



terms and conditions.

# agreement for discretionary management, treasured stock, custody and administration services.

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## Part 1 - Introduction

This agreement is made between:

- o Wealth at Work Limited (registered in England and Wales under company number 5225819) whose registered address is 5 Temple Square, Temple St, Liverpool, L2 5RH (referred to as “we”, “us”, “our”, or “ourselves”, below); and
- o The person whose name appears as signatory on the application form (“You” and references to “you”, or “your” below will be construed accordingly, unless otherwise stated and will include anyone authorised by you to represent you or required or entitled by operation of law or regulation to act on your behalf).

### 1. The Services

This Agreement contains the terms and conditions (“Terms and Conditions”) relating to the following services provided under it to you by us or by a third party appointed by us on your behalf (each a “Service” and one, or more than one collectively will be known as “Services”):

- a) strategic investment and financial planning advice;
- b) discretionary investment management and investment administration;
- c) ISA;
- d) treasured stock; and
- e) custody.

### 2. Components of the Agreement

This Agreement will consist of the following documents:

- a) these Terms and Conditions (that include the Schedules which form part of the Terms and Conditions for all purposes);
- b) your application booklet (“Application Booklet”), which you have signed and signifies your agreement to be bound by the Terms and Conditions;
- c) the risk profile questionnaire in respect of the discretionary managed portfolio service (DMPS); and
- d) the individual Investment Planning Report, (and each of a) to d) together, being the Agreement”).

The Agreement will be the whole of the agreement between us, but will take effect subject to any legal or regulatory requirements that apply;

You should make sure you have read and understood all the Terms and Conditions and keep the Agreement safe for future reference. If there is anything you do not understand you should contact your Adviser for clarification or ring us directly using the number shown in Schedule 3 (Communications).

### 3. Capacities and appointment

- a) You enter into this Agreement:
  - i. as our client in respect of the strategic investment and financial planning service, the discretionary investment service and any ISA service.
  - ii. to appoint us as agent to arrange custody of your Securities and the holding of your Cash with the Custodian on your behalf on the Terms and Conditions set out in Part 6 (Custody Terms and Conditions).
- b) We enter into this Agreement as:
  - i. ISA Plan Manager and administrator;
  - ii. strategic investment and financial planning Adviser;
  - iii. discretionary investment manager;
  - iv. administrator in respect of the Treasured Stock Service (TSS) acting by your instruction; and
  - v. agent in relation to the Terms and Conditions set out in Part 6 (Custody Terms and Conditions). This means that you have authorised us to bind you to Terms and Conditions set out in Part 6 (Custody Terms and Conditions), to give the Custodian instructions on your behalf, and to perform all obligations and exercise all rights required or entitled to be performed by or for you (as the case may be);

and in respect of Clause 3.b) i. to v. (Capacities and appointment), you hereby appoint us as the same.

- c) You must be a resident of the United Kingdom and not a citizen of the USA to enter into this Agreement and you acknowledge the same and agree that if you should cease to be a resident of the United Kingdom or you become a citizen of the USA that you will immediately advise us whereupon we shall have discretion to immediately

terminate this Agreement.

- d) We may from time to time delegate any of our obligations under this Agreement to, and/or arrange for any ancillary services to be performed by, an Affiliate or other third party where relevant whom we deem to be competent.

### 4. Commencement

With the exception of:

- a) the Advisory Services Terms and Conditions set out in Part 2 (Advisory Terms and Conditions) which will commence when instructed by you;
- b) the TSS which will take effect in accordance with Clause 20.a) (Commencement and termination of the TSS); and
- c) the ISA Service which will take effect in accordance with Clause 31.b) (Appointment and commencement),

the rest of the Agreement will take effect on the Effective Date and, if there is a conflict between the requirements of these Terms and Conditions and any other part of the Agreement, these Terms and Conditions will prevail unless they themselves provide otherwise.

### 5. Regulation

You will be treated as a ‘retail client’ for the Services as defined in FCA Rules, which means that the protections afforded to such customers under the FCA Rules are available to you.

You may request to be classified, if eligible, differently, but if appointed you will lose certain protections under the FCA Rules and regulatory system including rights in respect of the Financial Services Compensation Scheme.

Wealth at Work Limited is authorised and regulated by the Financial Conduct Authority, entered on the FCA register under registration number 417367, and is subject to FCA Rules.

FCA’s contact address is:

**12 Endeavour Square,  
London E20 1JN**

### 6. About our fees and charges

The fees and charges applicable to the Services are set out in Schedule 5 (Fees and Charges).

## Part 2 – Advisory Terms and Conditions

### 7. Advisory Services

Upon our appointment as Adviser to you pursuant to Clause 3.b) (Capacities and appointment), we shall:

- a) provide you with advice about the strategy we recommend to meet your financial needs and objectives as identified and agreed with you and set
- b) where appropriate, provide you with any advice you require relating to the disposal of any existing non-cash assets in order to implement the strategy referred to in a) above; and
- c) provide you with information to enable

out in the Investment Planning Report in relation to the DMPS offered to you;

you to determine the appropriate time for disposal of existing assets. This information will be limited to potential capital gains tax issues, where relevant and early surrender penalties for you to consider, any pending corporate or other actions in relation to any stock or bond holdings and other timing issues that may be relevant to the disposal and

of which we are aware. You may wish to consult an independent external tax adviser to assist in considering the potential tax issues in relation to your financial situation as a whole.

### 8. Consent to advise you on other investments

a) We may advise you on, and in relation

to the disposal of, units in unregulated collective investment schemes and other financial instruments.

b) We may advise you on, and in relation to, the disposal of derivatives, warrants, new issues and capital at risk products. Your attention is drawn to the risk warnings in Schedule 1 (Risk Warnings).

c) Any advice you receive in connection with this Agreement relating to strategy

or otherwise in respect of the DMPS is conditional upon your participation in the DMPS, and may not be relied upon if you do not so participate.

### 9. Periodic review

We shall offer you a periodic review to discuss any aspect of the Services to meet your ongoing needs and objectives.

## Part 3 – Discretionary Managed Portfolio Service Terms and Conditions

### 10. The DMPS

We may:

a) receive instructions from, or agree instructions with you in relation to subscriptions, transfers, withdrawals, asset allocation and other strategic rebalancing of the Portfolio, and may otherwise deal with you on a day-to-day basis in relation to the DMPS, provided that no instruction will require us to do anything that might breach any restrictions set out in the Agreement and investment restrictions. The permitted methods of communication with us are set out in Schedule 3 (Communications);

b) carry out all necessary due diligence about you for the purposes of beginning and maintaining the relationship with you. This includes, but is not limited to, 'verification' and 'know your client' due diligence required to be carried out by law and regulation, periodic review and correspondence about data integrity;

c) provide periodic information to you in connection with the Portfolio, as described in accordance with Part 8 (Valuation Statements); and

d) provide instructions to, and/or otherwise liaise with the Custodian directly in relation to all day-to-day matters affecting the Portfolio.

### 11. Commencement of the DMPS and your investment objectives

In relation to this Service:

a) commencement of the Service as described in this Part 3 will begin from the Effective Date;

b) we shall manage the Assets for you within the DMPS as discretionary manager in accordance with the investment objectives and restrictions for the Portfolio within the risk profile agreed between us and in accordance with the Terms and Conditions;

c) please note that it is our practice to hold fixed interest instruments held within the Income Element to maturity subject to any exceptions set out in these Terms and Conditions. However, fixed interest exposure within the Growth Element is obtained through use of traded bond funds, which means that the value on sale of the fund may be less than, or greater

than the original value invested;

d) no limit orders will be accepted;

e) notwithstanding that we act only as a receiver and transmitter of orders, you hereby acknowledge that trades may be conducted off a regulated market from time to time as we see fit in the following instruments under these Terms and Conditions, namely, gilts, corporate bonds and collective investment schemes; and

f) whilst you have a legal right to require us to refrain from investing your assets within money market funds, our Services cannot be provided to you on a different basis. Therefore if you do not wish us to utilise money market funds, then our Services are not suitable for you. It is therefore a condition of this Agreement that if you wish to proceed to invest in our Services, you accept that money market funds will be utilised. If you wish to change your mind at a later date, then you will have to seek an alternative investment manager for your assets and our Agreement with you will terminate.

### 12. Our investment powers

Subject to Clause 11.b) (Commencement of the DMPS and your investment objectives), we, acting as agent, will have complete discretion to buy, sell, retain, exchange or otherwise deal in investments and other assets, including regulated and unregulated collective investment schemes, fixed interest securities, shares, life policies, deposits, subscribe to issues and offers for sale of and accept placings and underwritings of investments without restriction, borrow money without limitation for settlements and investments and take all day-to-day decisions and otherwise act as we judge appropriate in relation to the management of the Portfolio.

Without limiting the foregoing we may:

a) consider investing your subscriptions through the DMPS immediately or at such other time or times as we think fit which will take place by reference to the timeframe in which the subscription is received by us and any other factor relating to our views on investment timing. This generally takes up to around three (3) months to complete, but may be more or less than that, with a view to phasing investment into the market, and spreading costs over investments

made for different clients that might otherwise have to be passed on directly. This investment approach may change without notice. See also Schedule 1 (Risk Warnings), and in particular the 'Dispersion and concentration risk' section within Clause 13 (General);

b) cause the Custodian to place and withdraw cash in or from deposits as and when we think fit;

c) deal collectively as agent for you and for other clients including clients of Affiliates;

d) aggregate transactions for the Portfolio with those of other clients including the clients of Affiliates. Where this results in a number of transactions at different prices, we may allocate them so that all clients involved in the transactions pay or receive the same average price. You recognise that each individual aggregated transaction may operate to your disadvantage or advantage;

e) pool assets we hold for you with those of other clients. The effect of pooling is that any shortfall or benefit arising may be shared pro-rata among all clients whose assets are held in that pool, and so you may not receive your full entitlement, which you hereby acknowledge;

f) agree on your behalf to third parties' terms of business and negotiate and execute for you relevant counterparty and Account opening documentation, whether or not on market standard terms, as we see fit;

g) include derivative instruments, warrants, new issues and/or capital at risk products in the Portfolio. Please note the risk warnings in Schedule 1 (Risk Warnings);

h) deal on such markets or exchanges and effect, arrange or clear transactions through or with any person, firm or company that we may select, including an Affiliate;

i) use collective investment funds such as unit trusts and open ended investment companies within the Growth Element to achieve exposure to specialist and overseas stock and bond markets. The range is intended to cover the whole investment universe. Within the Growth Element, UK exposure will be generally through direct equities and fixed interest instruments; and

j) reinvest dividends and interest arising

on investments held within the Growth Element. Please note that interest income arising from the Income Element will be paid into the Cash Element.

