



# WISE INVESTMENT

PLANNING FOR LIFE

## Client Agreement



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## PART 1: TERMS APPLICABLE TO ALL SERVICES

### 1. About Us And The Purpose Of These Terms

- 1.1 Wise Investments Limited, trading as Wise Investment, is authorised and regulated by the Financial Conduct Authority, with firm reference number 230553. Our registered office is at Chalford Park Barns, Oxford Road, Chipping Norton, Oxfordshire, OX7 5QR.
- 1.2 These terms of business, including the Appendices (the “Terms”) are our standard terms of business under which we provide our Services to retail clients. The Terms set out the terms and conditions that apply to the provision of our Services to you, and together with the Fee Schedule form our legally binding agreement with you. You should read these Terms carefully and retain a copy for your records. You should seek independent advice before signing if there is any aspect that you do not understand.
- 1.3 Part 1 of these Terms contains the terms that apply in respect of all of our Services, and will apply to our arrangements with you whatever services we provide you with. Part 2 of these Terms contains the additional terms that apply to our DIM Services and our Model Portfolio Services. If we do not provide you with DIM Services or Model Portfolio Services, the terms set out in Part 2 will not apply. Part 3 of these Terms contains the additional terms that apply to our Advisory Services. Part 4 of these Terms contains the additional terms that apply to our Execution Only Services.
- 1.4 Our agreement with you will take effect when we have received and accepted the declaration of our Terms and your Factfind that have each been signed and dated by you.
- 1.5 If you have any questions relating to our Services or the Terms generally you should contact us by telephone or by email at wise@wiseinvestment.co.uk.
- 1.6 We may decline to accept you as a client or to provide any of our Services to you, in which case we will notify you of this without undue delay.
- 1.7 In providing our Services to you, we will act in accordance with Applicable Law.
- 1.8 All communications between you and us will be in English.

### 2. Definitions And Interpretation

- 2.1 In these Terms, the following words and phrases have the meanings given in this clause, unless the context requires otherwise:
  - “Account” means the assets and cash in respect of which we provide our Services to you;
  - “Advisory Services” means our investment advice service as described in clause 28;
  - “Applicable Law” means all laws and regulations that apply to our provision of the Services, including (but not limited to) the FCA Rules;
  - “DIM Services” means our discretionary investment management service as described in clause 24;
  - “Execution Only Services” means our execution only dealing service as described in clause 31;
  - “Factfind” means the document setting out the following matters, as amended, supplemented or replaced from time to time:
    - (a) the Services we will provide to you in accordance with these Terms;
    - (b) our understanding of your specific investment objectives and attitude to risk;
    - (c) the treatment of income received on your behalf; and

(d) (where we will provide you with our DIM Services and/or Model Portfolio Services) any investment restrictions that may apply or particular instructions you may have given to us in respect of the ongoing management of your Account;

“FCA” means the Financial Conduct Authority, whose principal address is 25 The North Colonnade, Canary Wharf, London E14 5HS, or any replacement regulator;

“FCA Rules” means the FCA’s handbook of rules and guidance, as amended supplemented or replaced from time to time;

“Fee Schedule” means Schedule 5 to these Terms, as amended, supplemented or replaced from time to time, which sets out the fees and charges applicable to our provision of the Services to you pursuant to these Terms;

“FSCS” means the Financial Services Compensation Scheme;

“HMRC” means Her Majesty’s Revenue and Customs, or any replacement tax authority;

“Model Portfolio” means one of the range of pre-defined portfolios that we offer which comprise a combination of investments designed to suit a specific allocation of asset classes, risk tolerances and investment objectives, and which has been prepared for use as a reference portfolio for the management of client accounts;

“Model Portfolio Services” means our model portfolio service as described in clause 26;

“OHP” means our order handling policy, as amended from time to time;

“PSL” means Pershing Securities Limited;

“PSL Terms” means the terms of your agreement with PSL (if applicable), as set out in Appendix 1 and as amended from time to time;

“Services” means the Model Portfolio Services, DIM Services, Advisory Services and/or Execution Only Services, to the extent applicable to our agreement with you and as set out in your Factfind or as we may otherwise agree with you in writing;

“Terms” has the meaning given in clause 1.2;

“TPP” means a third party provider with whom you have a separate agreement for the provision of custody, dealing, settlement and/or other services;

“US Person” means a person born in the United States, or who has been naturalised as a United States citizen, or any person with at least one parent who is a United States citizen, or is otherwise resident for tax purposes in the United States;

“We” means Wise Investments Limited (and accordingly “us” and “our” have the appropriate meaning).

### **3. Your Status**

3.1 We have categorised you (or if you are joint clients, both of you) for regulatory purposes as a retail client. This means that you have the highest level of protection available under the FCA Rules.

3.2 You may request to be categorised differently, although we do not need to agree to this. If we do agree, you will be afforded a lower level of client protection and you may be asked to enter into new terms and conditions in respect of the services we provide to you.

3.3 If you are joint clients, you agree that these Terms will apply to each of you individually and to both of you separately, and that where applicable you will each individually and jointly together be liable to us under these Terms. We are generally not concerned with the practical division or ownership of the assets held by joint clients in their Accounts, and treat each joint client as having a right to all the assets and cash held within that Account.

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3.4 By agreeing to be bound by these Terms, you confirm that you consent to us using a reference agency for identity verification and fraud checking purposes. We may ask you for further information and documentation from time to time as may reasonably require in connection with our provision of our Services to you, to verify your identity or for compliance with our obligations under Applicable Law. You agree to provide this information and documentation promptly when asked. If you do not provide such information and documentation, we may not be able to provide or continue to provide our Services to you, and shall have no liability for any Losses you may suffer or incur as a result.

### 4. Our Services

4.1 The services we provide under these Terms are limited to:

- 4.1.1 our DIM Services;
- 4.1.2 our Model Portfolio Services;
- 4.1.3 our Advisory Services; and
- 4.1.4 our Execution Only Services.

4.2 Subject to clause 28.1, we may provide the Services to you in respect of the following types of investments:

- 4.2.1 shares in UK and overseas companies;
- 4.2.2 bonds, debentures, loan stock, notes, certificates of deposit and other debt instruments;
- 4.2.3 warrants to subscribe for investments falling within 4.2.1 or 4.2.2 above; and
- 4.2.4 collective investment schemes in the UK or elsewhere, including collective investment schemes managed or sponsored by members of our group.

**4.3 You should carefully read Appendix 4 of these Terms which sets out a general description of the nature of, and risks relating to, the investments in respect of which we may provide our Services.**

4.4 We also provide retirement planning and estate planning services and advice in respect of life and protection products. We do not offer any advice regarding mortgages or general insurance.

4.5 We may delegate any of our operational functions to a third party where this is in our opinion necessary or desirable in connection with providing our Services. We will exercise reasonable skill and care in the selection, appointment and ongoing monitoring of any firm to which we delegate any of our functions. We will be liable to you for any loss you may suffer or incur as a result of our failure to exercise our duty of reasonable skill and care but will not otherwise be liable to you for the acts or omissions of any of our delegates.

4.6 We provide our Services on the basis of the information provided to us by you. As such, you agree to promptly notify us in writing of any material changes to your circumstances which are necessary for the efficient and effective provision of our Services to you, including without limitation:

- 4.6.1 your financial circumstances;
- 4.6.2 your investment objectives and attitude to risk, including where applicable any investment restrictions;
- 4.6.3 your residency for tax purposes (whether in the UK or in any other jurisdiction); and
- 4.6.4 your personal details, including without limitation your address and marital status.

4.7 You confirm that:

- 4.7.1 you have full power to enter into these Terms and to engage us to provide you with the Services;

## Wise Investment Client Agreement

- 4.7.2 any information that you have provided to us in respect of your status, residence and domicile for tax purposes is complete and accurate in all material respects;
  - 4.7.3 you are the beneficial owner of all assets held within your Account and all such assets are free of all liens and charges; and
  - 4.7.4 you will notify us promptly if there is any material change in any information you have provided to us in connection with our provision of our Services under these Terms.
- 4.8 If you are entering this agreement in your capacity as a trustee, by agreeing to these Terms you warrant that:
- 4.8.1 you are acting within the scope of your powers within your terms of reference as trustee in agreeing to be bound by these Terms; and
  - 4.8.2 where you are acting on behalf of a group of trustees, you have all necessary authority to act on behalf of the trustees as a whole.

## 5. Your Instructions

- 5.1 You may give instructions to us in connection with our Services in person or by:
- 5.1.1 Telephone on 01608 695 100;
  - 5.1.2 Post marked for the attention of your usual Wise adviser and addressed to Wise Investment, The Long Barn, Chalford Park Barns, Oxford Road, Chipping Norton, Oxfordshire, OX7 5QR; or
  - 5.1.3 Emailing your usual Wise adviser. In order to ensure that email instructions are received, all such emails should be copied to [administration@wiseinvestment.co.uk](mailto:administration@wiseinvestment.co.uk). We shall not be liable to you or any other person for any failure to give effect to any instruction provided by email which is not copied to this address.
- 5.2 Except where we ask you to confirm your instructions under clause 5.6, we will give effect to your instructions within any reasonable timescales specified by you. If you do not specify any timescales, we will give effect to your instructions as soon as reasonably practicable after receiving them. We will notify you promptly if we encounter any delay or difficulty in implementing your instructions. Our implementation of your instructions will constitute confirmation of receipt of those instructions.
- 5.3 Your instructions may only be withdrawn with our consent once we have received them, such consent not to be unreasonably withheld or delayed. For the avoidance of doubt, instructions may not be withdrawn once they have been implemented by the placing or execution of a transaction. Once we have received your instructions, you may only withdraw them with our consent. We will not unreasonably withhold or delay our consent.
- 5.4 We may refuse to give effect to any instruction we receive from you or on your behalf where we reasonably believe that:
- 5.4.1 giving effect to such instruction may cause us or you to be in breach of Applicable Law or any provision of these Terms;
  - 5.4.2 such instruction has been given fraudulently or without your authorisation;
  - 5.4.3 giving effect to such instruction may damage our reputation or the reputation of any member of our corporate group;
  - 5.4.4 you do not meet any criteria applicable to the investment or transaction in question.
- 5.5 We shall not be obliged to give any reason for any refusal under clause 5.4, but we will take reasonable steps to notify you of any such refusal as soon as reasonably practicable.

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- 5.6 It is your responsibility to ensure that your instructions to us are clear. If in our reasonable opinion any instructions received from you are unclear, we may take such steps as we reasonably consider necessary or desirable for our own or your protection. In particular, but without limitation, we may seek to confirm with you any instructions that we consider unclear under this clause 5.6, and shall not be liable for any loss you may suffer or incur as a result of any delay in implementing your instructions that may arise as a result.
- 5.7 We may rely on any instructions which purport to have been given by you or a person who we reasonably believe has been properly authorised to give instructions on your behalf, and shall not be required to make enquiries as to the authenticity of such instructions or the identity of the person instructing us. If you are joint clients, we may accept instructions which purport to come from either of you unless you have advised us otherwise in writing.
- 5.8 If you elect to give us instructions by email, you acknowledge that emails are not secure and that data (whether sent by email or otherwise) can become corrupted and communications are not always delivered promptly (or at all). We shall have no liability for any losses you may suffer or incur as a result of our failing to receive any email sent by you containing instructions to us. We shall have no liability for any breach of confidentiality that may arise as a result of your decision to send instructions to us by email.
- 5.9 We may need to verify your identity before giving effect to your instructions. We shall not be liable for any loss you may suffer or incur as a result of any delay in implementing your instructions that may arise from our verification processes.
- 5.10 We may record all telephone conversations or other communications with you in order to maintain records of the advice given to you or instructions received from you under these Terms. A copy of any such recordings will be available on request for a period of five years and, where requested by the FCA, for a period of up to seven years.

## 6. Tax And Residency

- 6.1 When providing our Services to you, we will only take UK tax implications into account where we have agreed with you in advance that we will do so. However, we cannot guarantee that no tax liability will arise from transactions in your Account or that any tax advantages will be maximised.
- 6.2 Where we have agreed with you that we will consider UK tax implications, we provide our Services on the basis of our understanding of UK tax laws and legislation in place from time to time. In providing our Services we do not take into account the tax laws of jurisdictions other than the UK or any investments you may hold in respect of which we do not provide Services.
- 6.3 If you are resident in, were born in or have otherwise attained citizenship in any jurisdiction other than the UK, or are required to complete tax returns in any other jurisdictions, we suggest you obtain specialist tax advice before proceeding with any investments or recommendations.
- 6.4 It is your responsibility to declare and to pay any taxes due to HMRC or in any other tax jurisdiction. We do not pay taxes on your behalf.
- 6.5 We may be obliged to share information regarding your Account with HMRC or other tax authorities. By agreeing to be bound by these Terms, you confirm your agreement to our sharing such information where required.

**7. Us Persons**

- 7.1 For administrative and regulatory compliance reasons, we do not accept as clients persons who are US Persons. By agreeing to be bound by these Terms, you confirm that you are not a US Person for these purposes, and agree to notify us promptly in the event that you become a US Person or will become one or reasonably expect to become one in future.
- 7.2 We reserve the right to terminate our agreement with you in accordance with clause 15 in the event you notify us or we otherwise become aware that you are or are likely in future to become a US Person.

**8. Custody, settlement and execution**

- 8.1 We are not able to hold any assets or cash in custody. We are not authorised to hold client money, although we are able to control client money, and will never accept a cheque made out to us (unless in settlement of charges or disbursements for which we have sent you a bill) or handle cash.
- 8.2 We have entered into an agreement with PSL for the provision of custodial, settlement, dealing and other administrative services. PSL is a company registered in England, company number 2474912, having its registered office at Royal Liver Building, Pier Head, Liverpool, England, L3 1LL. PSL is authorised and regulated by the Financial Conduct Authority (firm reference number 146576).
- 8.3 Unless you have alternative custody and dealing arrangements in place, PSL will be the TPP in respect of the assets within your Account. As such, in the absence of such alternative arrangements the assets within your Account will be administered by PSL.
- 8.4 By accepting these Terms, unless we have otherwise expressly agreed with you, you will be deemed to have authorised Wise Investments to enter into an agreement with PSL on your behalf under which PSL will provide you with dealing, clearing and settlement, safe custody and other associated services in respect of your Account. The effect of this will be that you will have an agreement with and for regulatory purposes will be a client of both Wise Investment and, separately, PSL.
- 8.5 Your agreement with PSL will operate on the basis of the PSL Terms. Those terms will apply to you unless you have alternative custody and dealing arrangements in place. While these services are currently provided by PSL in accordance with the PSL Terms, we reserve the right to terminate the agreement with PSL and appoint another party to provide such services for us and for you. You agree to delegate to us the responsibility of appointing a custodian to provide relevant services to us and to you and of agreeing or amending terms relating to those services on your behalf, which will therefore be binding on you.
- 8.6 By accepting these Terms, you agree that:
- 8.6.1 We may provide information about you to PSL;
  - 8.6.2 We may give instructions to PSL on your behalf or on behalf of someone acting under a power of attorney in relation to your affairs; and
  - 8.6.3 PSL is entitled to rely on our instructions without making any further checks or enquiries.
- 8.7 We take responsibility for the selection of PSL and will review their performance on an ongoing basis. Unless we have failed in our duty to properly select PSL and monitor their performance, we will not be liable to you or to anyone else for any failure by PSL to provide its services to the standards required under their agreement with you.
- 8.8 You will be provided on a quarterly basis with a statement from PSL and/or any other TPP that provides you with custody services (as the case may be) detailing the investments and cash that are held for you by PSL or the relevant TPP. We will send you statements in respect of investments and cash held by PSL, but other TPPs may send this you directly.



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- 8.9 All instructions regarding the administration of your investments held by PSL on your behalf should be provided to us in accordance with clause 5.1 and we will liaise with PSL where required. You confirm that we have your authority to act as your agent for the purpose of giving any instructions to PSL in connection with the business contemplated under this agreement, including signing any relevant documents on your behalf. This includes confirming your agreement to our fees (as detailed in clause 9 below) to PSL and confirming to PSL that it has your authority to deduct our fees from your Account when due and to pay these to us.
- 8.10 We shall be responsible, and PSL shall have no responsibility, for the following matters:
- 8.10.1 Our own operations;
  - 8.10.2 Instructing PSL to open an account for you;
  - 8.10.3 The supervision and operation of your Account for you, where applicable;
  - 8.10.4 Our ongoing relationship with you;
  - 8.10.5 Verifying your identity in accordance with Applicable Law;
  - 8.10.6 Providing the Services to you;
  - 8.10.7 Explaining to you the types of investments in respect of which we may provide our Services and any risks relating to such investments or any investment transactions or investment strategy to be pursued on your behalf;
  - 8.10.8 Any required assessment of the suitability or appropriateness of transactions and investments for you or, where permitted and necessary, warning you of any possible inappropriateness of an investment;
  - 8.10.9 Giving instructions to PSL which are proper, accurate and in accordance with any instructions or mandate you give us;
  - 8.10.10 Reviewing your accounts for market abuse, insider trading and compliance with Applicable Law; and
  - 8.10.11 Provision of any information or documents as required under FCA Rules in connection with products held in your Account.
- 8.11 Investments which are held by PSL for your account will be registered either:
- 8.11.1 in your name where this has been requested by and agreed with you;
  - 8.11.2 in the name of a nominee company controlled by PSL, a member of its group or by a recognised or designated investment exchange; or
  - 8.11.3 in the name of a third party (or its nominee) selected by PSL in accordance with the FCA Rules.
- 8.12 We will not execute transactions in respect of your Account, but will arrange to carry out such transactions for you by placing orders with PSL or, if different, the relevant TPP.
- 8.13 When we transmit or place orders with third parties (including PSL), we owe you a duty to take all sufficient steps to obtain the best possible result for you. In fulfilling this duty, we will take into account certain factors that are relevant to the transmission or placing of orders under the terms of our OHP. These execution factors are: price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order. We will determine the relative importance of these factors by reference to certain criteria, principally the total consideration (including the price of the transaction and any costs and charges) involved in the execution of the order.
- 8.14 Our OHP is set out in Appendix 2. Among other things, our OHP sets out information about the execution factors referred to above. By consenting to these Terms, you will be deemed to have consented to our OHP. PSL's Best Execution Policy is annexed to the PSL Terms.

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- 8.15 We may combine an instruction for your Account with those of other clients. At times this may work to your advantage, at others to your disadvantage. We will not borrow on your behalf, nor will we commit you to a contract that may require you to borrow in order for the relevant investment to perform as intended.

### 9. Fees and charges

- 9.1 Our Services are charged for as specified in the Fee Schedule. By agreeing to these Terms you agree that the Fee Schedule shall apply to our provision of the Services to you under these Terms.
- 9.2 We may amend the Fee Schedule from time to time in accordance with clause 14. We will not normally make any changes to the Fee Schedule which we reasonably consider to be significant without first discussing these with you.
- 9.3 Where a cash account is used to pay fees to Wise Investment and/or third parties, and/or to pay you income withdrawals, we reserve the right to make sales of investments held within your Account to keep your cash account topped up and by agreeing to these Terms you shall be deemed to have authorised us to instruct such sales.
- 9.4 If a third party imposes any additional charge or cost because of your default in complying with your obligations under these Terms or with any reasonable request by us pursuant to these Terms, then any such charge or costs shall be borne by you.

