or hold investments in certain jurisdictions. We may also provide such other services as are agreed between us.

7. Investments in which we will transact

- 7.1. The types of investments which we will transact and advise you upon will be those for which we are authorised by the *FCA*.
- 7.2. Where we manage a portfolio for you, you should ensure that you are familiar with the descriptions contained in the relevant section of our Managing Your Investments document or in the leaflet "Investing at IW&I" which is available on our website or on request. We will not invest or recommend on any investments or types of structures outside of this unless agreed otherwise.
- 7.3. Depending on the service we provide for you there may be other restrictions which apply to the investments we can execute such as but not limited to those listed below:
 - If you are a client of our AIM service, save to the extent held in cash, we will hold a portfolio of established *AIM companies* selected from the *AIM market*;
 - Restrictions can be applied by a trustee of a *SIPP* on the assets which can be held within the pension.

8. Classification of investment objective and risk

(This section does not apply to execution only customers or AIM customers, if you are an AIM customer, please refer to the Appendix 2 for further details around these services).

- 8.1. Discretionary management, advice and/or recommendations will not be given unless you have provided us with information regarding your knowledge and experience of the investments in question, your investment objectives (including the level of risk that you are prepared to take in relation to investments) and your financial situation so that we can act in your best interest.
- 8.2. We shall also conduct a fact finding exercise with you to ensure that we have accurate information about your financial and personal circumstances including your attitude to risk. Where we have not received from you the necessary information we require to assess suitability in accordance with the *FCA rules* we must refuse to act for you.
- 8.3. In order to help us ensure that we do not make unsuitable recommendations to you, or make unsuitable trades on your behalf when providing you with discretionary management, you should inform us immediately of any changes to your circumstances. It is your responsibility to keep us informed of any matters which we should take into account when giving advice to you or providing you with discretionary management including if you wish to change your investment objectives or your investment restrictions.

If you do not inform us otherwise, we are entitled to assume that there are no restrictions on the types of investment (except for those investments listed in section 7 (Investments in which we will transact)) or the market on which transactions are executed that we may recommend to you or purchase for you subject to our assessment of suitability.
- 8.4. We will contact you from time to time to verify that the information that you have provided remains accurate. Where we are aware that the information you have provided us with is manifestly out of date, inaccurate or incomplete you will be asked to provide

further information we require and where that information is not provided we must refuse to act for you and we may terminate our *Agreement* in accordance with section 49 (Termination).

- 8.5. Our policy on risk classification is detailed in the current “Managing Your Investments” document.
- 8.6. When applicable, we will complete an assessment of suitability at least annually or where there is a change in your personal circumstances based on the information we hold on you for discretionary managed and advisory managed services. Updated recommendations, where applicable, will be communicated in a suitability report. We are entitled to assume that any instructions received following receipt by you of a suitability report take into account the investment advice provided by us.
- 8.7. In the case of joint accounts or a group of two or more natural persons and other legal entities, the assessment of attitude to risk and knowledge and experience will be based on the information provided by the person nominated by you or the entity unless otherwise agreed by us.
- 8.8. Please note that we regard the risk profile as a guide to the composition of an overall investment portfolio. Individual constituents may have a greater or lesser degree of risk than the overall portfolio.
- 8.9. Please note that this section may not apply if you are classified as a Professional Client (see section 4 Customer classification) of these terms and conditions.

For clients with a financial adviser

- 8.10. Where your financial adviser has confirmed to us in your agreement or otherwise in writing they have undertaken a fact find and assessed suitability of this service in accordance with *FCA* requirements then sections 8.2 – 8.7 will become the responsibility of your financial adviser. IW&I will be responsible for the composition of your portfolio in line with the objectives and risk stated in your agreement. In instances where your financial adviser is unable to confirm or assess suitability as required under the *FCA rules* then we will take on the responsibilities in sections 8.2 – 8.7, and we will tell you that we are taking on such responsibility.

9. Applications

- 9.1. For new customers or accounts, the following matters must have been completed before we can begin to provide a service to you in respect of any of your assets:
 - You have received from us a copy of these terms and conditions;
 - We have received a completed signed client agreement and financial questionnaire;
 - Sufficient fact finding information has been gathered from you;
 - The obligations under money laundering legislation and regulations have been satisfied;
 - In the case of a trust, either all the trustees have signed the client agreement and a certified copy of the trust deed is provided to us together with all deeds of appointment for the trustees, or those trustees authorised by the trust deed have signed the client agreement, and have provided us with documentary evidence of their delegated authority to open the account.
 - For certain types of *Trust*, the Trustee(s) have provided us with evidence that the *Trust* is registered with *HMRC* via the Trust Registration Service (*TRS*) in the form of an up to date ‘TRS Proof of Registration’ document, and we are satisfied that there are no discrepancies between the information contained therein and the information provided by the Trustee(s) regarding the *Trust* and its beneficial owners (including Trustees, Settlers and Beneficiaries), or that any such discrepancies have been satisfactorily remediated with the *TRS* by the Trustees. Where the *Trust* in question owns assets which are domiciled in Ireland (or in some cases in another EU Member State), the Trustees may also be required to provide appropriate evidence that the *Trust* is registered with the Central Register of Beneficial Ownership of Trusts (CRBOT), or equivalent (where the requirement to register is triggered in an EU Member State other than Ireland), and that any discrepancies have been satisfactorily resolved.
 - In the case of a company, we have received a copy of the board resolution authorising the opening of your account along with an authorised signatory list and

specifying the director(s) authorised to enter into our agreement on behalf of the company, and a duly signed copy of the client agreement.

10. Commencement

- 10.1. Our agreement shall come into effect from the date on which we agree to provide you with services under our *Agreement*, and these terms and conditions and such other documents as form the *Agreement* under section 1 above and shall apply to every dealing we have with you after such time. We will only agree to provide you with services once the steps set out in section 9 (Applications) have taken place.
- 10.2. You should be aware that the time taken to re-register cash, assets, shares and/or securities in the name of our nominee company and/or our custody will vary dependent on a number of factors outside our control. As such, we may not be able to effect transaction(s) you instruct us to carry out whilst your holdings are in the process of being re-registered. We do not accept liability for any loss you may suffer as a result of being unable to deal in your assets whilst they are in the process of re-registration in the name of our nominee company and/or our custody. Please note that in the event that you continue to receive correspondence direct from companies or their registrars (particularly in respect of corporate actions), you should inform us immediately and, except for execution only customers, retain any such documentation pending our advice.
- 10.3. Additionally, if you are a discretionary managed customer or advisory investment managed customer:
 - 10.3.1. Following completion of the matters referred to in section 9.1 above, and subject to section 10.3.2 below, you will receive from us a commencement letter which sets out the date on which we shall begin to manage your portfolio or advise you in respect of it.
 - 10.3.2. Prior to the date set out in the commencement letter (which will not be before the majority of your assets have been reregistered in the name of our nominee company and/or our custody (unless we advise you otherwise)) and subject to the terms of our agreement, we will at your request provide advice in respect of individual assets and on your instructions deal in respect of individual assets. We will not however be able to provide this service unless we have confirmed to you that we agree to provide you with services in accordance with section 10.1 above.
- 10.4. Commencement of the *ISA agreement*
 - 10.4.1. Your *ISA* will commence on the day in which your funds are deposited with us. In the case of a deposit made by cheque directly from you, or a transfer from any other account you may have with us, or in the case of transfers from another *ISA manager*, the day in which such funds are received by us. Additionally, in respect of a new *ISA account*, when we have received a completed signed Stocks and Shares *ISA* application form or in respect of transfers, when we have received a completed signed Stocks and Shares *ISA* transfer form as applicable. Please note that if you are transferring a portfolio to our management, the sums held in your *ISA accounts* may be included in the initial value sum detailed on the commencement letter.

11. AML, fraud and tax requirements

- 11.1. IW&I is committed to fulfilling its obligations under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Proceeds of Crime Act 2002 and all other relevant legislation for the purposes of preventing money laundering, fraud and terrorist financing. As a result IW&I have certain responsibilities to make enquiries and obtain documentation to verify the identity of customers at take-on, as well as throughout the lifecycle of any relationship. Customers may also need to provide other relevant information pursuant to such laws and regulations, which may include establishing source of wealth and source of funds. You confirm that all information you supply will be accurate and that IW&I may pass on such information, as considered necessary to comply with any legal or regulatory obligations to which IW&I is subject. Alternatively, IW&I may employ a search of electronic data reference sources in order to access information held electronically concerning the identity of a customer, including information held by certain government, consumer and

fraud prevention agencies. By completing the relevant application forms or entering into a contract with IW&I you acknowledge that IW&I may at any time initiate a search of information held electronically in order to prevent money laundering, fraud, terrorist financing and to verify the identity of relevant persons. All checks must be complete before IW&I can accept any assets or conduct any transactions on your behalf. IW&I reserves the right to refuse certain services or deny a transfer at any stage if they believe the transfer to be connected in any manner to money laundering, fraud and terrorist financing or any other form of criminal activity.

- 11.2. IW&I have adopted a zero tolerance approach towards the criminal enablement of tax evasion and as such recommend that you obtain independent legal or tax advice, tailored to your individual circumstances. You are responsible for the management of your legal and tax affairs, including making any filings, payments and complying with any applicable laws and regulations. IW&I are not legal or tax advisers and do not provide legal or tax advice, but may make certain enquiries regarding your personal tax position pursuant to applicable laws and regulations, as may be required from time to time.

12. Agency

- 12.1. Where our agreement is addressed to a trust/company/charity/pension fund, you warrant and undertake that:
- Each trustee/director/officer/pension fund trustee is authorised to enter into our agreement, to issue instructions individually to us and has the unencumbered power to invest trust/company/charity/pension fund assets.
 - Any restrictions on the authority referred to in this section of each trustee/director/officer/pension fund trustee has been fully disclosed to us in accordance with the terms of our agreement.
 - The trustees/directors/officers/pension fund trustees have the absolute power to appoint us, to delegate investment decisions and to appoint any third party listed in the client agreement or on the nominated persons form to act as an agent for the trust/ company/charity/pension fund, as detailed in section 36 (Giving instructions) of these terms and conditions.
 - There are no restrictions relating to the investment of trust/company/charity/pension fund assets other than those set out in the client agreement.
 - The trustees/directors/officers/pension fund trustees certify that having taken independent legal advice that all relevant trust/ company/charity/pension fund provisions have been disclosed and supplied to us and that such documents are true and accurate and that there are no other trust/company/charity/pension fund provisions or documents regulating the investment of assets.
 - The trust/company/charity/pension fund will inform us immediately in writing of any change in any of the information supplied to us in accordance with this section or otherwise in accordance with the terms of our agreement together with documentary evidence of such change.
- 12.2. Where our agreement is addressed to a trust, you warrant and undertake that you will be exclusively responsible for compliance with any relevant trustee legislation and, where legislation dictates, will provide us with an alternative appropriate policy statement. If you are a discretionary customer or advisory investment managed customer the appropriate trust client agreement incorporates an investment policy statement which is acceptable to us. If you do not wish to utilise this investment policy statement, you should provide us with an alternative investment policy statement for our consideration. Please note that any investment policy terms and conditions statement so provided by the trustees will only become binding on us once we have given our written acceptance of the alternative investment policy statement to the trustees without qualification or amendment.
- 12.3. You may impose new restrictions under this section 12 (Agency) or change or lift any restrictions which you have previously imposed by notifying us in writing.

13. Our charges

- 13.1. The charges for our services in force at any time are shown in our most recent and relevant rate card and these are subject to revision from time. Changes to the rate card will be notified to you in writing and in accordance with section 48 (Changes).
- 13.2. The rate card details the payment options you have available including the means and frequency of payment for the agreed service.
- 13.3. We will, in good time before the provision of services to you, inform you of all costs and charges relating to:
 - The services we provide to you;
 - Any financial instrument we recommend or market to you; and
 - Any third party payments we receive or pay in connection with the services that we provide to you.
- 13.4. These charges may include, where applicable:
 - Any annual fee which will be charged quarterly in arrears based on the value of the portfolio as at the last business day of February, May, August and November and pro rata for any part period of the quarter;
 - Commission for a trade which will be charged at time of the transaction;
 - Bargain administration charges which will be charged at time of the transaction;
 - Company information including proxy forms which will be charged at the time of any request;
 - Foreign exchange commissions will apply at the time of transactions;
 - Nominee transfers which will apply at the time the transfer takes place;
 - External custodian charges;
 - Probate valuation charges which will be applied when the probate valuation is created;
 - Legal entity identifier charges which will be applied upon application and renewal.
- 13.5. Where the total ongoing costs associated with a service provided under this agreement are not discernible prior to the commencement of the service, for example if they are dependent on the level of transactions undertaken, we will provide you with a reasonable estimation of these costs in good time before the provision of such services to you. Any such reasonable estimation will be calculated with reference to actual data for a typical client with a comparable service to you.
- 13.6. Where we recommend or market the services provided by another firm to you, we will, where required by applicable law, aggregate the costs and charges of the services provided by the other firm and disclose these to you together with the costs and charges relating to the services we provide to you.
- 13.7. Where we have or have had an on-going relationship with you, during the year we will also provide you with an annual summary of the costs and charges that you have incurred.
- 13.8. You may request a breakdown of the costs or charges applicable to you at any time. If you would like to receive such a breakdown you can do so by contacting your investment manager.
- 13.9. In addition to our charges you will be responsible for payment of any taxes, duties, charges, or expenses which we have to pay to any investment exchange (including stamp duties and stock exchange levies) or other third party (including, without limitation, any buying-in charges or settlement fines), on your behalf where they directly relate to your assets, investments or transactions. We will disclose costs to you beforehand, and where actual costs are not available we shall provide you with reasonable estimations of such costs.
- 13.10. We will levy a separate charge where your investments are transferred out of our nominee company and/or our custody on termination of our agreement with you (or otherwise) in accordance with section 49 (Termination) of these terms and conditions.
- 13.11. Where any part of the total costs and charges is to be paid in or represents an amount of foreign currency, we will charge you at the appropriate rate disclosed in the relevant rate card for any transaction charges we have to pay. Any currency conversion will be executed at a rate available from the market.

- 13.12. If we have agreed an annual charge or fee with you, it will be shown as a separate item on your account and is calculated periodically, as stated in our most recent and relevant rate card. Fee notes will normally only be issued on request, if agreed between us. The amount of any commissions will normally be shown on the relevant contract note or confirmation.
- 13.13. Any charges or other amounts due to us shall be payable by you in accordance with any relevant contract note or advice or as otherwise agreed between us. We reserve the right to deduct such outstanding amounts from your portfolio if we have requested payment from you in writing and the amounts remain outstanding 30 days from the date of the letter requesting payment. Any deduction of fees, charges or other amounts due will reduce your *client money* balance and only after deduction will no longer be treated as *client money*. Any reimbursement of fees or charges from us, to you, which increases your *free money* balance, for example due to an error on our part, will be treated as *client money* and be considered to be due and payable by us on the date of reimbursement, which will be within a reasonable timeframe from the date the resolution of the error was determined.
- 13.14. In some circumstances investments may be transferred to us as a share or unit class that attracts an ongoing commission payment to us from the product provider. As soon as possible following receipt, the investment will be converted into a non-commission paying share or unit class unless you request otherwise in writing or there is an associated cost or tax liability.
- 13.15. We reserve the right to re-denominate the currency of your portfolio into any other currency, if required to do so by any law, rule or regulation.
- 13.16. We reserve the right to make additional charges for the provision of additional portfolio valuations or statements at an agreed nominal fee which we will tell you of in advance. This will only apply if you request the provision of statements or valuations outside the agreed delivery dates detailed in section 38 (Confirmations and portfolio valuations) of these terms and conditions.
- 13.17. For discretionary customers there could be instances when discussing your account(s) with you where this could be construed as a personal recommendation, which would typically be covered by the adviser charging rules. However, we will not apply any additional charge over and above that agreed for the service provided to you.
- 13.18. Where we have agreed a flat fee rate, and where that flat fee rate would result in a higher fee in respect of any period for which a fee is to be applied than would result from the standard fee rate set out in our rate card, we may charge you a fee in accordance with the standard fee rate set out in the rate card for that period.

14. Other costs

- 14.1. There is a possibility that other costs, including taxes, related to transactions in connection with investments may be charged to you that are not paid via us or imposed by us. You will be responsible for meeting such costs and we will not assist you in calculating or paying those costs.

15. Taxation

- 15.1. We are not tax advisers and recommend that you seek tax advice from an independent tax specialist.
- 15.2. Income from foreign securities may be subject to taxation in the country of origin. This taxation will not be recovered by us even if you are in a position to recover tax from the local tax authorities. Overseas residents not subject to tax will only receive gross payments if all the necessary documents have been supplied by you and lodged with us.
- 15.3. Holders of US investments: You will provide us with appropriate client documentation in line with US regulations. We will endeavour to collect income and sale proceeds under the appropriate reduced rate of withholding tax. In the event that appropriate client documentation is not provided as and when required, we will sell stock within one month of the stock being acquired by the account.
- 15.4. The International Tax Compliance Regulations 2015 implement FATCA (Foreign Account Tax Compliance Act) and CRS (Common Reporting Standard) into UK law. Where requested, you will provide us with your Tax Identification Number (TIN) (if applicable),

and/or other relevant information together with documentary evidence of such information (for example, certified copy of passport) so that we are able to meet our reporting requirements under any relevant tax compliance legislation.

- 15.5. We reserve the right to exchange or report any information regarding your account, where IW&I are obliged to report information to *HMRC* or any other such official body, who may exchange that information with tax authorities in other jurisdictions under the Automatic Exchange of Information arrangements, without further notification to you.

16. Transfers in or out

- 16.1. On completion of a request to transfer the agency of an individual product to us, we will accept responsibility for the provision of its services in relation to the product from the date on which the 'product provider' effects the change. We accept no liability for advice given by third parties prior to the transfer date, and our agreement lasts only whilst we remain the servicing agent. Similarly, where we transfer the agency of an individual product to a third party adviser, we cease to be responsible for any ongoing service from the earlier of the date the transfer is requested and the date the third party commences provision of its services. This only applies to full transfers of agency, and not where an 'information only' letter has been provided but the servicing agent remains unchanged.