### 13. Corporate bonds

#### a) Investment spread

The Minimum Dealing Size is around £1,000 per bond, but may be slightly higher or lower than this when purchased. Ordinarily, approximately twenty (20) bonds will be purchased to provide sufficient spread.

#### b) Variance from the model

You may enjoy exposure to bonds within a taxable arrangement with us in addition to an ISA arrangement. If less than the minimum amount has been invested within one or other of the taxable or ISA arrangement, the asset weightings and market sectors in which your capital is invested may vary significantly from the model weightings for a balanced fixed interest portfolio.

#### c) Risk of higher capital loss and different interest rate

Depending upon the amount invested within each arrangement described in b) above, the capital held on your behalf in those investments may experience a higher degree of capital loss over default if the proportion of the overall capital held for you in defaulted bonds is higher than it would be if the weighting was equivalent to that prescribed under the model portfolio. Additionally, if capital held for you is invested in bonds in different proportions than the model portfolio, the actual interest rate obtained for your benefit will be different from, and may be lower or higher than, that available from a model portfolio.

### 14. Execution policy

a) We act as a 'portfolio manager' when we provide you with the Service of discretionary portfolio management and otherwise as a 'receiver and transmitter' of orders. In both cases we will usually pass instructions for trades to a third party to execute, as opposed to executing trades ourselves.

b) We must ensure that we achieve best execution when executing trades on your behalf which means that we or any third party we instruct obtains the 'best possible result'.

c) The requirements of best execution apply to equities and bonds. All transactions will be effected in accordance with the rules and regulations of the relevant market or exchange. We may take all such steps as may be required or permitted by such rules and regulations and/or by appropriate market practice on such terms as we see fit.

#### d) Execution Factors

For retail clients, the following factors take priority:

- total consideration of the deal, taking into account:
  - i. the price offered; and
  - ii. costs, commissions or other charges to be charged by brokers of the regulated market.

The following execution factors will also be taken into consideration, the:

- speed and likelihood of successful execution;
- size and nature of the order;
- current liquidity for the relevant instrument;
- ability of the venues or brokers to manage execution in relation to the size and nature of the order;
- speed and efficiency of the settlement process post execution;
- impact on the relevant market; and
- choice of available venues for the particular order.

The success of obtaining the 'best possible result' will be assessed at the time of execution and is dependent upon:

- review of the order execution policy regularly; and
- variability of execution factors.

#### e) Monitoring order execution

We or any third party we use will monitor the execution of their trades using a number of third party transaction cost analysis systems and will monitor the order execution on a consistent basis over a series of trades.

#### f) Material difficulty

We or any third party we use may experience material difficulty in executing certain transactions from time to time. These difficulties will be managed so as to seek to obtain the best possible result for our clients under the circumstances. In these circumstances, we shall where practicable contact you personally to explain that such a difficulty has arisen. We may also publish this information on our website.

#### g) Limit orders

Limit orders will not be accepted.

#### h) Venues

We may deal through the following venues:

- regulated markets (which may include the London Stock Exchange and ISDX);
- multilateral trading facilities;
- market makers and broker dealers who are FCA-regulated and/or LSE member firms; and
- systematic internalisers, which may result in orders being executed outside a regulated market.

#### i) Selection of venue

Either we or a third party we use will include the following tools/analysis in making selections:

- indications of interest – sell side broadcasts on price/size;
- broker rankings, using best brokers by volume per security/sector;
- bid & offer lists received from approved brokers; and
- research/recommendations – analyst research from brokers.

#### j) Order handling policy

In respect of timely execution, we require that orders are arranged to be executed fairly and in due turn, and that:

- orders will be promptly and accurately recorded and allocated;
- comparable orders are executed sequentially unless the prevailing market conditions would disadvantage the execution as a consequence; and
- any material difficulties in execution of orders by a third party will be disclosed to us.

#### k) Aggregation and allocation

We will only permit aggregated orders for our clients where this is unlikely to work to the disadvantage of each retail client concerned, though we recognise that this may on occasions work to the disadvantage of one or more clients.

#### l) Records

We shall or require any third party we use to maintain records on client orders and trade executions for at least the periods required by FCA.

Markets and brokers will be reviewed on a continuous basis. A list of the most updated markets and brokers used will be provided at the commencement of our relationship and thereafter on request.

We shall undertake monitoring of the results of execution from time to time to ensure that the best possible result is being consistently achieved.

### 15. Corporate action and voting rights

We will not exercise voting rights for Securities. We shall have total discretion as to the manner by which we respond to any corporate action, although we shall use our best endeavours to act in your best interest.

### 16. Mandates

We shall have an exclusive mandate over the Account in which your Securities are held and may give instructions to the Custodian in relation to the operation of such Account(s). We may grant a mandate over the Cash Account to the Custodian for all purposes in connection with this Agreement.

### 17. No breach of objectives from price fluctuation or exchange rate differential

Any agreed investment objectives or restrictions will not be deemed to have been breached merely by reason of fluctuations in the prices of Securities or the rate of exchange between currency markets, although

periodically we will re-balance the Portfolio in line with internal investment management policy guidelines.

### 18. Power to sell bonds before maturity

Notwithstanding any agreed investment objectives or restrictions, we may dispose of Securities where we believe it is in your

interests to do so, for example where the credit rating of the issuer or the tax treatment of the Securities may be affected adversely. In such circumstances, the original capital may not be returned in full, and any replacement Securities may provide different terms, including a lower rate of interest.

## Part 4 – Treasured Stock Service Terms and Conditions

### 19. Appointment for TSS

You appoint us to place with the Custodian or purchase from Cash such Treasured Stock as we may separately agree on the additional terms disclosed in this Part 4 of the Terms and Conditions.

We reserve the right to refuse to take or purchase Treasured Stock into this Service.

### 20. Commencement and termination of the TSS

- a) The Service described in this Part 4 will begin when the Custodian receives your Treasured Stock transferred in specie, and/or Cash allocated for the purchase of the Treasured Stock, together with the completed application form and any information that we may require to our satisfaction.
- b) The TSS will terminate when you have sold or withdrawn the last of your Treasured Stock. See also Clause 64 (Term and termination).

### 21. Sale of Treasured Stock

Any Treasured Stock we agree to transfer in to the Service or to purchase from Cash and hold for you may be sold to fund the DMPS,

or transferred out in cash or in specie. Any instructions to purchase or sell Treasured Stock that we receive from you before midday on a Monday which is a Business Day, or a preceding Business Day if it is not a Business Day, will be processed by the close of business the next following Wednesday that is a Business Day or if not a Business Day, the next following Business Day.

### 22. Responsibility for Treasured Stock

We take no responsibility for the management of your Treasured Stock (even though we may purchase, hold or dispose of similar stock within the DMPS) and will only act in accordance with your specific written instructions in relation to your Treasured Stock.

In providing this Treasured Stock Service to you, we are not required to assess the suitability of the instrument or service provided or offered and consequently you will not benefit from corresponding protection offered in the FCA Rules relating to the conduct of business for the assessment of suitability.

### 23. Investment decisions regarding Treasured Stock

We accept no liability for any investment

decision in relation to, or the performance of, the Treasured Stock.

### 24. Treatment of interest, etc. on Treasured Stock

Any interest, income or dividends arising in respect of your Treasured Stock will be transferred to the Cash Account and managed in accordance with the DMPS Terms and Conditions set out in Part 3.

### 25. Corporate actions regarding Treasured Stock

We shall not take any decision in respect of any actions (e.g. annual general meeting and associated voting rights) which affect the Treasured Stock but we shall always use our reasonable endeavours to refer such action to you for your instructions.

### 26. Single stock

TSS is designed to allow only one stock to be held and specific consent is required from us to apply to hold further stocks, though we reserve the right in our absolute discretion to refuse that application. Should more than one stock be created as Treasured Stock through a corporate action, for example, we reserve the right to terminate the Service.

## Part 5 – ISA Terms and Conditions

### 27. Introduction

We shall administer your ISA in accordance with these ISA Terms and Conditions and any other applicable Terms and Conditions of this Agreement.

### 28. Eligibility

You must be eighteen (18) years of age or over and be resident and ordinarily resident in the United Kingdom for tax purposes or, if not so resident, either perform duties which, by virtue of Section 28 of Income Tax (Earnings & Pensions) Act 2003 (Crown employees serving overseas), are treated as being performed in the United Kingdom, or you must be married to, or in a civil partnership with, a person who performs such duties. You must inform us if you cease to be so resident and ordinarily resident or to perform such duties or be married to, or in a civil partnership with, a person who performs such duties.

### 29. Subscriptions

- a) You cannot subscribe more than the maximum amount permitted by ISA regulations in total to a cash ISA and a Stocks & Shares ISA in the same tax year. A cash ISA and Stocks & Shares ISA may be managed by more than one manager.
- b) Subscriptions by you to your ISA may not exceed the maximum amount permitted by the ISA regulations in any tax year.
- c) Subscriptions by you will be accepted in such amounts and by such methods as may be specified by us from time to time.
- d) An additional permitted subscription (APS) allowance may be available to you following the death of your spouse or civil partner. We can only accept APS contributions if the deceased's ISA was held by us unless otherwise permitted by HMRC. APSs are limited to the value of the deceased's ISA at their date of death and can be made in two ways;
  - i. an in-specie transfer of spouse or civil partner holdings (subject to advice) within 180 days of beneficial ownership

passing to you, or,

- ii. a cash contribution (excluding regular payments) within three years of date of death (or if later, within 180 days of finalising the administration of your spouse or civil partner's estate).
- e) APSs do not impact your annual ISA allowance but you can only have one plan manager for each ISA type per tax year. If your spouse or civil partner held ISAs with different managers, the APS needs to be set up with each manager.

### 30. Investments and tax

- a) We will invest monies from time to time held in your ISA in investments that qualify under the ISA regulations for inclusion within an ISA in accordance with instructions received from you. Purchases and sales may be made on any "market" (as defined in the ISA regulations) and through any intermediary that we select.
- b) Where partly paid shares are held within your ISA, including shares held within the TSS, we may sell such of them as may be

necessary to pay any calls or instalments due on the balance.