### 10. Inducements

- 10.1 Other than minor non-monetary benefits as set out below, we will not accept any fee, commission, or other benefit in connection with providing our Services to you under these Terms other than any such benefit which is properly payable in accordance with clause 9.
- 10.2 We may however accept minor non-monetary benefits in connection with the provision of our Services. Such benefits may include: generic information on an investment or investment service; attendance or participation at conferences, seminars and other training events on the benefits and features of particular types of investment, and reasonable hospitality at such events; and certain forms of research. We will only accept such benefits where permitted by the FCA Rules.

### 11. Complaints And Compensation

- 11.1 We hope that the service we provide meets with your expectations at all times. However, if you are dissatisfied with our provision of our Services under these Terms we are keen to hear from you in order that we may improve our service.
- 11.2 You may raise any issue of dissatisfaction in writing to the firm's Compliance Officer at:

**The Long Barn  
Chalford Park Barns  
Oxford Road  
Chipping Norton  
Oxfordshire  
OX7 5QR**

- 11.3 You may also telephone us on 01608 695 100 or email [wise@wiseinvestment.co.uk](mailto:wise@wiseinvestment.co.uk). Details of our complaints processes, including information on our complaints management policy, are available on request and from [www.wiseinvestment.co.uk](http://www.wiseinvestment.co.uk).

If you are dissatisfied with a recommendation we have made or any aspect of our services, you are entitled to make a complaint. We have a complaints procedure that is available on request. If you wish to register a complaint, please contact us:

**In writing:** The Compliance Officer, Wise Investments Ltd., the New Barn, Chipping Norton OX7 5QR.

**By phone:** 01608 695100

**By e-mail:** [wise@wiseinvestment.co.uk](mailto:wise@wiseinvestment.co.uk)

Please be assured we treat complaints seriously. For your further protection if you are not satisfied with our final response to your complaint with us, you may be entitled to refer it to either:

- The Financial Ombudsman Service ('FOS'), or
- The Pension Ombudsman Service (TPO)

Full details of the FOS can be found on its website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)'

### **The Pensions Ombudsman**

TPO is an independent organisation set up by statute<sup>1</sup> to investigate complaints about the administration of pension schemes and can help if your complaint is about a pension scheme, occupational or personal pensions. The TPO can be contacted at:

The Pensions Ombudsman  
11 Belgrave Road  
London  
SW1V 1RB

0800 917 4487

Full details of the TPO can be found on its website at [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)

### **The Financial Ombudsman**

The FOS is an independent organisation set up by statute to resolve individual complaints between financial businesses and their customers regarding financial advice, including mortgages, savings and investments as well as pensions. The FOS can be contacted at:

The Financial Ombudsman Service  
Exchange Tower  
London E14 9SR

0800 023 4567

Full details of the FOS can be found on its website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

- 11.4 We are covered by the FSCS. You may be entitled to compensation from the FSCS if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Currently, compensation under the FSCS for eligible claims in respect of investment business is limited to £50,000 per person per firm. Further information about the conditions governing compensation and the formalities for obtaining compensation under the FSCS is available on request or from [www.fscs.org.uk](http://www.fscs.org.uk).

### 12. Death

- 12.1 Following your death, we will act as instructed by your personal representatives in respect of the assets in your Account, subject to clause 12.2.
- 12.2 We may ask your personal representatives for such information and documentation as we may reasonably require in order to prove to our reasonable satisfaction that your personal representatives have authority to provide us with instructions. Notwithstanding any other provision of this clause 12, until we have received any information and/or documentation requested by us under this clause 12.2, we shall not be obliged to give effect to any instructions provided by your personal representatives.
- 12.3 Where we provide you with DIM Services and/or Model Portfolio Services, we will stop providing such Services in respect of your Account with effect from the date on which we receive notification of your death. We will also with effect from that date cease collection of any charges from your Account relating specifically to such Services. As such, we will cease to deal in the investments in your Account from the point at which we are notified of your death until we are provided with instructions in accordance with this clause 12, subject to clauses 12.2 and 12.4.
- 12.4 We will give effect to any transactions instructed by you or on your behalf prior to the date on which we receive notice of your death.
- 12.5 We shall not be liable for any decrease in the value of the assets in your Account which arises as a result of any failure by your personal representatives to notify us of your death or any delay in providing such notice.
- 12.6 Your personal representatives may instruct us to sell the investments in your Account and transfer the net proceeds of the sales in cash to them, or alternatively that we transfer such investments to them. We may make deductions from your Account in respect of any costs and charges incurred in the sale or transfer of the investments within your Account in accordance with this clause 12.6.
- 12.7 If you are joint clients, our agreement will remain in place with the surviving joint client who shall become the sole holder of the relevant Account and the sole owner of the assets in that Account.

### 13. Conflicts Of Interest

- 13.1 We may advise on, recommend or enter into transactions in which we or another member of our group may have, directly or indirectly, a material interest which may involve a conflict with the duty we owe to you. We may also advise on, recommend or enter into transactions where we owe a duty to another client which may involve a conflict with the duty we owe to you. However, we will ensure that such transactions would, if implemented, be effected on terms that are not materially less favourable to you than if the conflict or potential conflict had not existed and that any such conflict is managed so as to prevent it from adversely affecting your interests. We will also inform you in writing of any such conflict.
- 13.2 We have a conflicts of interest policy concerning conflicts of interest that could arise in the course of providing our Services to you and how these will be prevented or managed. This policy is set out in Appendix 3.
- 13.3 We are required to review at least annually our conflicts of interest policy and report any conflicts entered in our conflicts log to senior management.

### 14. Amendments To These Terms

- 14.1 If we have a valid reason for doing so, we may change these Terms by giving you at least 30 days' written notice before the change comes into effect. For these purposes, a "valid reason" is any one or more of the following reasons:

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- 14.1.1 to reflect changes in or to better comply with Applicable Law;
  - 14.1.2 to reflect changes to our conflicts of interest policy or OHP;
  - 14.1.3 to give effect to a ruling, decision, recommendation or order of a court, tribunal or ombudsman with jurisdiction over these Terms;
  - 14.1.4 to reflect changes in the way we provide our services or the way we operate, including the introduction of new products, services or technologies;
  - 14.1.5 to reflect legitimate increases or reductions in our costs associated with providing our Services to you;
  - 14.1.6 to make these Terms fairer or more advantageous to you; and
  - 14.1.7 to make these Terms clearer or to correct mistakes.
- 14.2 If you do not wish to accept a change to these Terms that we notify to you, you may terminate these Terms without charge or penalty by notifying us of your decision within 30 days of the date of our notice to you. If you do not terminate within 30 days, you will be deemed to have accepted the change. Any such termination will be subject to the Termination section of these Terms.

## 15. Termination

- 15.1 The arrangements governed by these Terms may be terminated at any time by you or by us by providing written notice to the other. Such notice will take effect 30 days from the date of such notice unless otherwise agreed.
- 15.2 The arrangements governed by these Terms will terminate automatically if we cease to be authorised by the FCA or cease to hold all necessary permissions from the FCA to provide our Services.
- 15.3 Transactions initiated prior to termination will proceed as instructed and you will be liable to pay for any such transactions and any fees which may be outstanding that are properly payable under clause 9.
- 15.4 If the arrangements governed by these Terms are terminated, we will terminate your agreement with PSL on your behalf. As such, you must provide us with instructions to arrange the transfer of custody of the assets in your Account held by PSL to an alternative TPP appointed by you. If you do not provide us with such an instruction within 90 days of termination of these Terms, we reserve the right to sell the assets within your Account and to arrange to transfer the proceeds together with any other cash in your Account (less any fees due to us) to you. However, we will only do this if we have been unable to obtain your instructions having used all reasonable efforts to contact you.
- 15.5 Until such date as the assets in your Account are transferred to an alternative TPP or otherwise sold in accordance with clause 15.4, we will continue to collect our fees and charges in accordance with clause 9.
- 15.6 Insignificant Cash Balances and Investments - Many clients who own just a few shares or units find it a nuisance to receive annual reports, tiny dividends and other documents for a small holding or cash sum.

In these circumstances following the last movement on your account (disregarding any payment or receipt of interest, charges or similar items) where an account has a small holding or cash balance of £25 or less, for at least 1 year, during which time we have not received any instructions relating to those investments / cash sums and providing we have made reasonable attempts to advise you of the sum /holding we may either:

- (a) Pay away those investments to a registered charity of our choice, or
- (b) Liquidate those investments at market value and pay the proceeds to a registered charity of our choice.

If any such transfer to charity is made Wise will keep records indefinitely relating to the transactions and attempts to contact you and unconditionally undertake to pay you the amount equal to the market value of the investments in the event that you or your legal representatives contact us and claim those investments.

This clause will apply to deceased and existing clients as well as those transferring their assets to another provider.

### 16. Inspection Of Records

16.1 We will retain such records as may be required in respect of the Services provided to you for at least such minimum periods as may be required under Applicable Law, including without limitation the FCA Rules.

16.2 You or your duly appointed agent may inspect contract notes, vouchers and entries in our books (whether kept manually or electronically) which relate solely to your Account. As all our clients' records are confidential, we reserve the right to withhold copies of records relating to your Account if the originals would give access to the records relating to other clients' accounts.

### 17. Data Protection

17.1 We are the data controller under the data protection laws applicable in the UK ("**Data Protection Laws**"). If you would like to contact us about your personal information or any of the provisions contained in this clause 17, you can do so by using the contact details set out in our Privacy Policy, which can be found on the Legal and Regulatory page of our website.

17.2 From time to time, we may collect and process certain personal information about you. You may give us information by engaging with us (such as by filling in forms or applications, when you request any products or services from us, or if you contact us by phone, email, post, through our online portal in person or by any other means). We may also receive information about you from credit reference and fraud prevention agencies. This information includes your name, address, email address, phone number, login details for our online portal, financial information about your assets, your credit position, details of any payments you make or receive, the products you have invested in, and sensitive personal information about you. Data Protection Laws define certain information as sensitive (e.g. racial or ethnic origin, religious beliefs, physical or mental health, sexual life, criminal proceedings and offences). We use this information only to provide the service you require. We will process your sensitive personal information only at your request and with your explicit consent when it will help us fulfil our obligations to you or is necessary to provide you with the products or services you require. If at any time you wish us to stop processing your sensitive personal information, please contact us using the details in our Privacy Policy.

17.3 We will use your personal information to offer and provide you products and services, to give you advice, to assess your suitability for particular products and services and to maintain certain other records containing your personal information where required under Applicable Law. In order to process and use your personal information, we rely on the following legal bases:

17.3.1 processing is necessary for the performance of the services we provide to you under the Terms;

17.3.2 processing is necessary for the purposes of our legitimate business interests (being to develop new products and services, to inform you of new or other products and services and to let you know about events we are hosting which you may be interested in);

17.3.3 processing is necessary for compliance with a legal obligation to which we are subject; and

## Wise Investment Client Agreement

- 17.3.4 your consent to the extent we are processing your sensitive personal information as detailed in clause 17.2.
- 17.4 We may share your personal information with:
- 17.4.1 third parties (such as credit reference agencies, our service providers (including their sub-contractors) and product providers) for the purpose of processing your application and managing your Account;
  - 17.4.2 any third parties who you ask us to share your data with, such as your accountant;
  - 17.4.3 legal or regulatory authorities (including without limitation the FCA and HMRC) who have a legal authority to check all our records, and other agencies to whom we have a legal duty to report; and
  - 17.4.4 our compliance consultants and other professional advisers who help us to ensure that we abide by our obligations under law and regulations to which we are subject.
- 17.5 To the extent that we transfer your personal information to countries outside the European Economic Area or your personal information is processed for us in those countries, we describe this in our Privacy Policy.
- 17.6 We will not disclose information to any other person (even if they are related to you) other than those listed in clause 17.4 above without your prior written consent, unless we are obliged to do so by Applicable Law or any order of a court or tribunal with jurisdiction over us.
- 17.7 We may use the information that we hold about you to contact you from time to time by post, e-mail, telephone or via our online portal to bring to your attention notices and information about the services we provide to you or your existing contracts. If you do not wish to receive such communications by a particular medium, please contact us using the details set out in our Privacy Policy.
- 17.8 If you give us your email address and you have not selected to opt-out of receiving marketing materials via email from us, we may also send you emails about products or services we think may be of interest to you. We may also contact you with marketing materials via SMS if you have given us your consent to do so. If you no longer wish to receive these materials by email or SMS, you can unsubscribe using the details in the email or SMS or by contacting us using the details set out in our Privacy Policy.
- 17.9 The FCA requires us to keep records of our business transactions for specified periods; we will not, however, keep your records for longer than we require to provide the services to you or than is necessary for legal and regulatory compliance purposes. For further details of how long we may keep your data for, please contact us using the details set out in our Privacy Policy.
- 17.10 Under Data Protection Laws, you have a number of rights with respect to how your personal information is held and used by us, details of which can be found in our Privacy Policy.

## 18. Your Right To Cancel

- 18.1 You have the right to cancel our agreement within 30 calendar days from the date on which it takes effect, as set out above.
- 18.2 If you wish to cancel, you should notify us of this in writing using the methods permitted under clause 5.1.
- 18.3 If you cancel within the 30 day period referred to above, we will return to you all payments made to your Account, but you will not receive back the full amount paid to us if the value of the assets in your Account has fallen since we opened your Account. You will also be liable for any fees and charges which you may have incurred during the period before cancellation.

## Wise Investment Client Agreement

### 19. Liability

- 19.1 We accept liability for losses, costs, expenses and liabilities (“Losses”) suffered or incurred by you in connection with our provision of the Services to you to the extent that they arise as a result of our negligence, wilful default or fraud.
- 19.2 We will not be liable for any Losses suffered or incurred by you other than as set out in these Terms.
- 19.3 Nothing in these Terms is intended to limit or exclude any liability which we have to you under Applicable Law.
- 19.4 We will not be liable for any Losses suffered or incurred by you if we cannot provide our Services due to circumstances beyond our control or as a result of any delay or failure to provide our Services which arises directly from such circumstances.

### 20. Notices

- 20.1 Any notice given under these Terms must be in writing.
- 20.2 Any notice given by post will be deemed to have been received two business days after posting. Any notice delivered by hand will be deemed to have been received at the time of delivery.
- 20.3 In proving service or delivery of the relevant notice, it shall be sufficient for us to prove that it was correctly addressed to the last address notified in writing by you to us.

### 21. Assignment And Transfer

- 21.1 You may not assign or otherwise transfer your rights and/or obligations under these Terms to any other person without our prior written consent.
- 21.2 We may assign or otherwise transfer, by whatever legal means, our rights and obligations under these Terms to any other person that is duly authorised by the FCA with all necessary permissions to provide the Services under these Terms and who we reasonably consider will provide those Services to at least a similar standard. We will provide you with at least 30 days’ prior written notice of any such transfer. If you do not wish to accept such a transfer, you may terminate the arrangements governed by these Terms free of costs and charges by providing us with written notice, provided such notice is received by us before the end of that 30 day period. If you terminate after the end of that 30 day period, you may be liable to pay such costs and charges as may be applicable on termination.

### Rights Of Third Parties

- 21.3 Only we and you can enforce any provision of these Terms, other than the provisions of Appendix 1 which may be enforced by you, by us on your behalf or by PSL. No other person may enforce any provision of these Terms under the Contracts (Rights of Third Parties) Act 1999.

### 22. Governing Law

- 22.1 These Terms shall be governed by the laws of England. Any dispute arising in connection with these Terms shall be subject to the non-exclusive jurisdiction of the courts of England and Wales.



## PART 2: ADDITIONAL TERMS APPLICABLE TO DIM SERVICES AND MODEL PORTFOLIO SERVICES

### 24. Dim Services

- 24.1 Where we provide you with DIM Services, we will have full discretion to manage your Account without reference to you, subject to these Terms and our understanding of your investment objectives and attitude to risk, as set out in your Factfind.
- 24.2 Subject to clause 26.1 and the information set out in the Factfind, unless you notify us otherwise we will assume when providing DIM Services to you that:
- 24.2.1 there are no investments or types or investment in which you do not wish us to deal in respect of your Account; and
  - 24.2.2 our discretion is not subject to any restriction or limitation in respect of the value of any one investment or the proportion of your Account which any one investment or any one kind of investment may comprise.
- 24.3 We may wish to discuss your Account and possible amendments with you from time to time. We will consider any request that you make but the responsibility to decide whether or not to make an investment will remain with us unless we agree to any specific request we receive from you. We may refuse to take any specific action you ask us to take if the result of such action may in our reasonable opinion cause us to breach Applicable Law.
- 24.4 Where you have asked us to take specific action in relation to investments, we may need to assess whether such action is appropriate for you. This may mean that we will have to ask for certain information from you, including information relating to your experience and knowledge of trading in certain types of investments.
- 24.5 If, on the basis of any assessment under clause 24.4 we consider that dealing in these types of investments is not appropriate for you, or if you have not provided us with sufficient information for us to make this assessment, we will warn you of this. If you still wish us to proceed we will do so only at our absolute discretion and only once we have received written confirmation of your instructions. If we do proceed, you should be aware that:
- 24.5.1 we will have assessed that the transaction may not be appropriate for you;
  - 24.5.2 you may be exposing yourself to risks that fall outside your knowledge and experience and/or which you may not have the knowledge and experience properly to assess and/or control to try to mitigate their consequences for you; and
  - 24.5.3 we will have no responsibility for the action so requested, including the outcome.

### 25. Model Portfolio Services

- 25.1 Where we provide you with Model Portfolio Services, we will agree with you an appropriate Model Portfolio in respect of your Account on the basis of our understanding of your investment objectives and attitude to risk, as set out in your Factfind. Your Account will then be derived from and managed in line with the selected Model Portfolio.
- 25.2 If there is any change to your investment objectives and/or your attitude to risk, it may be appropriate to change the Model Portfolio applicable to your Account. In such circumstances, we will agree with you in writing any change to the applicable Model Portfolio.

## Wise Investment Client Agreement

- 25.3 Subject to clause 26.1 and the information set out in the Factfind, we will manage each Model Portfolio on a discretionary basis according to the investment parameters applicable to the selected Model Portfolio, and without reference to you. Consequently, and subject to the investment parameters applicable to the selected Model Portfolio, unless you notify us otherwise we will assume when providing you with Model Portfolio Services that:
- 25.3.1 the there are no investments or types or investment that you wish us not to deal in in respect of your Account; and
  - 25.3.2 our discretion is not subject to any restriction or limitation in respect of the value of any one investment or the proportion of your Account which any one investment or any one kind of investment may comprise.
- 25.4 Where we provide you with Model Portfolio Services, we will not accept any specific instructions from you which in our opinion would require the customisation or amendment of any Model Portfolio. Any such specific instructions provided by you will be handled in accordance with other provisions of these Terms.