Client protection

17. Cancellation rights

- 17.1. If you enter into our agreement for services at a distance, i.e. by phone or online and not by visiting our offices or having a meeting with us, you may have a right to cancel our agreement within 14 days of commencement, or if later, the date we provide you with the terms and conditions applicable to the services (or 30 days for certain life insurance and pension products, as notified to you at that time) by serving notice upon us by post. However, cancellation rights will not apply if:
- The price of the service or services provided during the cancellation period depends on fluctuations in the financial market outside our control;
 - The performance of the distance contract has been fully completed by both parties at your request before you exercise your right to cancel; or
 - We have an initial service agreement with you and the contract is in relation to a successive operation or separate operation of the same nature under that agreement.
- 17.2. Upon notice of cancellation, we shall pay to you any sum which you have paid to or for a benefit in connection with services under our agreement, except fees we shall retain for any services we have already provided prior to cancellation. Where a right of cancellation is exercised, any amounts paid will be reimbursed, subject to a deduction of any dealing cost, and, if applicable, the amount by which time the value of your investment has fallen at the time written notification of your wish to cancel is received by us in accordance with section 50 (Notices) of these terms and conditions (known as a shortfall and will be calculated under the *FCA rules*), and we have had proper time to effect such request subject to section 32 (Aggregation and execution of orders) of these terms and conditions. If you choose to register your investments in a form other than our nominee company and/or our custody, we reserve the right to delay any cancellation and/or repayment of monies until such investments are registered into our nominee company or under our sole control. Any decrease in the value of your investments that occurs whilst we are waiting to receive control of your investments will be borne by you.
- 17.3. Certain investment contracts, such as long term insurance contracts, personal pensions, stakeholder pensions, life policies, cash deposit ISAs, and investment scheme units which are concluded from a distance may carry rights of cancellation both before and after conclusion of the contract. Details of these rights can be found on the product descriptions supplied by the product providers.
- 17.4. If you cancel outside of the cancellation period in 17.1 then section 49 (Termination) will apply and any charges and exit charges will be applied.
- 17.5. Where any recommendations we make or transactions we undertake for you result in a right to cancel under certain conditions, we will advise you of these rights. We will also tell you if you do not have a right to cancel the arrangement.

18. Financial services compensation scheme

- 18.1. We are a member of the Financial Services Compensation Scheme (*FSCS*). You may be entitled to compensation from the scheme if we cannot meet our obligations, up to a limit of £85,000 per person. This depends on the type of business and the circumstance of this claim. Further information about compensation scheme arrangements is available from the *FSCS*. You can contact them on 0800 678 1100 or 0207 741 4100 or at <https://www.fscs.org.uk/>. You can also write to them at *FSCS*, PO Box 300, Mitcheldean, GL17 1DY.
- 18.2. The products and services that we recommend may also be covered by the *FSCS*. You may be entitled to compensation from the scheme if providers cannot meet their obligations. This depends on the type of business and the circumstances of the claim.

19. Complaints

- 19.1. We take complaints very seriously and have established procedures in accordance with the *FCA rules* for complaints consideration and handling; and to ensure that complaints are dealt with fairly and promptly. Our written complaints policy is available upon request.

- 19.2. If you would like to make a complaint you can either speak to your chosen investment manager, your usual point of contact at IW&I or contact our compliance officer at 30 Gresham Street, London, EC2V 7QN, United Kingdom or email _complaints@investecwin.co.uk.
- 19.3. Where you are an eligible complainant (which is most individuals and some small businesses), if we do not provide you with a final response within eight weeks from the date we received your complaint, or if you do not agree or are dissatisfied with the outcome of our response, you have the right to refer your complaint to the Financial Ombudsman Service (FOS) which is an independent dispute resolution service.
- 19.4. The FOS website address is <https://www.financial-ombudsman.org.uk/> but you may contact them directly by email (complaint.info@financial-ombudsman.org.uk) or by telephone (0800 023 4567). Please note that calls to this number are charged at the same rate as 01 or 02 numbers on mobile phone tariffs.

20. Unsolicited calls

- 20.1. We may wish from time to time to visit or telephone you to discuss investments without your express invitation. We will not make unsolicited calls to you before 8:00 am or after 9:00 pm.

21. Data protection

- 21.1. All personal information provided by you and/or your financial adviser will be treated in accordance with all applicable data protection and privacy legislation in force from time to time in the *UK* including the *UK GDPR*, the Data Protection Act 2018 (DPA 2018) and regulations made thereunder and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended and all other legislation and regulatory requirements in force from time to time which apply relating to the use of Personal Data (including without limitation, the privacy of electronic communications); and the guidance and codes of practice issued by the Information Commissioner or other relevant regulatory authority and applicable to you.
- 21.2. Personal data is information which directly or indirectly identifies you. We at IW&I are committed to processing your personal data in accordance with *UK* data protection laws. For the purposes of *UK* data protection laws, IW&I is the data controller.
- It may be necessary for you to give us personal data so that we can provide you with the requested products and services, fulfil any contractual relationship with you, inform you of our services, comply with applicable laws, regulations and/or codes of practice and for the other purposes as set out in this notice where in our legitimate interests.
- 21.3. Collecting your personal data
- We may collect your personal data in a number of ways, including from:
- you, for example, when you:
 - apply for and use our products and services;
 - call us, we will monitor and/or record your telephone calls;
 - enter into any agreement with us;
 - contact and interact with us;
 - ask us to contact you;
 - attend events, participate in surveys, prize draws or competitions.
 - someone else for example, if a person applies for a joint account with you they may share your personal data with us or if you are a stakeholder in or manager of a business, and the business applies for products or services or enters into an agreement or interacts with us, we may obtain personal data about you to carry out checks against the business;
 - third parties such as credit reference agencies, fraud prevention agencies, financial advisors, introducers research and data analysis partners;
 - public sources – for example, Companies House.

21.4. What personal data we collect

Types of information we may collect includes:

Type of information	Examples of information
Personal details	<ul style="list-style-type: none"> • date of birth; • contact details; • nationality; • tax details; • employment details; • regulatory history (where applicable).
Financial information	<ul style="list-style-type: none"> • income and outgoings; • assets and liabilities; • bank details; • account information and history; • account activity; • credit history and information (where applicable); • shareholdings (where applicable).
Information we have from our dealings with you or from anyone acting on your behalf	<ul style="list-style-type: none"> • recordings of telephone calls with us; • records of our interactions/correspondence with you; • details of your transactions.
Sensitive personal data (we will only collect this with your explicit consent or where the processing is specifically authorised by a regulatory body or required by law)	<ul style="list-style-type: none"> • Including but not limited to the following: • biometric data, such as voice or fingerprint information; • religious beliefs; • sexual orientation; • political affiliation • philosophical or ethical beliefs; • race and ethnicity.

21.5. If you give us information about somebody else

You must make sure that if you give us personal data about someone else, you should have a lawful basis for doing so, for example, you have their consent to share personal data with us. Where applicable, you should ensure they read our data protection notice on our website and understand how we will use and disclose their information, in the ways described in the data protection notice.

21.6. How we may use your personal data

We may use your personal data for reasons including but not limited to the following:

- to verify your identity;
- to verify the accuracy of the data you have provided to us;
- to provide products and/or services requested by you;
- to manage your accounts;
- to manage any contractual relationship with you;
- to make credit decisions (where applicable);
- to trace and recover debts;
- to detect and prevent fraud and money laundering;
- to administer surveys, prize draws or competitions;
- to manage events;
- to conduct analysis and market research, for example, to identify trends in the use of our products and services so that we can:
 - improve the products and services we provide to you;
 - improve our business;
 - keep you up to date with relevant products and services;
- to comply with applicable laws, regulations and/or codes of practice;
- to support research and analytics that assist us in marketing our products and services.

21.7. How we will use your personal data to make automated decisions

21.7.1. Detecting and preventing fraud

We use real time fraud detection systems to help us to identify whether your account may be being used fraudulently. These systems make automated decisions for us and take account of information such as fraud patterns. Your personal data may be used to make these decisions. For example, fraudulent activity may be suspected where there is unusual activity on your account. If we suspect a risk of fraud, we may stop any activity on the account, or refuse access to the account. You have the right to object to an automated decision, and ask for someone to review the decision.

21.8. How we may disclose your personal data

We may disclose certain personal data as follows:

- to other affiliates in the Rathbones Group;
- to our professional advisors, receivers and administrators (where applicable), and service providers (including for example, information technology systems providers) who may help us provide products or services;
- to courts, governmental and non-governmental agencies, regulators and ombudsmen;
- law enforcement agencies;
- relevant tax authorities;
- to any relevant third party in the course of an acquisition, sale, transfer, reorganisation or merger of parts of our business or our assets;
- to any business operating within the UK or EEA in which you are a shareholder, or in which you have a beneficial interest, by virtue of the services that we provide to you under this agreement, for the purposes of notifying you of, or facilitating your right to, participate in any general meeting of any such company;
- as required or permitted by law or regulation, where we are under a duty to disclose or share your personal data in order to comply with any legal obligation or to protect the rights, property, or safety of the Rathbones Group, our clients, or others;
- where you have been introduced to us by an introducer (e.g. an independent financial adviser), unless you have told us not to, we will inform the introducer of the outcome of the enquiry including whether we have agreed to provide you with the relevant product or service;
- to credit reference agencies (CRAs). See CRA section below;
- to fraud prevention agencies (FPAs). See FPA section below.

You may also ask us for details of the CRAs and FPAs we have used for your searches. If there are any errors in the information we hold about you, please tell us so we can correct the information we hold about you.

21.9. Credit Reference Agencies (CRAs)

In order to process your application, we may perform credit checks (where applicable) and identity checks on you with one or more credit reference agencies ("CRAs").

To do this, we will supply your personal information to CRAs and they will give us information about you. This will include information from your credit application and about your financial situation and financial history (where applicable). CRAs will supply to us both public (including the electoral register) and shared credit, financial situation and financial history information and fraud prevention information.

We will use this information to:

- verify the accuracy of the data you have provided to us;
- assist in the prevention of criminal activity, fraud and money laundering;
- manage your account(s);
- trace and recover debts.

We may continue to exchange information about you with CRAs while you have a relationship with us.

When CRAs receive a search from us they will place a search footprint on your credit file that may be seen by other firms.

The identities of the CRAs, their role also as fraud prevention agencies, the data they hold, the ways in which they use and share personal information, data retention periods and your data protection rights with the CRAs are explained in more detail at each of the

three CRAs websites – visiting any of these three links will take you to the Credit Reference Agency Information Notice (CRAIN document):

- Call credit TransUnion UK <https://www.transunion.co.uk/legal/privacy-centre/pc-credit-reference>;
- Equifax <https://www.equifax.co.uk/crain>;
- Experian <https://www.experian.co.uk/crain>

21.10. Fraud Prevention Agencies

FPA's use your personal data to prevent fraud and money-laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment.

Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be viewed at [Preventing fraud | Investec Wealth & Investment \(UK\)](#)

21.11. Transfer of personal data outside the *UK*

We may transfer your personal data to recipients who may carry out services on our behalf (including affiliates and *Group* entities) located in countries outside of the *UK*. If we transfer your personal data to such a country, we will take all necessary steps to ensure your data is protected to an equivalent standard as within the *UK* or, where we are permitted to do so under the data protection law, we may rely on exceptions from the requirements to ensure that your data is protected to that standard. In any event, we will comply with data protection law. Details of the safeguards that we have put in place with recipients outside the *UK* (such as standard contractual clauses) will be available by contacting us in accordance with clause 21.17 below.

21.12. Your rights

You have the right to:

- request access to your data and information and about how it is being used;
- request rectification or erasure of your personal data;
- request restriction of processing or to object to processing of your personal data; and
- request data portability i.e. to request the transfer of personal data from one data controller to another.

If you wish to exercise any of these rights or withdraw consent to use your personal data you should contact the data protection officer as described below. You also have the right to lodge a complaint about the processing of your personal data with your local data protection supervisory authority (in the *UK*, the Information Commissioner's Office).

21.13. Marketing

We may contact you periodically to provide information regarding events, products, services and content that may be of interest to you and to invite you to participate in market research. If applicable law requires that we receive your consent before we send you certain types of marketing communications, we will only send you those types of communications after receiving your consent. Where this information is provided electronically we may track your response, for example which emails you open.

If you wish to stop receiving marketing or market research communications from IW&I you can click on the unsubscribe link in the marketing communication or contact the data protection officer as described below.

21.14. Security and data retention

We will take steps to protect your personal data against loss or theft, as well as from unauthorised access, disclosure, copying, use or modification, regardless of the format in which it is held. Subject at all times to applicable laws, we will retain your personal data for a period of at least 7 years from the end of the relationship to enable us to fulfil our record keeping obligations.

21.15. Prospective clients

Please contact the data protection officer using the details below for further information regarding data retention periods.

21.16. Changes to our data protection notice

We may revise or supplement our data protection notice from time to time to reflect for example, any changes in our business, law, markets, or the introduction of any new technology. We will publish the updated data protection notice on our website at: www.investec.com/en_gb/wealth/policies-and-legal/privacy-notice.html.

21.17. Enquiries, requests or concerns

All enquiries, requests or concerns regarding this notice or relating to the processing of personal data, should be sent to the data protection officer using the following contact details: Investec Wealth & Investment Limited, 30 Gresham Street, London, EC2V 7QN, United Kingdom or email Data.Protection@investecwin.co.uk

22. Conflicts of interest and disclosure of material interest

- 22.1. In accordance with *FCA rules* and our own conflicts of interest policy, we have in place arrangements to identify and prevent or manage conflicts of interest that arise between ourselves or our employees and our clients, between our different business areas, between our different clients and between our third party service providers and our clients.
- 22.2. In relation to any transaction we execute or arrange with or for you, we may have an interest, relationship, arrangement, or duty which is material or which gives or may give rise to a conflict of interest with your interest(s) in relation to the investment or transaction concerned or investments or assets underlying, derived from or otherwise directly or indirectly related to such investments (a "material interest"). We will take all necessary steps to ensure fair treatment for you in relation to any such transactions and will identify and prevent or manage any conflict of interest in accordance with our conflicts of interest policy.
- 22.3. You acknowledge that we are involved in a range of services. As such we may have a material interest or a conflict of interest in the services or transactions we carry out with or for you. We have in place internal policies and procedures pursuant to our conflicts of interest policy to ensure that our various business areas and companies operate independently of each other and restrict access by the particular employee(s) responsible for handling your affairs to certain areas of information.
- 22.4. You agree that we are entitled to provide services to, or effect transactions with or for you, notwithstanding that we may have a material interest in, or a potential conflict of interest in relation to, the transaction or investment concerned and you consent to our acting in any manner that we would consider appropriate in such cases, in line with our conflicts of interest policy.
- 22.5. Where we do have such a material interest in, or a potential conflict of interest in relation to the transaction or investment concerned, and the organisational and administrative arrangements we have established to prevent or manage conflicts of interest are not sufficient to ensure, with reasonable confidence, that the risk of damage to your interests will be prevented, we will disclose the conflict to you and the steps taken to mitigate those risks so that you can decide how to proceed before we undertake any business for you.
- 22.6. We may receive payment from, or share commissions and charges with our affiliates or other third parties in connection with transactions carried out on your behalf. We or any affiliate may benefit from commission, mark-ups, mark-downs or any other remuneration where we act for the counterparty to a transaction. Further details of this will be provided to you where required by applicable law, or are available on request.
- 22.7. For further details on how we deal with conflicts, please see the summary of our conflicts of interest policy at Appendix 6.

Client money and assets

23. Custody of your investments

23.1. For all customers who use our nominee services:

23.1.1. Where possible (in the case of most *UK* securities), we will hold your investments for you. The title to your investments will be registered or recorded in the name of our nominee company, unless we are required to do otherwise by any law, rule or regulation, through which you will retain beneficial ownership. We may sometimes register your assets in your name (in accordance with 23.1.6). We may also register them in the name of a nominee controlled by another member of our group, a recognised investment exchange or a third party outside our group with whom your Investments are deposited. Where registration as described above is not possible, your Investments may be registered in the name of a third party or, if this is not possible, our name but only if: (a) the investments are subject to the law or market practice of a jurisdiction outside of the United Kingdom; and (b) we consider this to be in your best interests, or (c) it is not feasible to do otherwise, because of the nature of the applicable law or market practice.

23.1.2. When we provide our nominee service, the nominee company will be the legal owner but you will retain beneficial ownership. Our nominee company is a pooled nominee which means that your investments are pooled with those of other investors. Under the Central Securities Depositories Regulation ("*CSDR*"), which applies to us as a participant in settlement systems such as Euroclear, you have the option to request a segregated account within our nominee company, the costs and charges for a segregated account are detailed on our rate card. We will keep records to show that we do not have beneficial ownership of the investments and that we hold them on your behalf. If you do not request a segregated account then your investments will be held in the pooled nominee arrangement as is our normal practice. You can request a copy of our disclosure about the levels of protection available, insolvency treatment and costs from your *Investment Manager*.

Pooling your investments with those of other investors means that your individual entitlement may not be identifiable by separate certificates, physical documents or entries on the register.

23.1.3. In the event of insolvency or other such default event, as your holding is pooled with other clients, this means that you will have a general claim on the assets alongside other clients, which in the event of any shortfall, may result in a proportionate distribution of such assets to you that are less than your recorded holding. We will keep records to show that the assets are held for you.

23.1.4. Our nominee company is a wholly-owned subsidiary for whom we accept responsibility with regard to the *FCA's* requirements for safe custody. Holdings may be in certificated or other physical form or held in a dematerialised form (dematerialised means that certificates are no longer produced but an electronic record of the holding is held on the company register) within the CREST or other commercial settlement system on a pooled basis. In the event of our insolvency or other such event, use of our nominee name ensures that the assets are held separate to our own assets and protected in accordance with the *FCA client asset rules*.

23.1.5. In some specific circumstances when a security becomes worthless, the custodian or CREST may remove this from their records. This means that in the event any liquidation payments are distributed, we may not receive these on your behalf. In the circumstances where the custodian or CREST record is removed, we will also remove the holding and the asset will no longer be recorded as held in our nominee company and/or our custody.

23.1.6. Some companies provide benefits to shareholders relating to the nature of their business. These benefits will not be available to you if we are holding your investments because they will not be registered in your name but usually in the

name of our nominee company. Should you wish to receive these benefits, we may be able to give you a letter confirming your nominee holding, but we would recommend that if you are holding shares purely to receive these benefits, they should be registered in your own name.