- c) Where rights or similar benefits arise from your ISA, such benefits may be sold in their entirety by us or to the extent necessary to take up the balance of the entitlement attributable to your ISA. For stock held within the TSS, such benefits may be sold in their entirety.
- d) Cash and Securities held within your ISA will at all times be held for you beneficially.
- e) Interest arising on cash held within your ISA will be subject to the deduction of tax.

### 31. Appointment and commencement

- a) Having been appointed as ISA Plan Manager and administrator in respect of your Portfolio in accordance with clause 3.b)i. (Capacities and appointment), we shall administer your Plan in accordance with these ISA Terms and Conditions and subject to ISA regulations as appropriate.
- b) The Services described under this Part 5 will commence upon receipt from you of a completed application form, valid subscription and any information that we may require from you to our satisfaction.

### 32. Statements and information

To the extent required by ISA regulations and if you elect in writing, we shall arrange for

you to receive annual reports and accounts and any other information issued by unit trusts and companies to unit/shareholders to enable you to attend and vote at unit/shareholders meetings. This facility is subject to a charge set out in Schedule 5 (Fees and Charges).

### 33. Death and transfers

- a) The tax benefits in relation to your ISA will cease on transfer to you or on your death and any gains arising or any dividends received after your death may still be subject to tax.
- b) Our Services under these ISA Terms and Conditions subject to c) below, will terminate from the date that we receive a copy of your death certificate or its equivalent. The value of your ISA will form part of your estate for inheritance tax purposes. A charge plus value added tax may be levied against your ISA for the provision of the valuation for probate purposes at the rate of £50 per hour.
- c) On notification of your death, these ISA Terms and Conditions will continue to apply to your personal representatives to the extent possible. Additionally, you should be aware that we will not convert your ISA to cash and will continue to deal with the Assets in your ISA as agreed with you until we receive instructions from your personal representatives.

### 34. Void ISAs

We shall notify you if we become aware that, by reason of any failure to comply with the ISA regulations, your ISA has or will become void. If your ISA has become void, you will lose all the tax benefits that have accrued or may otherwise have continued to accrue within the ISA. This will adversely affect the value of your ISA.

### 35. Miscellaneous

- a) We will not lend the holdings in your ISA to anyone nor can you borrow money using your ISA as security.
- b) You will notify us promptly in writing of any changes to your address or personal circumstances relevant to your ISA especially those that may affect your ability to subscribe or further subscribe to an ISA.
- c) You authorise us to reclaim all dividends and interest, and any recoverable income tax from the HMRC for credit to your ISA.
- d) You agree to provide us with authority to merge any ISA with another ISA respectively where permissible.
- e) Share certificates or other documentation evidencing title to the ISA investments will be held by us or as we may direct.

## Part 6 – Custody Terms and Conditions

### 36. Relationship with the Custodian

- a) We shall arrange for Securities in the Portfolio to be held in custody with the Custodian for your benefit and on your behalf as set out in these Terms and Conditions or otherwise on such terms and conditions as we may agree. A full copy of these Terms and Conditions is available to you on request from us. The Custodian is allowed to appoint sub-custodians, nominees and other agents including Affiliates and also to utilise Securities Systems.
- b) The Custodian will be responsible for the safekeeping of Securities, the settlement of transactions attending to the collection of income, the presentation for redemption or payment of any Securities which are redeemed or called, and the effecting of other administrative actions in relation to the Portfolio. We shall require the Custodian to use reasonable skill and care in carrying out these services.
- c) Securities will at all times be held beneficially for you.
- d) We shall have an unrestricted mandate and power of attorney to sign or execute and return to the Custodian on your behalf any documents submitted to us, or by or on behalf of the Custodian in connection with the Agreement.
- e) Any Custodian appointed by us as agent

on your behalf will be a regulated entity and you may be entitled to compensation from the FSCS in the event of a failure of the Custodian in respect of the custody services. Further details about FSCS are set out in Clause 48 (The Financial Services Compensation Scheme (FSCS)).

- f) Termination of the Terms and Conditions with the Custodian will be as per Clause 64 (Term and termination).
- g) We refer you to Part 7 (Complaints and Compensation) of these Terms and Conditions which sets out the process for receiving and managing complaints in respect of the Custodian.
- h) If at any time the Custodian suspects that your transaction profile is not consistent with the type of activity it would normally associate with a retail client, it may suspend your account or take such other action as it may consider reasonably necessary in accordance with applicable law, without liability, until such time as the incident is either resolved or if resolution is not possible, then the Services may be terminated in accordance with Clause 64 (Term and termination) of these Terms and Conditions.

### 37. Registration of Securities

- a) We shall require the Custodian to arrange for the Portfolio's UK Securities (other

than bearer securities for which we shall require the Custodian to arrange safekeeping) to be registered in the name of one or more nominee companies directly or indirectly as your bare trustee. The Custodian may utilise the services of a Securities System in respect of UK Securities.

- b) Non-UK Securities in the Portfolio shall be registered in the name of the Custodian or to the order of the Custodian by sub-custodians who, in addition to the Custodian, may also utilise Securities Systems and which may register the Securities in the name of the Custodian or the sub-custodian, or Securities System (as the case may be) because of the nature of applicable law and market practice.
- c) Securities may be pooled with those of the Custodian's or sub-custodian's or Securities System's other customers. Individual entitlements to such investments may not be identifiable by separate certificates or other physical documents of title or equivalent electronic records and, should the Custodian, a sub-custodian or Securities System default, any shortfall may be shared pro-rata among all customers of the Custodian (or the sub-custodian or Securities System, as the case may be) whose investments are registered or held in the same name and

you may not receive your full entitlement.

- d) Securities will, where practicable, be held so that they are designated for clients and separately identifiable from the Custodian's or any sub-custodian's own assets as the case may be.
- e) If so requested, you will promptly arrange for the signature, execution or production of any documents necessary to carry out transactions effected in accordance with this Agreement.
- f) We shall require the Custodian to keep records that identify your Securities separately from those held for other clients and details of the Securities held by or for the Custodian will be sent in accordance with Clause 49 (Issue of valuation acknowledgement and statements).

### 38. Settlement

- a) We shall require the Custodian to settle all transactions, subject to the Custodian holding or receiving all necessary documents, funds, or Securities (as the case may be), in accordance with good market practice for the type of investment and market concerned and normally on the basis of "cash against delivery". Delivery or payment by the other party to any such transaction will be at your risk, and the Custodian's obligation to account to you for any Securities or the proceeds of sale of any Securities will be conditional upon you performing all your obligations in respect of such transactions and/or receipt by the Custodian of the relevant documents or sale proceeds or Securities from the other party.
- b) The Custodian may operate a settlement system under which the Cash Account is debited with the purchase cost or credited with the proceeds of sale on the usual settlement (or subscription) days for the market concerned, conditionally upon settlement being ultimately effected. This may result in either a benefit or a loss to the Custodian or to yourself where settlement is effected at other times. The Custodian may effect the cancellation of any debit or credit attributed to you if there are unreasonable delays or difficulties in settlement.
- c) The Custodian reserves the right to use the Delivery vs. Payment exemption ("DvP Exemption") for treatment of Assets where it has entered into a transaction on your behalf that is settled through a venue that is a Commercial Settlement System in accordance with FCA Rules. In summary, the DvP Exemption allows the Custodian to dis-apply the FCA Rules relating to your Securities for a short period of time when settling your transaction within a Commercial Settlement System, subject always to applicable FCA Rules. By agreeing to these Terms and Conditions, you are agreeing, and giving permission to the Custodian, to fully utilise this exemption at the Custodian's discretion.

### 39. Corporate actions, income collection and tax reclaims

- a) We shall require and, where required instruct, the Custodian to attend to the collection of all income due on, and upon receipt of a timely instruction, the vesting of all other rights and entitlements attaching to Securities.
- b) We shall require dividends and distributions and any other income to be credited to the relevant Cash Account no later than the date of receipt of cleared funds by the Custodian or as soon as practicable thereafter. Dividends and distributions on non-UK Securities may be credited to you on the date when the Custodian receives notification of receipt by the sub-custodian or as soon as practicable after receipt of funds following any necessary currency conversion (which shall be promptly effected). In the case of pooled Accounts, dividends, entitlements to shares and any other benefits arising from corporate events will be distributed according to our customary policy.
- c) You are and remain solely responsible for the correct notifications of any and all significant interests you have in the voting share capital of any companies in which you are a shareholder, in accordance with applicable law and regulations.
- d) We shall require the Custodian to notify us promptly of all relevant offers, rights issues, investor meetings and other corporate actions of which the Custodian has received notice in its capacity as custodian and to comply promptly with any voting instructions.

### 40. Liability and limitations on responsibility

- a) We shall require the Custodian to accept liability in respect of Loss directly caused by the negligence, wilful default or fraud of its appointed sub-custodians, but in no event will the Custodian be liable for its sub-custodians to any greater extent or in any greater amount than the Custodian is itself liable to you under or in connection with these Terms and Conditions. We will require the Custodian to use reasonable care in the selection of its sub-custodians.
- b) We shall require the Custodian to accept responsibility for direct Loss that is directly due to its own negligence, wilful default or fraud, or that of any nominee or sub-custodian which is an Affiliate of the Custodian, but subject to a) above and e) below, it shall not otherwise be liable. We shall also take such action as is necessary to protect your interest held by, or via the Custodian, in the event that the Custodian or any person for whom it accepts responsibility defaults or otherwise causes Loss to you through its negligence, wilful default or fraud.
- c) We shall also require the Custodian to use reasonable care in the selection, monitoring and continued use of any

sub-custodian who is not an Affiliate of the Custodian, to the extent required of it under the FCA Rules, but will acknowledge that, subject to this and e) below, under no circumstances will the Custodian be liable for any Losses incurred in the event of insolvency or bankruptcy of any sub-custodian, or other third party (including without limitation any central counterparty, settlement system or Securities System), that is not an Affiliate of the Custodian.