## 26. Provision Of Dim Services And Model Portfolio Services

- 26.1 When providing our DIM Services and/or Model Portfolio Services, we will only deal in assets for your Account that we reasonably consider are suitable for you in accordance with your investment knowledge and experience, your financial circumstances including your ability to bear losses and your investment objectives, including your attitude to risk.
- 26.2 You agree that while we are providing you with DIM Services and/or Model Portfolio Services you will not deal, except through us, with any of the assets in your Account and will not authorise any other person to do so on your behalf, save in respect of your arrangements with PSL or any other TPP.
- 26.3 We will determine an appropriate benchmark to be used for the purposes of assessing our performance in providing our DIM Services and/or our Model Portfolio Services. This benchmark will be based on our understanding of your attitude to risk, your investment objectives and the types of financial instruments held in your Account. We will provide you with written notice of the benchmark which will apply in respect of your Account.
- 26.4 We may change the applicable benchmark in respect of your Account if we reasonably believe that:
- 26.4.1 the benchmark previously notified to you is no longer appropriate for you, including without limitation following any material change in your attitude to risk, your investment objectives and/or the financial instruments held in your account; or
  - 26.4.2 an alternative benchmark would be more appropriate for assessing our performance in providing our DIM Services and/or our Model Portfolio Services.
- 26.5 If we change the applicable benchmark we will notify you of this in writing and will inform you which alternative benchmark we have determined to be appropriate for your Account in accordance with clause 26.3.
- 26.6 Fees and charges will be collected on a monthly basis from cash held in your Account. If there is insufficient cash available in your Account to meet the fees and charges due, we may instruct PSL or where applicable any alternative TPP to sell sufficient assets in your Account to meet those fees and charges.
- 26.7 We may exercise discretion when voting on corporate actions, such as mergers and takeovers, although it is our policy to consult you in advance where you may be required to make any additional investment as a result of such a corporate action.

## Wise Investment Client Agreement

26.8 We will not normally and shall not be obliged to provide you with any key investor information document or other pre-contractual information or disclosure document in respect of any investments in which we deal when providing DIM Services and/or Model Portfolio Services to you.

### 27. Statements And Reporting: Investment Management Services

27.1 We will provide you with quarterly reports as required under the FCA Rules in respect of our provision to you of DIM Services and/or Model Portfolio Services (as the case may be).

27.2 These reports will include information on the following matters in relation to the reporting period: the composition and value of your Account (usually based on middle market closing prices); each transaction on the Account; the total amount of fees and charges incurred; any interest, dividends and other payments received in respect of your Account; information on corporate actions; and a measure of performance of your Account compared with the applicable performance benchmark.

27.3 You are also able to view up-to-date details of investments in your Account that are held by PSL and their values at any time via a secure website which can be accessed from <http://wiseinvestment.co.uk/>.

27.4 Please note that valuations sent from third parties may not contain the same information as is contained in our regular statements.

27.5 We may also provide you with other reports from time to time where required in accordance with our legal and regulatory obligations.

27.6 We will send statements and reports to you or your duly authorised representative by post at the address last notified to us, so it is important that we are notified if that address changes.

## PART 3: ADDITIONAL TERMS APPLICABLE TO ADVISORY SERVICES

### 28. Advisory Services

- 28.1 In addition to the types of investments listed in clause 4.2, we may provide our Advice Services in respect of structured deposits.
- 28.2 In providing our Advisory Services to you, we will provide independent advice. This means that we offer advice that is unbiased and unrestricted, is based on a fair analysis of a broad range of retail investment products and is not limited to particular types of products or products issued by particular firms.
- 28.3 We will provide you with investment recommendations that we reasonably consider are suitable for you in accordance with your investment knowledge and experience, your financial circumstances including your ability to bear losses and your investment objectives, including your attitude to risk. Each time we provide you with investment advice, we will provide you with a report that includes an outline of the advice given and how the recommendation we have provided is suitable for you. Such reports shall comply with the requirements of the FCA Rules.
- 28.4 Any advice we give is based on the information you have given us about your circumstances, which is set out in your Factfind. We will ask you to review your Factfind at regular intervals and to advise us in writing of any material change in your circumstances and requirements. We will record all advice on important matters in writing.
- 28.5 It will be your decision whether to invest in, hold or dispose of any investment that we recommend to you. We will take no action in respect of any investments without prior reference to you and receipt of your instructions.
- 28.6 If you accept our advice, you may instruct us to effect the transaction on your behalf in accordance with these Terms. It is your responsibility to ensure that your Account contains sufficient cash to meet the costs of any transaction you instruct us to effect on your behalf. If there is insufficient cash in your Account to meet the costs of any transaction instructed by you, we may instruct PSL or where applicable any alternative TPP to sell assets held in your Account in order to meet such costs. We shall not be obliged to effect any transaction if there are insufficient investments in your Account to meet the costs of the transaction. If we do effect a transaction in these circumstances, you will be liable to pay compensation to us in respect of the costs incurred by us in doing so.
- 28.7 Subject to clause 28.3, in providing our Advisory Services we shall only advise you in relation to particular investments as individual transactions and shall not be under any obligation to have regard to or be responsible for advising you in relation to mix or strategy or otherwise in relation to your Account. It is your responsibility to make investment decisions and in so doing you should take into consideration your wider investment portfolio.
- 28.8 If you instruct us to execute a transaction which is contrary to our advice, or in response to advice or recommendations given by us based on information provided by you or on your behalf which it subsequently becomes clear was incorrect, incomplete or out of date due to your failure to notify us of any changes in the information you had previously provided to us, the transaction shall be executed or shall be deemed to have been executed on an "execution only" basis and the rules applicable to our Execution Only Services will apply to any such transaction.

**29. Periodic Assessment Of Suitability**

29.1 We may agree to periodically assess the suitability of the investments we have recommended to you when providing our Advisory Services. Where we agree to do so, we will confirm this in writing. The purpose of this assessment will be to identify whether the investments we have recommended for you remain suitable for you on the basis the factors set out in clause 24.2 above. We will carry out this assessment on the basis of our understanding of your circumstances at the date on which the review is carried out. This will normally be on or around the date of your annual statement, but we may conduct more regular assessments if we consider this appropriate.

29.2 We may charge a fee for providing periodic assessments of suitability, as set out in the Fee Schedule.

29.3 We will provide you with a report setting out the results of any assessment carried out under clause 29.1. If we determine that any investment we have previously recommended is no longer suitable for you, we will notify you of this as soon as reasonably practicable.

**30. Statements And Reporting: Advisory Services**

30.1 Where we effect a transaction on your behalf under clause 28.6, you will receive a contract note from PSL or where applicable the alternative TPP that carries out that transaction no later than the first business day after the transaction has been effected, in accordance with the FCA Rules.

30.2 We may from time to time receive statements, valuations and other reports from third parties in respect of orders effected by us on your behalf. We will forward these to you as soon as reasonably practicable after we receive them.

## PART 4: ADDITIONAL TERMS APPLICABLE TO EXECUTION ONLY SERVICES

### 31. Execution Only Services

- 31.1 We may from time to time, at our discretion and subject to these Terms, provide Execution Only Services to you whereby we place or transmit for execution on your behalf orders for transactions in investments without considering whether such investments are appropriate for you in accordance with the FCA Rules.
- 31.2 Self-directed investments are where investors make their own investment decisions and transactions are made on an execution-only basis. This will not be a service for everybody. Investors who choose to invest in this manner should regularly review their investments, or seek professional advice, to ensure that the underlying assets remain in line with their investment objectives. This can be particularly important for those investing towards a defined time horizon – for example, those investing for retirement via a pension.
- 31.3 Where you give us instructions under this clause 31, you are responsible for assessing whether the investment in question is suitable for you and we shall have no responsibility for carrying out any assessment of suitability or appropriateness in respect of such investment.
- 31.4 It is your responsibility to ensure that your Account contains sufficient cash to meet the costs of any transaction you instruct us to effect on your behalf. If there is insufficient cash in your Account to meet the costs of any transaction instructed by you, we may instruct PSL or where applicable any alternative TPP to sell assets held in your Account in order to meet such costs. We shall not be obliged to effect any transaction if there are insufficient investments in your Account to meet the costs of the transaction. If we do effect a transaction in these circumstances, you will be liable to pay compensation to us in respect of the costs incurred by us in doing so.
- 31.5 Where you give us instructions under this clause 31, we may need to assess whether the relevant transaction is appropriate for you. This may mean that we will have to ask for certain information from you, including information relating to your experience and knowledge of trading in certain types of investments.
- 31.6 If, on the basis of any assessment under clause 31.5, we consider that the relevant transaction is not appropriate for you, or if you have not provided us with sufficient information for us to make this assessment, we will warn you of this. If you still wish us to proceed we will do so only at our absolute discretion and only once we have received written confirmation of your instructions. If we do proceed, you should be aware that:
- 31.6.1 we will have assessed that the transaction may not be appropriate for you;
  - 31.6.2 you may be exposing yourself to risks that fall outside your knowledge and experience and/or which you may not have the knowledge and experience properly to assess and/or control to try to mitigate their consequences for you; and
  - 31.6.3 we will have no responsibility for the action so requested, including the outcome.

**32. Statements And Reporting: Execution Only Services**

- 32.1 Where we place or transmit orders on your behalf under clause 31.1, we may be provided with a contract note by PSL or another third party. We will send all contract notes we receive on your behalf to you as soon as possible and no later than the first business day after we receive the contract note.
- 32.2 We may from time to time receive statements, valuations and other reports from third parties in respect of orders effected by us on your behalf. We will forward these to you as soon as reasonably practicable after we receive them.



# WISE INVESTMENT

PLANNING FOR LIFE

## Appendix 1

### Pershing Securities Limited Terms and Conditions

#### Terms of Business with Investors

##### PSL Enclosures for Terms of Business with Investors

#### 1 Relationship between you, us and Pershing Securities Limited

- 1.1 Wise Investments Limited (“we” or “us”) has entered into an agreement with Pershing Securities Limited (“PSL”) under which PSL has agreed to provide **dealing, clearing and settlement, safe custody** and other associated services to our clients (the “Pershing services”). Please note that any terms set out in bold in these terms of business are described further in the Glossary which is set out in Annex 1 to these terms of business.
- 1.2 By accepting these terms of business you agree that there is a contract between you and us and between you and PSL and you will be bound by these terms of business. As a consequence, it is important to understand when reading these terms of business, that you will be both a client of ours, and (for the purposes described in these terms) you will also become a client of PSL.
- 1.3 The Pershing services relate to a range of investments, which are set out in Annex 2 to these terms of business.
- 1.4 As a part of its offering, Pershing shall provide a **Stocks and Shares ISA** (including a **Flexible Stocks and Shares ISA**) for which Pershing will act as the ISA Manager. If you wish to use this ISA then you should read the terms and conditions set out in Annex 5.
- 1.5 As a part of its offering, Pershing shall provide a **Junior Stocks and Shares ISA** for which Pershing will act as the ISA Manager. If you wish to use this JISA then you should read the terms and conditions set out in Annex 6.
- 1.6 In order to receive the Junior Stocks and Shares ISA services you must:
- (a) be under 18 years of age, and (i) born on or after 3rd January 2011; or (ii) born before 3rd January 2011, but not hold a Child Trust Funds Account;
  - (b) procure that your Registered Contact return to us a copy of the application form and terms relating to the services;
  - (c) not be a citizen or resident of the United States for the purposes of the United States IRS Code or be designated at any time as having a substantial presence in the United States or act on behalf of any such person, including as trustee or agent or in partnership with such a person; and
  - (d) satisfy, together with your Registered Contact, our anti-money laundering and know your customer requirements.
- 1.7 In order to receive Pershing services (other than the Junior Stocks and Shares ISA) you must in addition:
- (a) complete and return to us a copy of the application form and terms relating to the services;
  - (b) not be a citizen or resident of the United States for the purposes of the United States IRS Code or be designated at any time as having a substantial presence in the United States or act on behalf of any such person, including as trustee or agent or in partnership with such a person; and
  - (c) satisfy our anti-money laundering and know your customer requirements.



PLEASE NOTE that if you are not permanently resident in the UK, you may not be entitled to avail of all or any of the Pershing services.

- 1.8 In the event that your status changes or it subsequently emerges that you are a US citizen or resident for US tax purposes, PSL shall, at its absolute discretion, stop providing services to you and close any accounts it holds in your name forthwith. PSL shall not be responsible for providing any information to, nor making any requisite filings (including any Form 1099-B filings) with, the United States Internal Revenue Service (or "IRS") on your behalf. These terms of business govern the provision of the Pershing services to you. These terms of business shall come into force once we receive and accept your completed application form or when you commence using the Pershing services, whichever is earlier.
- 1.9 PSL is a company registered in England, company number 2474912. Its registered office is at Royal Liver Building, Pier Head, Liverpool L3 1LL. PSL is authorised and regulated by the Financial Conduct Authority ("FCA") which is located at 25 The North Colonnade, Canary Wharf, London E14 5HS. PSL is also a member of the London Stock Exchange.
- 1.10 By accepting these terms of business, you agree that:
- (a) we may give instructions to PSL on your behalf as allowed by our terms of business and may provide information about you to PSL. When PSL receives such instructions or information from us, PSL is entitled to rely on them without making any further checks or enquiries;
  - (b) if any instructions or information is provided to us by someone acting under a power of attorney acting on your behalf, PSL shall, upon receipt of such information or instructions from us, be entitled to rely on them without making any further checks or enquiries; and
  - (c) PSL is authorised to hold cash and investments on your behalf and to transfer such cash or investments from your account to meet your obligations to PSL.
- 1.11 We retain responsibility (including responsibility for complying with any related regulatory requirements) and PSL shall not have any responsibility for the following matters:
- (a) our own operations;
  - (b) instructing PSL to open an account for you;
  - (c) the supervision and operation of your account for you;
  - (d) our ongoing relationship with you;
  - (e) making all necessary anti-money-laundering compliance checks;
  - (f) providing any investment advice to you or taking investment management decisions on your behalf (as the case may be);
  - (g) explaining to you the types of investments covered and any risks relating to investments, investment transactions or any investment strategy to be pursued on your behalf;
  - (h) any required assessment of the suitability or appropriateness of transactions and investments for you or, where permitted and necessary, warning you of any possible inappropriateness of an investment;
  - (i) giving instructions to PSL which are proper, accurate and in accordance with any instructions or mandate you give us;
  - (j) reviewing your accounts for market abuse, insider trading and compliance with FCA Rules and any other applicable legal and regulatory requirements to which we or you may be subject; and
  - (k) the provision of any information or documents as required under FCA rules (as further described in clause 5) in connection with any **Third Party Products**.

## 2 Client classification and joint obligations

2.1 For the purposes of the rules of the Financial Conduct Authority (“FCA Rules”), you will be classified as either a retail client, professional client or an eligible counterparty. PSL will rely on information received from us in relation to your status and will adopt the same client classification for you. We will notify you in writing if there is any change to this position.

2.2 If you hold an account jointly or otherwise hold assets jointly, with any other person, then you and any such other person(s) shall have **joint and several liability** to PSL. Examples of situations where such **joint and several liability** may arise are as follows:

- (a) *Joint account holders:* As well as joint account holders being jointly and severally liable, any payment or accounting made by PSL to any one or more of those account holders will be treated as made to all of them.
- (b) *Trustees:* As well as the trustees of any trust being jointly and severally liable to PSL, PSL will treat the trustees, and not any beneficiary of the trust, as its client. Any payment or accounting made by PSL to any one or more of the trustees will be treated as made to all of them.
- (c) *Agents:* If you are an agent acting on behalf of someone else (whether or not that person (the “Principal”), has been identified to PSL as the person for whom you act) you will be treated as PSL’s client under the FCA Rules and you will also be fully liable to PSL under these terms as if you were acting for yourself. You and your Principal will be jointly and severally liable as described above.

PSL has complete discretion to choose who to pursue for performance of any obligation or payment owed to it under these terms and is not obliged to seek payment or performance of any obligation from you jointly.

## 3 Your Accounts with PSL

3.1 PSL will open and maintain accounts on its books in your name in order to provide its services to you. When PSL receives any cash and investments from you, or on your behalf, it will record them in your accounts.

3.2 PSL will have the right at its absolute discretion to stop providing services under these terms and close any accounts it holds and maintains in your name which may occur, for example:

- (a) if PSL is obliged to stop providing services under any applicable law or regulation (such as anti-money laundering provisions);
- (b) if PSL is not able to provide the services effectively or providing the services would materially adversely affect PSL’s operation;
- (c) where you are in material breach of these terms or we are in material breach of the terms of the PSL Agreement;
- (d) if you fail to satisfy any of the eligibility criteria in order to use the Pershing services as set out paragraph 1.6 of these terms of business or as otherwise notified to you;
- (e) if providing the services to you or to us in relation to your account will have a materially adverse effect on PSL’s reputation;
- (f) if your liabilities in relation to your account, and amounts owing by you to PSL, exceed or are likely to exceed the value of the cash and investments PSL holds for you; or
- (g) where the aggregate cash balance held by PSL for your account represents less than 1 per cent of the value of the investments held by PSL for your account.

We will notify you if PSL chooses to exercise this discretion and the reasons for its decision unless we or PSL are prevented from doing so by some legal or regulatory constraint.

3.3 You may at any time, when there are no outstanding obligations owed by you to PSL, give notice in writing to us to stop receiving services from PSL and to close your accounts with PSL. We will be responsible for

informing PSL of your decision to stop receiving services and PSL will be entitled to rely on such notification from us.

- 3.4 If your account with PSL is closed, you will need to provide us with accurate and timely instructions as to the future safe custody of your investments so that PSL can transfer your money and investments (after deducting amounts owed to it) to your new custodian.

#### 4 Communication and Instructions

4.1 PSL will only accept instructions for your accounts from us and not directly from you.

4.2 PSL may rely on and act on any instructions which PSL in good faith believes were given by us or our representatives. Once PSL has accepted and dealt on instructions from us for your account legally binding obligations are created between you and PSL and/or any **Third Party Product** providers. Such instructions can only be cancelled or changed if we give written notice to PSL sufficiently in advance to enable PSL to prevent the processing of the instructions.

4.3 If PSL seeks instructions from us and we do not respond within a reasonable time, then PSL may take such action as it considers appropriate on the relevant matter. PSL is not responsible or liable to you for any delays or inaccuracies in the transmission of instructions or other information (or any resulting action or failure to act) where that delay or inaccuracy is as a result of factors outside the reasonable control of PSL.

4.4 There may be circumstances where PSL refuses to accept any order or other instruction for your account. For example, PSL may do so for any of the reasons set out in paragraphs 3.2(a)-(g) above or where:

- (a) the transactions falls outside the dealing criteria that PSL applies;
- (b) PSL cannot carry out the instruction because it cannot access a market;
- (c) we or PSL do not have the necessary FCA permission to deal in a particular investment; or.

We will inform you if PSL refuses to accept an instruction and the reasons for its decision unless we or PSL are prevented from doing so because of any legal or regulatory constraint.

4.5 If you have any questions or concerns relating to your account with PSL, you should tell us and we will deal with PSL on your behalf. You should not contact PSL direct.

4.6 All communications whether written, spoken, electronic or in any other form between you, us and/or PSL shall be in English.

#### 5 Provision of Product Information

5.1 PSL shall provide you with the **Product Information** in relation to any investments for which PSL is the product provider in accordance with FCA Rules or other legislation.

5.2 PSL shall not be responsible for the production of, or otherwise for the accuracy, completeness or appropriateness of, any **Product Information** in relation to any **Third Party Products**. The responsibility for providing you with such information shall fall upon us or the relevant provider of such products. We shall ensure that any such required information shall be provided promptly to you and in accordance with the FCA Rules.