- 23.1.7. If you wish to hold your assets in your own name, we will require you to have your own account as a sponsored membership in CREST and complete a separate agreement (available on request) for this purpose. This may be subject to additional charges which will be discussed with you should you request such services. As part of this service we agree that we shall safeguard and administer your assets in accordance with the *FCA client asset rules*.
- 23.1.8. If you use our nominee service and wish to transfer assets on an exceptional basis to another person by means of a gift or other such event, you may instruct us in writing to register your investments in the name of another person or a trust and we will do this providing we can validate that the purpose for doing so does not breach any regulatory or legal obligations that we may have.
- 23.1.9. Additionally, if you do instruct us to transfer your assets in accordance with section 23.1.8, then you accept that this is entirely at your own risk and we will not provide any custody services for such assets unless the beneficial owner is a valid client of ours.
- 23.1.10. You authorise us and any sub-custodian of ours to hold or transfer your investments (or entitlements to them) to securities depositaries, clearing or settlement systems, account controllers or other participants in the relevant systems in the course of providing the services. This applies to investments that are un-certificated or transferable by book entry transfer. These investments will be separately identifiable from any held in the same system for our account. These entities may be located in or outside of the jurisdiction in which we provide services to you. Where it is not possible to use our own nominee company and safe custody services (for example for non-*UK* securities), your investments may be registered, recorded or held in the name of a third party in an overseas jurisdiction. This may mean your investments are pooled with those of other investors, unless you have registered a segregated account as allowed under *CSDR*. Additionally, your investments may be treated differently from the manner in which they would be treated if they had been passed to an intermediate broker, settlement agent, custodian or counterparty within the *UK*. In the event of the insolvency or default of that third party, this may lead to the loss of your investments.
- 23.1.11. We endeavour to ensure that such investments will not be held with any third party in another country which does not regulate the safekeeping of financial instruments unless the nature of the financial instrument requires it or if you are a Professional Client you request us to do so in writing. Our arrangements with third parties such as sub-custodians will similarly limit their delegation to third parties in jurisdictions that do not regulate custody.
- 23.1.12. Investments belonging to you which are held overseas may be subject to different settlement, legal and regulatory requirements than those applying in the *UK* as well as different practices for identifying individual investments. Such assets may be subject to a security interest, lien or right of set-off where this is required by applicable law in a jurisdiction other than the *UK* in which the safe custody assets are held and where we have taken reasonable steps to determine that holding your investments subject to that security interest, lien or right of set-off is in your best interests.
- 23.1.13. Please note that any bearer investments may not be held in our safe custody, but by a third party.
- 23.1.14. We will ensure that any third party who holds your assets is selected and appointed by us specifically for this purpose and we will exercise all due skill, care and diligence in the selection, appointment, periodic review and monitoring of such agents.
- 23.1.15. We and our nominee company do not accept responsibility, in the absence of our own fraud, negligence or wilful default, for the safe custody obligations of

any third party or their insolvency. In the event of the default of a third party or their insolvency, this may lead to the loss of your money.

- 23.1.16. We will confirm to you all of your investments that are held by us or to our order at least quarterly. This confirmation will form part of your portfolio valuation.
- 23.1.17. You should be aware that there are a number of administration charges which we reserve the right to make for undertaking certain arrangements on your behalf. Such charges are detailed in our most recent and relevant rate card for the service agreed between us.
- 23.1.18. You should be aware that in appropriate circumstances investments held by us in safe custody may nonetheless be sold by us in accordance with section 31 (Power to sell or close out) of these terms and conditions.
- 23.1.19. Dividends and interest will be paid quarterly by BACS and you will receive a schedule showing the individual amounts. Consolidated tax vouchers are prepared for your tax returns annually. Dividends on overseas investments will normally be converted into sterling on receipt and paid to your income account for quarterly distribution. Such income accounts (including accumulated dividends) will not earn interest.
- 23.1.20. Unless we agree with or notify you otherwise, where as a result of the services we provide to you under the agreement we hold investments on your behalf which give you rights in relation to a Cause of Action against a third party in any existing or potential group litigation or class action, we will not take any action in relation to such Cause of Action on your behalf.
- 23.1.21. When we are holding your investments in custody, then you will receive a client asset statement at least quarterly (subject to *Applicable law*) detailing all investments and any cash held by us at the end of that period. This information may be included within the valuation report that we send you if we are providing you with discretionary management services. We will not provide you with a quarterly client assets statement if we are already providing you with a periodic statement as part of our discretionary management services or if we provide an online system through which you can easily access up to date valuations of your portfolio. However if you do not access valuations through any such online system we will revert to providing you with statements quarterly.
- 23.1.22. If you request it, we may provide a client assets statement to you more frequently. You should be aware that we may levy a charge for doing so.
- 23.1.23. The statements we send you show dates on which we expect cash balances in your account to be available to you. Clearing systems in some countries may cause a different value date or credit date to be used in practice. Your statements may show transactions that have not been settled, but we are not required to include unsettled transactions in your statements.

24. Rights issues, takeovers, scrip dividends, voting and other entitlements

- 24.1. In relation to investments held in the name of our nominee company and/or our custody only:
- 24.1.1. For discretionary managed customers:
We may proceed with any one of the following without prior reference to you and in such manner as we determine:
- (i) Exercise any conversion, subscription or voting rights regarding your holdings;
 - (ii) Proceed in takeover situations, other offers or capital reorganisations concerning your holdings;
 - (iii) Take dividends in cash, unless otherwise instructed by you.

Please note that we reserve the right to act, or to refrain from acting on investments which were purchased by you on an execution only basis and will contact you accordingly for your instructions.

24.1.2. We may exercise voting rights regarding your holdings (save for any which arise in connection with the events set out above) without prior reference to you, in such a manner as we determine to be appropriate.

24.1.3. For all other customers:

We will notify you of and obtain your written instructions before proceeding with any one of the following:

- (i) Electing to take up a scrip dividend on your behalf;
- (ii) Exercising any conversion or subscription rights (only when required to do so) regarding your holdings;
- (iii) Proceed in takeover situations, other offers or capital reorganisations concerning your holdings.

However, if we have been unable to obtain your instructions, we reserve the right to act or refrain from acting on your behalf in relation to corporate actions in such manner as we may determine to be in your best interests. However, we will take no action in relation to voting rights without your specific instructions to do so.

24.2. For non-discretionary managed clients, where you own shares in a company operating in the *UK* or the EEA, and these are held by us, we may pass information to you received from such company or their registrar relating to upcoming shareholder meetings with a view to offering you the opportunity to exercise your voting rights at any such meeting.

24.3. Any instructions you provide in relation to the clauses 24.1.3 or 24.2 above must be received by us within a reasonable period, but not less than four business days prior to the date of the meeting to which the vote applies.

24.4. Where investments are held in our nominee company on a pooled basis, occasions may arise which result in your individual entitlement to shares or units being issued being a fraction of a share or unit. We shall record and reconcile client holdings to 4 decimal places only, with any smaller fractions of negligible value not being treated as a client asset. If it is possible to sell such issued shares or units, this will be done as soon as practicable. Because of the disproportionate costs involved, only where your individual entitlement exceeds £5 will we distribute this to you. Otherwise we will not treat this as a client asset but will retain it, and may distribute accumulated proceeds to a charity of our choice. Similarly, if corporate activity results in cash being obtained, your individual entitlement may be rounded up or down to the nearest whole penny. On a pooled basis, such roundings may result in the money distributed being more or less than the amount actually received. Where an excess is created by such roundings, we will not treat this as *client money* but will retain it, and may distribute accumulated proceeds to a charity of our choice.

24.5. In respect of investments which we are holding on your behalf in safe custody which are registered in your own name (not in our nominee company), we shall not be responsible for notifying you of or taking action in relation to corporate actions or voting rights.

24.6. You should be aware that in certain circumstances, we may not be able to act in conversions in your best interests or in accordance with your preferences. This will always be due to factors outside our control. For example company registrars may treat our nominee company as being one holding and may therefore only offer us one conversion option across all client accounts.

24.7. Additionally to avoid undue administration, for income balances arising from, for example dividend payments, corporate actions or income distributions, where you have specifically requested this to be paid to you by cheque, but the cumulative balance held by us is lower than £2, we will hold the funds on deposit and only when this exceeds £2 will we pay it out to you by cheque. Any balances held by us will be treated as *client money* in accordance with the *FCA client asset rules*. Please note that we will not pay interest on income balances held.

25. Certificates

25.1. If your investments are held in certificated form and are not registered in the name of our nominee company:

- We only provide protection under the *FCA client asset rules* for those certificates or holdings that we provide safe custody services for from the point that they are received by us up until the point of despatch of the certificate to you or a buyer or other counterparty.
- We will take all reasonable care to ensure the despatch of your certificates in accordance with or pursuant to your instructions, but all certificates are dispatched at your own risk.
- We are able to facilitate the replacement of a lost share certificate but will only be liable for the costs of doing so if the loss was the direct result of our negligence, fraud or wilful default. You acknowledge that we will not be able to undertake any transactions for you in relation to any such investment until we are in receipt of the replacement share certificate.
- We will not be liable for any direct or indirect loss or loss of opportunity arising from the loss or misplacement of any such certificate, except where this is a direct result of our negligence, fraud or wilful default.

26. Settlement of transactions

- 26.1. All payments to be made by you shall be made in the currency required for settlement, as shown on your contract note, invoice or other transaction document, and from immediately available funds on the due date without set-off or counter claim and free from and without deduction of any *Taxes*, levies, withholdings or any other deductions of any nature. Foreign currency transactions, carried out on your behalf will be carried out as per section 13.4 (Our charges) of these terms and conditions. You will not withdraw any investments or money from your portfolio or grant any charge, security interest, lien or encumbrance over them if such money or investments are to be delivered or paid in settlement of any transaction and, in any event, will not do so without prior notification to us.
- 26.2. You will be responsible for ensuring that all money due to us is paid and all documents are delivered to us in order to permit timely settlement of any transaction effected with you or on your behalf. The due date for settlement will be stated on the contract note, invoice or other notification, which will also show our charges for the transaction, which will be due for payment on that date of settlement. We reserve the right to ensure we do not enter into a purchase transaction on your behalf, until we have confirmed cleared funds are available.
- 26.3. Where you are paying us by cheque, cheques should be made payable to Investec Wealth & Investment and sent along with any documents for settlement to the following address: Investec Wealth & Investment Settlements Department, The Plaza, 100 Old Hall Street, Liverpool, L3 9AB. If you wish to remit proceeds for settlement direct to our bank account, these details are available on request from your investment manager.
- 26.4. Where using our nominee service, all transferable securities, stocks, share certificates or other title documents that you require us to hold, should be sent to your investment manager or to Investec Wealth & Investment Settlements Department, The Plaza, 100 Old Hall Street, Liverpool, L3 9AB, accompanied by a completed and duly signed transfer form. We are unable to carry out any transactions for you in these instruments until we receive these documents and/or information.
- 26.5. If you do not use our nominee service, we may not be able to deal for you using the standard settlement basis and this may result in you obtaining a less beneficial price than the price you may have obtained if we were able to deal for you on a standard settlement basis. This is because for any instruction to sell, we must be in possession of your valid share certificate or other document of title and correctly completed and signed transfer form. In order to settle transaction(s), assets you sell must be delivered to the buyer and this will take time for us to arrange. As a result settlement of the transaction(s) may not be completed within the standard settlement period and could also result in you dealing at a different price and/or obtaining a later settlement date for the transaction.
- 26.6. Where transactions have been carried out on your behalf for settlement on a *UK* non-business day, our settlement obligations to you will be deemed to fall on the next business day after the settlement day.
- 26.7. To promote settlement efficiencies, it is standard market practice to apply an agreed tolerance for trade matching purposes, allowing settlement instructions to match when

the consideration is marginally different as reported by both parties, but within the pre-agreed tolerance matching limit. This may lead to an actual settlement consideration varying from the intended settlement consideration as reported on our contract note. We will settle with you on the basis of the contract issued by us, and any differences arising from tolerance matching will not be treated as *client money*. We will retain such monies and may distribute accumulated proceeds to a charity of our choice.

27. Your money

- 27.1. Your money will be held as *client money* in accordance with the *FCA client money* rules which, among other things, require us to hold your money in a *client money* bank account free of lien, segregating your funds from our own at a CRD credit institution, central bank or third country bank.
- 27.2. We, and any third party who we authorise to hold your assets, may hold your money in a general *client money* bank account, alongside that of our other clients. This means that *client money* is held as part of a common pool of *client money*, so in the event of our insolvency or other such event, your money will be protected in accordance with the *FCA client asset rules*. Any claim by you is against the *client money* pool in general. This means that the balance on the *client money* bank account will be divided proportionately to all clients who have a valid claim against the sum held in the general pool and this may or may not be equal to the individual sum you hold in your client portfolio.
- 27.3. We may hold money on your behalf in a credit institution or bank outside the *UK*, provided it is authorised to hold deposits in the relevant jurisdiction.
- 27.4. We will ensure that any third party who holds your money is selected and appointed by us specifically for this purpose and we will exercise all due skill, care and diligence in the selection, appointment, periodic review and monitoring of such agents. However, in the event of their default or their insolvency, this may lead to the loss of your money.
- 27.5. Our intention is that your money will be held with *CRD Credit Institutions* subject to the laws of England and Wales. However, in the event that your money is held at another bank subject to the law of a jurisdiction outside England and Wales, your money and the rights relating to your money may be subject to different legal and regulatory requirements than those applying in England and Wales.
- 27.6. If necessary, we may allow another institution such as an exchange, clearing house, overseas settlement agent or other intermediate broker to hold or control your money, but only if we transfer your money for the purpose of a transaction through or with that person or to meet any obligation that you may have to provide collateral for a transaction. If we do this, we will endeavour to ensure your money is held as *client money* under the *FCA client asset rules*. In circumstances where we are required to provide funds in advance of receiving assets, for example when applying for units in certain collective investment schemes, or applying for shares as part of a placing or new issue, you agree that such payment will be made in accordance with your instruction to place such a transaction, or for discretionary clients, in accordance with your specific consent under the mandate. You agree that such amounts may no longer be protected under the *client money* rules and that such payments constitute a discharge of our fiduciary duty to you.
- 27.7. We reserve the right to pool your *client money* with that of other customers and place such *client money* on a term or notice deposit at an Approved Bank or *CRD Credit Institution* in accordance with the *FCA client asset rules*, subject to a maximum permitted notice period or unbreakable term. Please note that this will not affect your right to receive or withdraw your *client money* in accordance with section 36 (Giving instructions) of these terms and conditions. *Client money* held on longer notice periods or unbreakable terms is subject to certain risks, for example IW&I will not be able to withdraw *client money* immediately in response to market information concerning a bank. In addition, there may be a delay in returning your money to you in the event of IW&I's failure, in such circumstances, *client money* will be returned to clients or transferred to another service provider as soon as possible. This process cannot be completed until the end of the notice period or unbreakable term, potentially to the detriment of clients expecting to share in the *client money* pool.
- 27.8. Where you have elected for an offshore account, you are deemed to have authorised us to hold your money in overseas bank accounts and you accept that the protection of your money and/or assets may be subject to different rules and regulations and you may not

be afforded the same level of protection as provided by the *FCA client asset rules*. Such accounts may be in Guernsey, Jersey, the Isle of Man, the United States of America or territories within the EEA states.

- 27.9. You should be aware that, we reserve the right to hold *client money* with a group entity, in accordance with appropriate regulatory requirements.

28. Interest

28.1. Payable to you

28.1.1. Your money will be held in a *client money* bank account alongside monies held on behalf of other clients. We will only pay interest on the money we hold for you which has been credited to your deposit account as part of your *free money* balance.

28.1.2. Interest will typically be paid at the rates displayed on our website with effect from the date *client money* becomes *free money*, to the business day prior to that on which the money is debited by us on your behalf. The managed interest rate can vary and may, at our discretion, be zero.

28.1.3. Interest may be collected in an account with one of our approved banks or CRD credit institutions, or a group entity, until due for distribution.

28.1.4. If the rate of interest received or payable to you becomes negative, either by application of our interest rate payment basis, as described at 28.1.2, or by market conditions and rates achieved, we reserve the right to pass on the negative rate to you in full.

28.1.5. Any difference between the interest received by us and the interest paid to you will be retained by us.

28.2. Payable to us

28.2.1. If you default in paying any amount when it is due, we reserve the right to charge interest at 5 per cent per annum above the base rate of The Bank of England. We will allow you a period of 30 days from the date of your default to pay the sums due and after that interest will be charged daily and will be charged to your account when the debt has been discharged. Please note that interest will be charged after, as well as before, judgement.

29. Borrowing money for you

- 29.1. We will not, without your written prior consent, commit you to any borrowings or enter into transactions on your behalf which we know will result in you having to borrow (save for the circumstances listed in section 24 (*Rights issues, takeovers, scrip dividends, voting and other entitlements*) of these terms and conditions). We may, however, be able to arrange loan facilities where appropriate, for which details and the relevant agreement can be obtained from us and in the event such borrowing does occur we will provide you the relevant agreement for your review and signing. Please note that such facilities may be extended by one of our associated companies or another party authorised by the *FCA* on our behalf, and we may receive remuneration from such party or parties for arranging this for you.

30. Right to retain your funds

- 30.1. We shall be entitled at any time to retain or make deductions from, or set-off amounts or credit balances which we owe to you, (including, without limitation, the proceeds of sale or closing-out transaction or any other account or sub-account which you have with us under our agreement) in order to meet any liabilities which you may have incurred to us or which we may have incurred on your behalf under our agreement including, for example:

30.1.1. Sums to be paid in settlement of transactions, application monies and calls due for new issues which:

- (i) For discretionary managed customers, we have applied for or taken up on your behalf, or
- (ii) For all other customers, you have asked us to apply for or take up on your behalf;

- 30.1.2. Dividend claims which we have made from you;
- 30.1.3. Settlement of any monies due as a result of any corporate actions in which you have participated (or we have participated in on your behalf in accordance with section 24 (*Rights issues*, takeovers, scrip dividends, voting and other entitlements) of these terms and conditions);
- 30.1.4. Settlement of our fees, commissions or charges or any other amounts referred to in section 13 (Our charges) or any liabilities or costs incurred when exercising rights under section 31 (Power to sell or close out) or section 49 (Termination) or any other relevant provision of these terms and conditions;
- 30.1.5. Settlement of third party fees, commissions or charges which you have agreed we shall pay on your behalf.
- 30.1.6. Any interest payable to us pursuant to the terms of our agreement; and
- 30.1.7. Any necessary taxation, rights, claims or deductions.