- d) We shall require the Custodian to accept liability in respect of Loss directly caused by the negligence, wilful default or fraud of its appointed sub-custodian as described under a) above, but subject to e) below, the Custodian, any nominee or sub-custodian appointed by the Custodian, whether or not an Affiliate of the Custodian, shall not be liable for any Loss or damage of any kind that is or are attributable to:
  - i. any loss of profits, business opportunity and/or data of whatever kind or for any indirect, special or consequential Loss(es) whatsoever;
  - ii. your own acts or omission (including any error, negligence or misconduct);
  - iii. the performance or non-performance of any third party (including without limitation any central counterparty, settlement system or Securities System or any third party bank or credit institution) that is not an Affiliate of the Custodian involved in the provision of the custody services (but which, for the avoidance of doubt, does not include a sub-custodian appointed in writing by the Custodian (whether or not an Affiliate) for which the Custodian's liability is as described elsewhere in these terms);
  - iv. the Custodian's or nominee's failure to take any action which, in their opinion, might breach an applicable FCA Rule or any other applicable law, or any action taken in order to comply with FCA Rules, any other applicable law or the requirements of any market;
  - v. any fall in the value of investments (including, without limitation, those which may occur due to delays during the process of verifying your identity in compliance with anti-money laundering regulations or any fall in your return on investments that you may suffer by reason of any movement from time to time in the value of the currency in which any of your Assets are denominated);
  - vi. any reasonable refusal or failure to accept any instruction;
  - vii. the Custodian's reasonable reliance on any information, instructions,



notices or communications that it believes to be from you, us and/or a person believed by it to be authorised by you or us to give the same; or

viii. any delay in the provision of the custody services as a result of the checks and verification procedures required to be undertaken by us on you.

e) Nothing in these Terms and Conditions shall exclude or limit any duty or liability to you which the Custodian or its Affiliates may not exclude or limit under the FCA Rules or any applicable law, or for its or their liability for fraud, or for death or personal injury resulting from negligence. Nothing in these Terms and Conditions requires you to compensate the Custodian and/or its Affiliates (as the case may be) to any extent prohibited by applicable law.

#### 41. Risks and responsibilities

- a) Securities may be held outside the United Kingdom, where different settlement, legal and regulatory requirements and different practices relating to the separate identification and segregation of those Securities may apply and you accept any risks that may arise out of those differences.
- b) To protect the Custodian against:
- any Loss(es) arising out of you not having appropriate legal authority to enter into or perform under these Terms and Conditions; and/or
  - any Loss(es) incurred by the Custodian arising from the provision of the custody services in respect of the safe custody of your Assets (other than any losses caused by an act or omission which the Custodian is responsible under this Agreement), including, but not limited to any market charges as described in Schedule 5 (Fees and Charges) or any liabilities arising out of any act or omission properly taken by the Custodian in accordance with its rights or obligations as Custodian, you agree to reimburse the Custodian and agree that the Custodian has a right of retention or sale (and application of the proceeds of sale) or right of set-off, in relation to the Securities that form part of the Portfolio. Subject to e) below, the Custodian will only exercise this right if it has requested payment or delivery from you in writing and the amounts or relevant Securities remain outstanding 30 days from the date of such request unpaid.
- c) The Custodian is entitled at any time to set-off any liability of yours owed to the Custodian arising in connection with the

provision of the custody services against any liability owed by the Custodian to you arising in connection with the provision of the custody services.

- d) Securities held by any sub-custodian or other third parties (such as central counterparties, clearing agents, settlement agents, nominees or Securities System) appointed by the Custodian or by another person instructed by them or by a person otherwise involved in the facilitation of clearing and settlement of a relevant transaction, may also be subject to a lien, right of retention or sale or right of set-off in favour of such a sub-custodian or third party, in respect of properly incurred charges and liabilities relating to the administration and safekeeping custody services, or the facilitation of the settlement of such Securities or of any Securities System, or as otherwise may be permitted under the FCA Rules.
- e) In respect of the Custodian's own right of sale of your Securities as described in b) above, the Custodian will only exercise this right either:
- upon and/or following termination of these Terms and Conditions and/or the custody services (as the case may be) for any reason (in which event it may do so without notice to you); and/or
  - otherwise upon or following the Custodian's express agreement with us that it may do so.
- The Custodian shall also hereby be specifically authorised to effect any necessary currency conversions at its (or its Affiliates') own prevailing rate of exchange for this purpose and to apply the proceeds of any such sale in or towards satisfaction of all and any such liabilities to it as described in this Agreement and to which the right of sale applies.
- f) We shall require that if any sub-custodian of the Custodian should fail to deliver any necessary documents or to account for any Securities, the Custodian will take at least reasonable steps on your behalf to recover such documents or Securities, or any sums due, or compensation in lieu thereof but subject thereto and to Clause 40.e) (Liability and limitations on responsibility) the Custodian will not be liable for any such failure. Except to the extent that the relevant sub-custodian failure is directly caused by the negligence, fraud or wilful default of the Custodian or its appointed sub-custodian, all reasonable costs incurred by the Custodian will be paid by you.
- g) Notwithstanding any other provision of this Agreement, and except to the extent of our own negligence, wilful default or fraud, under no circumstances will we be liable to you in connection with the safekeeping and administration of Assets under these Terms and Conditions to any

greater extent or in any greater amount than the Custodian is liable to us.

- h) The Custodian does not provide investment advice and shall not at any time be under any duty to provide any such advice, and shall not be regarded as having done so. You agree that you will not seek advice from the Custodian and you acknowledge that the Custodian has not undertaken any assessment whatsoever of your personal circumstances and will not make any assessment of the suitability or appropriateness (including under the FCA Rules or otherwise) of any transaction(s).

#### 42. Conflicts of interest

The Custodian will ensure that any identified conflict that may arise between you and the Custodian in connection with the Services does not in any material way affect a transaction or any other business which the Custodian has conducted with you or us. Conflicts of interest can arise in particular when the Custodian has an economic or other incentive to act in a way that favours the Custodian or its Affiliates. A copy of the Custodian's conflict of interest policy can be made available to you on request.

#### 43. Client money

- a) Where the Custodian is holding your money, this will be held in a Cash Account opened with one or more banks, in accordance with this Clause 43 and the FCA Rules. Such money shall typically be promptly transferred to your Cash Account opened and managed by the Custodian and administered in accordance with the terms and conditions agreed with the Custodian.
- b) Interest will be calculated daily at the rate of 0.75% per annum below the Custodian's derived interest rate and any resulting amount payable will be credited to the Cash Account, generally on the last Business Day of each quarter. Any Cash including interest may be reinvested in deposits or funds of deposits. The balance of interest earned in the Cash Account will be paid by the Custodian to us. The derived interest rate is the amount of interest earned across the Client Money Accounts where the Custodian is holding money on your behalf.
- c) The Custodian will exercise all due skill, care and diligence, in accordance with the FCA Rules, when it is selecting which third party bank to use. The Custodian will periodically (at least annually) review the adequacy and appropriateness of any bank where your money is or may be deposited and of the arrangements for holding your money, in accordance with the FCA Rules. The Custodian will not be responsible for any acts, omissions or default (including the insolvency, administration, bankruptcy or similar

event) of the third party bank or for any resulting shortfall or loss in the return of your money.

- d) In the event of the Custodian's failure (for example due to its bankruptcy or insolvency), any money held in the Cash Account by a third party bank will be segregated from the Custodian's assets and will not be available to the Custodian's creditors. However, in the event of failure of the third party bank and there is a shortfall, there may be a number of consequences for you which may include:
- i. UK bank accounts: where your money is placed in a UK account with a third party, because your money will be held in a pooled account which holds the client money relating to a number of clients, in the event that the third party bank holding the money defaults and there is a shortfall, you will share proportionately in that shortfall with other creditors of that bank;
  - ii. Non-UK bank accounts: in addition to any shortfalls through the pooling of accounts as described above, where your money is required to be held in a bank

located outside the UK, you should be aware that the legal and regulatory regimes (including any associated protections) that apply to the bank holding your money may be different to those of the UK. In the event of the bank's failure, your rights and obligations may differ and your money could be less secure and treated differently from the position which would apply if the money were held in a customer bank account in the UK;

- iii. Other third parties: if and to the extent your money or investments have been passed by the Custodian to any other third party in connection with a transaction (for example, to an exchange, clearing house, intermediate broker or settlement agent, either in the UK or in a jurisdiction outside the UK), your money or investments may be at risk in the event of the default or insolvency of such third party. The organisation the Custodian passes your money to may hold it in a general account and it may not always be possible to separate it from our money, or their money. If

the organisation becomes insolvent, the Custodian will only have an unsecured claim against the organisation on your and our other customers' behalf. You realise this means the other organisation may not pay the Custodian enough money to cover the claim of you and all other customers.

#### 44. Other provisions which apply to the Custodian

Other terms in these Terms and Conditions which expressly or as the context clearly requires, are intended to apply to the Custodian in relation to its provision of the custody services. These include without limitation: Part 7 (Complaints and Compensation), Part 8 (Valuation Statements), Part 10 (General Terms and Conditions), Clause 58 (Confidentiality and data protection), Clause 59 (Verification), Clause 61 (Force Majeure), Clause 64 (Term and termination), Clause 65 (Consequences of termination), Schedule 1 (Risk Warnings), Schedule 2 (Defined Terms), and Schedule 3 (Communications), but these do not include Clauses 53 (Limitations on responsibility and liability) and 54.a) (Indemnity).

## Part 7 – Complaints and Compensation

### 45. What to do in the event of a complaint about us or the Custodian

- a) If you have any complaints about the TSS, the DMPS, advice you have received relating to the DMPS, custody or nominee services, please contact us at the address set out for notices and correspondence in Schedule 3 (Communications).
- b) Both we and the Custodian have a formal complaints procedure and endeavour to address any client concerns and complaints speedily and efficiently. A copy of our and the Custodian's complaint handling procedure is available on request. This is without prejudice to your right to complain to a regulatory or other relevant body.

### 46. Compensation by us or the Custodian

If we or the Custodian judge that compensation is payable, either because we have discovered an error, or because a relevant matter has been brought to our attention, perhaps during a complaint, we shall take reasonable steps to reinstate you as far as possible to the position you would have been in, had the issue not occurred.

### 47. Should our response be unsatisfactory

If having filed a complaint with us you are dissatisfied with our response, you are normally entitled (depending upon the nature

of your complaint) to refer the matter to the Financial Ombudsman Service ("FOS").

The FOS is an independent statutory body that investigates and adjudicates on disputes. The FOS will however not become involved in disputes until such time as our own complaints process has been exhausted and no resolution can be agreed upon.

FOS contact details:

**Exchange Tower**  
**Harbour Exchange**  
**London E14 9SR**  
**Tel: 0800 023 4567**  
**[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)**

The FOS may recommend that we pay you compensation, although you may not be able to claim in respect of services that we offer that are not regulated.