#### 6 Dealing

6.1 In order for PSL to provide **dealing** services for your account, you need to ensure that:

- (a) where you are buying investments, there is sufficient cash in your account; and
- (b) where you are selling investments, documents of title or transfer forms that are required are delivered to PSL,

in either case, prior to the execution of the transaction by PSL.

6.2 PSL will provide **dealing** or **execution** services on the following basis:

- (a) execution by PSL will be subject to the FCA Rules and the rules of any investment exchange or other trading facility on which the transaction is executed;

- (b) PSL will treat the instructions we give them as binding on you. Any express instruction from us to PSL on your behalf concerning order execution will override PSL's order execution policy and will remain binding on you;
- (c) PSL's execution policy is set out in [www.pershing.co.uk](http://www.pershing.co.uk) under the 'disclosures' section and therein under 'compliance disclosures'. By your acceptance of these terms, you confirm your consent to the execution policy and acknowledge that it may be amended from time to time. You also agree that PSL may execute transactions on a market that is not a regulated exchange or multilateral trading facility in the European Economic Area. Please note however the provisions of Annex 4 in relation to any overseas investments;
- (d) PSL may combine your orders with orders for its other clients or PSL's own orders. PSL will only do this if it considers that it is unlikely to work to the overall disadvantage of you or any of its clients involved however it is possible that aggregating orders in this way may sometimes operate to your advantage and sometimes to your disadvantage by giving you a higher or lower price than might have been the case if your order had been placed individually; and
- (e) Once PSL executes any transaction on your behalf, PSL will, unless you previously instructed us otherwise, send a contract note to you. It is very important that you check the detail of all contract notes you receive, and notify us (and not PSL directly) immediately if there is any error or if you have any question about them, because the contract note will be considered a conclusive and final record of any detail contained in it, unless we notify PSL of an error within 1 working day after receipt by you and in any event no later than the settlement date for the transaction concerned.

## 7 Settlement of Transactions

- 7.1 When transactions are undertaken on your behalf, they will be due for settlement in accordance with market requirements and the relevant contract note or advice. These settlement terms will vary dependent upon the market and securities dealt in. The contract note will specify the settlement date.
- 7.2 As stated above, it is your responsibility to ensure that PSL receives the necessary investments, documents or cash (as the case may be) in order for PSL to settle the transaction on your behalf. PSL must receive any cash in cleared funds in sufficient time prior to the settlement date in order that it can make the necessary payment.
- 7.3 You hereby undertake that any cash or investments held by or transferred to PSL by you will be free from any right of a third party to make claims against that money or those investments. In particular, it is your obligation to make sure that no other person will be entitled to:
- (a) security rights over them, such as a **mortgage** or a **charge**;
  - (b) any right to withhold or retain them, such as a **lien**;
  - (c) any other rights to have any of the cash or investments paid or transferred to them or to prevent any transfer of such cash or investments from going ahead; or
  - (d) any right to be paid all or any of the proceeds of a transaction;
- so that settlement on your transaction can take place.
- 7.4 In order to settle transactions on your behalf, PSL will need to deal with the other party to the transaction (the "counterparty"). If a transaction has to be settled through a **CCP** or **CSD** the specific provisions set out in Annex 3 and 4 shall apply.
- 7.5 You acknowledge and agree that you will not have any rights to, and that PSL has no obligation to account to you for, any cash or investments which are due to be received by you following a transaction until you have performed your own obligations in relation to that transaction and PSL has been able to settle that transaction on your behalf. Until that has happened, PSL is entitled, without giving you any further notice, to sell or otherwise dispose of any such investments and apply the proceeds or any cash it receives in relation to the transaction in order to discharge or reduce any of your obligations in relation to the transaction.

- 7.6 PSL is not obliged to credit any cash or investments it receives to your account until it has received them in irrevocable and unconditional settlement of the relevant transaction without the sender being able to reverse the settlement or require redelivery. If for any reason PSL does credit cash or investments to your account earlier than this and PSL reasonably considers that irrevocable and unconditional settlement is unlikely to take place then PSL will be entitled to reverse the entry and require you to give back or redeliver the cash or investments or their equivalent.
- 7.7 In some cases, transactions will be subject to **netting**. You agree, in respect of any transaction which is subject to **netting**, to discharging the settlement obligations on a net basis in accordance with the rules of the relevant **CCP, CSD** or agreement with the counterparty. You acknowledge that if net settlement takes place then PSL will only be obliged to account to you for any investments or cash in connection with the transaction on a net basis.
- 7.8 If a transaction is undertaken on your behalf on non-UK markets, the specific provisions set out in **Annex 4** shall apply.
- 7.9 Transactions executed on your behalf may settle in the books of a **CCP, CSD** or other body or custodian combined with transactions for the account of other clients of ours. If this happens then PSL will allocate between our clients the cash or investments received by it or on its behalf as a result of the settlements in accordance with the client trades we have notified to it. If PSL receives cash or investments for trades that were intended to settle at the same time (but which, for whatever reason, do not do so), then PSL will allocate that cash or investments received by it on the following basis:
- (a) in accordance with any priority for settlements determined by PSL prior to the transactions taking place;
  - (b) if transactions have the same priority, then the allocation will be in order of time, by reference to the intended settlement date of the transaction which we specified to PSL, so that the earliest in time will settle first in each case;
  - (c) where transactions have the same priority and intended settlement date, then the allocation will be by value so that the larger or largest trade by value (not by number of units or size) will be settled first in each case.
  - (d) where these allocations are necessary, they will also be subject to the operation of the relevant **CCP, CSD**, custodian or other entity. Such operations may include a **netting** rule or practice, automatic splitting of unsettled transactions or other automatic aggregation, splitting or allocation.
- 7.10 **Time shall be of the essence** with respect to any payment, delivery or other obligation of yours to PSL.

## 8 Client Money

- 8.1 Money held by PSL for your account, will be held in compliance with the FCA Client Asset Rules when these apply to the money. This means, amongst other things, that your money will be kept in a special designated client bank account and therefore completely separate from any money belonging to PSL.
- 8.2 PSL will exercise due skill, care and diligence when considering where the client bank account should be and will periodically review the adequacy and appropriateness of any bank or credit institution and of the arrangements for holding your money (such as which banks or credit institutions are used, the amount of client money deposited with the bank or credit institution and any use of fixed term deposits for client money). PSL will only be responsible for taking care in choosing and monitoring of the chosen credit institution or bank and will not be responsible for any acts, omissions or default by the chosen credit institution or bank.
- 8.3 In some situations the money held for you in a client account may be pooled with money belonging to other clients of PSL. If funds are pooled in this way, you will have a claim against the client money pool in general, rather than for the specific sum held in a specific account. Any deficiency in the pool will be shared pro rata between all the clients whose money is pooled. Such a deficiency is likely to arise if a relevant bank or credit institution with which client money is deposited by PSL becomes insolvent or otherwise defaults on its obligations to pay out money when due.

- 8.4 If PSL holds money which is not immediately required to settle an investment transaction, such money will be deposited with a bank or credit institution, together with other clients' money. Money may earn interest at a rate determined by the relevant bank or credit institution. However, the amount of any interest on money that would be credited to your account and made available to you (subject to clauses 12 and 13.3), will be determined by us, and will be as notified by us to you from time to time. Any interest will be calculated on a daily basis and credited to your account every six months. We may decide not to credit your account if the amount of the interest falls below a threshold amount notified to you by us. Unless we notify you otherwise, you will be entitled to interest at the central bank base rate for Sterling, US Dollars, and the Euro, and the applicable local agent credit rate for other currencies, less a money management fee charged by PSL. PSL charges a fee for managing the balance on your account (the money management fee) and that fee will be applied to the balance on your account and may be higher than any interest which would otherwise have been credited to your account in which case a charge in the form of debit interest may be charged for that balance as notified to you by us.
- 8.5 If we, or PSL, are unable to contact you (for example if you move and fail to update your address with us), so that we are unable to deliver money held for your account to you, or you fail to respond to our communications requesting any instructions from you concerning such money, with the result that any of your money held by PSL is unclaimed PSL may transfer such money to a pooled client unclaimed money account subject always to PSL undertaking to make good any valid claim by you. The money held in the client unclaimed money account will be held by PSL in compliance with the FCA Rules.
- 8.6 Sometimes we or PSL will undertake a transaction for you which requires your money or investments to be passed to an **Relevant Party** in order to meet the obligations under that transaction or as **Margin or Collateral**. When a **Relevant Party** is involved then any money or investments passed to the **Relevant Party** may be at risk in the event of its insolvency. By accepting these terms, you acknowledge that this is the case.
- 8.7 Please refer to the provisions of Annex 4 which will apply if your money is held by a credit institution or bank outside the UK or EEA.
- 8.8 PSL may use a bank which is affiliated to PSL to hold client money on your behalf subject always to any specific FCA Rules concerning the use of such affiliated bank.
- 8.9 Money held by PSL in pooled client money accounts as set out in this clause 8, may (in part) be deposited (where permitted under FCA Rules) into a fixed term deposit. Money held in fixed term deposits cannot be withdrawn by PSL until the fixed term expires. This means that the part of the client money pool (as described in clause 8.3 above) which is held in fixed term deposits would not be available for immediate (or next day) withdrawal by you and the return of such client money would be delayed until the fixed term expires. In addition, PSL would not be able to move client money held in a fixed term deposit until the expiry of such fixed term and therefore would not be able to mitigate the risk of any default or insolvency of the relevant bank or credit institution and the possible creation of a deficiency in the client money pool (resulting in a loss as described in clause 7.3) which may arise during such fixed term. By accepting these Terms of Business you acknowledge you are aware of and accept the risks set out in this clause 8.9.

## 9 Custody and administration of your investments

- 9.1 Subject to clause 9.2, where PSL holds investments for your account it will register those investments in the name of a **nominee company** controlled by PSL or by a member of PSL's group.
- 9.2 In some situations, for example where the rules of a particular market or **CSD** require, PSL will register your investments in the name of an **Eligible Custodian**. PSL will not usually register investments in your name but if it is required to do so, you shall remain responsible for the consequences of any such registration.
- 9.3 If your investments are held overseas the provisions of Annex 4 shall also apply.
- 9.4 When your investments (including any money held for your account) are held by a depository or an **Eligible Custodian**, such depository or **Eligible Custodian** may have rights against your investments, arising out the operation of local law, local regulatory rules, or market practice which may include:
- (a) security rights over them including but not limited to a **mortgage or charge**;

- (b) rights to withhold or retain them, such as by way of a **lien**;
- (c) other rights to have the asset paid or transferred to them or to prevent a transaction involving such asset from going ahead; and/or
- (d) rights to be paid any or all of the proceeds of a transaction involving the asset.

PSL has agreed with the **Eligible Custodians** that such rights as set out in this clause 8.4 are limited to those in respect of debts arising (i) out of properly incurred charges and liabilities arising from the safekeeping, administration and provision of services (including the settlement of transactions as set out in clause 6) with respect to the investments held by the **Eligible Custodian**; or (ii) under the rules of a **CSD**, **CCP** or local settlement system.

9.5 PSL shall keep a record of your entitlement to your investments in situations where PSL or an **Eligible Custodian** (or a **nominee company**) have registered or recorded your investment in a combined account or pooled in some other way with investments belonging to other clients of ourselves, of PSL or of the **Eligible Custodian**. In such a situation you should note the following effects and by accepting these Terms of Business you expressly acknowledge and accept these risks:

- (a) your individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic entries on the register;
- (b) if there is an irreconcilable shortfall following any loss by or default of, PSL or the **Eligible Custodian** (or a **nominee company**) then you may not receive your full entitlement and may share in any shortfall on a pro rated basis with any other investors;
- (c) sometimes PSL will receive investments or money on behalf of more than one client in connection with pooled holdings (for instance in a bonus or rights issue or takeover). In such circumstances PSL may, in accordance with FCA Rules, allocate such investments between clients on whatever basis it considers fair and reasonable in accordance with its allocation policy in force at the time;
- (d) if a share issue or other corporate event favoured the small investor (as defined by the issuer making the issue or creating the corporate event your actual allocation may be less than it would be if your investments were registered in your own name;
- (e) sometimes amounts or investments may arise which would not have arisen if the investments had been registered in your own name. You may not be entitled to any such additional amounts; and
- (f) In the course of settlement of transactions from the omnibus account (due to the nature of such holding and the operation of settlements into and from an omnibus account) circumstances could arise whereby your assets as held in the pool are used to satisfy the transaction of another client whose assets are also held in the omnibus account. You should note that Pershing has in place systems and controls to reduce the occurrence of such events and to mitigate the risk to you from such circumstances as required under FCA Rules.

9.6 Any instructions you wish to give about the administration of investments held by PSL should be given to us in writing for us to send to PSL. We will not accept instructions from anyone but you and will not send instructions to other people on your behalf unless in either case you have previously provided us with a copy of a valid power of attorney authorising us, or the relevant person, to send such instructions.

9.7 PSL will inform us of any rights issues, takeover offers, capital reorganisations, conversion or subscription rights (collectively “corporate actions”) that affect or relate to investments held on your behalf by PSL or an **Eligible Custodian**. It will do so as soon as reasonably practicable after receiving notice of those events. We will, in turn, inform you.

9.8 You should contact us and not PSL if you need any advice in connection with any corporate actions. PSL is not responsible for taking decisions in relation to any corporate actions and will require instructions from you or us on matters such as:

- (a) exercising conversion and subscription rights;
- (b) dealing with takeovers or other offers or capital reorganisations;
- (c) exercising voting rights (where PSL exercises such rights on your behalf).

- 9.9 If any notification is given to you pursuant to clause 9.7 from PSL, you must ensure that you provide instructions to us, for onward transmission to PSL in sufficient time to ensure that PSL is able to act upon such instructions. The instructions given, their consequences, and the consequences of failing to give us instructions, will be entirely your responsibility. Neither we nor PSL is obliged to do more than give one notification on the relevant matter.
- 9.10 PSL will be responsible for claiming and receiving dividends, interest payments and other entitlements automatically arising in respect of the investments held for your account.
- 9.11 Sometimes PSL or an **Eligible Custodian** who is holding your investments may receive dividends, interest and other rights or payments after local withholding or similar taxes or other deductions are made from those sums. You accept that PSL or any **Eligible Custodian** may, if it is required to do so to comply with legal or regulatory requirements, withhold or deduct tax or other amounts from any such payments. Any costs PSL or an **Eligible Custodian** incurs when complying with these obligations may be deducted by PSL from your account. If you are eligible to reclaim any such withholdings or deductions then this will be your responsibility and not that of PSL or an **Eligible Custodian**, to do so.
- 9.12 PSL will arrange for you to receive safe custody statement showing the investments and cash balances it holds for you, reported on a trade date basis. The frequency of such statements is determined by FCA Rules. PSL may provide such statement to you via appropriate on line or electronic means and provided we or PSL notified you of the availability of such statement, it shall be your responsibility to access and review such statement.
- 9.13 In some circumstances PSL may refuse to hold any investment or investments for you. This may occur in any of the circumstances outlined in clause 3.2 of these terms or if the investment concerned is of a kind for which PSL does not have facilities, or arrangements with appropriate **Eligible Custodians**, to hold or if holding the investment would expose PSL to liabilities. We will notify you if PSL chooses to exercise this discretion unless legal or regulatory constraints prevent such disclosure.
- 9.14 PSL will not loan your investments or use them to raise finance.
- 9.15 If investments are comprised within a wrapper (for example, Self Invested Personal Pension plans or insurance linked investment bonds), PSL may act as custodian for the product provider. By accepting these terms, you grant authority to PSL to provide information to the product provider and to take such action in relation to your investments as PSL may be required to under the arrangements that have been agreed with us or the product provider.

## 10 Consequences of your default

- 10.1 If you fail to pay cash or investments (as relevant) when due to meet any settlement obligations or if you otherwise fail to meet any of your other obligations to PSL then you should be aware that there will be certain consequences as a result of such failure, as further described in the remainder of this clause 10.
- 10.2 You will not have a right to title or interest in any cash or investments received for your account. PSL will have no obligation to deliver or account to you for any such cash or investments and PSL will be entitled to retain any such cash or investments until such time that you have met your obligations.
- 10.3 PSL may, without providing any advance notice, use any cash, or sell any securities, held or received for your account and use the proceeds (after deducting any costs in doing so) to eliminate or reduce any unpaid obligations owed to PSL. Any surplus remaining after discharging the obligations owed to PSL, will be paid to you. If the cash and proceeds of disposals do not cover all the obligations owed to PSL, you will still owe PSL the balance.
- 10.4 PSL may, among other things, and without giving you further notice:
- (a) enter into any other transaction (including those with the effect of closing-out a position, or reversing or cancelling a transaction previously entered into);



- (b) take or refrain from taking further action which it considers would, or could, reduce or eliminate any liability under any transaction undertaken for you. PSL may take similar action where it reasonably considers that you have not, or are unlikely to, perform your obligations under these terms.
- 10.5 Where PSL exercises its rights to use your cash or dispose of your investments under clause 10.3 above, it will have no further obligation to you (and neither you nor we will have any right to require PSL to account to you, or to anyone else, for any investments or cash received when the relevant transaction is settled.
- 10.6 You agree that PSL may **set off** transfer or apply (without further notice to you) any obligations or monies owed by PSL to you in order to satisfy in whole or in part any debt or obligation or sum that is due from you to PSL. This applies even if the obligations are in different currencies and includes the payment of any fees or charges due to PSL and any amounts due under your indemnity obligations to ensure PSL does not lose money as a result of your default under these terms or the services it provides you with.
- 10.7 In exercising its rights under these terms PSL may convert currencies and carry out foreign exchange transactions with you or on your behalf at such rates and in a manner that PSL may in its discretion determine. In such circumstances, PSL shall be acting on its own behalf and not executing your orders. It shall therefore not be liable to you for the result obtained, nor for its choice of which investments are to be sold.
- 10.8 The provisions in this clause 10 will continue to apply even if we or PSL stop providing services to you, so long as any obligations for your account remain outstanding. They apply in addition to any other right PSL has, and they will not be affected by any failure by PSL or anyone else to fully enforce their contractual rights, whether as to payment, time, performance or otherwise.

## 11 Limits on PSL's Liability to you and Indemnities you give to PSL

- 11.1 The liability of PSL (and where relevant its directors, employees or agents) to you for any loss or damage which you suffer in connection with these terms shall be limited to circumstances where any such loss or damage has arisen directly as a result of negligence, fraud or wilful default or a breach of the FCA Rules by PSL (or where relevant, its directors, employees or agents). In any event, PSL will not be liable to you for any indirect or consequential losses (howsoever arising). PSL will also not be liable for any loss that is a loss of profit or for any losses that arise from any damage to your business or reputation.
- 11.2 This means that PSL will only be liable for losses that arise as a result of its negligence, fraud or wilful default and then only, for any losses which:
  - (a) arise naturally from a breach by PSL of its obligations PSL Breach; and
  - (b) which were reasonably foreseeable to PSL at the time these terms are entered into.
- 11.3 It is important that you understand that you are responsible for making sure that PSL does not suffer by reason of acting for you. You agree to make good and reimburse (indemnify) PSL and each of its directors and employees and agents ("Indemnified Persons"), after the deduction of any applicable taxes, for and against any liabilities, reasonable costs and expenses (including legal costs) and all duties and taxes (other than PSL's corporation tax) which are caused by:
  - (a) PSL providing its services to you;
  - (b) material breach by you of any of these terms;
  - (c) default or failure by you to make a delivery of investments or payment when due; or
  - (d) any challenge to the validity of, or requirement for proof or ownership, or in respect of any fraud or forgery in relation to any investments delivered to PSL by you or on your behalf, or in relation to any document of transfer regarding such investments. This will include any electronic instruction or information, which appears to transfer such investments.