Where we retain money or make such deductions for sums which are due to third parties, such onward payments may not be made immediately, but may be remitted on a periodic basis.

- 30.2. If a period of six years has elapsed since the last movement of *client money* on your account (disregarding any payment or receipt of interest, charges or similar items) and we are unable to contact you, having taken reasonable steps to do so as required by the *FCA client asset rules*, we may stop treating the balance as *client money* and donate it to a registered charity of our choice. Similarly, if a period of twelve years has elapsed since the last movement of custody assets on your account (disregarding any payment or receipt of interest, dividends, corporate actions, or similar items) and we are unable to contact you, having taken reasonable steps to do so as required by the *FCA client asset rules*, we may stop treating the assets as custody assets and donate them, either liquidated or in specie, to a registered charity of our choice. Where we do this we undertake to make good any valid claim made by you or on your behalf against any balances or assets we treat in this way. We may require evidence from you to support any claim. However, where the balance of *client money* is under £25 (or under £100 if you are a Professional Client), and we have taken the steps required by the *FCA client asset rules* to contact you, we may stop treating the balance as *client money* and donate it to a registered charity of our choice but we will not make good any claim by you against the balance.

31. Power to sell or close out

- 31.1. If, at any time, you have not met any liabilities which you have incurred to us or which we may have incurred on your behalf or do not comply with any other obligations under our agreement, including any of those matters detailed in section 49 (Termination) of these terms and conditions, we shall be entitled (and are irrevocably authorised by you) to take all or any of the following actions having given at least 30 days prior oral or written notice to you:
 - Sell investments bought on your behalf but for which you have not paid on or before the relevant settlement day;
 - Close open sold positions (by buying-in investments or otherwise) in the event that the relevant securities have not been delivered by you;
 - On or before the relevant settlement day;
 - Sell any securities held or registered by us or in our nominee company and/or our custody or another custodian to our order or acquired on your behalf; and
 - Take any other steps (whether or not similar to the above) we may consider to be necessary to meet any obligations which you have to comply with under our agreement or otherwise to protect our position.
- 31.2. If, after any of the actions specified above have been taken, there is a positive balance in your favour we shall, either hold on account or pay to you such balance as soon as reasonably practicable.
- 31.3. In relation to any assets held by us on your behalf, you warrant and undertake to us that:
 - all such assets are and at all times shall remain free from any restrictions on transfer;
 - all such assets are and at all times shall remain free from any third party lien, charge,

pledge or encumbrance, claim, title or other interest (unless otherwise agreed in writing between us);

- no mortgage or other fixed security or floating charge or other security interest in such assets shall be created, granted, extended or permitted to subsist without our prior written consent (which consent may be subject to any conditions specified by us);
- no person other than you has any rights or interest in any such assets; and
- unless you have notified us in writing that you are acting as trustee or agent in respect of any particular investment or asset (and in which case you warrant and undertake to us on behalf of the person(s) for whom you are acting), that you are authorised with full power and capacity to instruct us.

31.4. Without prejudice to any other rights to which we may be entitled, we may at any time and without notice to you set off any amount (whether actual or contingent, present or future) owed by you to us against any amount (whether actual or contingent, present or future) owed by us to you. For these purposes, we may ascribe a commercially reasonable value to any amount which is contingent or which for any other reason is unascertained. Any exercise by us of our rights under this section 31 shall be without prejudice to any other rights or remedies available to us under our agreement or otherwise.

Dealing

32. Aggregation and execution of orders

- 32.1. Unless we accept specific instructions from you otherwise in relation to a particular order, we may aggregate your order with our own orders, orders of affiliates and persons connected with us and orders of other customers without further reference or authority from you. By aggregating your order with those of other customers we must reasonably believe that this is in the overall best interests of our customers and it is unlikely such aggregation will work to the disadvantage of you when we aggregate your order. However, aggregation may operate on some occasions to your disadvantage.
- 32.2. We will normally execute orders in the order in which they are received by us as soon as reasonably practicable after receipt. Unless you tell us otherwise you agree that if we are unable to execute your order in full immediately we may execute our own orders or the orders of other customers whilst seeking to complete the execution of your order.
- 32.3. When effecting transactions for you, either as part of our discretionary management service or our execution-only services, we will take all sufficient steps to achieve the best possible result for you in accordance with:
 - the applicable requirements of the *FCA rules*; and
 - our order execution policy.
- 32.4. If you give us specific instructions in relation to how a particular transaction should be carried out, and we accept these instructions, you acknowledge that in following any such instructions it may not be possible for us to achieve the best possible results for you in relation to the execution of the transaction. Where any instruction relates to only part of the order, we will continue to apply our order execution policy to those aspects of the order not covered by the specific instruction.
- 32.5. As we have classified you as a *Retail Client*, price will usually be the most important factor when considering whether we achieve best execution. The other execution factors are set out in our order execution policy at Appendix 7 of these terms and conditions. However, you should be aware that the price at which we carry out a transaction for you may be less advantageous if we deal on nonstandard terms, for example, for extended settlement, whether by choice or as a result of you not having fulfilled your delivery obligations to us.
- 32.6. When executing all client orders we shall comply with our order execution policy unless (and to the extent that) we act on your specific instructions. A copy of our order execution policy accompanies and forms part of these terms and conditions. A copy is also available on our website at https://www.investec.com/en_gb/wealth/policies-and-legal.html and any material changes to the order execution policy will be made available on our website. By signing our client agreement, you consent to our order execution policy as in effect from time to time.
- 32.7. The order execution policy highlights instances where, in your best interests, we may deal away from a Regulated-Market (RM), a Multilateral Trading Facility (MTF), an Organised Trading Facility (OTF) or a Systematic Internaliser (SI). We will trade on an RM, MTF, OTF or SI unless we deem it in your best interests to trade outside of these markets and by signing the agreement you give us you express consent to do so.
- 32.8. Please be aware that the markets that we are prepared to deal on may be limited by our ability to settle or hold investments within those jurisdictions.
- 32.9. Where you place a limit order with us that is not immediately executed, you expressly consent that we will not publish your unexecuted order during the period that it remains unexecuted unless we believe that it would be in your best interest to do so, or you expressly request otherwise in writing.
- 32.10. You may request information on the status of an order at any time.

33. Dealing in *Group* entity and associated company shares

- 33.1. Transactions may be carried out and advice may be provided on group or affiliate shares on your behalf if they are eligible for your account. There are appropriate controls and procedures in place to manage any conflicts of interest. However such transactions and advice will only be provided or given in accordance with general law or regulatory rules.

34. Short positions

- 34.1. A short position is one where you contract to sell investments which you either do not own, do not have authority to sell or you cannot deliver to the market on a timely basis. We will not sell investments on your behalf if we reasonably believe that a sale may result in you having a short position, and you should not knowingly instruct us to do so. We reserve the right to buy stock to cover any obligation arising from a short position without any prior reference to you, and you agree that we may recover from you any expenses incurred by us from doing so. Please also refer to section 6.5 (The services we will provide).

35. Stabilisation

- 35.1. We may deal for you in investments that may have been the subject of stabilisation.
- 35.2. Stabilisation is a price-supporting process that may take place in the context of new issues. The effect of stabilisation can be to make a market price of the new issue temporarily higher than it would otherwise be. The market price of investments of the same class already in issue, and of other investments whose price affect the price of the new issue, may also be affected.
- 35.3. This process is undertaken in order to ensure that the issue of investments is introduced to the market in an orderly fashion, and that the issue price and/or the price of associated investments is not artificially depressed because of the increase in supply caused by the new issue.
- 35.4. Stabilisation may only take place for a limited period, and there are limits on the price at which shares, warrants and depository receipts may be stabilised (although there are no limits in respect of loan stock or bonds).

Instructions

36. Giving instructions

- 36.1. We will accept your written or oral instructions (including, but not limited to, where instructions are received from you by fax, e-mail or phone) as long as we are reasonably satisfied that they are clear and genuine instructions from you. For security purposes, you acknowledge that we have the right to delay carrying out any instructions from you whilst we verify that we have understood them correctly and that they are genuine. We accept no responsibility for any errors or omissions resulting from misunderstandings in respect of oral instructions.
- 36.2. Once an order or instruction has been received for immediate execution by us, it may only be amended or withdrawn with our agreement.
- 36.3. Except for discretionary managed clients that have opted-out of receiving contract notes we will acknowledge your instruction formally by issuing a contract note or confirmation to you. The contract note or confirmation will supersede any verbal acknowledgement of your order given at the time and you should contact us immediately if the contract note or confirmation does not accord with your instructions. In the absence of manifest error, contract notes or confirmations shall be conclusive and binding on you. We will provide a contract note or confirmation to you following each transaction or series of transactions.
- 36.4. Where instructions are sent to us by e-mail, we give no promise as to the timeliness or execution of those instructions, including cases, for example, where the addressee at our offices is not available or is away or our e-mail systems are unavailable. You should not assume that any e-mail has been received by us and/or actioned unless you receive either an e-mail and/or a telephone call acknowledging our receipt or you receive a contract note or confirmation of the trade. You should also be aware that e-mail is not a secure medium and therefore any instructions received by us purporting to be from you by e-mail may be actioned but no liability will be accepted for any false instructions or lateness whatsoever. We shall have no obligation to verify the authenticity of any e-mail sent to us however we reserve the right to not action instructions if we believe such instructions could be fraudulent. In such circumstances we will contact you by telephone to verify whether the instructions are genuine.
- 36.5. We will be entitled but not bound to act on a request from you to effect a transaction in accordance with these terms and conditions. We may refuse to act on instructions from you if we reasonably believe that:
- You do not have enough *free money* in your account;
 - The instruction is not genuine or is not from you;
 - The instruction is not clear;
 - We reasonably consider that the instruction is not in your best interests; or
 - Complying with your instruction may result in us breaching applicable laws.
- 36.6. If we decline to accept instructions from you, we will notify you unless we are prohibited by applicable law. We will not be obliged to give you a reason for refusing to accept your instruction.
- 36.7. Where you notify us of changes in respect of addresses, bank details or in exceptional circumstances where requests for third party payments are made, we require these notifications or requests to be in writing and we reserve the right to request additional supporting documentation or confirmation prior to us updating your details and/or acting on such requests.
- 36.8. Where our agreement is addressed to more than one person, for example because it relates to a joint account or you are trustees, unless you have appointed a contact person, any instruction, notice, demand, acknowledgement or request to be given by you under our agreement may be given by or to any one of you. We are not required to verify the authority of that person passing us such instruction. That person may give us an effective and final discharge in respect of any of our obligations. If you have appointed a contact person, we will only accept instructions from that contact person unless and until you notify us otherwise.

37. Third parties and nominated persons

- 37.1. We may accept instructions and receive and give information on your behalf from and to your other professional advisers or other third parties where you have confirmed in writing, normally in the client agreement or the nominated authority form that we may do so. Instructions by nominated persons may be given and will be accepted in the same way as instructions from you, so for example, we will not act upon them unless we are reasonably satisfied they are clear and genuine, and we may delay or refuse to act on instructions. If the instructions are to relate to the transfer of stock and/or cash or management of your investments and *client money*, the third party must be authorised by the *FCA*, unless he or she does not provide investment services as part of their business (e.g. a member of family or your attorney). Such instructions from any nominated persons cannot be accepted by us until we have completed whatever actions we are required to undertake under any money laundering legislation or regulations. Where appropriate we will liaise directly with any nominated persons to fulfil our obligations. Instructions from third parties may be either oral or in writing (including, but not limited to instructions received from them by fax, e-mail or phone). We will not accept instructions from third parties who are not nominated persons, nor provide information to professional or other advisers without such written authority. You will be responsible for instructions given by nominated persons
- 37.2. You must notify us if you want to remove or change your nominated persons at any time and we will be entitled to rely on instructions from nominated persons until you tell us otherwise.

Reporting

38. Confirmations and portfolio valuations

- 38.1. Where we carry out a transaction, if you are a discretionary managed client who has chosen to receive confirmations or a client receiving advice or an execution only customer:
- we will send to you a confirmation in respect of each transaction by either email or post (the latter if no email address is held on file), no later than one business day following the execution of that transaction. Confirmations posted, electronically transmitted or otherwise sent to you at your last known address in our records will be deemed to have been received by you; and
 - any confirmation which we give you in writing will be deemed correct, conclusive and binding on you if not objected to in writing by you within five (5) business days, or if we notify you of an error therein within the same time period.
- 38.2. For discretionary and advisory managed customers, we shall send to you a portfolio valuation on a quarterly basis unless you use *Investec online* and have opted to receive valuations via this service.
- 38.3. The portfolio valuation shall include details of the contents and value of the portfolio and the investments and other assets comprised therein the total amount of fees or charges incurred during the relevant period and other information in relation to your portfolio. The basis upon which any investments and other assets comprising the portfolio are to be valued for the purpose of these terms and conditions is the mid-market closing price at the close of business on the date of the valuation, and so the value of your investment may have changed by the time you receive the valuation and we will not be responsible for any inaccuracy as a result of this. *UK* quoted securities are valued at the closing mid-market price quoted on the *London Stock Exchange*. Overseas securities are valued at the closing mid-market price or last traded price available to us on the relevant Stock Exchange. Unit Trusts are valued at the middle of the prices prevailing on the valuation date. In certain circumstances, shares or securities listed on the Stock Exchange Daily Official List will be valued on a “quarter-up” basis by us (further details are available from us on request). Where a mid-market / exchange settlement price is not available, we shall use any other method of valuation we deem fair and appropriate in light of the investment. Holdings are reported on a trade date basis. If the scheduled valuation date falls on a non-business day, the valuation date will default to the previous business day.
- 38.4. We will notify you where the overall value of your portfolio falls 10% or more from the date of your last portfolio valuation. Further falls of 10% from the last portfolio valuation will also be notified. Such notification shall be provided to you no later than the end of the next business day on which the threshold is exceeded, or if exceeded on a non-business day, on the next business day.
- 38.5. Please be aware that there are some securities which may be shown in your portfolio at an indicative price. These securities will tend to be very illiquid securities for which there is either no market or the market is very limited. This means that the valuations are a best estimate of the value of that security.
- 38.6. Additionally, valuations may contain holdings at a nil price. These will typically be unquoted securities for which we are unable to obtain a price.
- 38.7. As part of our services to you, we may provide ‘internal’ or ‘ad-hoc’ valuations to assist you. Please note however that such valuations are working documents only and are designed primarily to assist us in administering your portfolio. They have not been subject to our quality control procedures and many of the features of your regular report (e.g. statement of custodianship) are not present. They should be considered as indicative only and not be relied upon for any purpose and should be used in conjunction with advice (if applicable) received from us.

If you use *Investec online* you are able to opt out of postal communications and to instead receive them via your personal *Investec online* inbox. You will receive an e-mail to notify you once your valuation is available online, or when you receive a message from us in your *Investec online* inbox. Please note that any such stated communication

preferences will apply to all of your linked accounts with us, and you will be unable to select a preferred frequency for periodic reporting.

39. **Benchmarking**

(For discretionary and advisory investment managed services only).

- 39.1. The purpose of a benchmark is to provide customers with a reference point for their portfolio. It is not a promise that your portfolio will perform in line with the chosen benchmark or necessarily follow its distribution. The benchmark is designed only to assist you to assess the performance of your portfolio. It does not mean that your portfolio will be based on the investments which make up the indices within the benchmark or will necessarily follow their asset allocation or performance.
- 39.2. We will use an appropriate benchmark based on your investment objectives, risk profile and the types of designated investments included in your portfolio, for performance measurement purposes. The suggested benchmarks used are detailed in our Managing Your Investments document.

40. **Investec online**

If you use *Investec online*, hosted via our website the following clauses apply.

- 40.1. If you wish to use *Investec online* then you will need to request a username and password from us. You will need to provide the username and password each time you wish to use *Investec online*. You will need to choose to receive information electronically via *Investec online* rather than by paper.
- 40.2. In relation to the username and password you acknowledge and undertake that:
- You will be responsible for the confidentiality and use of your username and password;
 - Other than with our prior written consent, you will not disclose your username and password to any other person for any purpose whatsoever; and
 - You will immediately notify us if you become aware of the loss, theft or disclosure to any third party or of any unauthorised use of your username and password.
- 40.3. If we believe that your username and password is being used without your knowledge by unauthorised persons, we may without prior notice suspend your rights to use *Investec online*. Further, if we believe that you have supplied your username and password to other persons in breach of section 40.2, then we may terminate *Investec online* accordingly.
- 40.4. We will provide you with such market data and information ('data') through *Investec online* as we may determine from time to time. Data is obtained from both our systems and that of third party data providers, which we believe to be reliable but may be subject to change without notice. You acknowledge and agree that:
- 40.4.1. We do not independently verify and have no responsibility whatsoever for the content or accuracy of the data and we give no promise or assurance of any kind:
- (i) As to the accuracy or completeness of any data or as to the suitability of any data for any purpose intended by you; or
 - (ii) that the third party provider has the right and entitlement to provide the data; and we shall have no liability for losses, costs, liabilities or expenses (including, without limitation, any loss of profit) which may arise directly or indirectly from use of or supply of data or for any infringement of any third party intellectual property rights by reason of the provision of data.
- 40.4.2. No data is to be interpreted as constituting any sort of advice or recommendation by us that any investment referred to therein is suitable for you;
- 40.4.3. All data is either our own property or the property of third party data providers and is protected by copyright and other intellectual property laws. It may be displayed, reformatted, stored or printed for your personal non-commercial use only. You agree not to reproduce, re-transmit or distribute data to anyone without our prior written consent (and, where relevant, the prior written consent

of the relevant data provider) and undertake that you will not sell or supply data to any third party; and

- 40.4.4. You may print copies of any item in hard copy for your personal use or for use by others within your organisation. You may also download any item to a local hard disc provided it is for your personal use or access by others within your organisation.
- 40.5. You acknowledge that the operation of *Investec online* is dependent upon computer and communication systems and software which may be susceptible to malfunction, unauthorised access, failure or interruption beyond the control of ourselves and that the Internet is not a completely reliable transmission medium and you agree that we shall have no liability and shall not be responsible for any failure to provide *Investec online* on the occurrence of a Force Majeure Event (as set out in section 46 (Force Majeure) of the terms and conditions) and in such circumstances, any obligation we may have to supply or continue to supply *Investec online* shall be suspended pending resolution of the event or state of affairs in question.
- 40.6. You will have access to view quarterly valuations using this service and we will alert you by email when your valuation is available online.
- 40.7. The contents of the pages comprising *Investec online* are © Investec Wealth & Investment. Reproduction is only permitted in accordance with the terms of *Investec online*.