### 48. The Financial Services Compensation Scheme (FSCS)

- a) As we are a regulated company, you may be entitled to compensation from the FSCS if we cannot meet our obligations to you in respect of regulated activities. Your entitlement will depend on the circumstances of your claim. The FSCS only covers regulated activities as defined in the Financial Services and Markets Act 2000. Therefore, it is possible that not all investments that can be held within the DMPS may be covered by the FSCS if we

cannot meet our obligations. However, we currently only permit to be held within the DMPS investments that are covered by the FSCS. Additionally, the FSCS will not cover losses sustained through capital reduction of assets other than deposits (equities, bonds, collective investment schemes) and generic advice (which by its nature does not relate to a particular investment). Nevertheless, FCA require that all communications by a firm to its clients are clear, fair and not misleading, and we shall always endeavour to ensure that this is so in all our dealings with you.

There is a maximum level of compensation which is available which may vary from time to time and may depend upon the type of investment. Please contact us for details or you can contact the Financial Services Compensation Scheme at the FSCS address set out in Clause 48.b)

- b) For further details and information, please contact the FSCS at:  
**Financial Services Compensation Scheme**  
**PO Box 300**  
**Mitcheldean**  
**GL17 1DY**  
**Tel: 0800 678 1100**  
**[www.fscs.org.uk](http://www.fscs.org.uk)**

## Part 8 – Valuation Statements

### 49. Issue of valuation acknowledgement and statements

- a) Confirmation acknowledging your investment will normally be sent to you within five (5) Business Days of the Effective Date. Where appropriate this confirmation will constitute the initial valuation. Where subscribing in tranches, for example, through the sale of existing investments, confirmation will be sent for the remaining tranches of subscription received by us.
- b) i. for all Services, valuation statements showing the value and composition of the Assets in your Portfolio will normally be sent to you within twenty five (25) Business Days of 5 January, 5 April, 5 July and 5 October in each calendar year unless we are required to do so on a different basis by FCA Rules, or as otherwise notified to you in writing.
- ii. from time to time, valuations may be accompanied by newsletters, economic and market commentary, tax and national budget information and any other information which we believe may be of interest to you in connection with the Services.
- c) Valuation statements will be accompanied by performance measurement for Portfolios for reporting periods as per Clause 49.b).
- d) You may also request a valuation of the Assets within the Portfolio at any time (except by electronic mail).
- e) For discretionary managed Services, we will not normally send transaction confirmations for transactions carried out through us on your behalf. Instead, you hereby authorise us to instruct the Custodian to summarise information required by the FCA to be stated in transaction confirmations, within a stock

transaction report appended to your Asset valuation statement. You may however elect to receive transaction confirmations on a transaction-by-transaction basis. This Service will be subject to an annual charge we shall levy on your Portfolio of £100 (plus VAT, if applicable) and we shall be entitled to send you a valuation statement once per annum only, within twenty five (25) Business Days of 5 April. If you use the Treasured Stock Service, you will be sent a transaction confirmation following execution of any transactions carried out for you within that Service, (except for any transactions in shares or units in collective investment schemes that may be conducted as part of a series of transactions that are executed periodically, where you may receive a record of those transaction confirmations on a six (6) monthly basis).

## Part 9 – Withdrawal and Transfers

### 50. Withdrawals and transfers from the Portfolio

- a) Withdrawals will be paid to you by electronic transfer into a UK Sterling bank account.
- b) Unless otherwise agreed with you or instructed by you, all withdrawals and fees and charges will be taken in the following descending order, subject to the balance in each case remaining above the Minimum Threshold Level:
- i. from the Cash Element and within the Cash Element:
- from the Cash Account; and
  - the Liquidity Fund, and then:
- ii. the Growth Element, and then
- iii. the TSS, and then:
- iv. the Income Element, which will, subject to the Minimum Dealing Size in respect of each bond, be applied across all bonds within the element.
- c) If you wish to make a withdrawal or transfer, you should inform us, in writing preferably using our standard withdrawal or transfer forms. In the case of joint Accounts, all Account holders must sign. The Custodian is permitted to receive and act on our instructions in respect of your Portfolio under this Part 9.
- d) If the standard process is not suitable for you; or where you have not consulted an Adviser, but wish to make a withdrawal from your Portfolio without following the standard process above, we will modify the process as far as possible, subject to maintenance of the Minimum Threshold Level.
- e) Should the standard withdrawal/transfer process, or an instruction from you, take a withdrawal in the Income Element or Growth Element below the Minimum Threshold Level, we will convert your non-cash Assets to Cash, suspend all management of that element and remit all of the proceeds to you, net of all Charges. Following a period of six (6) months from complete closure, any balance below £1 which may accrue in relation to Assets you formerly held with us will be remitted to a charity of our choice.
- If you maintain more than one client relationship with us, we will still use this formula, but reserve the right to apply it, where permissible, across all Portfolios held for your benefit.
- f) The minimum withdrawal amount. Subject to consent which may be given at our absolute discretion
- i. Minimum monthly income withdrawal: £100
- ii. Other withdrawals\*: £1,000
- \*includes realisations to pay our Charges. In respect of the Income Element, the withdrawal is subject to Minimum Dealing Size.
- g) Payment frequency period of regular income withdrawal. Income withdrawals can be taken on a monthly, quarterly, half yearly, or annual basis. Income withdrawals will be effected on the second Business Day of the month following the end of the payment frequency period. If this is not a day when banks are normally open for business, the withdrawal will be effected on the next Business Day.
- h) Settling the regular income withdrawal

and/or our Charges when insufficient funds are available in the Cash Element. The annual management or administration fee is levied on the Cash Element in respect of all Assets.

Should there ever be insufficient funds in the Cash Element, we will liquidate at least £1,000 from the Growth Element or Income Element according to Clause 50.b). This could result in a capital loss or gain, which will affect the asset allocation between the Cash Element and other elements, and therefore performance.

- i) Withdrawing/transferring investments from the Services in specie or in cash.
- i. TSS Assets (whether or not in ISA\*): may be transferred or withdrawn in specie or in cash.
- ii. ISA\* Assets (not in the TSS): may be transferred or withdrawn in cash only.
- iii. DMPS Assets not in ISA: may be withdrawn or transferred out in specie or in cash.
- \*Investments withdrawn or transferred from ISAs to you will lose their favourable tax status and will therefore be subject to future taxation. Cash transfers from the Services will require the sale of investments first. Please refer to Schedule 5 (Fees and Charges) for the charges.
- j) Timescale for ad-hoc withdrawals. For ISA withdrawals, on your instruction and within the time stipulated by you (which shall not be less than thirty (30) days), part or all of the investments, and/or any proceeds arising from those investments will be transferred or paid to you.

Normally for both taxable and ISA Assets, withdrawals are processed every Wednesday (except if this should be a bank holiday in England, in which case they will be processed on the next Business Day). Instructions must be received at our Liverpool office by 12 noon on the preceding Monday (or preceding Business Day if a bank holiday in England) in order to be processed that week.

Following settlement in the market, the money will be sent by electronic transfer to your selected bank account. Settlement timescales may vary according to the type of asset sold, so funds will be made available shortly following settlement of each transaction. It may take up to fourteen (14) business days from instruction to process all tranches.

- k) Timescale for transfers out of the Services. On your instruction and within the time stipulated by you (which shall not be less than thirty (30) days), your ISA may be transferred in cash (or in relation to

TSS holding(s), in specie also) to another approved manager together with all rights and obligations. Please note that you can only transfer the whole and not part only of a current tax year's subscriptions for an ISA to another manager.

Transfers from taxable portfolios to another manager or you will be normally completed within thirty (30) days, unless for some reason, extraneous circumstances prevent our being able to meet this timescale.

- l) Changing the regular withdrawal amount. The regular withdrawal amount can be changed, including the frequency that you receive it, at any time in writing to us (not by electronic mail or facsimile). Please allow twenty-one (21) days for this to take effect.
- m) Changing receiving banks
- i. Paying money into a different bank account. You may change the bank details on your account at any time (see ii. below). However, we are only able to hold details

of one UK bank account per client, including joint Account clients. Payments, including withdrawals, will only be made to the bank account notified to us at the commencement of our relationship with you or that advised to us subject to ii. below. Payments will only be made in your name(s). Except where acting in accordance with legal instruction (divorce/death, etc.), payments will not be made to third parties.

- ii. Changing the bank account. New bank account details must be provided to us in writing by post. This may take some weeks to effect, as it will be necessary to complete any necessary identity, verification and security checks. All holders must sign a request to change details in the case of joint accounts. We will write to you to confirm when changes have taken effect.

## Part 10 – General Terms and Conditions

### 51. Client money

- a) We shall neither receive nor hold client money. The Custodian will be responsible for receiving your money and will open a Cash Account with one or more banks to be managed and administered in accordance with these Terms and Conditions and FCA rules and will hold your money in the Cash Account.

### 52. Declarations and authorisations

- a) We have not made and, in entering into this Agreement, you are not relying upon any statement, representation, promise or undertaking that is not contained in this Agreement.
- b) Any trustee confirms that it has appropriate legal authority and power to enter into this Agreement.
- c) If a legal representative other than a trustee enters into this Agreement, the legal representative confirms that it has appropriate legal authority and power to enter into this Agreement.
- d) All information you have provided or will provide to us or the Custodian is true, complete and accurate in all material respects.
- e) Notwithstanding any specific obligation that we may undertake to you within the ISA Service or the opening of joint Accounts or any other action we may take to indicate to you a possible tax implication, no information we give you may be regarded as personal tax advice or legal advice, which are the sole province of your independent tax or legal adviser. You are solely responsible for:
- i. managing your personal affairs to

your best advantage for tax or estate planning purposes and neither we, nor any Affiliate, accept any responsibility for the tax consequences of actions taken by us within the scope of our authority; and

ii. ensuring that all applicable legal, tax or regulatory requirements for disclosure or reporting as to holding, control or beneficial ownership are met in respect of any Assets.