- 11.4 You will not be liable to indemnify PSL under this clause 11 and PSL will have no right or claim against you or us if any consequences to PSL are caused by its own negligence, wilful default, fraud or any breach of the FCA Rules.
- 11.5 PSL has no liability to you or us for failure to provide any of the services under these terms if that failure is caused wholly or partly by events beyond PSL's reasonable control. This includes (but is not limited to) any failure of communication, settlement, computer or accounting system or equipment, any failure or interruption in the supply of data, any political crisis or terrorist action, suspension or limitation of trading by any exchange or clearing house or any fire, pandemics, flood or other natural disaster. In any of these (or other similar) circumstances any or all of PSL's obligations will be suspended until the state of affairs giving rise to the failure of PSL is remedied.
- 11.6 The provisions in this clause 11 will continue to apply even if we or PSL stop providing services to you. They apply in addition to any other right of indemnity or claim of any Indemnified Person whether or not under these terms, and they will not be affected by any failure by PSL or anyone else to fully enforce their contractual rights, whether as to payment, time, performance or otherwise.

## 12 Charges

- 12.1 The fees and charges payable by you in relation to the services provided by us and PSL, and any taxes payable through PSL, will be set out in the fees and charges information provided to you by us. You may also be liable for other taxes or charges which are not payable through PSL. The fees and charges will generally be deducted from any money held for your account by PSL. If there is insufficient money in your account then PSL reserves the right to sell any assets held for your account and use the proceeds of such sale to meet your outstanding obligations in accordance with clause 10.3. As further described at clause 10, PSL shall be entitled to set off any amounts owed to you against any monies owed by you.
- 12.2 Any changes in the fees and charges payable to PSL may be amended upon three months prior written notice to you. Circumstances in which PSL may choose to increase its fees and charges include, for example:
- (a) to reflect changes in the types of investments, the nature of the services or the manner in which the services are provided to you;
  - (b) to reflect an increase in the cost of providing the services to you; or
  - (c) to comply with any change in applicable laws or regulations.
- Any increase in third party fees or charges shall be passed on to you as and when such increase shall take effect.
- 12.3 For the avoidance of doubt, you shall be entitled to terminate these terms of business in accordance with the provisions of clause 20 in the event that you are dissatisfied with any increase in PSL's fees and charges.

## 13 Conflicts of Interest

- 13.1 PSL, its associated group companies (associates) or nominees may provide services or enter transactions under these terms in circumstances in which PSL or its associates have a material interest. This interest could be direct or indirect and PSL or its associates could also have a relationship with someone else, which may involve a conflict of interest or potential conflict of interest with you. Examples where such actual or potential conflicts may happen include situations where PSL or any of its associates:
- (a) is, or is acting on behalf of, the counterparty to a transaction that is executed by PSL (whether or not involving a fee or commission or increased or reduced price offered or received by PSL or its associates);
  - (b) has a long or short position in the relevant investment; or
  - (c) is otherwise connected to the issuer of the investment to which any instructions relate.
- 13.2 PSL may receive payments from fund managers if PSL provides services to those fund managers through the PSL Nexus Funds Trading Platform. Any payments of this kind are calculated by reference to the value of the assets that PSL holds in custody for its clients.

- 13.3 PSL may place money held for your account with a bank or other financial institution (in accordance with the FCA rules) and earn interest and retain some or all of that interest from that bank or financial institution.
- 13.4 PSL maintains a policy to deal with conflicts of interest, including those outlined in this clause, and a summary of that policy is set out on [www.pershing.co.uk](http://www.pershing.co.uk) under 'disclosures' and therein under 'compliance disclosures'. A hard copy is available on request from us.
- 13.5 You acknowledge that neither PSL nor any of its associates is required to disclose or account to you for any profit made as a result of acting in any manner described above.

#### **14 Data Protection and Confidentiality of Information**

- 14.1 PSL may store, use or otherwise process personal information about you which is provided by you or us on your behalf. The purposes for which it can store, use or process such personal information are providing investment and other services under these terms, administering your account and other purposes closely related to those activities. This includes (but is not limited to) using information for the purposes for credit and anti-money laundering enquiries or assessments. In the United Kingdom PSL operates and has made all the appropriate notifications in accordance with applicable data protection legislation.
- 14.2 Any information that we and PSL hold about you is confidential to you and will only be used in connection with providing services under these Terms (as may be set out in more detail in PSL's published privacy policy as referred to in clause 18). Information of a confidential nature will be treated as such provided that such information is not already in the public domain. PSL will only disclose your information to third parties in the following circumstances:
- (a) if required by law or if requested by any regulatory authority or exchange having control or jurisdiction over you, us or PSL (or any associate of us or PSL);
  - (b) to investigate or to prevent fraud, market abuse or other illegal activity;
  - (c) in connection with the provision or services to you by us or PSL;
  - (d) for purposes closely related to the provision of the services or the administration of your account including without limitation for the purposes of credit enquiries or assessments;
  - (e) if it is in public interest to disclose such information; or
  - (f) at your request or with your consent.
- 14.3 The restrictions on the use of confidential information described above are subject at all times to a general proviso that PSL may disclose your information to certain permitted third parties including members of its own group (associates) and its professional advisors (including accountants and lawyers) who are subject to confidentiality codes.
- 14.4 Neither we nor PSL will sell, rent or trade your personal information to any third party for marketing purposes unless you give your express consent.
- 14.5 You should note that by signing or otherwise accepting these terms you agree that PSL is allowed to send your information internationally including to countries outside the EEA such as the United States of America. Some countries where your information is sent will offer different levels of protection in relation to personal information, not all of which will be as high as the UK. PSL will however, always take steps to ensure that your information is used by third parties only in accordance with PSL's policy.
- 14.6 You are entitled to a copy of any information PSL holds about you subject to PSL's legal entitlement to charge £10 for providing the information. To request such information you should direct your request to us, along with the £10 fee or appropriate instructions authorising PSL to debit such amount from any cash it holds in your accounts and we will pass your request on to PSL. You should let us know if you think any information PSL holds about you is inaccurate and we will ask PSL to correct it.

## 15 Complaints

15.1 If you have a complaint you should notify our compliance officer in the first instance. If however, your complaint concerns an aspect of the service provided to you by PSL and you wish to copy your complaint to PSL directly copies should be sent to:

The Compliance Officer  
Pershing Securities Limited  
Royal Liver Building  
Pier Head  
Liverpool  
L3 1LL

15.2 Where you make a complaint both we and PSL will endeavour to resolve your complaint as quickly as possible but in any event we will acknowledge receipt of your letter within 3 business days. The acknowledgement sent will include a full copy of our or PSL's internal complaints handling procedure. We aim to resolve your complaint within 4 weeks of receipt. Where this is not possible we will contact you to explain why resolution will take longer than 4 weeks and indicate when we anticipate being able to resolve your complaint. Upon resolution of your complaint we or PSL will send you a final response letter, which sets out the nature of our response of any proposed resolution, and any appropriate remedy. If for any reason you are not satisfied with our or PSL's final response, or we have failed to resolve your complaint within 8 weeks of receipt, you may be entitled to refer your complaint to the Financial Ombudsman Service. A leaflet detailing the procedure is provided in our or PSL's final response.

## 16 Client Compensation

PSL is covered by the UK's Financial Services Compensation Scheme ("FSCS"). Compensation may be available from the FSCS if PSL cannot meet its obligations to you. Your possible entitlement to compensation will depend upon the type of business and the circumstances of the claim. Most types of investment businesses are currently covered for 100% of a claim up to a maximum of £50,000. Further information about compensation arrangements is available from the FSCS, [www.fscs.org.uk](http://www.fscs.org.uk).

## 17 Amendment

Without affecting your rights under clause 12.2, PSL reserves the right to alter these terms of business at any time. However, any changes to these terms of business shall only take effect after not less than 21 days' notification has been provided to you unless it is impractical to provide such notice. This could arise, for example, where amendments to these terms of business are required:

- (a) to comply with changes in applicable laws or regulations;
- (b) to comply with changes in the requirements of any exchange, depository or clearing system;
- (c) to reflect the terms applicable to any new or additional services or investments that are requested by you; or
- (d) to reflect any changes in the arrangements involving third parties such as Eligible Custodians.

## 18 Provision of Information via a website

18.1 PSL may provide the following information to you via their website [www.pershing.co.uk](http://www.pershing.co.uk) (under the "disclosures" section). Such information may be amended from time to time by PSL:

- (a) General disclosures of information about PSL, its services and disclosures relating to such Services in general;
- (b) Information concerning the safekeeping of investments and money held by PSL or any of its appointed **Eligible Custodians**;
- (c) Information on costs and charges;

- (d) Information relating to PSL's order execution policy, order handling and conflicts of interest;
- (e) PSL's privacy policy covering the processing of any personal data under the relevant data protection legislation; and
- (f) Disclosures and policies containing general information in relation to the Services provided by PSL to you which PSL is required to publish or which is addressed to the generality of its clients (excluding amendments to these terms and conditions)

PROVIDED Always that such information provided via the website does not include any confidential information or personal data relating to you

## 19 Rights of Cancellation

You may be entitled to certain cancellation rights in relation to specific investments. These rights shall be notified to you by us or the relevant product provider as required under the relevant FCA or other legal or regulatory requirements. If you are unsure about your rights you should contact us for further information.

## 20 Termination Rights

- 20.1 PSL shall be entitled to terminate these terms of business at any time. PSL will generally provide you with not less than 10 **business days**' prior written notice of termination but reserves the right to terminate these terms forthwith without any prior written notice which it may do, for example in the circumstances described in clause 3.2 of these terms.
- 20.2 Subject as set out in clauses 19.3 and 19.4 below, you may terminate these terms of business at any time by giving not less than 10 **business days**' prior written notice to us and, we shall in turn, notify PSL.
- 20.3 Termination of these terms of business shall not affect the accrued rights and obligations of any party and shall not prejudice the settlement of any transactions executed by PSL or accepted by PSL for settlement prior to PSL receiving notice of such termination.
- 20.4 If PSL are holding any assets for your account which cannot be transferred to another custodian following termination of these terms of business for whatever reason, including (without limitation) as a result of outstanding corporate actions, securities which are in liquidation, receivership, administration, restricted or not transferable, then, in the absence of any other arrangements that are agreed upon between us and PSL, PSL will continue to hold such assets in accordance with these terms.

## 21 General

- 21.1 PSL's obligations to you are limited to those set out in these Terms. PSL shall in particular not owe any wider duties of a fiduciary nature to you.
- 21.2 No third party shall be entitled to enforce these terms in any circumstances.
- 21.3 PSL shall have no further obligation to provide the PSL Services (or any of them) in relation to a particular market ("an Affected Market") if and for so long as the participation of us or PSL in the Affected Market (or in the services provided by a **CCP** in relation to the Affected Market) is terminated or suspended or otherwise restricted in any way in accordance with the rules of the Affected Market (or the relevant **CCP**).
- 21.4 Any failure by PSL (whether on an ongoing basis or not) to insist upon strict compliance with any of these terms is not deemed to amount to PSL giving up or waiving any of its rights or remedies under them. The rights and remedies conferred on PSL will be cumulative and the exercise or waiver of any part of them will not stop or inhibit the exercising by PSL of any other additional rights and remedies.
- 21.5 These terms and any dispute (contractual or non-contractual) arising under them are governed by English Law and each party irrevocably agrees to submit to the non exclusive jurisdiction of the Courts of England.

## ANNEX 1

## Glossary

<b>“Annual Subscription Limit”</b>	The maximum subscription allowed in an ISA in any one year as prescribed by the HMRC
<b>Business Days</b>	means any day on which the London Stock Exchange is open for trading
<b>CCP</b>	<p>This stands for central counterparty, which is typically an institution that acts as an intermediary between two market participants. The seller of a security sells to the central counterparty. The central counterparty simultaneously sells to the buyer. This means that if one party defaults then the central counterparty will absorb the loss. This reduces the amount of counterparty risk that market participants are exposed to.</p> <p>Certain markets that PSL trades in on your behalf will involve a CCP and such transactions will be subject to the rules of the CCP.</p>
<b>Charge</b>	A charge does not involve a transfer of ownership but gives a degree of control to a third party over any dealing or disposal of the asset.
<b>Clearing and Settlement Services</b>	The process by which, once an investment has been bought or sold on your behalf, the money is transferred from the buyer to the seller and the investments or the title to the investments is transferred from the seller to the buyer.
<b>CSD</b>	<p>This stands for central securities depository which is a financial institution that custodies securities and provides securities settlement services to one or more markets.</p> <p>When settling a transaction on your behalf PSL may have to settle such transaction through a central securities depository or other securities settlement system and the transactions will be subject to the rules of the CSD.</p>
<b>Dealing or Execution Services</b>	The buying or selling of investments on your behalf.
<b>Eligible Custodian</b>	This refers to a third party custodian (or its <b>nominee company</b> ) who PSL selects under the FCA Rules to register your investments with.
<b>Flexible Stocks and Shares ISA</b>	a flexible stocks and shares ISA as defined in the ISA Regulations
<b>“HMRC”</b>	Her Majesty’s Revenue and Customs
<b>“ISA Account”</b>	A stocks and shares ISA account (including a flexible stocks and shares ISA account where applicable) containing qualifying investments. Enables you to invest up to the current HMRC ISA limits in any given tax year. Investments into an ISA are free of UK Income and Capital Gains tax.
<b>“ISA Regulations”</b>	The Individual Savings Account Regulations 1998 (S.I 1998 No. 1870) as amended or replaced or superseded from time to time.
<b>Joint and Several Liability</b>	If joint and several liability applies, the effect is that both you and the other person(s) separately promise to meet all obligations under these terms in respect of the account either (1) jointly with the other person(s); and (2) individually.
<b>Lien</b>	A Lien allows the person holding the asset to withhold or retain such asset pending the satisfaction of your obligations to them.

<b>Margin or Collateral</b>	This is where your money or investments are passed to a <b>Relevant Party</b> in order to provide security against the performance of obligations.
<b>Mortgage</b>	A mortgage transfers the ownership of an asset to a third party on the condition that it will be re-transferred on the discharge of the obligations owed to that third party.
<b>Netting</b>	Netting is the process under which PSL and/or the counterparty, <b>CCP, CSD</b> or other body concerned with settling a transaction are entitled to reduce their obligations to each other by setting off their obligations to deliver cash or securities to one another. This will give a single amount owing to one party from the other rather than a two-way payment. This single amount will then be paid or delivered to the relevant party.
<b>Nominee Company</b>	A nominee company is one which is used solely for holding investments separately and which does not carry on any other business.
<b>Product Information</b>	Any information relating to specific investments prepared and provided in accordance with the FCA Rules or other legislation.
<b>“Qualifying Investment”</b>	An investment permitted under the ISA Regulations to be held within an ISA
<b>Relevant Party</b>	This includes (but is not limited to) an exchange, clearing house, intermediate broker, settlement agent or a counterparty dealt with directly (over the counter) outside of any exchange. The Relevant Party may be located in the UK or elsewhere.
<b>Safe Custody Services</b>	The safekeeping and administration of any investments held by PSL or its <b>nominee company</b> on your behalf.
<b>Set-Off</b>	This may arise where both you and PSL owe sums to each other. In such circumstances PSL may deduct any sums owed to it by you from any sums that are owed by PSL to you so as to either eliminate or reduce PSL’s liability to you.
<b>“Share Exchange”</b>	Where investments held by an investor outside an ISA are sold, the proceeds used to subscribe to an ISA and the subscription then used to purchase the same investments.
<b>“Stocks and Shares ISA”</b>	A stocks and shares ISA (including a flexible stocks and shares ISA) as defined in the ISA Regulations
<b>Third Party Products</b>	Any investments that are offered by providers other than PSL.
<b>Time shall be of the Essence</b>	The use of this term in relation to any payment, delivery or other obligation you have to PSL means that PSL shall be entitled to terminate these terms and, if appropriate, claim damages from you if you fail to perform your obligation in accordance with the time specified. It is intended to ensure that the relevant deadlines are strictly complied with.
<b>UCITS Directive</b>	The European Council Directive 85/611/EEC of 20 December -85 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

**ANNEX 2**  
**Investments covered by the Pershing Services**

The following investments are currently covered by the Pershing services:

- (a) UK and international equities (including investment trusts); fixed income and other debt securities (corporate or government); exchange traded funds; UK/European Funds authorised under the **UCITS Directive** and/or FSMA; and offshore funds that are UK regulated or not subject to the **UCITS Directive**;
- (b) Stocks and Shares Individual Savings Accounts (ISAs);
- (c) Pension products, including certain self invested personal pensions; unsecured pensions with multiple third party suppliers; and alternative secured pensions with multiple third party suppliers; and
- (d) Life insurance products, including offshore investment bonds with multiple third party suppliers.



ANNEX 3

**CCP and CSD Transactions**

**22 Settlement of CCP and CSD Transactions**

22.1 In order to settle transactions on your behalf, PSL will need to deal with the other party to the transaction (the “counterparty”) and sometimes transactions will be settled through a central counterparty (“**CCP**”) or a central securities depository or other securities settlement system (“**CSD**”) or other depository transfer agent or similar body. When PSL deals with these parties, it does so as your agent, in good faith and on the basis that:

- (a) PSL is not responsible for any default or failure of the **CCP**, **CSD** or other counterparty or of any depository or agent of those entities; and
- (b) the delivery of any securities or payment to you as a result of the transaction is entirely your risk and not that of PSL.

22.2 In some cases, transactions will be subject to **netting**. You agree, in respect of any transaction which is subject to **netting**, to discharging the settlement obligations on a net basis in accordance with the rules of the relevant **CCP** or **CSD**. You acknowledge that if net settlement takes place then PSL will only be obliged to account to you for any investments or cash in connection with the transaction on a net basis.

22.3 We and you acknowledge and agree that:

- (a) PSL does not owe any duty to us, you or any other person to verify the appropriateness, adequacy or effectiveness of the rules, requirements and procedures of any market or **CCP**; or in relation to any exercise or non-exercise by the market or the **CCP** of its rights or powers under such rules, requirements and procedures; and
- (b) PSL shall have no liability for any loss or damage suffered or incurred by us or you by reason of PSL taking or failing to take any action, where such action or failure to take action is authorised, permitted or required by a market or a **CCP** or is otherwise deemed necessary by PSL under the rules, requirements and procedures of the market or the **CCP**.

**23 Limits on PSL’s Liability to you and Indemnities you give to PSL**

If any net settlement takes place then PSL’s only obligation to account to you will be to account for the net investments and/or cash received by it from any relevant **CCP**, **CSD**, or their respective agents, corresponding to the transactions relevant to the net settlement entered into on your behalf. In addition you agree that PSL shall have no liability to you in connection with the exercise by any **CCP**, **CSD**, or their respective agents of their powers under any Power of Attorney or equivalent right or power in respect of any settlement account operated by or on behalf of PSL in connection with the settlement of any transaction.