41. Reporting of transactions

- 41.1. We will, on your behalf, perform trade and transaction reporting obligations you may owe to relevant regulators and execution venues, where we undertake the trades.
- 41.2. We will comply with our obligations under applicable law in relation to transactions executed with you or on your behalf. To enable us to comply with our obligations, you agree to promptly deliver to us any information that we may from time to time request to enable us to complete and submit transaction reports to the relevant competent authority. In some instances, we may not be able to trade for you without this information. You consent to us providing information about you and transactions executed with or for you to competent authorities in the course of submitting transaction reports and to us making public relevant details of quotes provided to you and transactions executed for you in accordance with applicable law.

General contractual provisions

42. VAT

- 42.1. *VAT* means any tax chargeable under the Value Added Tax Act 1994 or successor legislation.
- 42.2. Where by reason of any change in *VAT* law or any judicial ruling, a change in practice by *HMRC*, or notification of a change in circumstances in accordance with section 42.5, we are directed to treat as *VAT* exempt or otherwise not subject to *VAT* a supply that was previously treated as subject to *VAT*, we shall only refund *VAT* to you to the extent that it is recoverable from *HMRC* and only in excess of any irrecoverable *VAT* liability that we have incurred. We also reserve the right to reprice our supplies to you to take into account the additional irrecoverable *VAT* liability that we incur.
- 42.3. We are entitled to rely upon any information provided by you, your financial adviser or by any other person acting with your authority in order to determine the *VAT* status of our supplies to you. If you, or any other person acting with your authority, provide us with inaccurate information that results in us applying an incorrect *VAT* treatment to our supplies to you, we reserve the right to recover from you any resulting *VAT* liabilities and costs that we incur in rectifying the position, in accordance with section 30.1.
- 42.4. Where we request information from you, your financial adviser or by any other person acting with your authority in order to determine the *VAT* status of our supplies to you, where this information is not provided to us within the requested timeframes, we reserve the right to apply the *VAT* treatment that we consider to be the most appropriate in the circumstances.
- 42.5. It is your responsibility to inform us immediately of any changes in your circumstances that may impact the *VAT* status of our supplies to you (e.g. a change in your country of residence). This includes changes in circumstances that may prevent you from being able to continue to satisfy *HMRC* criteria in order for a supply made by us to be treated as *VAT* exempt or otherwise not subject to *VAT*.

43. Record retention

- 43.1. In order to assist with our monitoring, training and compliance procedures and as required by law or regulation, and to avoid misunderstandings, all telephone calls, copies of electronic communications and meeting minutes with you will be recorded. A copy of the recording of such conversations and communications with you and communications will be available to you on request for a period of five years, or where requested by the *FCA*, for a period of seven years. To obtain copies of these recordings, you should contact our Head of Compliance and Risk at 30 Gresham Street, London, EC2V 7QN, United Kingdom. Where you request such records we may charge an administration fee which will be disclosed in advance of any related costs being incurred.
- 43.2. You acknowledge that such recordings may be used in evidence in the event of a dispute. Our recording shall be and remain our sole property and will be accepted by you as conclusive evidence of the orders, instructions or conversations so recorded. We may deliver copies and/or transcripts of such recordings to any court or regulatory authority.

44. Other documents

- 44.1. In accordance with legal and regulatory requirements, we will retain your records for at least seven years following the termination of any relationship between us, unless this period is extended by law or regulation.

45. Liability

- 45.1. Nothing contained in this section or elsewhere in this agreement shall act as to limit or exclude our liability to you to the extent that such liability is attributable to a breach by us or our staff of applicable law, or is directly caused by our negligence, fraud or wilful default.
- 45.2. You agree to reimburse us and our agents on demand from and against any reasonably incurred costs, expenses, disbursements and losses or liabilities which may be imposed on or properly incurred by us as a direct or indirect result of our acting under our

agreement. This reimbursement shall not apply to any loss or liability to the extent it arises or results from our negligence, fraud, breach of the agreement or any contravention by us of the *FCA rules*. We will not make a claim from you in relation to loss of business, loss of profit, loss of opportunity or loss of goodwill.

- 45.3. Neither we nor any of our staff shall be under any liability whatsoever for any loss or damage sustained by you arising from any actual or proposed transaction as a result of, or in connection with, the provision of any services to which our agreement applies except in so far as and then only to the extent that, such loss or damage is caused by negligence or fraud on our part or of our staff or any failure by us to comply with applicable law.
- 45.4. Unless we agree with you otherwise, where as a result of the services we provide to you under the agreement we hold investments on your behalf which give you rights in relation to a cause of action against a third party in any existing or potential group litigation or class action, we will not take any action in relation to such cause of action on your behalf. Should we become aware of such cause of action we will notify you of its existence. This section shall remain in force following termination or cancellation of our agreement.
- 45.5. We have legal obligations regarding the detection, reporting and prevention of fraud, money laundering and terrorist activity. We are required to take action where we have suspicions about the use of, or any activity concerning, any accounts or funds we hold or any facilities we provide. Where we are permitted legally to do so, we will advise you of any investigation we carry out as a result of such suspicion or of any delay arising from any such investigation. We may be obliged to refuse transactions or instructions. We will not be liable to you or any third party for any loss or damage arising from any action we may take (or not take) as a result of our legal obligations.
- 45.6. We shall not be liable for the taxation consequences of any transaction nor shall we be liable for taxation or taxes arising for any reason.
- 45.7. We may as part of our services to you offer capital gains tax computations or information to assist you, however you should be aware that due to the complexity of constantly changing tax legislation we are unable to accept responsibility for such information and/or computations. We would strongly recommend clients who have exposure to capital gains tax to seek expert tax advice, although we may be able to provide information which will be of use in capital gains tax computations. Whilst such information will always be provided in the utmost good faith, we give no representation, warranty or guarantee, and accept no liability for, the completeness or accuracy of the information, or for the tax consequences which may arise if you act on such information.
- 45.8. We shall not be liable for any loss of opportunity which may have resulted in an increase in the value of your portfolio nor any reduction in the value of your portfolio as a result of market movements. Save for execution only customers (except when we are extending lending facilities), we are required by the *FCA* to take steps to find out facts about your financial position in order to assess the suitability of our advice and of transactions to be entered into by us on your behalf. We are entitled to rely upon any information provided by you, your financial adviser or by any other person acting with your authority. If you, or any other person acting with your authority, provide us with inaccurate information, we shall not be liable in any way concerning the suitability of any investment advice given by us or of any transactions entered into by us on your behalf.
- 45.9. We accept no liability for investment advice given to you, or investment decisions taken on your behalf by, any financial adviser, nominated person or any other person not connected with us, nor will we be under any obligation to perform any monitoring functions with regards to any transaction or other advice given by such persons.
- 45.10. We shall not be responsible for making any disclosures or notifications that you may have under the takeover panel rules, the Companies Act 2006, the *FCA rules* or any other current or future legislation in relation to your investments even if they are registered in the name of our nominee company and/or our custody.
- 45.11. On rare occasions a third party will issue funds to our *client money* bank account for distribution to multiple clients; this could be in relation to a historical pricing error, for example, or as a result of a class action. Because of the disproportionate costs involved, only where your individual entitlement exceeds £5 will we distribute this to you.

Otherwise we will not treat this as *client money* but will retain it, and may distribute accumulated proceeds to a charity of our choice.

46. Force majeure

- 46.1. Except as provided otherwise by legislation, we shall not be liable to you or in breach of our agreement if there is any total or partial failure of performance of our duties and obligations hereunder occasioned by any *Force majeure event* that is beyond our control.

47. Illegality

- 47.1. If any provision or term of our agreement or any part of it shall become or be declared illegal, invalid, unfair (in accordance with any relevant law, rule or regulation) or unenforceable for any reason whatsoever, such term or provision shall be deemed to be deleted from our agreement, but the legality, validity, fairness or enforceability of the remaining provisions of our agreement shall not in any way be affected or impaired provided that, should any such deletion substantially affect or alter the commercial basis of our agreement, the parties shall negotiate in good faith to amend and modify the provisions of this agreement as may be necessary or desirable in the circumstances.
- 47.2. These terms and conditions shall be subject to the rules of any investment exchange under whose rules or using whose facilities we enter into any transaction on your behalf. Such rules shall be deemed to be incorporated herein and shall form part of our agreement. In the event of any conflict between such rules and these terms and conditions, the provisions of such rules shall take precedence over these terms and conditions.

48. Changes

- 48.1. We may amend any provision of this agreement or our arrangements with you, including changes to our charges, and/or your financial adviser by sending you a written notice describing the changes. Such changes will become effective at the date specified in the notice which will be at least 30 days after the notice is sent to you. If you do not wish to accept the proposed changes then you have the right to terminate the contract (see section 49, Termination). Changes may arise as a result of legal and regulatory requirements, decisions of a regulator, court or ombudsman, changes in relation to our service proposition, technology or other systems, changes in our costs of funding, and changes to market practice.
- 48.2. You may ask us not to include any provision of this agreement by giving written notice to that effect, but we are only able to agree if such a change is relevant to the circumstances and it is practicable to carry out your request.

49. Termination

- 49.1. You are entitled to terminate this agreement by giving immediate written notice to us, or upon receipt by us of a request to transfer your portfolio to another broker either in writing or electronically. We are entitled to terminate this agreement by giving 30 days prior written notice to you.
- 49.2. Unless you notify us otherwise, joint accounts will be treated as being owned as joint tenants for the purpose of this agreement and in respect of the general application of the law. This means, without limitation, that we shall be entitled to give and receive notice or instructions to or from any of the persons constituting "you," and on the death of either person constituting "you" the law of survivorship applies. Please note, in the case of our customers that are resident in Scotland, any reference to "joint tenant" shall be taken to mean "proprietors of joint property" in which case this section shall be evidence of a survivorship provision.
- 49.3. For discretionary managed customers and advisory investment managed customers only (see Appendix 3 for ISAs):
- 49.3.1. Our authority under these terms and conditions is given by you on behalf of your successors in title as well as yourself;
- 49.3.2. Accordingly, on the death of an individual, these terms and conditions will continue in effect. Prior to the production to us of any grant of probate, grant of representation or other such equivalent document, we shall continue to provide services as agreed under these terms and conditions in accordance with the

investment objectives notified to us in accordance with section 6 (The services we will provide) of these terms and conditions and/or the client agreement or otherwise save that, in the case of the death of an advisory investment managed customer, we shall provide services on a discretionary basis (as defined in section 6.1). We may (but prior to any grant of representation, are not bound to) act on the instructions of your personal representatives. Once the grant of representation is presented to us, the intention is that these terms and conditions will be terminated (save in the case of holdings held in our nominee company and/or our custody, where the sections relating to our nominee company and to safe custody will continue) and, if requested we will consider offering a replacement agreement for relevant services to the person(s) subsequently entitled as agreed between us. You agree that during this interim period, all correspondence and documentation which we are required to forward to you under the *FCA rules* will be forwarded to the person who has notified us of the death, unless otherwise agreed.

- 49.4. For execution only customers if “you” are a personal customer
- 49.4.1. On the death of any of the persons constituting “you”, these terms and conditions will terminate, save for the sections referring to our nominee and/or safe custody facilities.
- 49.5. For all customers
- 49.5.1. In the event of the death of the persons constituting “you”, where any assets are held by our nominee company and/or our custody any person authorised to act on behalf of your estate pursuant to a grant of probate or representation should contact us and we act on their instructions, subject to any legal or regulatory requirements.
- 49.5.2. In the event of the death of a person who is the sole party to an account, no securities will be sold or liquidated and no monies will be distributed from the deceased person’s portfolio prior to us receiving a copy of the grant of probate (or confirmation, in Scotland) and we have received instructions from your personal representative(s).
- 49.5.3. In the event of your death, if your investment portfolio is charged as security to a group entity in respect of a loan advanced to you by such group entity, the assets will be transferred to an executors account in accordance with our procedures but will remain subject to any legal charge granted in favour of the group entity in respect of the assets that are transferred.
- 49.5.4. This agreement shall terminate immediately in the event that you make a voluntary arrangement with your creditors or (if “you” are an individual, partnership, trust or charity) become bankrupt or (if “you” are a company) become subject to an administration order, go into liquidation or call a meeting of creditors or are otherwise the subject of proceedings under the Insolvency Act 1986 (or any successor legislation) (whether for the appointment of a liquidator, receiver or administrator other than for the purposes of a legitimate amalgamation or reconstruction) or you are unable to pay your debts as they fall due within the meaning of Section 123 of the Insolvency Act 1986 (or any successor legislation). On termination of this agreement the amount of any fees or other charges which have accrued up to the date of termination will be due 30 business days after the date of termination. If you are a discretionary managed customer or advisory investment managed customer, fees will continue to accrue in accordance with section 49.3.
- 49.6. On termination of our agreement you must tell us whether you want your investments transferred to another investment adviser or sold. Withdrawal charges will be payable by you for transferring your investments out of our nominee company and/or our custody to your new investment adviser or any other person nominated by you whether on termination of this agreement or otherwise. You will also pay to us any additional expenses or losses necessarily incurred by us in connection with your investments as a result of the termination of this agreement. In the event that the withdrawal charge and any additional expense which would be incurred in transferring out are in excess of the value of an individual custody asset, only where you have paid the total charges will we

transfer this according to your instructions. Otherwise, we will not treat this as a client asset but will retain it, and may distribute accumulated proceeds to a charity of our choice. This is in addition to the power to sell or close out as detailed in section 31.

- 49.7. If the agreement is terminated by either you or us, we will still undertake the completion of any outstanding orders or transactions initiated by us prior to termination in a timely fashion and in accordance with best practice. However, once such orders or transactions have been completed, this agreement will terminate.
- 49.8. Any legal rights or obligations of either you or us which may have arisen prior to termination shall not be extinguished or reduced by termination of our agreement.
- 49.9. For clients of the IW&I Fund Service, where the value of your investment falls below £1,000 we may reserve the right to liquidate the investments and close the account.

50. Notices

- 50.1. All notices given pursuant to our agreement shall be in writing and shall be sent to the relevant address stated in our client agreement, unless a new address has been supplied by either party or by your financial adviser on your behalf in accordance with this section, in which case notices shall be sent to the party at that new address.
- 50.2. Notices shall be sent by the following means and shall be deemed to have been received at the following times:
- By first class pre-paid post – on the third business day after despatch;
 - By e-mail – on the business day after despatch; or
 - By facsimile with correct answerback – on the business day after despatch.
- 50.3. Please note that where our agreement is with more than one client, notice need only be served by us only on one of those clients.

51. Assignment

- 51.1. Our agreement shall be for the benefit of and binding upon both us and our respective successors and assigns. You and your personal representatives agree not to assign, dispose of or grant security over any of your rights and obligations under our agreement without our prior written consent.
- 51.2. We may at any time assign any or all of our rights and/or obligations under our agreement provided that
- 51.2.1. We have given you at least 30 days written notice to you to that effect; and
- 51.2.2. Such transfer will not materially prejudice your rights under our *Agreement* and is otherwise compliant with *Applicable law*.
- 51.3. Where we assign our agreement, you authorise us to transfer any of your money/ assets held by us or on our behalf to that person, or someone nominated by that person. We will only transfer your *client money* if we are doing so as part of a transfer of business to another person who either will hold them under the *FCA client asset rules* or to whom we have exercised all due skill, care and diligence in assessing whether that person will apply adequate measures to protect it. The transfer will take place on terms that require the firm to whom your money is being transferred to return it as soon as practicable on your request. Following any transfer, no later than seven business days later, we will write to you to advise you of that it has taken place and the successor will write following this to you or provide the new terms and conditions that apply to your *client money* & assets protection, treatment and transfer, including the relevant compensation scheme arrangements that apply.
- 51.4. If you do not want your *client money* and custody assets transferred in accordance with section 51.2, you are entitled to terminate our agreement and withdraw your money and assets before the transfer takes place, in accordance with section 49 (Termination) and section 50 (Notices).

52. Waiver

52.1. Our failure to seek redress for violations or to insist upon strict performance of any condition or provision of our agreement, or our failure to exercise any right or remedy to which we are entitled under it, shall not constitute a waiver thereof.

53. Contracts (Rights of Third Parties) Act 1999

53.1. A person who is not a party to our agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of our agreement, save for our agents, nominees and affiliates only, and those persons detailed in sections 49 (Termination) and 51 (Assignment) of these terms and conditions.

54. Market information

54.1. Any market information supplied to you is prepared from sources which are believed to be reliable and is provided only for your personal use. You may not copy, distribute, or redistribute market information or sell, resell, retransmit or otherwise make market information available to third parties and we will not be liable for any loss caused by the misuse of market information.

We may already have positions in, or options on, the investments mentioned therein or may buy, sell or offer to buy or sell such investments from time to time.

55. Governing law

55.1. These terms and conditions are supplied in English and we will communicate in English with you for the purposes of our agreement. The provisions of the agreement and the relationship created by it shall be governed by the Law of England and Wales and subject to the exclusive jurisdiction of the courts of England and Wales.

Appendix 1 – For financial adviser clients

1. Payment of adviser agreed remuneration

1.1. *Adviser agreed remuneration*

We will pay to your financial adviser any agreed remuneration you have instructed us to pay. We will make no charge to you for this facilitation service. The adviser remuneration that you have agreed to pay your financial adviser is a matter between you and your financial adviser.

When we pay an *adviser agreed remuneration* to your financial adviser, this is a payment we are making at your direction and on your behalf. The *adviser agreed remuneration* is not a payment for any services provided by your financial adviser to us.

We will have no involvement in assessing the suitability of your financial adviser or the advice they provide you with, or in the amount of the *adviser agreed remuneration* you have agreed to pay them.

We will deduct an initial *adviser agreed remuneration* just before any contributions and transfers in from previous schemes are invested.