- f) Unless otherwise agreed in writing between us, you are acting as principal, (i.e. for your own account and not on behalf of, or as agent for another) in our relationship and own the Assets free and clear of any encumbrance except as may arise by law and, accordingly, you undertake that you will be deemed to be liable as principal for all obligations and transactions under this Agreement.
- g) You will provide us promptly with a copy of all such documents and information as we may reasonably require from time to time.
- h) Save as expressly permitted in these Terms and Conditions, you undertake not to deal, except through us, with any of the Assets, nor to authorise anyone else so to deal.
- i) You will notify us promptly if there is any change to any of the matters you have told us about on which we have based our Investment Planning Report or if any of the matters you have told us about are or become inaccurate (in particular your capacity to act on behalf of others or change in residency). You recognise that if you fail to do this then this may adversely affect the Services or mean that the

Agreement may have to be terminated.

- j) You will comply with all applicable laws, rules and regulations and acknowledge that any transaction dealt with by us under these terms will be covered by statutory and other requirements relating to money laundering, market abuse, insider dealing and combating terrorist financing.

### 53. Limitations on responsibility and liability

- a) Our liability
- i. We accept liability to you in respect of our Services for any Loss arising out of the fraud, negligence or wilful default of ourselves or any Affiliate or of our respective employees in the performance of this Agreement.
- ii. We shall use reasonable care in the selection, monitoring and continued use of the Custodian, and also of any person whom we appoint or to whom we delegate any of our obligations from time to time.
- b) Our liability to you will be limited to any direct Loss that you may incur. Any loss of Assets will be assessed as the market value or, in the absence of a relevant market, the fair value of such Assets in each case as reasonably determined by us, on the date when such Loss is notified, as the case may be, by you to us or us to you. In addition, we shall pay you interest at our prevailing rate from the date as at which your Loss is assessed until the Loss is repaid and we will credit you with the amount of any fees in respect of the relevant transaction.

We will not be liable for any loss of profits or indirect special or consequential Loss.

- c) For the avoidance of doubt, and notwithstanding any other provision of this Agreement, neither we nor the Custodian nor any Affiliate or associated company or employee of any of us or them shall be liable to you under any circumstances for any Loss arising in connection with the acts, omissions or default of any Securities System.
- d) Except as expressly set out above, we accept no liability in respect of any Loss you may suffer in connection with this Agreement. In particular, we accept no liability for Loss arising from:
  - i. the modification by you of the withdrawal process, as this is your decision and as such may affect the ability of the DMPS to continue to meet your needs and objectives; and
  - ii. any delay in the investment of any monies provided to us or in our ability to provide the Service to you as a result of the checks and verification procedures described in Clause 59 (Verification and authority to obtain information).
- e) Nothing in this Agreement may be construed so as to exclude or limit any liability that we owe to you pursuant to the Financial Services and Markets Act 2000, the FCA Rules or the regulatory system.
- f) We give no warranty as to the performance or profitability of any investment sold or purchased under the Agreement, whether or not an investment is purchased or sold as a result of our advice or under our discretion. We shall have no liability for any Loss or reduction in return on Assets that you may suffer by reason of any movement from time to time in the value of the currency in which any of your Assets (as the case may be) are denominated.
- g) If the parties so agree, we will on your behalf pursue all appropriate legal remedies against any third party to recover Assets or any sums due or compensation in lieu thereof. Costs and expenses properly incurred by us in connection with the pursuit of such remedies will be payable by you upon demand and you will make available to us such security in respect of costs and expenses as we may reasonably require.

#### **54. Indemnity, default and set-off**

- a) Indemnity
  - i. You will have no liability to us in connection with any Loss that we may suffer pursuant to this Agreement, insofar as that Loss is caused by the negligence, wilful default or fraud of ourselves or any person for whose acts or omissions

we accept liability under this Agreement.

- ii. In all circumstances other than those described in Clause 53.a)i. (Limitations on responsibility and liability), you will indemnify us and keep us indemnified and hold each of us harmless in respect of any Loss that we may suffer in connection with this Agreement, and you will be required to indemnify us from Assets, or any other portfolio we may maintain for you outside of the Assets to the extent that we cannot effect complete recovery of Loss from Assets, and this indemnity will remain in full force and effect and will survive termination should reinstatement of our Loss still remain outstanding.
  - iii. In particular, in addition to the general indemnity set out in a)ii. above (Indemnity, default and set-off), please note that you will indemnify and hold us and/or the Custodian harmless against any Loss that may be incurred in connection with Clause 52.b) to d) (Declarations and authorisations) (as the case may be), to the extent that such Loss arises out of the fact that you do not have appropriate legal authority and power. Please note that there are additional liability provisions under Clauses 40 and 41 of Part 6 (Custody Terms and Conditions).
- b) Set-off and merger
    - i. We may, on notice to you and upon instruction to the Custodian, combine, consolidate or merge all cash amounts that the Custodian may hold for you in the Cash Account, with your liabilities to us that we or the Custodian incur in good faith on your behalf from time to time.
    - ii. With reference to i. above, we may set off or transfer any such cash amounts in or towards the satisfaction of any liability that you may have to us or the Custodian from time to time in connection with this Agreement.
    - iii. With reference to ii. above, we may set off or transfer any sums held for your benefit on any account, where permissible in law, against any liabilities that you owe or have on any other such account notwithstanding that the sums held for you are held with the Custodian or a sub-custodian or other third party and may not be denominated in the same currency.
    - iv. We are hereby specifically authorised to effect any necessary currency conversions at our or an Affiliate's own prevailing rate of exchange for the purpose in iii. above.

#### **55. Death and joint accounts**

- a) In the case of the death of a joint holder, we will not act upon the instruction of the remaining holder(s) until we receive a copy of the relevant death certificate. Upon the death of the only or surviving Portfolio holder, on receipt of your death certificate we will continue to manage or administer the Portfolio in accordance with your last known instructions until we receive instructions from the person or persons who have been granted probate or letters of administration or other appropriate documentation that we may require in respect of your estate. We will not convert the Securities to Cash or otherwise deal in any way with the Securities on behalf of your estate without those instructions.
- b) You agree that the rights of any one holder will pass upon his or her death by right of survivorship to any surviving holder, and in equal shares if more than one. We do not recognise tenancies in common for the Services.
- c) Investments within a joint relationship will be held equally for the benefit of all joint owners. If you as a joint owner consider that you do not want either now or in the future any payments to be attributable to you jointly you should consider very carefully whether you should have individual ownership rather than joint ownership.
- d) Where there is more than one holder, the liability of each of you to us will be joint and several, without restriction and notwithstanding any other provision in the Agreement.
- e) Subject to a) above, all signatories to a joint Account will be required to sign in order for us to act upon your instructions.

#### **56. Transfer and assignment**

- a) This Agreement is personal to the parties and may not be assigned or transferred by either party except as set out in this Clause 56.
- b) We may assign and/or transfer the benefit and/or burden of all or part of this Agreement to any suitably qualified Affiliate or third party and we will notify you promptly in writing of any such assignment or transfer and in any event within fourteen (14) days.
- c) You will cooperate reasonably and enter into such further documentation as may reasonably be required or desirable in order to give effect to such an assignment or transfer.

#### **57. Variation**

We may upon written notice to you amend any provision of these Terms and Conditions but will, where practicable, give thirty (30) days' notice (or such other reasonable period of notice) of any such amendment, or ninety (90) days in respect of Charges. Where such

period is not practical for any reason, (for example due to changes in applicable law), we may amend the Terms and Conditions by notice in writing to you to take immediate effect.

## 58. Confidentiality and data protection

Your privacy and personal information are important to us. Any personal information that you provide to us will be dealt with in line with our privacy notice, which explains what personal information we collect from you, how and why we collect, store, use and share such information, your rights in relation to your personal information and how to contact us and supervisory authorities if you have a query or complaint about the use of your personal information. Where you appoint us to arrange custody services on your behalf, our privacy notice also serves as the entire statement as to how the Custodian treats and processes your personal information in relation to such custody services. You acknowledge that you have received a copy of our privacy notice prior to signing up to our Services. It is also available on our website or we can provide you with a hard copy on request.

## 59. Verification and authority to obtain information

Legislation requires us to verify your name and address sufficiently robustly. This may lead to delays in processing.

We and the Custodian are required to adhere to anti money-laundering and tax regulations. Accordingly, we shall undertake such checks and obtain such evidence as we consider necessary in order to verify your identity and to ensure that we comply with all our obligations under such laws and regulations. This may result in a delay in the investment of any monies provided to us or in our inability to provide the Services to you. In the event we cannot obtain sufficient documentation from you to satisfy our obligations in respect of verifying your identity, we will carry out electronic checks which will leave an electronic footprint on your credit reference file but will not affect your credit score.

You hereby consent to allow us to obtain any relevant information concerning your existing assets or ancillary information and data from any source for the purposes of providing Services to you under this Agreement.

Sources of information may include any existing professional or investment adviser, administrator, trustee, insurance company or any other product provider, or contracting party with whom you have had previous involvement. You also hereby authorise the holders of this information to release it to us on our request to them.

## 60. Conflicts of interest policy

We and our Affiliates may, without prior reference to you, act in circumstances in

which we or one of our Affiliates has a material interest or a relationship of any description with another party which may involve an actual or potential conflict with our duty to you. We will ensure that such transactions are effected on terms which are not materially less favourable to you than if the potential conflict had not existed.

A “conflict of interest” may arise in two situations:

First, if we are providing a service to you and, beyond that, we have a material interest, relationship or arrangement in the transaction or product or service; or  
Second, we are acting for you and we or another member of our Group is acting for another client and your two interests materially conflict.

We have worked to identify such conflicts of interest that may exist in our businesses. These include:

- a) Conflicts principally resulting from the fact that we are a member of a Group in which a member of that Group (whom we call an “Affiliate”) may have a financial or other business interest in the trades we do for you.
- b) Conflicts principally resulting from the fact that we provide investment services to other clients.
- c) Conflicts principally resulting from the fact that we or an Affiliate, or third party service provider or an employee may also be trading in the same securities as we trade for our clients.
- d) More specifically in relation to our services, (as opposed to the rest of our Group):
  - i. we may act for other clients and may conduct conflicting trading strategies for different clients. In particular, you may have acted upon advice from us to sell assets to fund a particular investment strategy, but the same assets may be purchased within the DMPS, if investment managers deem that they are suitable. Likewise, investments may be sold without regard to whether they have been recently acquired;
  - ii. we may act as the manager of the assets attributable to any insurance policy or policies held for your benefit;
  - iii. we may sell certain securities from within the DMPS because they no longer qualify for portfolios that may be subject to different regulations (including ISA regulations or HMRC pension regulations) but which are managed or administered using the same trading platform as the DMPS;
  - iv. we may act as principal to transactions conducted on your behalf (but only where we act as trustee of a personal pension

scheme);

- v. we may act as your Adviser and, contemporaneously, act in a fiduciary capacity as trustee of your Assets and as investment manager for you.