**ANNEX 4****Overseas Investments****1 Settlement of Transactions**

If a transaction is undertaken on your behalf on non-UK markets, it will be subject to the rules of the relevant overseas exchange, clearing system and/or depositary and to any terms of any foreign agent or custodian employed by PSL. These rules and terms may include, but are not limited to, such persons having the right to reverse a transaction (including reversing the delivery or re-delivery of any investment and any payment) even after it has been settled. In view of the number of markets and counterparties which may be used it is not possible to outline all of the potential rules and obligations that may apply in such cases.

**2 Client Money**

If your money is held by a credit institution or bank outside the UK or EEA or your money or investments are passed to a third party then it is important you understand that the legal and regulatory regime applying to that credit institution, bank or other third party will be different from that of the United Kingdom or the EEA. This means, amongst other things, that the rights and protections you have under the FCA Rules will not be available in respect of those banks or credit institutions or third parties. Other rules and regulations may apply to them under local law but your rights and obligations are likely to differ, particularly if such party is in default

**3 Custody and administration of your investments**

- 3.1 Whether or not they are registered or recorded in the name of PSL, or an **Eligible Custodian**, investments belonging to you which are held abroad may be subject to different settlement, legal and regulatory requirements from those applying in the UK or the EEA. Your rights may therefore also differ. In particular, such investments, by their nature may require, in order to effect settlement of your transaction, that the investment is held in a country that may not impose specific regulation covering the safekeeping of investments. Subject to PSL, satisfying itself that the arrangements for the holding of your investment in such market by the **Eligible Custodian** it appointed are adequate (based on the due diligence referred to in clause 3.2 of this Annex 4), PSL will deposit such investment with such **Eligible Custodian** notwithstanding the risks outlined in this Annex 4.
- 3.2 PSL will exercise due skill, care and diligence in the selection, appointment and periodic review of any **Eligible Custodian** it appoints (including the regulatory rules applicable to such **Eligible Custodian**) and the arrangements for the holding and safekeeping of your investments. It is important that you understand PSL is not responsible for anything done or not done, or any default of an **Eligible Custodian** unless that default is caused by the negligence, fraud or wilful default on the part of PSL or any of its nominee companies. Although PSL will seek to make sure that adequate arrangements are made to look after your ownership rights in any investments (especially in the event of its own insolvency) you should understand that your investments may be at risk if an **Eligible Custodian** becomes insolvent.
- 3.3 Overseas investments may be registered or recorded in the name of PSL or in the name of an **Eligible Custodian**. Your acceptance of these terms indicates your consent to the possibility of registration in such manner. However any such registration in one of these ways will only be done after PSL has taken reasonable steps to determine that it is in your best interests to do so or that it is not feasible to do otherwise because of the nature of the applicable law and market practice in the jurisdiction where the transaction occurs. Registration in this way means that your investments may not be kept separate from other investments belonging to PSL or the relevant **Eligible Custodian**. Your protection may therefore be less, as if the person in whose name your investment is recorded defaults on its obligations, your investment may not be separately identifiable as yours. Accordingly it may be subject to other third party claims including claims by the general creditors of the defaulting person.

## ANNEX 5

## TERMS AND CONDITIONS FOR ISA ACCOUNTS

The terms of business set out in this section (the “additional terms of business”) only apply if you have applied to open a Pershing ISA (including a Pershing Flexible ISA unless otherwise stated). Please note that these additional terms of business apply in addition to the Terms of Business. Should any terms within this Annex 5 conflict with the Terms of Business, this Annex 5 shall prevail.

### 1 Applications and subscriptions

1.1 Your application for a Pershing ISA can only be accepted after completion and submission of a Pershing **Stocks and Shares ISA** Application Form. PSL reserves the right to refuse any application.

1.2 Investment in a Pershing ISA may be only in the form of a cash subscription, **Share Exchange** or approved Inland Revenue profit sharing or SAYE scheme. The Pershing ISA is a **Stocks and Shares ISA**.

1.3 Investment in an ISA is subject to any minimum investment threshold notified to you by us and the **annual subscription limit** as determined by **HMRC**.

1.4 You may only invest your own cash in an ISA. An ISA cannot be held in joint names and cannot be transferred to another person.

1.5 PSL may disclose to **HMRC** or to any other regulatory body any information concerning your Pershing ISA from time to time.

1.6 PSL will notify you if your Pershing ISA has or will become void as a result of any failure to satisfy the **ISA Regulations**. A breach of the **ISA Regulations** may result in the ISA being declared void and no longer qualifying for tax relief. Tax credits may have to be repaid and, where appropriate, all the interest credited in respect of cash on deposit will be subject to a deduction of tax at the appropriate rate. Pershing will not be liable to you in circumstances where your ISA has become void as a result of any failure outside of its control, including but not limited to a failure by you or your financial adviser, to satisfy the **ISA Regulations**.

### 2 Dividends and benefits in your ISA

2.1 Dividends will be paid in cash, unless indicated otherwise, by you on the application form.

2.2 PSL will automatically add the shares arising from any bonus or capitalisations to your **ISA** provided that they are **Qualifying Investments**.

2.3 Where investments arising from rights issues, takeovers or mergers, or other corporate events, are not **Qualifying Investments**, PSL is required by the **ISA Regulations** to either sell the investments within thirty days of the date on which they ceased to be **Qualifying Investments** (in which case the proceeds can remain within your ISA or to transfer the investments to you to be held outside of your ISA. You will be liable for any applicable withdrawal charges or dealing costs or any other costs. In the event that all investments within the ISA cease to be **Qualifying Investments**, PSL reserves the right to apply any associated transaction fees as set out in the information about fees and charges we provided to you. PSL will use reasonable endeavours to seek instructions from us in this regard before taking any action.

2.4 You must ensure that cleared funds are available in your ISA to meet forthcoming instalments for nil paid rights or other investments with future or contingent obligations to make payments (to the extent PSL will permit these to be held in your ISA), without exceeding the Annual Subscription Limit. PSL will notify you in advance of instalments payable and, in the absence of instructions or further subscription, PSL reserves the right, in accordance with Clause 10 of the Terms of Business, to withdraw the shares from your ISA or sell sufficient of the shares to meet your obligations. PSL will charge a fee in respect of any such sale at the rate set out in the information about fees and charges we provided to you, or as otherwise notified to you in writing, from time to time.

2.5 PSL will make arrangements to enable you to vote and to attend shareholders', securities holders' or unit holders' meetings and receive a copy of the annual report and accounts of every company or other concern in respect of **Qualifying Investments** held in your ISA if you so wish. You must, however, give PSL (through us) sufficient notice of your wishes in order to enable PSL to make the arrangements. A charge will be made for this service as shown in the information about fees and charges we provide to you from time to time. Voting arrangements are subject in all cases to PSL receiving notification of any vote, an instruction from us in good time and to the company, or other entity supervising such vote, accepting a vote form PSL. In addition to the circumstance set out in the Terms of

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Business, Pershing may refuse any instruction to vote in the event that Pershing believes such vote might cause PSL to incur risks to its reputation,

### 3 Dealing in your ISA

- 3.1 Investments within your ISA are restricted to **Qualifying Investments**.
- 3.2 You must be and remain at all times the beneficial owner of the **Qualifying Investments** in your ISA.
- 3.3 The legal title to the **Qualifying Investments** held in your ISA will be registered in the name of PSL's nominee company.
- 3.4 The **Qualifying Investments** in your ISA must not be used as security for a loan.
- 3.5 PSL will send you a valuation statement once every six months dated the 31<sup>st</sup> December and the 30<sup>th</sup> June by first class post. The value of any shares held will be calculated using the mid-market closing price as supplied by its data provider at the close of business on the date of the calculation. PSL does not accept any responsibility for this price, other than to accurately reproduce the price supplied to it by its data supplier.

### 4 Withdrawal or transfer of investments held in your ISA

- 4.1 You may withdraw, or transfer to another ISA manager, all of the investments held in your ISA for the current tax year, or all or part of previous years ISAs and any proceeds arising from those investments at any time by giving your Adviser instructions in writing. PSL will give effect to your instructions within the time stipulated by you which may not be less than thirty days, following receipt from your Adviser. If you wish to withdraw your investments and request a paper certificate, it may occasionally take longer due to circumstances outside PSL's control (for example, paper certificates are issued by the relevant Registrar and the time taken for the issue of certificates may vary depending on the volume being issued at the time of request. For some types of investments, such as residual stocks, it may take several months.)
- 4.2 If you wish to receive the proceeds of a sale of **Qualifying Investments**, you must give us duly signed notice in writing and, following receipt by PSL of an instruction to this effect from us, a payment will be sent to you as soon as practicable after settlement has completed. PSL may make a charge each time you withdraw an investment from your ISA. Please refer to the Fees and Commission Schedule. No charge will be made for cash withdrawals from your ISA.
- 4.3 Withdrawals cannot be made in favour of any person other than you.
- 4.4 All **Qualifying Investments** that PSL sells on your behalf will be withdrawn from PSL's nominee company for delivery to the appropriate counterparty. No charge will be made for such withdrawals.

### Additional terms for withdrawals and transfers in relation to a Pershing Flexible ISA

4.5 Where you have made a **cash withdrawal** from your Pershing Flexible ISA, whether this is from interest, dividends or sale proceeds, under the ISA Regulations, PSL will accept a repayment into your Pershing Flexible ISA of all or part of the withdrawals amount (Flexible ISA allowance), subject to the following provisions:

- the repayment is made within the same tax year as the withdrawal
- the repayment is made into the same ISA as it was withdrawn from
- any payment received from you is deemed to be a replacement first of the amount withdrawn, before any additional payment can be viewed as new subscription
- any payment received from you which exceeds the amount previously withdrawn in that tax year will be viewed as new subscription and will be subject to normal ISA subscription rules
- where you have subscribed to a Pershing Flexible ISA in the current tax year, any withdrawal of cash is deemed to be first made out of the current year's subscription. Your subscription balance will therefore be reduced accordingly. However, even where your full subscription is withdrawn and not repaid into your Pershing Flexible ISA, you will still have made a current year subscription to a Pershing Flexible ISA and cannot subscribe to a different Stocks and Shares ISA in that tax year
- withdrawals of stock, for example certificate re-registrations, will not create a Flexible ISA allowance.

4.6 The transfer of all or part of your Pershing Flexible ISA to another ISA manager will not create an additional Flexible ISA allowance.

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4.7 Where you have made a cash withdrawal from your Pershing Flexible ISA during the tax year and subsequently transfer that ISA to another ISA manager, the Flexible ISA allowance will not be transferred, that is, you will not be able to replay the withdrawal amount to your new ISA manager.

4.8 You may not make Additional Permitted Subscriptions into a Pershing Flexible ISA.

## 5 Termination of your ISA and Cancellation Rights

5.1 If you terminate the arrangement set out in these additional Terms of Business, you can either request transfer of the ISA including any **Qualifying Investments** to another ISA manager (or request that any cash balance is paid to you) subject to paragraph 4 above or the sale of the **Qualifying Investments** held in your ISA and remittance of the proceeds to you together with any other cash held within the ISA. Any outstanding fees and charges must be paid by you and will be deducted from any cash held. Where an ISA is transferred to another ISA manager, any dividends that are received after the transfer of shares will be processed in accordance with the account arrangements with regard to income unless you notify PSL in writing.

5.2 If PSL terminates the arrangements set out in these additional Terms of Business, PSL will give you at least thirty days notice in writing and will explain its reasons for doing so. This notice period will not apply, however, if your ISA has or will become void.

5.3 Should you die, the exemptions from tax will cease from the date of your death. Upon notification of death PSL will transfer the investment(s) held within your ISA to your general investment account. If otherwise instructed, PSL will dispose of the investment(s) held in your ISA and remit the proceeds to your personal representatives upon receipt of a certified copy of either a Grant of Probate or Letters of Administration.

5.4 If you wish to close your ISA and you notify us within 14 days of the opening day of the account, or within 14 days of the day you receive these Terms and Conditions, whichever is the later, the agreement between PSL and you as set out in this Annex 5 will be cancelled. The balance on your account and any gross interest earned will be repaid to you.

Subject to **HMRC** conditions, you will still be able to open an ISA with another ISA manager or us and your full **annual subscription limits** will remain.

(**HMRC** conditions, as at 1<sup>st</sup> November 2009, require an ISA to be cancelled within 30 days of account opening in order to retain full **annual subscription limits**.)

ANNEX 6

**SUPPLEMENTAL TERMS AND CONDITIONS FOR JUNIOR ISAs**

**Definitions and interpretation**

In these Supplemental Terms and Conditions, unless otherwise stated, capitalised words shall have the same meaning as in the Pershing Terms and Conditions. In addition:

**Application form** shall mean the application form to be completed and signed for Junior ISA subscription, administration and redemption purposes.

**Child Trust Funds Account** shall mean a Child Trust Funds Account as defined by the Child Trust Funds Act 2004 (as amended).

**Eligible Child** shall mean a child who is under 18 years of age, and: (a) (i) is born on or after 3rd January 2011; or (ii) is born before 3rd January 2011, and does not have a Child Trust Funds Account; and (b) at the time when the application to open a Junior ISA application is made, the child is: (i) resident and ordinarily resident in the United Kingdom; (ii) a person who has general earnings from overseas Crown employment subject to United Kingdom tax within the meaning given by section 28 of the Income Tax (Earnings and Pensions) Act 2003; (iii) married to, or in a civil partnership with, a person mentioned in paragraph (ii); or (iv) a dependant of a person mentioned in paragraph (ii).

**ISA Regulations** shall mean the Individual Savings Account Regulations 1998 (as amended from time to time and including any guidance or interpretation given thereon).

**Junior ISA** shall mean a Pershing stocks and shares junior ISA which conforms to the ISA Regulations provisions pertaining to stocks and shares junior ISAs for the benefit of an Eligible Child. Note that Pershing does not currently offer a cash junior ISA.

**Overall Subscription Amount** shall mean the maximum amount(s) that may be applied to a Junior ISA in any tax year as specified in the ISA Regulations.

**Registered Contact** shall mean a person who is over 16, unless they are suffering from mental disorder and either has parental responsibility in relation to the Eligible Child or is the Eligible Child themselves who is over 16 years of age and has taken on management of the Account by making an application to Pershing for "registered contact" status and has received such approval.

**Supplemental Terms and Conditions** shall mean these Junior ISA supplemental terms and conditions.

**Void** shall mean a Junior ISA that is void in accordance with ISA Regulations and/ or HMRC instructions.

**1. GENERAL**

1.1 Pershing's Junior ISAs and all applications relating to them are governed by the Pershing Terms and Conditions, these Supplemental Terms and Conditions and the ISA Regulations.

1.2 The Supplemental Terms and Conditions set out in this agreement provide details of additional terms and features, and explain how the Pershing Terms and Conditions are varied in their application to our Junior ISAs. Should the terms of the Pershing Terms and Conditions and these Supplemental Terms and Conditions conflict, then the latter shall prevail. Also, should the Pershing Terms and Conditions and/or the Supplemental Terms and Conditions conflict with the terms of the ISA Regulations, then the terms of the ISA Regulations shall prevail.

1.3 Where under the Pershing Terms and Conditions mention is made to ISAs, then this shall include Junior ISAs unless the contrary is indicated in the text below.

1.4 The parties agree that Pershing may accept payments from any third parties without satisfying itself that those funds are owned by the Registered Contact or the Eligible Child.

1.5 The Junior ISA remains the property of the Eligible Child. Any assignment of, or agreement to assign, investments under a Junior ISA, and any charge on or agreement to charge any such investments is Void.

## **2. THE JUNIOR ISA**

### **Who can apply for a Junior ISA?**

2.1 An application for a Junior ISA can be made either: (i) by a person who at the time of the application is over the age of 16, provided they act in the capacity of a Registered Contact for the benefit of an Eligible Child and the application which is being made is for the benefit of that Eligible Child; or (ii) by an Eligible Child as a Registered Contact for their own benefit and at the time of making the application the Eligible Child has attained 16 years of age.

### **When can we refuse to accept an application for a Junior ISA?**

2.2 Pershing is within its rights to refuse to accept an application for a Junior ISA if:

- 2.2.1 the application is unsigned, undated or deemed by Pershing to in any way be incomplete;
- 2.2.2 in Pershing's reasonable opinion, Pershing believes that any of the information or documentation presented in relation to the applicant is untrue or incorrect; or
- 2.2.3 Pershing believes that any of the eligibility requirements for qualification in relation to a Junior ISA as set by the HMRC and the ISA Regulations have not been satisfied.

### **What is the effect of Pershing accepting your application for a Junior ISA?**

2.3 In the event that Pershing accepts an application for a Junior ISA, then the account will be regulated by the ISA Regulations and no benefit may be taken nor any payment made except in accordance with the ISA Regulations. All communication will be with the Registered Contact only.

2.4 The operation of the Junior ISA will be governed by the Pershing Terms and Conditions as modified by these Supplemental Terms and Conditions and the ISA Regulations.

## **3. INSTRUCTIONS**

### **Who can give instructions to us concerning a Junior ISA?**

3.1 Pershing shall only accept instructions from a Registered Contact concerning the operation of a Junior ISA.

## **4. REGISTERED CONTACT**

### **In which circumstances can a change be made to the details of a Registered Contact?**

4.1 Unless any of the provisions contained within paragraph 2.2 apply, with the consent of the existing Registered Contact, and in accordance with the ISA Regulations, Pershing agrees to consider an application in standard form for a change of the identity of the Registered Contact.

4.2 Unless any of the provisions contained within paragraph 2.2 apply, without receiving the consent of the Registered Contact and in accordance with the ISA Regulations as prescribed, Pershing shall consider an application in standard form to change the details of a Registered Contact in respect of a Junior ISA in circumstances where either by sight of suitable documentation or from any other evidence Pershing holds, Pershing is satisfied as to:

- 4.2.1 the death of the Registered Contact;
- 4.2.2 the incapacity of the Registered Contact;
- 4.2.3 the Registered Contact not being in contact with Pershing for a 12 month period and an item of post having been returned undelivered;
- 4.2.4 a court order being made bringing to end the status of the existing individual being a person with parental responsibility for the child;
- 4.2.5 a court appointing a guardian or special guardian of the child;
- 4.2.6 a court making an order that the person who is the existing Registered Contact cease to act as such;
- 4.2.7 a new Registered Contact adopting the child; or

4.2.8 the fact that the applicant is the Eligible Child themselves, and that the child is making the application to become the Registered Contact after reaching 16 years of age, but has not attained the age of 18, and does not suffer from any mental disorder as outlined in the ISA Regulations.

#### **In which circumstances will the authority of the Registered Contact cease?**

4.3 In any case, the authority of the Registered Contact shall cease on the earlier of the following events:

4.3.1 the Eligible Child becoming a Registered Contact in accordance with paragraph 4.2.8 above;

4.3.2 the Eligible Child reaching 18 years of age, in which event the Account will no longer remain a Junior ISA and all investments held within the Account will revert to being held within an "adult" tax free ISA wrapper and become subject only to the Pershing Terms and Conditions, the ISA Regulations and Pershing standard ISA charges; or

4.3.3 Pershing becomes aware of the fact that the Registered Contact ceases to have parental responsibility in which event all further instructions from such Registered Contact will be declined until an application is received for a change of Registered Contact in accordance with paragraph 4.2 above. In the meantime, Pershing shall not be responsible for any investment or other losses arising as a result.