We will act only in accordance with your instruction in respect of the payment of *adviser agreed remuneration*, except where we stop payment in accordance with section 1.3 of this Appendix 1 in these terms and conditions or where your financial adviser is asking us to reduce or stop paying any *adviser agreed remuneration*. We will not extend or increase *adviser agreed remuneration* without your instruction. *adviser agreed remuneration* will be paid to the order of your financial adviser and once due, payment will be credited to your financial adviser on dates agreed between us and your financial adviser. If after reasonable efforts on our part, we have been unable to make payments of any *adviser agreed remuneration* to your financial adviser, we will stop deducting adviser charges and notify you of our action. *Adviser agreed remuneration* deducted but unpaid to your financial adviser will be re-credited back to your account with us. The payment of any *adviser agreed remuneration* is in addition to our charges. If we receive an *adviser agreed remuneration* refund from your financial adviser, we will not be able to return it to you in cash. We will, however, credit the *adviser agreed remuneration* to your account with us and you may be able to withdraw it in accordance with section 36 (Giving instructions) of these terms and conditions.

For clients that are part of the IW&I Fund Service, any *adviser agreed remuneration* is paid following the sale of units equivalent to the amount due.

1.2. Cancelling your service

When you take out a service with us, you will have a period of time during which you can change your mind by cancelling the service, as set out in section 17 (Cancellation rights) of the terms and conditions. If you decide to cancel your service during the cancellation period, we will not be able to reclaim any *adviser agreed remuneration* that has already been paid to your financial adviser.

You may remain liable to pay your financial adviser for the services they provided for you. You should check the terms of your agreement or arrangement with your financial adviser.

1.3. Our right to stop payment of any *adviser agreed remuneration*

We can stop or reduce the payment of all or part of an *adviser agreed remuneration* if:

- We no longer have a business relationship with your financial adviser;
- We reasonably believe that the payment of the *adviser agreed remuneration* would be in breach of any relevant laws or regulations;
- We reasonably believe that your financial adviser was not appropriately authorised by the Financial Conduct Authority or exempt from authorisation under the Financial Services and Markets Act 2000 or any replacement regulator at the time of providing you with advice or services in relation to your individual fund;
- Your financial adviser ceases to trade;
- On the death of any of the persons constituting “you”;
- We terminate our services to facilitate *adviser agreed remunerations*; or

- The payment exceeds the maximum amount of *adviser agreed remuneration* that we can facilitate as set out by us from time to time.

We will endeavour to notify you as soon as possible of the action we have taken.

Adviser agreed remuneration that have already been deducted but not yet paid will be re-credited to your account.

If there is not enough money in your account to pay an *adviser agreed remuneration* in full, we can make a partial payment to the extent possible. You may remain liable to pay any shortfall of *adviser agreed remuneration* to your financial adviser and you should check the terms of your agreement or arrangement with your financial adviser.

1.4. Information about the charges

We will provide you with written confirmation when we set up the arrangements to pay *adviser agreed remuneration* you have instructed us to pay to your financial adviser or if the *adviser agreed remuneration* are varied or stopped.

We may ask you to check the information that we provide to you and bring it to our attention if you believe there are any errors or omissions.

1.5. Outstanding responsibility

If *adviser agreed remuneration* charge is stopped, reduced, unpaid or is re-credited to your account, you may remain liable to reimburse your financial adviser. You should check the terms of your agreement or arrangement with your financial adviser.

1.6. Value Added Tax (*VAT*)

We will treat all instructions from you to pay *adviser agreed remuneration* as including any *VAT* where it is applicable at the rate prevailing at the time of the payment of the *adviser agreed remuneration* and taking into account any changes to the rate of *VAT* howsoever occurring. We will not update any existing ongoing *adviser agreed remuneration* to account for new *VAT* rates.

Appendix 2 – Aim service

(For any AIM investments, the AIM terms and conditions set out in this Appendix 2 are in addition to section 3 – 56 unless otherwise stated)

1. Our service

- 1.1. Due to the nature of the investments held within the product, you will be classified as growth objective with high risk – this preference captures portfolios where you are prepared to accept a greater degree of performance volatility in pursuit of potentially higher returns. Portfolios may therefore have a larger proportion of smaller companies on which published research is limited and which lack any track record. This preference allows for less diversity and for a higher proportion in illiquid investments.
- 1.2. The services provided to you under our agreement may have special risks related to their special features for the operations to be executed or their price may depend on or fluctuate in financial markets outside our control. Past performance is no indication of future performance and prices may go down as well as up.
- 1.3. Assessing the relative risk is highly subjective and can change over time in response to specific events or revised social or economic forecasts. It is not possible to lay down precise guidelines for the measurement of risk or the potential impact, whether positive or negative, upon an investment portfolio.
- 1.4. You should note that you may lose any tax advantages associated with your portfolio if you sell the *AIM shares* before you die.

2. Investments that we transact in and associated risks

- 2.1. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. *AIM shares* are not admitted to the official list of the United Kingdom Listing Authority.
- 2.2. Investing in *AIM shares* traded on the *London Stock Exchange* will mean that the value of the assets, and the income received from them, may go down as well as up and you may not get back all the money invested. There are three main reasons why this might happen:
 - The actual or perceived financial standing and trading well-being of the *AIM companies* involved may change;
 - The *AIM shares* themselves are subject to the laws of supply and demand and are capable of significant price movements irrespective of market and corporate factors. Such movements could be a reflection of the company size and marketability;
 - The *AIM market* itself is capable of large movements due to economic, political and other factors.
- 2.3. Non-readily realisable investments
 - We may enter into transactions on your behalf in investments that are not readily realisable. These are investments in which the market is limited or could become so; they can be difficult to deal in or obtain reliable information about their value;
 - You should also be aware that there are certain investments which either do not have a regular dealing date, only deal on certain dates (for example, quarterly) or may have a minimum holding period.
- 2.4. Penny shares

We may also execute transactions in penny shares. There is an extra risk of losing money when shares are bought in *AIM companies* including penny shares. There is a big difference between the buying price and the selling price of these shares. If they have to be sold immediately, you may get back much less than you paid for them. The price may change quickly and it may go down as well as up.

Appendix 3 – ISA accounts

(For any *ISA* investments, these *ISA* terms and conditions are in addition to sections 3-56, unless otherwise stated.)

1. Our services

- 1.1. In the case of ISAs, IW&I is approved by *HMRC* to act as *ISA manager*. You hereby appoint us as the *ISA manager* for your *ISA*, and give us authority to operate it in accordance with these *ISA* terms and conditions, the terms and conditions, the appropriate client agreement signed by you, and either your *ISA* application form and *ISA* transfer form as applicable, in accordance with the requirements of *HMRC* (currently the *ISA regulations*).
- 1.2. You authorise us to:
 - 1.2.1. Hold your *ISA* investments in the name of our nominee company and/or our custody (or if required, in the name of the manager as appropriate).
 - 1.2.2. To carry out any actions required by the manager on your behalf.
 - 1.2.3. To comply with any law or regulation which may affect the management of your *ISA*.
 - 1.2.4. To apply on your behalf to *HMRC* to make the necessary reclaims, where appropriate, under the *ISA regulations* as appropriate. Such claims for the payment of tax credits on your behalf will be made in accordance with the *ISA regulations* as applicable.
- 1.3. Your *ISA* will be operated in accordance with the requirements of *HMRC*, the *ISA regulations*, the terms contained in these *ISA* terms and conditions and one of the following as applicable:
 - 1.3.1. For discretionary managed customers, section 6.1.
 - 1.3.2. For advisory investment managed customers, section 6.3.
 - 1.3.3. For execution only customers, section 6.6.
- 1.4. We will normally operate your *ISA* investments on the basis of the information contained within your client agreement unless otherwise agreed with you. If we have agreed an alternative mandate of customer service, objective and risk profile for such investments, we will manage such investments on this agreed basis, using the definitions detailed in sections 6 (The services we will provide) and 8 (Classification of investment objectives and risk) of these terms and conditions.
- 1.5. In all cases, if any of these *ISA* terms and conditions or the terms and conditions conflict with the *ISA regulations* or with the rules of the *FCA*, then the *ISA regulations* or the *FCA rules* will take priority and either these *ISA* terms and conditions or the terms and conditions, as applicable, shall be amended in order to comply. In this case, any change deemed significant by us shall be brought to your attention. We may otherwise amend any provision of this *ISA agreement* in accordance with sections 48 (Changes) and 49 (Termination) of our terms and conditions.
- 1.6. We shall notify you if for any reason we become aware your *ISA* becomes void or will become void.

2. Investment

- 2.1. Unless otherwise agreed between us, and specifically designated otherwise, and save for any restrictions stated in the *ISA regulations*, monies held in an *ISA* will be invested in accordance with sections 12 (Agency) and 36 (Giving instructions) of our terms and conditions.
- 2.2. You warrant that during the continuance of the *ISA*, you will remain the beneficial owner of the investments and/or cash held in the *ISA*.

3. Dividends

- 3.1. Dividends, income distributions and interest on bank deposits will be collected and retained within the *ISA* on your behalf and will be reinvested by us unless you direct otherwise.

- 3.2. We do not offer the facility to take up a scrip dividend or an enhanced scrip dividend within an *ISA* nor will we use the Dividend Reinvestment Plans (DRIPs) offered by certain companies. All dividends will be taken in cash. *Taxation* that can be reclaimed is governed by the *ISA regulations* as amended from time to time.

4. Charges

(In addition to section 13 (Our charges) of our terms and conditions).

- 4.1. Should there be insufficient funds in the *ISA* to pay charges as and when they become due or if you are unable or unwilling to meet any other liabilities or obligations under this *ISA agreement*, we reserve the right, if we have requested payment from you in writing and the amounts remain outstanding 30 days from the date of this letter to sell *ISA* investments, and/or transfer funds held with us in your name or take any other steps we may consider necessary to protect our position.
- 4.2. Please note that if you have inadvertently breached the *ISA regulations* resulting in avoidance of your account by *HMRC* under the *ISA regulations*, we reserve the right to charge our normal administration fees for handling the avoidance of your account.

5. Rights issues, takeovers and other entitlements

(This section is in addition to section 24 (*Rights issues*, takeovers, scrip dividends, voting and other entitlements) of the terms and conditions).

- 5.1. In the case of *ISA* investments, subscriptions to rights issues and calls on partly paid stock can only be financed by money held within the *ISA*. You cannot add further funds to finance these events unless you have not yet subscribed in full for an *ISA* in the year concerned and that the additional funds are confined to the unused subscription limit. If non eligible stock is acquired as a result of a bonus issue or de-merger and if no instruction has been received from you, we will sell the holding(s) and the proceeds will be applied to your *ISA account*.

6. Shareholder rights

(This section replaces section 24.2 of the terms and conditions).

- 6.1. If you so elect, we will arrange for you to receive within a reasonable timeframe following their publication a copy of the annual report and accounts issued by every *UK* quoted company in respect of investments which are held directly in the *ISA*. You may make a written request (subject to the *ISA regulations* or any provisions made by or under any other enactment), upon reasonable notice, for you to be able to attend *UK* shareholders,' securities holders' or unit holders' meetings, and exercise voting rights in respect of shares or units by way of proxy. This service will be subject to an administration charge as detailed in the most recent and relevant rate card for the service agreed between us. Otherwise, your votes will be dealt with in accordance with section 24 (*Rights issues*, takeovers, scrip dividends, voting and other entitlements) of the terms and conditions.
- 6.2. Subject to your rights to elect to vote as set out at section 24 above (*Rights issues*, takeovers, scrip dividends, voting and other entitlements) we may exercise any voting rights or other rights on your behalf in relation to *ISA* investments including those of conversion, subscription, takeovers and other offers or capital reorganisations in accordance with section 24 (*Rights issues*, takeovers, scrip dividends, voting and other entitlements) of the terms and conditions.

7. Termination, transfer, withdrawal and deceased *ISA* holders

(For your *ISA* only, this replaces the sections 49.3 to 49.7 (Termination) of the terms and conditions).

- 7.1. Our appointment as *ISA manager* may be terminated by you or us giving 30 days prior written notice. Once terminated and subject to your instructions, we will either sell the *ISA* investments at the prevailing selling price and hold the proceeds to your order, or transfer the *ISA* investments in accordance with instructions received from you or any nominated person on your behalf. We may also take a retention from the *ISA* and apply it towards the discharge of your tax liabilities and any of your obligations under the terms of this *ISA agreement*. On termination by either of us, we and our nominees will be entitled to receive from you all fees, costs, charges, expenses and payment in respect of

liabilities accrued or incurred under our agreement up to the date of termination including any additional expenses or losses reasonably and properly incurred in terminating our agreement and any charges for transferring your investments to you or your order and any sums we reasonably consider may be required to be paid in respect of your tax liabilities arising from the termination.

- 7.2. You may at any time by written notice require us to transfer current year subscription in whole and/or previous year's investments in whole or in part, together with all rights and obligations of the parties to the *ISA*, to another *ISA manager*. If an investor transfers their current year's subscription from a Cash *ISA* to a Stocks and Shares *ISA* they are eligible to open another Cash *ISA*, with another provider, subject to the annual subscription limits. It does, however, need to be their whole year's subscription not just a partial transfer.
- 7.3. We operate a flexible *ISA* which gives you the ability to withdraw and replace *ISA* monies within a tax year without it counting towards the annual subscription limit. Any monies withdrawn from a flexible *ISA* must be replaced by the end of the tax year in which they were withdrawn. Any monies not replaced before the end of the tax year cannot be taken forward into the new tax year. Any withdrawals from an *IW&I ISA* that include previous year's subscriptions can only be replaced with *IW&I*. We will only offer flexibility on capital withdrawals requested through your investment manager. Any flexibility used within the *ISA* and not replaced is lost on account closure.
- 7.4. You may at any time withdraw part of your *ISA* in a combination of investments and/or cash upon giving us written or oral notice though if the withdrawal is to be forwarded to a third party, we will require your written instructions. Termination will be subject to the completion of transactions already initiated.
- 7.5. Transfers or withdrawals will be completed on our instructions and in a timeframe stipulated by you, as soon as practicable after receipt of your written instructions. We will endeavour to make this transfer or withdrawal within 30 days, but you should be aware that we cannot be held responsible for delays caused by other plan managers, registrars or custodians.
- 7.6. Partial transfers or withdrawals are permitted subject to a minimum value of £100 remaining in the *ISA*. We reserve the right to terminate the *ISA* should the value of its investments and/or cash fall below £100.
- 7.7. Following the death of an investor, the *ISA* will be transferred into a continuing deceased *ISA* and will continue to benefit from the tax efficient status of an *ISA* until the completion of the administration of the deceased's estate or three years after date of death. Based on our interpretation of current tax legislation, for capital gains tax purposes, the investments under the *ISA* will become subject to capital gains tax from the date the tax efficient status is lost and they will be treated as if they had been acquired by the personal representative at market value at this date. For inheritance tax purposes the market value of the investments under the *ISA* as at the date of death will form part of the investor's estate.
- 7.8. We shall notify you in writing if, by reason of any failure to satisfy the provisions of the *ISA regulations*, an *ISA* has or will become invalid for tax purposes. We reserve the right to levy a charge should an *ISA* (or part of) be deemed void (unless caused by our negligence or that of an affiliate).
- 7.9. Please note that in all cases of termination, the sections of the *ISA agreement* relating to our nominee company and custody will continue in effect whilst your money and/or investments remain in our possession.

8. Cancellation rights

- 8.1. For new *ISA* applications only:
 - 8.1.1. In addition to your rights under section 17 (Cancellation rights) of the terms and conditions, you have the right to withdraw any offer which you make to us to subscribe/apply for a Stocks and Shares *ISA*. To exercise that right you must, within 14 days after the date upon which you send to us the Stocks and Shares *ISA* application form, send to us written notice of your wish to withdraw. However, this right to withdraw will not apply if at the date of your Stocks and Shares *ISA* application form we are acting as your investment manager (either as a discretionary managed customer or advisory investment managed

customer as agreed between us), or if in the previous tax year you entered into an *ISA* with us on substantially the same terms as the *ISA* to which our agreement relates.

8.2. For *ISA transfers* only:

8.2.1. In addition to your cancellation rights, section 17 (Cancellation rights), you have the right to withdraw any offer which you make to us to transfer your Cash ISAs, Stocks and Shares ISAs and Innovative Finance ISAs as applicable. To exercise that right, you must, within 14 days after the date upon which you send to us the applicable transfer form, send to us written notice of your wish to withdraw. However, this right to withdraw will not apply if at the date of your transfer form, we are acting as your investment manager (either as a discretionary managed customer or advisory investment managed customer as agreed between us).

8.3. Any notice of withdrawal should be made in writing to: *ISA* department, Investec Wealth & Investment, The Plaza, 100 Old Hall Street, Liverpool, L3 9AB.

Appendix 4 – Junior ISA (“JISA”) service

(For any *JISA* investments, these *JISA* terms and conditions are in addition to sections 3-56, unless otherwise stated.)

1. The operation of your account

- 1.1. We will normally operate your *JISA* investment accounts on a discretionary basis and in line with the information contained within your client agreement unless otherwise agreed with you. If we have agreed an alternative mandate of customer service, objective and risk profile for such investments, we will manage such investments on this agreed basis, using the definitions detailed in sections 6 (The services we will provide) and 8 (Classification of investment objective and risk) of these terms and conditions.