Some of the measures we have adopted to manage identified conflicts are set out below. We consider them appropriate to our efforts to take reasonable care that, in relation to each identified conflict, we act independently to avoid material risk of damage to your interests.

- e) Policies and procedures  
We have adopted many policies and procedures throughout our businesses to manage recognised conflicts of interests. These policies and procedures will be subject to our normal monitoring and review processes.
- f) Information barriers  
We have established information barriers which have been implemented to prevent the exchange or misuse of material non-public information obtained by our staff members or our Affiliates. Employees in some business areas are permanent “insiders” (such as corporate finance areas) and others will be made insiders when they acquire inside information. Employees who are insiders are prohibited from inappropriately passing on inside information to those in an “outside” business unit who cannot access the information. Additionally, our staff respect the confidentiality of client information and do not pass it on or use it inappropriately.
- g) Segregation of duties  
If a business within the Group has two functions that could lead to conflicts of interest, it may separate the functions into two separately managed businesses or ensure that different senior members of staff manage them.
- h) Remuneration  
Remuneration of staff will often be linked to the profits of the Group or the business or department in which the member of staff works without resulting in a conflict of interest. In some cases, however, there may be a conflict which we will always seek to reduce or avoid where possible.
- i) Gifts and inducements  
We may only give or receive gifts in strict accordance with Group policy. If, in accordance with Group policy, such gifts amount to inducements, they will not be accepted or received.
- j) Personal account dealing and outside business activities.  
To prevent conflicts arising from the use of information obtained from clients, and market abuse generally, all relevant staff are subject to personal account dealing rules which include the requirement to pre-clear any trades they wish to

undertake. They are also required to pre-clear any outside business activities which are permitted in limited circumstances.

k) Disclosure

Where there is no other means of managing the conflict or where the measures in place do not sufficiently protect your interests, the specific conflict will be disclosed to enable you to make an informed decision whether to continue with our service in that particular situation.

l) Declining to act

Where we consider that the conflict of interest cannot be managed in any other way, we may decline to act for a client.

## 61. Force majeure

- a) Neither party to this Agreement will be deemed to be in breach of this Agreement or otherwise liable to the other as a result of any delay, failure or defective performance of its obligations under this Agreement if and to the extent that such delay or failure arises out of causes beyond the reasonable control and without the fault or negligence of the party in question. Events outside a party's reasonable control include without limitation: acts of nature, any change to the law, order or regulation of a governmental, supranational or regulatory body, any currency restrictions, devaluations and fluctuations, an act of terrorism, market conditions affecting the execution or settlement of transactions or the value of assets, any failure or breakdown in communications not reasonably within the control of the party affected by it and the failure of any relevant exchange or clearing house.
- b) From time to time 'material difficulty', that is, the inability to execute orders for you or on your behalf by the close of business on a particular trading day, may be experienced through no fault of our own and for which we shall not be held liable. If material difficulty executing investment instructions does occur, we shall where practicable contact you.

## 62. Invalidity and severability

Each of the provisions of the Agreement is severable and if at any time any one or more of those provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected.

## 63. General

- a) For the purposes of and to effect the Services, you hereby authorise us to execute all necessary documents and agreements including documents and agreements taking security over, or otherwise encumbering, the Assets.
- b) By acting on your instructions we are to

be regarded as having accepted them.

- c) Our rights and powers under the Agreement are additional to our rights and powers under general law and will not be affected or impaired by any delay or omission by us in exercising (or any previous or partial exercise by us of) any particular rights or powers.
- d) For the purposes of the Trustee Act 2000, we shall only be bound by any policy statement to the extent that we are informed of it and that it does not conflict with the Terms and Conditions. In the event of any conflict, the Terms and Conditions will prevail.

## 64. Term and termination

- a) You may terminate this Agreement by written notice at any time (not by electronic mail or facsimile). We may terminate the Agreement by providing you with at least thirty (30) days' written notice of termination (not by electronic mail or facsimile) unless circumstances require us to provide a shorter notice period. Such circumstances would include where you become or threaten to become bankrupt or, where relevant, you become or are about to become insolvent or enter into a composition with creditors or otherwise indicate that you cannot pay debts as they fall due or where there may be a legal or regulatory reason for us to terminate the Agreement earlier. Termination of this Agreement also terminates the arrangements put in place with the Custodian on your behalf.

Any such termination as described in a) above will not affect Clauses in these Terms and Conditions intended to survive the termination of the Agreement including but not limited to Part 6 (Custody Terms and Conditions), Clause 40 (Liability and limitations on responsibility), Clause 41 (Risks and responsibilities), Clause 44 (Other provisions which apply to the Custodian), Part 10 (General Terms and Conditions), Clause 52 (Declarations and authorisations), Clause 53 (Limitations on responsibility and liability), Clause 54 (Indemnity, default and set-off), Clause 55 (Death and joint Accounts), Clause 58 (Confidentiality and data protection), Clause 61 (Force majeure), Clause 63 (General), Clause 65 (Consequences of termination), Clause 69 (Law and jurisdiction), Schedule 3 (Communications) and Schedule 5 (Fees and Charges).

## 65. Consequences of termination

Termination of this Agreement, or any part thereof, will be without prejudice to:

- a) the completion of transactions already initiated; and
- b) the completion of obligations clearly intended to survive termination.

We will continue to operate bank accounts relating to your Portfolio for the purpose of settling or receiving monies in respect of transactions already initiated and paying any Charges due to us or other parties which may be for a period in excess of six (6) months (for example in relation to the payment of dividends).

In order to secure your obligations to us and to the Custodian pursuant to this Agreement, we shall have a first general lien on the Assets and, upon termination, we may without prior notice to you direct the Custodian to retain and/or realise any Assets as may be required to settle transactions already initiated, and to pay any outstanding Losses attributable to you. Realisation of any Assets will be at market prices, which may be less or more than the amount paid to acquire them or any valuation recently provided. If there is a dispute as to the payment of Charges, you may require the disputed amount to be held by us in escrow pending resolution of the dispute. Whilst any outstanding Charges (to the point your Account with us is closed) require settlement, there is no separate penalty fee for termination.

## 66. Cooling off and cancellation rights

There are no cooling off rights (that is, the right not to proceed with the contract) or cancellation rights (the right to cancel the contract post sale) under this Agreement.

## 67. Contracts (Rights of Third Parties) Act 1999

The provisions of this Agreement will not be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person (other than the Custodian or its Affiliates) who is not a party to it.

## 68. Changes to your circumstances

You must advise us immediately if there are any relevant changes to your personal circumstances or information previously provided to us. If you are in doubt as to whether a change is relevant, please contact us at our address set out in Schedule 3 (Communications).

## 69. Law and jurisdiction

The Terms and Conditions and any non-contractual disputes or claims arising under the Terms and Conditions are subject to and are to be construed in accordance with the laws of England and Wales and you and we hereby irrevocably agree:

- a) that the courts of England and Wales will have exclusive jurisdiction to settle any such disputes or claims (including any non-contractual in nature) which may arise out of or in connection with the Terms and Conditions; and
- b) to submit to the jurisdiction of such courts and waive any objections to any

proceedings in any such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

## Schedule 1 – Risk Warnings

### Specific risk warnings

This notice is provided to you, the Client, whom we are treating individually as a private retail customer, and in compliance with the rules of the Financial Conduct Authority (“FCA”). As such, it is largely “standard” but an investment will only be permitted to be held within your Portfolio if it falls within our house policy for suitable investments. Private retail customers are afforded greater protections under these rules than other customers are and you should, subject to any exclusions to do so, ensure that you take appropriate advice where necessary about what this will mean to you. This notice cannot disclose all the risks and other significant aspects of warrants and/or derivative products such as futures, options, and contracts for differences. You should not deal in these products unless you understand their nature and the extent of your exposure to risk. You should also be satisfied that the product is suitable for you in the light of your circumstances and financial position. Certain strategies such as “a spread” position or a “straddle”, may be as risky as a simple “long” or “short” position.

Although warrants and/or derivative instruments can be utilised for the management of investment risk, some of these products are unsuitable for many investors. Different instruments involve different levels of exposure to risk and in deciding whether to trade in such instruments you should be aware of the following points.

#### 1. Foreign markets

Foreign markets will involve different risks from the UK markets. In some cases the risks will be greater. On request, we must provide an explanation of the relevant risks and protections (if any) which will operate in any foreign markets, including the extent to which we will accept liability for any default of a foreign firm through whom we deal. The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts will be affected by fluctuations in foreign exchange rates.

#### 2. Commissions

Before you begin to trade, you should obtain details of all commissions and other charges for which you will be liable. If any charges are not expressed in money terms (but, for example, as a percentage of contract value), you should obtain a clear and written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms. In the case of futures, when commission is charged

as a percentage, it will normally be as a percentage of the total contract value, and not simply as a percentage of your initial payment.

#### 3. Suspensions of trading

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movements if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

#### 4. Clearing house protections

On many exchanges, the performance of a transaction by us (or a third party with whom we are dealing on your behalf) is “guaranteed” by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover you, the customer, and may not protect you if we or another party defaults on its obligations to you. On request, we must explain any protection provided to you under the clearing guarantee applicable to any on-exchange derivatives in which you are dealing. There is no clearing house for traditional options, nor normally for off-exchange instruments which are not traded under the rules of a recognised or designated investment exchange.

#### 5. Insolvency

Our insolvency or default, or that of any other brokers involved with your transaction, may lead to positions being liquidated or closed out without your consent. In certain circumstances, you may not get back the actual assets which you lodged as collateral and you may have to accept any available payments in cash. On request, we must provide an explanation of the extent to which we will accept liability for any insolvency of, or default by, other firms involved with your transaction.

There are other risk warnings about the Services that we are able to provide you with from time to time which we feel you should be aware of.

#### 6. Non-readily realisable investments

From time to time we may offer you or deal in investments that are non-readily realisable investments. A non-readily realisable investment is an investment that has a restricted market and it may therefore be difficult to deal in that investment or to obtain reliable information about its value.

Any known or perceived conflict of interest or any known interest or position that any member or Affiliate within the Wealth at Work group of companies has in such investments will be managed in accordance with internal policy relating to conflicts of interest.