### **5. JUNIOR ISA SUBSCRIPTIONS**

5.1 Any subscriptions made to the Junior ISA are a gift to the Eligible Child.

5.2 Whilst the Eligible Child is alive, any person may make a subscription to a Junior ISA provided the subscription is by a cash payment method and the overall amount subscribed does not exceed the Overall Subscription Amount.

5.3 No subscription may be made to a Junior ISA once the Eligible Child has reached eighteen years of age.

5.4 Only one Junior ISA may be held for the entire period during which a child remains an Eligible Child. The subscriptions will always be applied to the same Junior ISA regardless of the tax year in which the subscription is received.

5.5 If Pershing receives information that there is a more recent Junior ISA held by an Eligible Child than the Junior ISA with us, then Pershing shall deal with this in accordance with the ISA Regulations.

5.6 If Pershing receives a subscription which exceeds the Overall Subscription Amount then that amount cannot be applied to the Junior ISA with Pershing, and Pershing will return that proportion of the cash received to the person who paid those funds to Pershing. If monies in excess of the Overall Subscription Amount are discovered to have already entered the Junior ISA, then such funds will be dealt with in accordance with the ISA Regulations.

### **6. WHAT CAN YOU INVEST IN WITH A JUNIOR ISA?**

6.1 Investments available for investment with an ISA may also be held in a Junior ISA. Cash may only be held in a Junior ISA for the purpose of investing in qualifying Investments.

### **7. CLOSING A JUNIOR ISA AND WITHDRAWAL INSTRUCTIONS**

7.1 You may not give Pershing instructions to close a Junior ISA or make withdrawals from it except where:

(i) the Eligible Child has become terminally ill (see paragraph 7.2 below);

(ii) the Eligible Child has died (see paragraph 7.3 below);

(iii) the Eligible Child has reached the age of 18, and agrees (see paragraph 7.4 to 7.7 below);

(iv) a transfer is being made of the Junior ISA investments to another ISA manager (see paragraph 7.8 to 7.10 below);

(v) on direction from the HMRC where the Junior ISA is Void (see paragraph 7.11 below); or

(vi) when subscriptions are small and then cease resulting in account charges bringing the account to a nil balance (see paragraph 7.12 below).



**(i) Withdrawals on terminal illness of the Eligible Child:**

7.2 Where the Eligible Child is terminally ill, subject to the definitions and conditions of the ISA Regulations, the Junior ISA will be closed upon receipt of evidence prescribed under the ISA Regulations and the proceeds shall be paid to the Registered Contact. In this event, no withdrawals can be made from a Junior ISA unless the Registered Contact has made a claim to HMRC to be allowed access to the investments held in the Junior ISA, and we have received a valid approval from HMRC. On withdrawal of funds the Account may be closed.

**(ii) Closing an account on the death of Eligible Child:**

7.3 If Pershing receives notice of the death of the Eligible Child, then this is first verified on sight of appropriate documentation, and then due payment will be made to the legal personal representatives of the Eligible Child. Pershing will write to the personal representatives of the Eligible Child and offer the choice of selling or stock transfer following receipt of appropriate documentation after which the Account shall be closed.

**(iii) Closing an Account on the event of the Eligible Child turning 18:**

7.4 When an Eligible Child reaches the age of 18 then the relevant Junior ISA will be transferred to an equivalent ISA.

7.5 The replacement ISA will be established for the beneficiary in their own right, and subject only to Pershing ISA Terms and Conditions (including charges to be paid in respect of it), and the ISA Regulations. On withdrawal of funds the Account will be closed.

7.6 Any Registered Contact will no longer be entitled to give us instructions in relation to the replacement ISA, unless the Account owner has authorised Pershing to accept any such instructions.

7.7 The holding will be automatically transferred to an adult ISA on the day of the Eligible Child's 18th birthday, but there is no obligation to return an ISA application form to facilitate this. An ISA application is only required when the investor wishes to add further subscriptions (to the new 'adult' ISA). No subscriptions may be made to the replacement ISA, nor instructions acted upon by Pershing in relation to that Account until such time as the Account holder has completed the relevant application form in accordance with the Pershing ISA Terms and Conditions.

**(iv) Transferring a Junior ISA:**

7.8 Transfers may be made between account providers for junior ISAs or investments, in whole or in part from one type of junior ISA to another, for example, from cash to stocks & shares and vice versa. Pershing shall permit the partial transfer in and out of a Junior ISA, as long as any current year subscriptions are transferred in full.

7.9 An account may be transferred even if at the time of transfer the child is no longer eligible for a Junior ISA or no longer resident in the UK. All transfers will be carried out in accordance with the ISA Regulations.

7.10 Previous years' Junior ISA subscriptions can be transferred in whole or in part. The current year's Junior ISA subscriptions must be transferred in full. These rights must be exercised in accordance with the ISA Regulations limit on each Eligible Child having only one of each type of junior ISA at any time. Pershing will close a Junior ISA which after transfer has a nil account balance.

**(v) Repairing an invalid or Void Junior ISA:**

7.11 An invalid Junior ISA will be repaired in all circumstances immediately by Pershing on it becoming aware of any invalidity, except where the child is not eligible or has another valid Junior ISA of the same type, in which case it must be Voided. Pershing will never Void a Junior ISA except where instructed to do so by the HMRC and will treat all Void Junior ISA's in accordance with the ISA Regulations. Pershing will notify the Registered Contact in such circumstances.

**(vi) Closing due to Nil Balance**

7.12 A nil balance arises will in the following circumstances:

- a) a Junior ISA has been opened and a small initial investment has been made, but contributions then stop and agreed charges then bring the balance down to nil;

## Wise Investment Client Agreement

b) a terminal illness claim has been accepted and the Registered Contact has withdrawn the funds held in the Junior ISA; or

c) where all of the investments in a Junior ISA have been transferred. In any case Pershing may close the remaining nil balance account.

### 8. ADMINISTRATION

8.1 The Junior ISA investments will be held in the beneficial ownership of the Eligible Child.

8.2 Contract notes, statements of account, valuations and reports applicable to the Junior ISA shall be issued to the Registered Contact.

8.3 In the event that any person or organisation other than the Eligible Child or Registered Contact makes a subscription to the Junior ISA, it is the responsibility of the Registered Contact to advise such donor that its subscription is a gift to the Eligible Child and cannot be recovered.

8.4 Pershing will be under no obligation to record the identity of a donor to a Junior ISA, or to advise the Registered Contact of this fact.

8.5 Pershing may refuse to accept any subscription in circumstances where (i) Pershing reasonably believes that acceptance may result in the Junior ISA (or any part of it) becoming Void under the ISA Regulations or (ii) Pershing is prevented from doing so by Applicable Law (for example, in relation to anti-money laundering requirements).

8.6 Except for cash deposits, National Savings products and certain insurance policies (see below), the title to the Junior ISA investments will be registered:

(i) in the name of Pershing;

(ii) in the name of the Pershing nominee; or

(iii) jointly in one of one of them and the child or Registered Contact.

8.7 Where a share certificate or other document evidencing title to a Junior ISA investment is issued, it will be held by Pershing or as Pershing may direct.

8.8 Where insurance policies are with an insurer that is also a Junior ISA provider, the title to the policies shall be vested in the Registered Contact and the policy document or other document showing title to the insurance policy shall be held by the Registered Contact.

8.9 Pershing will arrange, if the Registered Contact elects, for the Registered Contact to receive a copy of the annual report and accounts issued by every company or other concern in respect of shares. (A separate charge may be levied for this service).

8.10 Pershing will arrange, if the Registered Contact elects, for the Registered Contact:

(i) to attend shareholders', securities holders' or unit holders' meetings;

(ii) to vote; and

(iii) to receive, in addition to the annual report and accounts, any other information issued to shareholders, securities holders or unit holders.

8.11 Pershing will satisfy itself that any person to whom the Registered Contact delegates any of its functions or responsibilities under the terms agreed with the Registered Contact is competent to carry out those functions and responsibilities.

8.12 Where the applicant for the Junior ISA is between the ages of 16-18 (whether they are the child who will hold the account, or an individual applying for the account for an Eligible Child) any management agreement for the Account has legal effect as if the Account applicant was 18 years old or over.



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## Appendix 2

### Order Handling Policy

The EU Markets in Financial Instruments Directive (“MiFID”) and corresponding rules of the Financial Conduct Authority (“FCA”) require that investment firms establish an order handling policy and take all sufficient steps to obtain the best possible result for their clients when placing orders with or transmitting orders to other firms for execution.

This policy is applicable to retail clients (“you” or “your”) of Wise Investments Limited (“we”, “us”, “our”) and explains how we place your orders with or transmit your orders to other firms for execution. Such orders may arise where we are:

- providing you with advice or a recommendation to perform a transaction and you have provided an instruction to give effect to the advice or recommendation;
- acting as a discretionary or advisory investment manager; or
- providing an ongoing service to you for executing and arranging deals, having received an instruction from you in relation to that service.

#### 1. Factors We Take Into Account When Placing Deals For You

1.1 When we place or transmit orders to buy and sell investments to other entities for execution on your behalf, we will act in accordance with the best interests of our clients.

1.2 In so doing, we will take all sufficient steps to obtain the best possible result for you, taking into account a number of factors to determine the best way to place your deal. These factors include:

- 1.2.1 the total price you pay for the investment, including any costs;
- 1.2.2 the speed at which we can complete the deal on your behalf;
- 1.2.3 the likelihood of executing and settling the order;
- 1.2.4 the size of the order;
- 1.2.5 the nature of the order; and
- 1.2.6 any other consideration relevant to the execution of the order.

1.3 We will determine the relative importance of these factors by reference to the following characteristics:

- 1.3.1 your characteristics, including your client categorisation;
- 1.3.2 the characteristics of the order;
- 1.3.3 the characteristics of the financial instruments to which the order relates; and
- 1.3.4 the characteristics of the execution venues to which the order can be directed.

1.4 As we provide services to retail clients, the most important factor we take into account when handling your orders is the total price (including any costs) you will incur for the order. There may be circumstances where we may give other factors more importance.

## 2. Where We Place Or Transmit Your Orders For Execution

- 2.1 We provide our services in respect of the following types of investment:
- 2.1.1 shares in UK and overseas companies;
  - 2.1.2 bonds, debentures, loan stock, notes, certificates of deposit and other debt instruments;
  - 2.1.3 warrants to subscribe for investments falling within 2.1.1 or 2.1.2 above;
  - 2.1.4 collective investment schemes in the UK or elsewhere, including collective investment schemes managed or sponsored by members of our group; and
  - 2.1.5 (in respect of our investment advice services only) structured deposits.
- 2.2 We do not execute orders for our clients, but place or transmit them with other firms for execution.
- 2.3 We have entered into an agreement with Pershing Securities Limited (“PSL”) for the provision of custodial, settlement, dealing and other administrative services to our clients. When you enter into our client terms of business, unless we otherwise expressly agree with you, you are deemed to have authorised us to enter into an agreement with PSL on your behalf pursuant to which PSL will provide you with dealing, clearing and settlement, safe custody and other associated services.
- 2.4 Subject to paragraph 3, we will place or transmit orders on your behalf for execution in respect of any of types of investment listed in paragraph 2.1 with or to PSL or, where relevant, the alternative provider of custody and dealing services (a “TPP”) with whom you have arrangements in place and with whom we agree to transmit or place your order. PSL or the relevant TPP will execute your orders in accordance with its order execution policy.
- 2.5 Details of PSL’s order execution policy are set out in our client terms of business. Having reviewed PSL’s execution arrangements, we are satisfied that these enable us to satisfy our obligations to act in the best interests of our clients under the FCA’s rules. Where we place or transmit your order with or to a TPP other than PSL, we will satisfy ourselves before placing or transmitting the order that the relevant TPP’s execution arrangements enable us to satisfy our obligations in this regard.
- 2.6 PSL may from time to time execute your orders outside of a regulated market or multilateral trading facility (“MTF”) (a form of trading venue similar to a stock exchange). By consenting to this policy, you are consenting to PSL executing your orders outside of a regulated market or MTF.

## 3. Specific Instructions

- 3.1 If you give us a specific dealing instruction, we will place or transmit your order for execution according to your instruction. To the extent we follow your specific instructions in this regard, we will have satisfied our obligation to act in accordance with your best interests and will not be required to take the steps referred to in paragraph 1 above when placing or transmitting the relevant order with another person for execution.

## 4. Annual Review And Monitoring

- 4.1 We monitor on a regular basis the effectiveness of our order execution arrangements and this policy and, in particular, the execution quality obtained by PSL or the relevant TPP in order to ensure we are consistently obtaining the best possible results for you. We will let you know if we make material changes to this policy. An up-to-date version of this policy is available on request.



## Appendix 3

# Conflicts of Interest Policy

### Introduction

Investment firms operating under the EU 'Markets in Financial Instruments Directive' (MIFID) have always been required to consider and manage potential conflicts of interest that arise between the firm and its clients that results in 'material risk'. In this regard, take steps to manage conflicts and where it is not possible disclosing them to the clients.

With effect from 3<sup>rd</sup> January 2018 MIFID II enhances the requirements above with the directive stating that a firm must consider 'all risks' rather than just 'material risks' and that a firm will take steps to identify, manage and prevent conflicts of interest and as a last resort disclose to the client if this is not possible.

### Identifying Conflicts of Interest

We must take all reasonable steps to identify conflicts of interest which may arise when we provide investment services to our clients.

### What is a conflict of interest?

Conflicts of interest arise where there is a mismatch of interests between:

- our own interests and those of a client;
- one client and another; or
- a Director or employee and a client and may arise at the start of a relationship or at any time during the relationship.

### The FCA requires us when identifying conflicts to take the following into consideration, as a minimum:

- Is likely to make a financial gain or avoid a financial loss at the expense of a client;
- Has an interest in the outcome of a service which is distinct from the client's interest in that outcome;
- Has a financial or other incentive to favour the interest of one client over another client;
- Carries out the same business as a client;
- Receives an inducement from a third party in relation to a service provided to the client in the form of monies, goods or services, that is different from the standard commission or fee for that service

### Conflicts of Interest Policy

We take our responsibilities to our Clients very seriously and always treat our clients in a transparent and fair way. We will always consider if our action adversely impacts them. The MIFID rules around conflicts of interest apply regardless of the client type, be it, Retail, Professional or Eligible Counterparty.

### Regulated activities carried out by Wise Investment that may give rise to conflicts of Interest

- Execution of orders on behalf of clients
- Portfolio Management
- Independent Financial Advice

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### Potential Conflicts of Interest

Taking into consideration all of the above, Wise Investment have identified the following areas that may give rise to a conflict of interest:

- **Inducements**
  - Gifts and hospitality -The giving or receiving of gifts or hospitality by or to our staff may create the appearance of partiality - We mitigate this risk by having a policy in place that all gifts and hospitality above £50 are logged and approved by the Compliance Officer
- **Offer a product that Wise Investment has a commercial interest in**
  - Recommend investment into Evenlode or Wise Funds, both entities are part of the same Group as Wise Investment and therefore benefit from a share of Management Fees - We mitigate this by continually surveying the market place and will only recommend these funds if their performance warrants the inclusion in the clients portfolio and the Target Market of these funds matches our clients interest
- **Personal account dealing**
  - Individuals may be in receipt of non-public information that should they trade in a personal capacity be to the detriment to the market and/or our clients. In addition, for more illiquid assets, a personal deal may impact on the ability of trades on behalf of our clients to complete in a timely manner -there is a policy in place for anyone in the firm that wishes to trade for personal purposes which includes recording the trade, providing a copy of the contract note and gaining prior approval of both the Portfolio Manager and the Compliance officer.
- **Order Execution and Allocation**
  - Wise Investment have 2 distinct client models 'Discretionary' where Wise Investment have the mandate to make investment decisions on behalf of the client and 'Advisory' where we need to gain explicit instruction from the client to deal on their behalf. Where portfolio changes are made, discretionary clients will be acted on immediately and therefore may receive a better price than the 'Advisory client' where the deal cannot be placed until authorisation is gained. Once authorisation is gained we will place the order as soon as possible.
  - Clients may be disadvantaged by using a Wise Investment favoured broker - Wise Investment do not directly trade with any broker instead the order is transmitted to Pershing who act as the Custodian to our clients who in turn will place the deal on our behalf. Both Wise Investment and Pershing have Best Execution policies in place and these can be found on our website.
  - Order Allocation one client may be disadvantaged over another for a buy or a sell in the same asset on the same day. The conflict arises where different prices were gained on the different trades, therefore one or some clients may be disadvantaged due to receiving a less favourable price. - To mitigate this scenario should it happen, the trades would be aggregated at the point of placing the trade and then once the trades have been dealt in the market each client fund will receive a proportionate allocation with no favouritism to any client.
- **Remuneration**
  - A client may be recommended services or products based on commission or sales targets set by the company rather than being in the best interest of the clients - To mitigate this no employee has sales targets or receives commission for the products or services the clients participates in. Staff are rewarded via a salary and discretionary bonuses based on the general profitability of the Group. It is the service to our clients that is important, and we therefore regularly monitor and supervise our staffs activities including advice given to clients, the frequency of transactions and the ration of fees earned against value of assets under management.
  -

## Wise Investment Client Agreement

- **Receipt of non-public material information**
  - Wise Investment predominantly invests in Funds but from time to time will invest in other financial instruments. There are occasions where any member company of the group are made aware of information that is not public regarding an asset that is held in a fund or portfolio, there is a risk of conflict should Wise Investment or the person who is aware of the information use it inappropriately for personal gain or gain of the company or the funds it runs - We mitigate this risk by having physical and electronic information barriers in place preventing the exchange or misuse of the information that has been given. An individual wishing to undertake personal account dealing must first seek approval from the Fund managers and Compliance. All non-public information is recorded by the compliance officer and where possible a ban on trading across the firm is put in place until such time the information is made public.



# WISE INVESTMENT

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## Appendix 4

### Risk Warnings

#### Purpose of this risk warning notice

This notice provides a summary of the nature of risks that may arise in investing through Wise Investments Limited (“WIL”) but it may not disclose all the risks and other significant features of individual investment products and services.

This notice describes the type of investments that may be purchased for your portfolio and summarises typical risks associated with those investments and services. The notice is designed to give you information about and a warning of the risks to enable you to understand them to take investment decisions on an informed basis.

Our services are subject to the Client Agreement entered into with you and consequently, you should not rely on this Notice as investment advice based on your personal circumstances, nor as an investment recommendation. You should also be satisfied that the product and/or service is suitable for you. WIL will be responsible for assessing the suitability of your Portfolio to your individual circumstances.

All financial products carry a certain degree of risk and the value of investments and the income from them can fall as well as rise and you might not get back the original amount invested. This can result from market movements and from variations in exchange rates between sterling and the currency in which a particular investment is denominated. More than one risk factor may impact an investment at any given time which means that risks can have quite unpredictable effects on the value of investments.

Past performance is not a reliable indicator of future results.

If you have any questions regarding the types of investments or risks disclosed in this Notice you should ask us for clarification in order that you can make an informed decision.

#### General risks

##### Volatility

The value of investments and the amount of income derived from them may go down as well as up. All investments can be affected by a variety of factors, including macro-economic market conditions such as the interest or exchange rate environment, or other general political factors in addition to more investment or investment specific factors.