2. General

- 2.1. In the case of *JISAs*, *IW&I* is approved by *HMRC* to act as *ISA manager* (which includes the operation of a *JISA*). You hereby appoint us as the *ISA manager* for your *JISA*, and give us authority to operate it in accordance with these *JISA* terms and conditions, the terms and conditions, the appropriate client agreement signed by you, and either your *JISA* application form and *JISA* transfer form as applicable, in accordance with the requirements of *HMRC* (currently the *ISA regulations*).
- 2.2. You authorise us to:
 - 2.2.1. Hold your *JISA* investments in the name of our nominee company and/or our custody (or if required, in the name of the manager as appropriate).
 - 2.2.2. To carry out any actions required by the manager on your behalf.
 - 2.2.3. To comply with any law or regulation which may affect the management of your *JISA*.
 - 2.2.4. To apply on your behalf to *HMRC* to make the necessary reclaims, where appropriate, under the *ISA regulations* as appropriate. Such claims for the payment of tax credits on your behalf will be made in accordance with the *ISA regulations* as applicable.
- 2.3. Your *ISA* will be operated in accordance with the requirements of *HMRC*, the *ISA regulations*, the terms contained in these *JISA* terms and conditions.
- 2.4. In all cases, if any of these *JISA* terms and conditions or the terms and conditions conflict with the *ISA regulations* or with the rules of the *FCA*, then the *ISA regulations* or the *FCA rules* will take priority and either these *JISA* terms and conditions or the terms and conditions, as applicable, shall be amended in order to comply. In this case, any change deemed significant by us shall be brought to your attention. We may otherwise amend any provision of this *JISA agreement* in accordance with sections 48 (Changes) and 49 (Termination) of our terms and conditions.
- 2.5. If any term or provision in this *JISA agreement* shall in whole or in part be held to any extent to be illegal or unenforceable under any enactment or rule of law, then that term or provision shall be deemed not to form part of this *JISA agreement* and the enforceability of the remainder of this *JISA agreement* shall not be affected.
- 2.6. We reserve the right to delegate any or all of our functions under this *JISA agreement* to a third party. In so doing we will ensure that we are satisfied with the competence of such a person or organisation to carry out such functions or responsibilities.

3. Investment

- 3.1. Monies held in a *JISA* will be retained by us in a *client money* bank account with an approved bank as we may from time to time nominate for this purpose.
- 3.2. Unless otherwise agreed between us, and specifically designated otherwise, and save for any restrictions stated in the *ISA regulations*, monies held in a *JISA* will be invested in accordance with our agreement and our terms and conditions for cash may be held temporarily in a stock and shares component *JISA* for the sole purpose of investing or reinvesting in other qualifying investments. Please note the following:
 - Investors are not liable to *UK* income tax on interest paid on cash on deposit held in a Stocks and Shares *JISA*. Interest paid on cash on deposit held in a Stocks and Shares

JISA is not subject to tax deduction and is paid gross.

- 3.3. *JISA* investments will be held for the beneficial ownership of the child and will not use the *JISA* as security for a loan.

4. Dividends

- 4.1. Dividends, income distributions and interest on bank deposits will be collected and retained within the *JISA* on your behalf and will be reinvested by us.
- 4.2. We do not offer the facility to take up a scrip dividend or an enhanced scrip dividend within a *JISA* nor will we use the Dividend Reinvestment Plans (DRIPs) offered by certain companies. All dividends will be taken in cash. *Taxation* that can be reclaimed is governed by the *ISA regulations* as amended from time to time.

5. Charges

(In addition to section 13 (Our charges) of our terms and conditions).

- 5.1. Full details of the charges made by us in connection with the *JISA* are shown in our most recent and relevant service brochure pertaining to the service agreed between us. We will be entitled to vary the rate of charges on prior written notice of 30 business days in advance of the date of the charge being applied in accordance with section 48 (Changes) of our terms and conditions.
- 5.2. Should there be insufficient funds in the *JISA* or a nominated account to pay charges as and when they become due or if we have reason to believe that you may be unable or unwilling to meet any other liabilities or obligations under this *JISA agreement*, we reserve the right, without prior notice to you, to sell *JISA* investments, transfer funds from other deposit accounts held with us in your name or take any other steps we may consider necessary to protect our position. You grant us a general and particular lien over all investments and money comprised in the *JISA* for all claims, liabilities and money whatsoever owing to us by you pursuant to this *JISA agreement* together with the right to dispose of any such investments in order to satisfy such claims and liabilities.
- 5.3. Please note that if you have inadvertently breached the *ISA regulations* resulting in avoidance of this account by HMRC under the *ISA regulations*, we reserve the right to charge an administration fee for handling the avoidance of your account.

6. Rights issues, takeovers, scrip dividends and other entitlements

(This section is in addition to section 24 (*Rights issues*, takeovers, scrip dividends, voting and other entitlements) of the terms and conditions).

- 6.1. In the case of *JISA* investments, subscriptions to rights issues and calls on partly paid stock can only be financed by money held within the *JISA*. You cannot add further funds to finance these events unless you have not yet subscribed in full for a *JISA* in the year concerned and that the additional funds are confined to the unused subscription limit. If non-eligible stock is acquired as a result of a bonus issue or de-merger and if no instruction has been received from you, we will sell the holding(s) and the proceeds will be applied to your *JISA* account.

7. Shareholder’s rights

- 7.1. If the registered contact elects, we will arrange for you to receive, within a reasonable timeframe following their publication, a copy of the annual report and accounts issued by every UK quoted company in respect of investments which are held directly in the *JISA*. We will also arrange (subject to the *ISA regulations* or any provisions made by or under any other enactment), upon reasonable notice of a request from the registered contact, for you to be able to attend UK shareholders,’ securities holders’ or unit holders’ meetings, to vote. This service will be subject to an administration charge as detailed in the most recent and relevant service brochure for the service agreed between us.
- 7.2. Subject to your rights to elect to vote as set out at section 24 above (*Rights issues*, takeovers, scrip dividends, voting and other entitlements) we may exercise any voting rights or other rights on your behalf in relation to *JISA* investments including those of conversion, subscription, takeovers and other offers or capital reorganisations in accordance with section 24 (*Rights issues*, takeovers, scrip dividends, voting and other entitlements) of the terms and conditions.

8. Commencement

8.1. Commencement of the *JISA agreement*.

8.1.1. Your *JISA* will commence on the day in which your funds are deposited with us – this will normally be a cheque directly from you, a transfer from any other account you may have with us, or in the case of transfers from another *ISA manager*, the day in which such funds are received by us. Additionally, in the case of: *JISA* investments:

- In respect of a new *JISA* account, we have received a completed signed *Stocks and Shares JISA application form*; or
- In respect of transfers, we have received a completed signed *Stocks and Shares JISA transfer form* as applicable.

Please note that if you are transferring a portfolio to our management, the sums held in your *JISA* accounts may be included in the initial value sum detailed on the commencement letter.

9. Termination, transfer, withdrawal and deceased *ISA* holders

(For your *JISA* only, this replaces the sections 49.3 to 49.7 (Termination) of the terms and conditions).

- 9.1. Our appointment as *JISA* manager may be terminated at any time by either party giving written notice to that effect. Once terminated and subject to your instructions, we will either sell the *JISA* investments at the prevailing selling price and hold the proceeds to your order or transfer the *JISA* investments in accordance with instructions received from you. We may also take a retention from the *JISA* and apply it towards the discharge of your tax liabilities and any of your obligations under the terms of this *JISA agreement*.
- 9.2. You may at any time by written notice, require us to transfer your investments together with all rights and obligations of the parties to the *JISA* to another *JISA* manager. It will be possible to transfer *JISA* investments between providers, and also (in either direction) between cash and stocks and shares accounts held by the same child. It will not be possible for a child to hold more than one cash *JISA* and one stocks and shares *JISA* at any time.
- 9.3. Transfers will be completed on our instructions and in a reasonable timeframe, as soon as practicable after receipt of your written instructions. We will endeavour to make this transfer or withdrawal within 30 days, but you should be aware that we cannot be held responsible for delays caused by other plan managers, registrars or custodians.
- 9.4. Partial transfers are permitted when transferring to a cash *JISA* subject to a minimum value of £100 remaining in the *JISA*.
- 9.5. Withdrawals may only be made from a *JISA* in specific circumstances. A *JISA* can only be closed on the child reaching their 18th birthday, on direct instruction from *HMRC* (where the *JISA* is void, or where the child is terminally ill), or on the death of the child.
- 9.5.1. On the child’s 18th birthday the account ceases to be a *JISA*, and any investments held at that date remain in the tax free *ISA* wrapper until the former child closes the account. An *ISA* application must be made if further subscriptions are to be made. The terms and conditions will revert to the standard *ISA* terms and conditions 53–60 in addition to sections 3–56 and will come into effect for the former child. On the child’s 18th birthday control of the account will be passed to the former child from the registered contact if the registered contact is a different person to the child. We reserve the right to contact the child before they reach the age of 18 setting out the options available to them once the *JISA* converts to an *ISA*.
- 9.5.2. We shall notify you in writing if, by reason of any failure to satisfy the provisions of the *ISA regulations*, a *JISA* has or will become void for tax purposes. We reserve the right to levy a charge should a *JISA* (or part of) be deemed void (unless caused by our negligence or that of an affiliate).
- 9.5.3. Where the child is suffering from a terminal illness, a claim can be made on behalf of the child to *HMRC* by completing a terminal illness early access form. Once this has been agreed by the Commissioners for *HMRC* and sent to us, the *JISA* can be closed.

9.5.4. The *JISA* will be closed upon notification of the death of the child and provision of the death certificate. The funds will be returned to the Registered Contact on the account.

9.6. Please note that in all cases of termination, the sections of the *JISA agreement* relating to our nominee company and custody will continue in effect whilst your money and/or investments remain in our possession.

10. Cancellation rights

10.1. For new *JISA* applications only:

In addition to your rights under section 17 (Cancellation rights) of the terms and conditions, you have the right to withdraw any offer which you make to us to subscribe for a Stocks and Shares *JISA*. To exercise that right you must, within 14 days after the date upon which you send to us the *Stocks and Shares JISA application form*, send to us written notice of your wish to withdraw.

10.2. For *JISA* transfers only:

10.2.1. In addition to your rights under section 17 (Cancellation rights) of the terms and conditions, you have the right to withdraw any offer which you make to us to transfer your Cash *JISAs* and Stocks and Shares *JISAs* as applicable. To exercise that right you must, within 14 days after the date upon which you send to us the applicable transfer form, send to us written notice of your wish to withdraw. However, this right to withdraw will not apply if at the date of your Cash *JISA* transfer form or *Stocks and Shares JISA transfer form*, as applicable, we are acting as your investment manager.

10.3. Any notice of withdrawal should be made in writing to:

ISA department, Investec Wealth & Investment, The Plaza, 100 Old Hall Street, Liverpool, L3 9AB (or any other successor address as notified to you from time to time).

Appendix 5 – Definitions

“**Act**” means the Financial Services and Markets Act 2000, as amended;

“**Adviser agreed remuneration**” means a charge agreed between you and your financial adviser for providing you with advice about the investment management and dealing services we provide;

“**Affiliate**” means a company within the Rathbones Group, connected by ownership or legal structure;

“**Agreement**” is made up of, where applicable: (a) These terms and conditions (b) The client agreement for the relevant service agreed between us. (c) Our rate card which details our charges. (d) The commencement letter (for discretionary managed customers and advisory investment managed customers only). (e) Any other document or letter for additional services as agreed between us which states in it that it forms part of our agreement;

“**AIM companies**” means companies listed on the AIM market;

“**AIM market**” means The *London Stock Exchange's* Alternative Investment Market;

“**AIM shares**” means shares in AIM companies;

“**AML**” means anti money laundering;

“**Applicable law**” means: (a) *FCA rules* or any other rules of a relevant regulatory authority; (b) the rules of the relevant market; and (c) all laws, rules and regulations which are applicable to us as in force, and as amended, from time to time;

“**Application form**” means the form supplied to you with these terms of business requesting certain information from you and as updated or amended by you from time to time;

“**Approved bank**” means the bank or credit institution that we have appointed to hold your *client money* on our behalf and is also specifically defined in the *FCA handbook* of rules and guidance. This definition is available from us on request or can be found on the *FCA's* website (www.fca.gov.uk);

“**Business day**” a day (other than a Saturday or Sunday) on which banks are open for general business in London;

“**Cash ISA transfer form**” means the transfer form signed by you in accordance with the *ISA regulations* to transfer a Cash *ISA* to us;

“**Client agreement**” means the agreement headed “client agreement” (including the FATCA Forms or equivalent) entered into between you and us where, depending upon the service agreed between us, you are invited to set out your objectives and any limits on the type of transaction with which you may be involved. This is the document you will sign confirming you agree to the terms of our agreement;

“**Client money**” means money that belongs to our clients and is segregated from our own firms’ money in accordance with the *FCA's* rules relating to *client money* under the *FCA's* Client Assets Sourcebook, as defined in the *FCA handbook* of rules and guidance. It includes *free money*, cheque receipts, accrued dividend and other income held in income accounts on our book of record and money not yet required to settle transactions. The rules ensure a clear separation between money that belongs to our customers and money that belongs to the firm as defined in the *FCA handbook* of rules and guidance. This definition is available from us on request or can be found on the *FCA's* website (www.fca.gov.uk);

“**Client money bank account**” means the account at an approved bank of CRD credit institution that contains *client money* in accordance with the *FCA handbook* of rules and guidance. Such definition is available from us on request or can be found on the *FCA's* website (www.fca.gov.uk);

“**Commencement letter**” means for discretionary managed customers and advisory investment managed customers, the letter sent to you by us confirming your initial cash position and portfolio composition and which sets out the date upon which our agreement comes into force and we shall begin to manage or advise upon your assets;

“**Commercial settlement system**” means the place where transactions are settled, as defined in the *FCA client asset rules* and guidance. Such definition is available from us on request or can be found on the *FCA's* website (www.fca.gov.uk);

“**CSDR**” means the Central Securities Depositories Regulation;

“**CRD Credit Institution**” means as defined in the *FCA handbook* of rules and guidance. Such definition is available from us on request or can be found on the *FCA's* website (www.fca.org.uk); broadly this means an institution providing credit and deposits;

“CREST settlement system” means the place where transactions are settled, as defined in the *FCA client asset rules* and guidance. Such definition is available from us on request or can be found on the *FCA’s* website (www.fca.gov.uk);

“Custodian” means the appointed firm responsible for safekeeping of our clients’ assets on our behalf, as defined in the *FCA* handbook of rules and guidance. Such definition is available from us on request or can be found on the *FCA’s* website (www.fca.org.uk);

“Custody assets” means an asset that is held by us on a client’s behalf, as defined in the *FCA* handbook of rules and guidance. Such definition is available from us on request or can be found on the *FCA’s* website (www.fca.gov.uk);

“Data protection legislation” has the meaning set out in section 21;

“FCA” means the Financial Conduct Authority or any successor organisation;

“FCA client asset rules” means the rules of *FCA* relating to the protection of client assets as defined in the *FCA* handbook of rules and guidance. Such definition is available from us on request or can be found on the *FCA’s* website (www.fca.gov.uk);

“FCA’s conduct of business rules” means the conduct of business rules issued by the *FCA* from time to time;

“FCA rules” – means the *FCA* handbook of rules and guidance issued by the *FCA*;

“FSCS” means Financial Services Compensation Scheme, the *UK’s* statutory compensation scheme for customers of authorised financial services firms. This means that *FSCS* may pay compensation if a firm is unable, or likely to be unable, to pay claims against it;

“Financial adviser” an ‘adviser’ appointed by you to advise and act on your behalf, who is authorised by the *FCA*, or a member of a Designated Professional Body and is not connected with us;

“Force majeure event” means an emergency or exceptional market condition, including but not limited to: (a) any act event or occurrence (including without limitation, any strike, riot or civil commotion, epidemic or pandemic, interruption of power supply or electronic communication, or information system) which in our opinion prevents an orderly market being maintained in the product or in one or more underlying products which relate to transactions in respect of which we ordinarily accept instructions; (b) the suspension or closure of any market; (c) the abandonment or failure of any event upon which we base, or to which we may relate, quotes; and (d) the imposition of limits or special or unusual terms on the trading in any such market or on any such event;

“Free money” means money held by us on your behalf in a deposit account on our book of record, which is available for use or withdrawal. Interest is paid on *free money* only, and not on other *client money*. Typically, cheques will become *free money* on the day they are deemed to clear; cash receipts become *free money* on the day that they are credited to your account; sale proceeds become *free money* on the settlement date. Where the settlement date falls on a *UK* non-business day, sale proceeds generally become *free money* on the next business day;

“Group” has the meaning given in paragraph (l) of the definition of “group” provided in the *FCA rules*. For the avoidance of doubt, with us, “group” shall include our ultimate parent company, Rathbones Group

“HMRC” means HM Revenue and Customs;

“Investment” means any investment that falls within the regulatory regime established under the Act for which we are authorised by the *FCA* to conduct investment business in;

“Investment exchange” means any dealing exchange recognised or designated by the *FCA*, as amended from time to time;

“Investment manager” means your contact at *IW&I*;

“Investec online” means our online platform hosted via our website, through which you can access your accounts;

“ISA” means an individual savings account which contains the stocks and shares component of an *ISA* and which is designated as an *ISA* under the *ISA regulations*;

“ISA account” means the *IW&I ISA*, which is offered as a Stocks and Shares *ISA*;

“ISA account investment(s)” means an investment held under an *ISA*, which is a qualifying investment within the *ISA regulations* and is permitted to be held in the *ISA Account* by *IW&I*;

“ISA agreement” means: (a) These terms and conditions; (b) The client agreement form for the relevant service agreed between us; (c) The relevant section of our rate card, relating to charges; (d) Where applicable, the commencement letter (for discretionary managed customers and managed investment advisory customers only); (e) Either the Stocks and Shares *ISA* application form, Stocks and Shares *ISA* transfer form as applicable; (f) Any other letter or document that we may provide to you under the *FCA*'s Conduct of Business Rules that is stated by us to constitute part of the agreement;

“ISA manager” *IW&I* (registered in England with No. 2122340) whose registered office is at 30 Gresham Street, London, EC2V 7QN, United Kingdom;

“ISA regulations” means the Individual Savings Account Regulations 1998, as directed by HM Treasury and as amended from time to time;

“ISA transfers” means any amount of money received into an *ISA* Account from another *ISA account* manager;

“IW&I” means Investec Wealth & Investment Limited, incorporated in England under number 2122340, authorised and regulated by the *FCA*. A member firm of the *London Stock Exchange*;

“IW&I Funds” means one of the selected funds highlighted within the *IW&I* Fund Service brochureware;

“JISA” means a Junior Individual Savings Account, an account opened of which an ‘eligible child’ is the beneficial owner of the account investments under that account;

“JISA agreement” is made up of, where applicable: (a) These terms and conditions. (b) The client agreement Form for the relevant service agreed between us. (c) The relevant section of our service brochure, relating to charges. (d) The commencement letter. (e) Either the *Stocks and Shares JISA application form, Stocks and Shares JISA transfer form* as applicable. (f) Any other letter or document that we may provide to you under the *FCA*'s Conduct of Business Rules, that is stated by us to constitute part of the agreement;

“Key Information Document” means the relevant *Key Information Document* which provides key information on investment products;

“Key Investor Information Document” – means the relevant *Key Investor Information Document* for any sub-fund for the City Financial Investment Fund Series III;

“London Stock Exchange” means the primary United Kingdom stock exchange for companies officially listed in the United Kingdom, located at 10 Paternoster Square, London EC4M 7LS;

“Net asset value” means the value of the funds’ assets minus the value of its liabilities;

“Nominee company” means one of Rensburg Client Nominees Limited, (incorporated in England under number 2020824); Ferlim Nominees Limited, (incorporated in England under number 01022478); Hero Nominees Limited, or such other entity as we may nominate from time to time. A nominee company holds assets as the legal owner, but on behalf of clients as beneficial owners of the associated client assets. *IW&I* does not normally hold any of its own assets in our nominee companies, they exist purely to hold client assets. Client assets held in our nominee companies are registered in such a manner to clearly indicate that they do not belong to *IW&I*;

“Nominated person” means any person listed in the appropriate section of the client agreement or notified to us in accordance with Section 37 of these terms and conditions as being nominated to issue instructions to us on your behalf;

“Non-retail investment products” means products that do not fall within the definition of a retail investment product

“Order execution policy” means our policy on providing best execution, as attached at Appendix 6 to these terms and conditions;

“Panel rules” means the rules issued by the panel of takeovers and mergers, as amended from time to time;

“Registered contact” means the person who can agree the terms and conditions under which the account will operate, and give instructions to the account manager for the management of the account. This will be the child holding the account (unless they are suffering from mental disorder) if they are aged over 16 and have taken on management of the account by making an application to the account provider for registered contact status, or a person with parental responsibility for the child holding the account;

“Rate card” means the document that discloses our fees and is found in our service brochure;

“Retail investment products” means as defined in the *FCA* handbook of rules and guidance. These include the following investments:

(a) a life policy; or (b) a unit; or (c) a stakeholder pension scheme (including a group stakeholder pension scheme); or (d) a personal pension scheme (including a group personal pension scheme); or (e) an interest in an investment trust savings scheme; or (f) a security in an investment trust; or (g) any other designated investment which offers exposure to underlying financial assets, in a packaged form which modifies that exposure when compared with a direct holding in the financial asset; or (h) a structured capital-at-risk product; Such definition is available from us on request or can be found on the *FCA*'s website (www.fca.gov.uk);

“Rights issues” means an issue of rights to a company's existing shareholders that entitles them to buy additional shares directly from the company in proportion to their existing holdings, within a fixed time period;

“Scrip dividends” means an issue of additional shares to shareholders in proportion to the shares already held;

“Services” means the services set out in section 6 of these terms;

“SIPP” means Self-Invested Personal Pension;

“Standard settlement” means the number of days between the date that the trade is executed and the date that the proceeds or assets are settled or made to the buyer/seller as standard, which directly relates to the terms of the commercial settlement system, venue or exchange that the transaction is made upon or within. Where the standard settlement falls on a *UK* non-business day, our settlement obligations to you will be deemed to fall on the next business day;

“Stocks and shares ISA application form” means the application form signed by you in accordance with the *ISA regulations* to subscribe to a Stocks and Shares *ISA*;

“Stocks and shares ISA transfer form” means the transfer form signed by you in accordance with the *ISA regulations* to transfer a Stocks and Shares *ISA* to us;

“Stocks and Shares JISA application form” means the application form signed by you in accordance with the *ISA regulations* to subscribe to a Stocks and Shares *JISA*;

“Stocks and Shares JISA transfer form” means The transfer form signed by you in accordance with the *ISA regulations* to transfer a Stocks and Shares *JISA* to us;

“Tax year” means the tax year which begins on 6th April in any year and ends on 5th April in the following year;

“Taxation” means all forms of taxation whether of the *UK* or elsewhere in the world wherever imposed and all statutory, governmental, state, provincial, local government or municipal impositions, duties and levies and all penalties, charges, costs and interest relating thereto;

“Taxes” means taxes, duties, imposts and fiscal charges of any nature, whether of the *UK* or elsewhere in the world, including value added taxes and stamp and other documentary taxes;

“Terms and conditions” means these terms and conditions as from time to time modified or amended;

“The manager” means in the case of *ISAs*, the *ISA manager* which is *IW&I* or in the case of non *ISA* clauses, the external manager who investment manages or administers and prices a collective or fund type asset;

“Transfer form” means an official form or forms that are required to effect the registration of an asset from the current name of the holder to another name, for example, to a nominee, trust or other connected person in accordance with the client instructions and pertaining to all relevant regulatory and lawful purpose;

“TRS” – means HMRC's Trust Registration Service;

“Trust” – shall include any similar or analogous arrangement or entity formed under any system of law, other than English law, and “trustee” shall be interpreted accordingly;

“UK GDPR” has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018.

“UK” means United Kingdom, which is made up of England, Wales, Scotland and Northern Ireland;

“VAT” means Value Added Tax, as set out in section 42;

Appendix 6 – Summary of IW&I conflicts of interest policy

Overview

IW&I is a wholly owned subsidiary of Rathbones Group Plc. Appropriate controls are in place to manage conflicts of interest between the above parties. *IW&I* may introduce business to the Rathbones Group and vice-versa.

Investec Wealth and Investment (Channel Islands) (CI) Limited is a wholly owned subsidiary of *IW&I*. The main business of *IW&I* and *IW&I* (CI) is to advise and manage the investments of private investors' trusts, charities and small pension funds. In addition *IW&I* provides financial planning services including Inheritance Tax planning and is the administrator for Self-Invested Pension Plans.

The following activities and services are not undertaken within the *IW&I*:

- Corporate finance;
- Finance arrangements (other than exceptional high net worth loans);
- Market maker; or
- Proprietary trading (except as required for error correction).

Therefore the *IW&I* does not have the potential conflicts of interest that arise from such services and activities.

Regulation

IW&I is required to establish, implement and maintain an effective conflicts of interest policy which is relevant to the size and complexity of the firm. The policy details the different types of inherent conflicts that have been identified and the controls adopted to manage these conflicts.

Potential conflicts can be identified at all levels. Types of identified conflicts may involve:

- *IW&I* and one or more of its clients;
- An employee, and one or more of *IW&I*'s clients;
- An employee and *IW&I*;
- Two or more of *IW&I*'s clients;
- A third party service provider and *IW&I*;
- A third party service provider and one or more of *IW&I*'s clients;
- Two or more employees.

Examples of conflicts of interest outlined in *FCA rules* are:

- Where we receive fees and commissions from third parties (to the extent permitted by applicable laws);
- Where we recommend products provided by other parts of *IW&I* or other entities within the Rathbones Group;
- Where we match your transaction with that of another client and we act on behalf of both you and that client;
- Will the firm make a financial gain, or avoid a financial loss, at the expense of the client?
- Will the firm have an interest in the outcome of a service provided to the client, or a transaction carried out on behalf of the client, which is distinct from the client's interests in that outcome?
- Will the firm have a financial or other incentive to favour the interest of another client or group of clients over the interests of the client?
- Will the firm carry on the same business as the client?
- Will the firm receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monies, goods or services, other than the standard commission or fee for that service?
- N.B. – the term 'firm' above may be interchangeable with the following:
 - a relevant person;
 - a person directly or indirectly linked by control to the firm.

Identification, recording and managing of conflicts

The firm incorporates a framework for:

- Identifying conflicts;
- Recording conflicts; and
- Managing conflicts.

Sufficient arrangements are in place to manage or prevent conflicts identified within *IW&I*. Where a conflict of interest cannot be prevented or managed, the general nature and/or source of the conflict will be disclosed to the client.

Gifts, hospitality and other minor-non monetary benefits

IW&I may allow employees to receive or provide gifts, hospitality or other minor non-monetary benefits from inside or outside of the Rathbones Group. A policy is in place and appropriate approval limits have been set to ensure such benefits do not inappropriately influence employee behaviour, and that to ensure that employees may only accept or provide gifts, hospitality or other minor non-monetary benefits permitted by the *FCA rules*.

Appendix 7 – Order execution policy

General information

The intention of this document is to set out our understanding of the obligations regarding Best Execution under Markets in Financial Instruments Directive II (“MiFID II”) and to explain how we intend to fulfil these obligations.

The core of best execution is our order execution policy which is to ensure that all our clients are treated fairly. This means that the same procedures and safeguards will be in place for all of our clients, irrespective of the type of service that they receive from us, or their client categorisation.

W&I has made a commitment that we will not carry out principal business (i.e. dealing for our own account) apart from in exceptional circumstances (such as correcting an error). Thus, we do not have any conflict of interest with any of our clients’ dealings.

W&I is a member of the *London Stock Exchange* and NEX Exchange. We have access to other exchanges through our market counterparties. Wherever possible, transactions will be carried out and reported on a regulated market (“on-market”).

Transactions that are carried out off-market when they are normally carried out on-market will require prior express consent from the client. In some circumstances and, when acting in your best interest, we may carry out transactions off-market. You should be aware that off-market transactions may be higher risk, as there may be lower liquidity and it may be more difficult to assess the value of and or the price for the transaction. There may also be increased counterparty risk. We will always comply with our order execution policy and will only execute off-market when acting in your best interest.

By signing our agreement, you expressly consent to us carrying out off-market transactions on your behalf.

Execution venues

Below is the list of venues upon which we place significant reliance. We reserve the right to use other execution venues where we deem appropriate in accordance with our order execution policy and may add or remove any execution venues from this list. We will regularly assess the execution venues available in respect of any Financial Instruments that we trade to identify those that will enable us, on a consistent basis, to obtain the best possible result when executing orders. We reserve the right to trade on an execution venue not listed where we deem appropriate to satisfy the execution of a particular order or instrument.

- Members of the *London Stock Exchange*;
- Member of the NEX Exchange;
- Member firms of the International Capital Market Association (ICMA);
- A Multilateral Trading Facility (MTF);
- An Organised Trading Facility (OTF);
- A Systematic Internaliser (SI);
- Market makers;
- Platforms.

A list is available upon request of active counterparties and they are reviewed on a regular basis, in addition to whenever a material change occurs, to ensure that we obtain the best possible result on a consistent basis.

Best execution/best possible result

There is no formal definition of best execution but it refers to an obligation to transact deals on the appropriate terms for our clients.

We “...must take all sufficient steps to obtain the best possible result, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order”. Source MiFID II Article 27. For *Retail Clients*, price will usually be the most important factor when we transact,

We refer to this obligation as the “best possible result”.

All of our clients, irrespective of their client categorisation, receive the highest obligation of Best Execution coverage.

Guidelines have been established for *W&* dealers so that in each class of security there is a procedure for achieving and recording best execution. In most equity markets, trade information is publicly available on electronic providers such as FactSet, and Bloomberg; in other markets where there is no publicly available trade data, the *W&* dealers will have access to details on how best execution has been achieved.

When the dealing desk receives an order, it will prioritise the relevant factors in considering and achieving the best possible result, including any specific client instructions (e.g. price limit); relevant factors could include the liquidity and volatility of the stock, width of the buy/sell spread and accessible markets and dealing platforms. Examples where different relevant factors would be considered by us are listed below. These are applied on a consistent basis and, as such, best possible result should be achieved.

- An actively traded company e.g. listed within the FTSE 100 index – If an order is passed with no specific instructions and in a size that could easily be traded the relevant factor to be considered will be the price;
- A less active company with lower turnover of transactions – If an order is passed with no specific instructions then the most relevant factors to be considered will include price and size of the liquidity available;
- Electronic algorithmic platform trading – A number of factors are used to determine the best possible result for this type of order. It is normally a combination of speed, likelihood of execution, cost, size and price;
- A fixed interest security with an active secondary market e.g. *UK* Government security – The factors considered would normally focus on price and in some instances size of the transaction.

W& accepts full responsibility to achieve best execution on all eligible orders; however, if specific instructions are provided by the client and *W&* agrees to act on these, then our obligation to achieve best execution is met by acting in accordance with those specific instructions.

Best possible result can still be satisfied if *W&* aggregates several client orders into one larger order.

W& may instruct platform providers to implement decisions taken in the course of providing portfolio management for Master Portfolio Service (“MPS”) on platforms. *W&*'s duty of best execution shall not apply to the extent of the platform or its selection of trading venues, liquidity providers, brokers or other counterparties, although *W&* will ensure that each platform has in place appropriate best execution procedures.

Large or illiquid Orders may be executed on a manual basis using our Dealing team. In such cases our dealers will aim to source the best available terms by utilising any appropriate execution venues. This may require us to execute Orders over the course of a day, or a number of days, with the overall Order execution being expressed as an average price of all the individual executions.

Equities – UK

W& dealers use a range of methods to execute a *UK* equity order:

- Retail Service Providers (“RSPs”). RSPs are market makers who enable us to deal with them electronically;
- Electronic order books. The principal ones are SETS and SETSmm, both set up by the *London Stock Exchange* to provide anonymous order books in all but the smallest *UK* shares;
- Telephone negotiation. The dealers speak to market makers or other broker members of the *London Stock Exchange*;
- Agency crosses. This is when *W&* match a buyer and seller in-house and the deal is struck at a mutually agreeable price to both parties;
- Electronic algorithmic platforms. These provide access to various market venues.

Orders passed electronically in *UK* equities to the dealing desk that fit certain criteria can be transacted through our “auto execution” facility; they are then traded automatically and instantly via an RSP who is willing to accept the trade. The transaction will be covered by the usual best execution guidelines.

Equities – Non-UK

There are extra considerations when dealing in non-UK equities. *IW&I* is not currently a member of any non-UK exchanges; our obligations of best execution are shared with our market counterparties who transact on our behalf in non-UK markets. In order to achieve best possible result, we must also take into account any local execution charges (commission, stamp duty etc.) that will be included in the final price to the client.

Bonds – Gilts, Eurobonds etc

Bonds include government bonds (e.g. gilts), Eurobonds, Floating Rate Notes (FRN), Zero coupon bonds and other similar debt structures. The majority of these instruments will be transacted on-market, however in some instances it may be in your best interest for us to trade off-market. Some gilts and bonds are also tradable on the *London Stock Exchange* and we will use the price as reference before trading.

Prices in the most actively traded bonds are available on information providers such as Bloomberg. In many instances, trades can then be effected by a direct electronic link to the best price from all the contributing market makers with which *IW&I* has a relationship. In some circumstances, dealing prices will be negotiated with market makers with additional reference to any available electronically displayed prices.

Liquidity varies between different bonds: for some bonds, there may only be one market maker and situations such as this might limit our ability to deal on a narrow buy/sell price spread.

Unit trusts & mutual funds

Unit trusts/mutual funds are normally traded directly with the manager at a fixed price on any given dealing day; these prices are usually available in financial sections of newspapers or on the managers own website.

Foreign exchange

Although best execution does not apply to spot currency transactions it does to forward currency transactions.

Spot currency transactions are transactions that have a settlement period of two business days. Forward currency transactions are transactions that have a settlement period of greater than two business days.

Currency markets operate in a highly liquid environment and *IW&I* have in place relationships with a number of pricing providers. We will execute spot and forward transactions via the same platform to achieve best execution from the prices available. Prices are not published but we maintain sufficient records to ensure we achieve the best possible results.

Money market instruments e.g. certifications of deposit

These instruments cannot be transacted on-market and we will continue to operate on your behalf off-market.

Structured products

These instruments are not traded on-market and we will continue to operate on your behalf off-market. *IW&I* will assume that Best Execution was achieved by reference to the prices provided by those liquidity providers and any relevant market display providers.

Other instruments/securities

On rare occasions, we will be required to trade in an instrument not covered by the above categories: any trade could be restricted to a limited number of liquidity providers that *IW&I* has connections with. *IW&I* will assume that best execution was achieved by reference to the prices provided by those liquidity providers and any relevant market display providers.

Limits

Where we choose to accept a limit, these will be accepted on a reasonable endeavours basis. The contract note for the trade will disclose that a client's limit was passed. Any client limit will normally only be accepted until the end of the trading period for the day it was passed. All limit orders will be for that business day only. If, in exceptional circumstances, we agree to retain a limit order for more than one day, you provide us with your prior express consent not to publish those limit orders.

Timely executions

To achieve timely execution, once */W&/* has agreed, or decided in its discretion to execute a client order, it will do so in a prompt, fair and expeditious manner, unless */W&/* has taken reasonable steps to ensure that postponing the execution of a client order is in the best interests of the client.

In-house crosses (agency crosses)

Crosses of *UK* listed stock between two clients at a mutually agreeable price will be deemed to have taken place on-market.

Allocation

/W&/ will usually allocate on a pro rata basis any partially completed orders that are received from different clients in the same stock; if this allocation would result in uneconomic or unsuitable holdings for the clients concerned, we may allocate other than on a pro rata basis. In every instance that an allocation other than pro rata is used then */W&/* must take reasonable steps to ensure that any allocation is in the best interest of all clients concerned.

Order priority

Client orders will normally be executed in the same order as they were received except where there are special conditions such as price limits or limited liquidity: such conditions might require extra time to ensure achievement of best possible result. Orders that are tradable under the auto execution facility will normally be executed immediately, even though the dealers may already be working orders in the same stocks. It is deemed acceptable to treat these trades separately and therefore auto executions do not need to be averaged with any other orders.

Time of execution

Any execution time shown on the contract note will be stated as *UK* time. If the order is completed in a series of transactions and shown on the contract note as an averaged price there is no requirement to disclose the execution times. Trade times for an averaged price transaction are available upon request.

System failures

In the unlikely event of system failure, clients who contact */W&/* during this time to pass deal instructions will be informed; any instructions received will be accepted on the basis that they could be executed once the relevant system has been restored. */W&/* will conduct a subsequent review to ensure that best execution has been achieved.

Policy review

/W&/ will review its order execution policy either annually or whenever there is a material change that affects */W&/*'s ability to continue to obtain the best possible result for the execution of client orders on a consistent basis via the execution venues used by */W&/*.

Belfast	02890 321002	Edinburgh	0131 226 5000	Liverpool	0151 227 2030
Birmingham	0121 232 0700	Exeter	01392 204404	London	020 7597 1234
Bournemouth	01202 208100	Glasgow	0141 333 9323	Manchester	0161 832 6868
Bristol	01172 444860	Guildford	01483 304707	Sheffield	0114 275 5100
Cheltenham	01242 514756	Leeds	0113 245 4488		

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