##### Liquidity and non-readily realisable investments

Certain investments may be very illiquid, meaning that they are infrequently traded and that it may be difficult to sell them on within a reasonable timeframe or at a price which reflects a “fair” valuation. In extreme cases an investment may be non-readily realisable meaning that there may be no secondary market available at all. In such a case it may be difficult or impossible to obtain any reliable valuation or understanding of the risks associated with continuing to hold an investment.

##### Foreign exchange

Fluctuations in exchange rates may mean that investments denominated in a currency other than the currency in which your portfolio is denominated cause the value of an investment to fluctuate either in a favourable or unfavourable manner. Investments denominated in a currency other than sterling or ones that undertake transactions on foreign markets, which include the financial markets of developing countries (Emerging



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Markets), may expose you to greater risks caused by fluctuations in foreign exchange rates. This can adversely affect the value of your return and the value of your investment. Investments in emerging markets are exposed to additional risks, including accelerated inflation, exchange rate fluctuations, adverse repatriation laws and fiscal measures, and macroeconomic and political factors.

### Taxation

The tax treatment of an investment for clients is relevant only to the specific circumstances of each client. There can be no guarantee that the nature, basis or incidence of taxation may not change during the lifetime of an investment. This may cause potential current or future tax liabilities, and you should be aware of the tax treatment of any investment product before you decide to invest. If your circumstances change, or you expect them to in future, or if you are uncertain about any aspect of how an investment might relate to your own tax position, please seek professional tax advice.

### Regulatory and legal risk

All investments could be exposed to regulatory or legal risk. Returns on all investments are at risk from regulatory or legal changes which might alter the profit potential of an investment. Legal changes could even have the effect that a previously acceptable investments, do due to changes in law or regulation may not be marketed, and /or held by certain types of investor, thus investors may be required to disinvest their holdings in any such investment. Changes to related issues such as tax may also occur and could have a large impact on investment performance. All such risks are unpredictable and can depend on numerous political, economic and other factors. For this reason, this risk is greater in emerging markets but does apply everywhere. In emerging markets, there is generally less government supervision and regulation of business and industry practices, stock exchanges and over-the counter markets.

There is no guarantee that an overseas investor would obtain a satisfactory remedy in local courts in case of a breach of local laws or regulations or a dispute over ownership of assets. Investors may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in overseas courts.

## Investment specific risks

### Equity securities and shares

Ownership of an equity security represents a direct stake in the company concerned. Such an investment will participate fully in the economic risk of the company and its value can therefore fall as well as rise. The volatility of equity markets can change quickly, and cannot be assumed to follow trends. In adverse market conditions irrecoverable capital losses could be incurred. In the worst case, a company could fail which means their equity securities become worthless. Investment in equity securities may be impacted by: the following:

- (a) the size of the company – low market capitalisation
- (b) an undiversified product set or reliance on single markets as a major source of income
- (c) heavy reliance on borrowing to finance the business
- (d) liability for high levels of fixed costs to pay irrespective of production or turnover
- (e) major income sources which are seasonal or “cyclical” in nature
- (f) possible difficulty or inability to enforce legal property rights where the company trades in emerging markets
- (g) unlisted companies will not be subject to the rules of a listing authority and such smaller companies may be more exposed through high risk ventures and may have an unproven trading history or management meaning that their securities may be difficult to value and lack a secondary trading market

It is possible to mitigate the risks of investing in just one company’s equity securities by gaining exposure to that company through a diversified investment vehicle. Different types of shares:

### Ordinary shares

These shares are issued by limited liability companies as the primary means of raising capital. There is no obligation to repay the original cost of the share, or the capital, to the shareholder until the issuer is wound up, although it may be possible to sell such shares on a secondary market. In return for the capital investment in the share, the issuer may make discretionary dividend payments to shareholders either in the form of cash or additional shares. There is no guaranteed return on an investment in ordinary shares for the reasons set out above and on a liquidation or winding up of the issuer ordinary shareholders are amongst the last of the creditors with a right to repayment of their capital (and any surplus funds). This could lead to a loss of a substantial proportion, or all, of the original investment. Ordinary shares usually carry a right to vote at general meetings of the issuer.

### Preference shares

Preference shares give shareholders the right to a fixed dividend, the calculation of which is not based on the success of the issuer company. They therefore tend to be a less risky form of investment than ordinary shares. Preference shares do not usually give shareholders the right to vote at general meetings of the issuer, but shareholders will have a greater preference to any surplus funds of the issuer than ordinary shareholders. Should the issuer go into liquidation though preference shareholders' rights are below those of other general creditors.

### AIM shares

The Alternative Investment Market (AIM) is a market designed primarily for emerging or smaller companies. The rules of this market are less demanding than those of the official List of the London Stock Exchange and therefore carry a greater risk than a company with a full listing. Shares in AIM companies are likely to be high risk and volatile. Their value, and the income arising from them, may go down as well as up, and there is the possibility that investors could lose their entire investment. Shares in an AIM company may be illiquid and it may be difficult or impossible to sell them.

### Investment Trusts

Investment trusts are public limited companies, the shares of which are traded on the main market of the London Stock Exchange or certain other trading venues. Investment trusts are not authorised and regulated by the Financial Conduct Authority.

An investment trust is a closed-ended company and its shareholders will have no right to have their shares redeemed or repurchased by the company at any time. Accordingly, the ability of shareholders to realise any value in respect of their shares will be dependent on the existence of a liquid market in the shares and the market price of the shares. The shares may trade at a discount or premium to their net asset value. Investment trusts are a listed investment company that owns a portfolio of investments managed by professional managers. Investing in such investment trusts gives access to a wider range of stocks than investors would normally be able to invest in. They allow you to spread your investment risk across a number of investments and potentially benefit from the expertise of professional fund managers. The investment trusts we invest in include UK authorised investment trusts and overseas close-ended investment companies, but all are listed on the London Stock Exchange.

Investment trust may only pay dividends to the extent that it has distributable profits available for that purpose. A reduction in the income from an investment trust's portfolio could adversely affect the yield, if any, on its shares. The trust can borrow money in order to make further investments. This is known as "gearing". The effect of gearing can enhance returns to shareholders in rising markets but will have the opposite effect on returns in falling markets. The use of borrowing techniques (often referred to as leverage or gearing) in order to invest will increase the volatility and the risk of an investment.

There can be no guarantee that the investment objective of a fund will be achieved or provide the returns sought by the fund.

## Wise Investment Client Agreement

### Units in collective investment schemes

Generally, a collective investment scheme will involve an arrangement that enables a number of investors to 'pool' their assets and have these professionally managed by an independent manager. Investments may include gilts, bonds and quoted equities, but depending on the type of scheme may go wider into derivatives, real estate or any other asset.

Investment in such schemes may reduce risk by spreading the investor's assets more widely than a direct investment in the assets. The reduction in risk may be achieved because the wide range of investments held in a collective investment scheme can reduce the effect that a change in the value of any one investment may have on the overall performance of the portfolio. However, even though the risk is spread the price or value of the portfolio can fall as well as rise.

Companies affiliated with WIL manage a range of investment funds and collective investment schemes and your WIL investment portfolio may contain such schemes and as a result a conflict of interest could arise. We try to avoid business activities that could create a conflict of interest with our clients. Details of where and how conflicts may arise and how we try to manage them are set out in our Conflicts of Interest Policy which is available on the website.

### Exchange Traded Funds ("ETFs")

ETFs are investment funds traded on regulated investment exchanges. They normally closely track the performance of a financial index, and as such, their value can go down or up depending on the performance of the relevant index. Some ETFs rely on complex techniques, or hold riskier underlying assets, to achieve their objectives and therefore you should always ensure you read the documentation provided to ensure you fully understand the risks you are taking on before you invest.

### Liquidity risk

There may be difficulty in selling an investment caused by a number of factors, including but not limited to insolvency of the investment, adverse stock market conditions, selling restrictions placed on funds by their managers (sometimes referred to as gating, lockups, notice periods or suspension of redemptions). In these circumstances you may not be able to sell such investments in a timely manner and the value of those investments may fall significantly.

### Debt securities and fixed income funds

The value of debt investments (or "bonds") is usually more stable than equity investments. However, in some circumstances, particularly when interest rates are changing, the value of bonds can be uncertain. The most common use of a bond is to provide a reliable yield, or source of income until maturity. For example, the value of a bond can be adversely affected by a number of factors such as:

- (a) credit rating of the issuer, that reflects their ability to repay the amounts payable when they fall due
- (b) market expectations on interest and inflation rates
- (c) amount of interest payable (the coupon)
- (d) the length of time until the debt falls due for repayment
- (e) the seniority of a bond within the capital structure of a company, and the quality of any security available.

The factors which are likely to have a major impact on the value of a bond are the perceived financial position of the issuer along with changes to market interest rate expectations. When interest rates rise, the value of corporate debt securities can be expected to decline. Fixed-rate transferable debt securities with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities.

Bonds issued by major governments or supranational bodies tend to be lower risk investments, while the risks of other debt securities (such as those with emerging market or corporate issuers) can vary greatly. Where an issuer is in financial difficulties, the risk of default on repayment obligations increases and little or no capital may be recovered. Any amounts repaid may take a significant amount of time to obtain. If there is difficulty in selling an investment caused by a number of factors, including but not limited to insolvency of the investment, adverse stock market conditions, selling restrictions placed on funds by their managers (sometimes referred to as gating, lockups, notice periods or suspension of redemptions). In these circumstances you may not be able to sell such investments in a timely manner and the value of those investments may fall significantly.

### Alternative investments and unregulated funds

Alternative investments may be used to diversify the investment risks within a portfolio. Such investments may involve unique or unusual risks as a result of providing alternative sources of return for a portfolio. It is important that you understand the properties of the type of assets before making such an investment. Many alternative investments are structured as unregulated funds. This means that standards of operation, administration and management are determined privately by the operator of the fund rather than by force of regulation. Some (but not all) fund operators may be regulated by the FCA (or an equivalent regulator in another jurisdiction). It is important to understand that it may be difficult to liquidate or sell an investment of this type, or to identify an independently determined fair valuation for an interest in this kind of vehicle. In addition, you may not be protected by certain regulatory protections or compensation schemes if a scheme operator acts unlawfully and causes a loss to you when managing fund assets. Such risks can be mitigated through the performance of extensive due diligence prior to investment, or through investment via a professionally managed fund of funds.

Investors should only invest in these products if they are prepared to sustain a total or substantial loss of the money they have invested, plus any commission or other transaction charges.

### Life assurance bonds/products

Life assurance bonds are issued by insurance companies. Therefore, this type of investment will be subject to the ability of the insurance company to repay the sums owing to an investor when they fall due. The creditworthiness of the insurance company is important in assessing its ability to repay. Life assurance bonds are a form of insurance contract. They provide an element of insurance in the case of the death of the covered person(s) with an additional benefit of having an on-going value as an investment.

In some cases, the returns available from a life assurance bond are linked directly to a specific pool of assets held by the insurance company (known as “unit-linked” policies). In other cases, the returns could be linked more generally to the profits of the company in general, which reduces the overall transparency of returns.

### Structured products

Structured products is the generic phrase for securities which provide economic exposure to a wide range of asset classes using a structured approach. This may include providing capital protection such that an investor will not have economic exposure to performance of the underlying assets below a certain level. This includes products where the potential return from your investment may be different to that normally expected from the underlying assets. These are sometimes known as Structured Capital At Risk Products (or “SCARPS”).

Most structured products strategies are exposed to the credit rating of the product issuer, meaning that repayment could be at risk if the issuer is not able to repay the sums due under the terms of the product. However, some products may include a guarantee to mitigate these potential credit risks. Investors should be aware that the return of capital invested at the end of the investment period is not guaranteed and therefore investors may get back less than was originally invested.

The issuer will not typically have a trading history and may have been specially established to create the product. Some issuers may have a credit rating.

Investors should understand both the nature of the underlying assets and extent of their economic exposure to those assets. Some structured products may offer high income or a high level of participation to the capital growth experienced by the underlying assets. These products generally do not incorporate capital protection, and any capital protection that is provided is dependent on a financial index or basket of indices meeting certain conditions during the product life (such as a minimum value). Such products generally include leverage, and their value can be subject to sudden and large falls if the conditions which remove protection arise. Investors should review product documentation carefully for details of any factors which might impact on how the payoff from a product may change with different economic or market conditions. Where the payoff from a product incorporates conditional protection, if the protection barrier is breached the capital value of an investment will be exposed to the full risk of the underlying. Investors should be aware that the product terms described only apply to investors who invest at launch and who hold the product until final maturity. It is important to note that early redemption or secondary market purchase could result in a capital loss, even where the product terms protect, or guarantee return of the nominal amount purchased. Lastly, these products may also not be readily realisable which means that it may be difficult to liquidate or sell a product of this type.



# WISE INVESTMENT

PLANNING FOR LIFE

## Appendix 5

### Fee Schedule

#### Our Approach

As a client you can expect a personal, tailored service that is regularly reviewed and is flexible enough to keep you on course to achieve your financial goals. This individual approach is reflected in our fees, which are based on a percentage of the assets you invest with us.

Our fee structure is designed to be simple, transparent and competitive. The emphasis is on looking after you and your investments over the long term. Our fees take account of the time, expertise and resources involved.

We charge ongoing management fees, annual review fees, financial planning fees and administration fees.

#### Ongoing Investment Management

Our ongoing management fee covers the monitoring of current investments, and any changes that are required within your portfolio, such as fund switches. This fee is usually charged monthly in arrears and deducted from a cash account in your portfolio. We will automatically sell down from your investments to cover your on-going investment management fees.

#### Portfolio Management

For both Model and Bespoke Portfolios, we charge 1.00% of the portfolio value each year, based on a per client basis.

**Please note:** - For Advisory clients no VAT is chargeable and for Discretionary clients' VAT will be applied.

#### Tiered fees (applicable to Pershing Accounts only)

For accounts with Pershing Securities Limited, we combine the value of your portfolio per client and apply a discount to our fee, as follows;

Combined Portfolio Value	Wise Fee
First £1,000,000	1.00%
Next £1,000,000	0.75%
Over £2,000,000	0.50%

**Please note:** We we can only combine accounts and apply a discount if all the accounts are subject to the same service i.e. all Advisory accounts or all Discretionary accounts. The tiered fee structure excludes AIM Portfolio holdings.

#### AIM Portfolio

We charge 1.75% plus VAT of the portfolio value each year and apply a discount to our fee, as follows;

AIM Portfolio Value	Wise Fee
First £1,000,000	1.75%
Next £1,000,000	0.75%
Over £2,000,000	0.50%

**Please note:** We can only combine accounts and apply a discount if all the accounts are subject to the same service i.e. all Advisory accounts or all Discretionary accounts.

The AIM portfolio value will be classed as standalone and will not be combined with other portfolios when applying the discount to fees.

### Annual Review Fees

Our annual review fee covers an assessment of your personal circumstances and objectives. If applicable the fee is usually charged by sending you an invoice. If you prefer, the fee can be deducted from your investment portfolio.

- **Portfolios over £150,000** – included within our ongoing management fee.
- **Portfolios less than £150,000** – we reserve the right to charge a fee of £300 plus VAT per client.

### Financial Planning Fees

Financial planning fees are charged for any work that is not covered by our ongoing management fee. Our fees are based on a charge of £150 per hour (VAT may apply depending on the nature of the recommendation). The number of hours required to carry out financial planning work will vary, and an estimate of the total cost will be given, and your agreement sought, before any work is commenced.

Fees are usually charged by taking a one-off payment from your investment portfolio or facilitated through a third-party provider (such as a pension contract). Alternatively, we will send you an invoice. Please note - for defined benefit pension transfers, some of the fees charged will need to be paid in advance before obtaining transfer values on your behalf.

**Please note:** All Financial Planning fees are applied on a per client basis. (A client being one person or individual trust or company). These are to be used as guidance only. We reserve the right to charge more than the typical fee for complex arrangements.

All charges listed are the typical charge or range for common areas of financial planning.

We reserve the right to charge more than quoted fee for tasks that are either more complex than initially anticipated or where initial instructions are changed by you from the initial agreed instruction. Any new costs will always be agreed in writing in advance.

#### General Financial Plans

Servicice	Typical Fee Range
Pension Planning	£450 to £1,500 +VAT
Investment Planning	£450 to £1,500 +VAT
Protection Planning	£450 to £1,500 +VAT
Inheritance Tax Planning	£750 to £2,000 + VAT
Long Term Care	£750 to £2,000 +VAT
Defined Benefit or other complex pension reviews (per scheme)	£1,000 to £3,000 + VAT

Recommendation & Implementation per Client

Service	Typical Fee
Set up a Pension Scheme	£450
Transfer an existing Personal Pension	£300
Transfer an existing Defined Benefit or other complex pension scheme	£1,500
Pension Lump Sum Contribution	£300
Accessing Pensions (Lump Sum/Drawdown)	£750
Subsequent withdrawal from a Pension	£300
Annuity Purchase	£750
Setting up General Investment Accounts & ISAs	£300
Setting up an Investment Bond	£600
Transfer of existing Investments	£450
Set up a new protection policy	£500 minimum
Set up a Trust	£1,500 to £3,000
Set up an Inheritance Tax Plan (e.g. AIM Portfolio)	£750
Existing Client setting up a JISA	£50

Please note: VAT may be applicable and applied in some circumstances

**Bespoke Financial Planning**

For other financial advice, planning requirements and ad-hoc service requests we charge £150 per hour (+VAT). The fee is usually charged by sending you an invoice. Alternatively, the fee can be deducted from your investment portfolio if you wish.

**Administration Fees**

Most administrative tasks are included within our ongoing Investment Management and Financial Planning fees as detailed above. Ad-hoc administration fees are charged for processing more complex arrangements or preparing certain statements. Administration is charged at £50 per hour in the same way as Bespoke Financial Planning fees as detailed above.

	Typical Fee
Probate valuations/winding up an estate	£200 +VAT
Providing information for tax returns	£100 +VAT
Ad hoc valuations	£50 +VAT
Estimated income schedule	£50+VAT

**Third Party Charges**

Third party charges are fees that may arise in the ongoing management of your investments, pensions and protection, in addition to our charges. We will always detail the charges that apply to any recommendations we make. Below are examples of typical third-party charges that may apply:

**Fund Charges** – most of the funds we recommend carry an annual management charge, typically ranging between 0.5% and 1.0% per annum. There are sometimes initial charges, which typically range from 0.5% to 2%.

**Custodians and Platforms** – investment portfolios held through a custodian or platform service will incur additional ongoing and/or fixed charges for the services they provide, typically 0.1% to 0.6% per annum. There may also be transaction charges for buying and selling investments such as shares listed on stock exchanges’.

## Wise Investment Client Agreement

**Tax Wrappers (e.g. pensions, investment bonds)** – Charges vary by provider, but typically include a combination of percentage and fixed fees.

**Defined Benefit – Transfer Value Analysis System Statement (TVAS)** – When assessing the suitability of a possible Defined Benefits Pension Transfer we are required to obtain a TVAS on your behalf, before making a formal recommendation to you. The charges for these vary by provider and we will inform you of the charge once it is known.

**Please note:** Other costs may arise, including from third parties and taxation, which are neither imposed by us nor paid by us.

**Please retain this agreement for your records.**

### REGISTERED OFFICE

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