#### 7. Structured capital at risk products

We may also offer directly or, as part of the DMPS, deal in, capital at risk products such as “i-shares”. These products are not derivatives but provide a level of income or growth over a specified investment period that display the following characteristics:

- a) your investment may be exposed to a wide range of negative or positive actions in respect of the likelihood of the return of your capital or any part of it;
- b) the return of capital at the end of the investment period is linked by a pre-set formula to the performance of an index, a combination of indices, a basket of selected order (typically from an index or indices) or other factor or combination of factors; and
- c) if the performance in b) is within specified limits, repayment of initial capital invested occurs but, if not, you would lose some or all of the initial capital invested.

Therefore:

- the return of the initial capital invested at the end of the investment period is not guaranteed and so you may receive back less than originally invested.
- the amount of initial capital repaid (if any), may be geared, which means that a small percentage fall in the rebated index can result in a larger reduction in the amount paid to you.
- early redemption can result in redemption penalties and a poor return.
- initial capital invested can be placed into high risk investments, such as a non-investment grade bond.
- the rate of income or growth may depend on specified conditions being met.
- you should not enter into the transaction unless you are prepared to lose some or all of the money you have invested.

#### 8. Bonds and fixed interest investments

All bonds carry risk – their market value can fluctuate and the issuer may default on either income payments or the return of capital. The security of any bond is dependent upon the financial standing of the provider. Regardless of the bond’s pedigree, absolute guarantees of security cannot be given. Bonds and fixed interest investments may be purchased



above or below their nominal value. For such investments purchased above their nominal value, a capital loss may be incurred on maturity.

### 9. Foreign currency risk

Investing overseas introduces currency risk (the risk that your returns may reduce when converted back into sterling). Changes in the rates of exchange between currencies may cause your investments to go down or up. Should there be a change of currency in any country in which any Assets are denominated (for example a move into or out of the Euro), this may impact negatively on the Portfolio.

### 10. Investments in emerging markets

Emerging markets can be much more volatile than mature economies like the UK. Political risk, currency risk and lower stock market regulation may cause your investments to go down or up. Investment in emerging markets may involve a higher than average risk. In addition, companies in emerging markets may not be subject:

- i. to accounting, auditing or financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets;
- ii. to the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets.

### 11. Small companies

Smaller companies tend to be very domestically focused and they can be heavily affected by changes in the economy such as rises in interest rates. As a result, they can be more volatile than, say, the larger companies that make up the FTSE indices.

### 12. Investment trusts

Investment trusts can utilise gearing techniques which exaggerate market movements both down and up which could mean sudden and large falls in market value. Some investment trusts may also have warrants in issue which, if exercised, may have a negative or positive effect on net asset value.

### 13. General

**Market risk:** The price of shares and other traded assets and any income from them can go down as well as up.

It is possible that the value may fall below the original investment and you may not receive back the amount you invested. Specifically, Assets held within the Growth Element are volatile in nature, meaning that they may experience sudden and sharp fluctuations in their prices according to extraneous market forces. Accordingly, upon full sale, for example to effect a withdrawal or transfer, the value of capital at that point may be less than you were expecting, and upon a partial sale of your holding, the quantity of stock required, for example, to satisfy an

instruction to withdraw, may be increased.

**Dividend risk:** Dividends are not guaranteed and may vary from year to year. Young or small companies seeking growth or those in financial difficulty may not pay a dividend at all.

**Equity risk:** Shares have much greater potential than bonds or cash to cause your capital to lose value.

**Income risk:** Income produced by Securities is not fixed – it can go up or down.

**Performance risk:** You should not assume that past performance bears any relation to potential future performance of your Portfolio. There can be no certainty concerning the future performance of your Portfolio. No representation can be made as to the future performance of your Portfolio and there is no assurance that your Portfolio will meet your objectives.

**Taxation risk:** Changes in legal, tax and regulatory regimes, including the bases and reliefs available may occur during the life of your Portfolio which may have an adverse effect on your Portfolio or the Assets it contains, and any tax wrapper that includes them, such as an ISA. The tax treatment depends also on your individual circumstances and may change in future.

**Currency risk:** Portfolios held within the Growth Element may experience currency risk when Assets that provide exposure to overseas markets are translated from the foreign currency to the home currency, Sterling. The degree of currency risk increases with the risk profile of the Portfolio.

**Dispersion and concentration risk:** Depending upon market conditions, a phased investment approach may affect the value of your Assets more negatively or more positively than if immediate investment had taken place. A phased contribution approach may also affect your Assets similarly.

A phased contribution approach to investing, for example, by regular or further subscription, may also result in different stock weightings than required by (or 'dispersion' from) the internal model for a Portfolio of a given value at any particular time, and risk profile. This will last for a period of up to around three (3) months from the latest contribution. A higher weighting than that required by the model implies that a higher proportion of the Portfolio is invested in a particular stock, and a lower weighting likewise implies a lower proportion, in each case relative to the relevant model. This reflects the relative concentration risk of stocks in the Portfolio.

Any dispersion from the model and the associated concentration risks may provide a negative, or a positive effect on performance during that period compared with the relevant model portfolio. This process will continue in respect of any new contribution and therefore may increase slightly the overall risk of the Portfolio to you during, and for the three (3) month period following, a regular or further subscription.

The system rounds down stock purchases to the nearest whole number of shares that available cash can purchase relative to the correct weighting for the model portfolio of a given risk profile.

If further frequent subscriptions are made over a number of years, dispersion and its impact on the Portfolio for each successive subscription would usually be expected to reduce, assuming that the value of your Portfolio rises, in absolute terms. The extent of dispersion from the model depends on the extent that a Portfolio is already invested in stocks from a cash position when a further subscription is received.

Regular subscriptions will tend to affect the asset allocation in favour of the Growth Element for a growth strategy, and therefore will vary from the asset allocation set previously until adjusted following the next review. This may negatively or positively affect the value of your Assets in comparison to a portfolio that may have remained allocated as advised.

**Liquidity risk:** Some investments may be illiquid and/or traded infrequently, meaning that we may be unable to sell them. This may mean that fair value for those investments is not achievable or difficult to determine. Market conditions may also make it difficult to sell a position. This may happen in circumstances when the fluctuation in price movement is such that in accordance with the rules of the exchange trading will be suspended.

**Inflation risk:** If the value of your investment changes by less than the rate of inflation it will have less buying power in the future.

We shall produce a statement for you following the tax year end. This will be limited to a statement of realised gains and losses, and any income tax paid on income producing assets held within the Services. However, it is not a full tax statement of your tax position for HMRC reporting purposes, as it does not take into consideration all external tax considerations, for which we accept no responsibility.

We will endeavour to effect transfers of capital between us and other managers in accordance with your instructions as soon as reasonably practicable. This process requires registration or deregistration with the Custodian's nominee(s) and different assets take different timescales for this process to complete. Accordingly, in acting as soon as reasonably practicable, we do not accept liability for any adverse market movements during this period.

### 14. Stabilisation

This statement complies with the rules of the FCA.

We or our representatives may, from time to time recommend transactions in investments to the Client, or carry out such transaction on your behalf, where the price may have been influenced by measures taken to stabilise it.

You should read the explanation below carefully. This is designed to help you understand whether you wish your funds to be invested at all in such investments and, if you do, whether you wish:

- a) to be consulted before we carry out any such transaction on your behalf; or
- b) to authorise us to carry out any such transaction on your behalf without first

having to consult you.

What is stabilisation?

Stabilisation enables the market price of a security to be maintained artificially during the period when a new issue of securities is sold to the public. Stabilisation may affect not only the price of the new issue but also the price of other securities relating to it.

The FCA allows stabilisation in order to help counter the fact that, when a new issue comes onto the market for the first time, the price can sometimes drop for a time before buyers are found.

Stabilisation is carried out by a “stabilisation manager” (normally the firm chiefly responsible for bringing a new issue to market). As long as the stabilising manager follows a strict set of rules, he is entitled to buy back securities that were previously sold to investors or allotted to institutions which have decided not to keep them. The effect of this may be to keep the price at a higher level than it would otherwise be during the period of stabilisation.

The stabilisation rules:

a) limit the period when a stabilisation

manager may stabilise a new issue;

- b) fix the price at which he may stabilise (in the case of shares and warrants but not bonds; and
- c) require him to disclose that he may be stabilising but not that he is actually doing so.

The fact that a new issue or a related security is being stabilised should not be taken as any indication of the level of interest from investors, nor of the price at which they are prepared to buy the securities.

## Schedule 2 – Defined Terms

### 1. Definitions

The following defined terms have the following meanings when used throughout this Agreement:

#### “Account” or “Accounts”

means any of the record(s) of the Cash and Securities held for your benefit.

#### “Affiliate”

means any holding company or its subsidiary within the Wealth at Work group of companies or the holding company or the subsidiary of the holding company that owns the Custodian, as the context requires.

#### “Agreement”

has the meaning given to it in Clause 2 (Components of the Agreement).

#### “Application Booklet”

has the meaning given to it in Clause 2 (Components of the Agreement).

#### “Assets”

means the Cash and Securities that comprise your Portfolio.

#### “Business Day”

means any day when we are open for business (9am – 5pm) or any other such times as we may specify.

#### “Cash”

means the money in the Portfolio.

#### “Cash Account”

means any one or more cash accounts opened by the Custodian with one or more banks for the holding of Cash and interest for you (unless otherwise notified in these Terms and Conditions) and operated as client accounts in accordance with the FCA Rules.

#### “Cash Element”

means that discretionary managed part of the Portfolio which includes the Cash Account, and the Liquidity Fund, with the aim of providing access to capital.

#### “Commercial Settlement System”

means, as defined in the FCA Rules, a system commercially available to firms that

are members or participants of the system, a purpose of which is to facilitate the settlement of transactions using money and/or assets held on one or more settlement accounts.

#### “Charges”

means the fees and charges set out in Schedule 5 (Fees and Charges).

#### “Contracted-out Benefits”

means benefits earned under another Registered Pension Scheme from contracting out of the State Earnings Related Pension Scheme and / or the State Second Pension.

#### “Custodian”

means the custodian or custodians appointed by us on your behalf with whom we arrange from time to time for safekeeping and administration of Securities and the holding of your Cash.

#### “DMPS”

means the discretionary managed portfolio service as described in Part 3 (Discretionary Managed Portfolio Service Terms and Conditions) of these Terms and Conditions.

#### “Effective Date”

means the date, as set out in your Account opening confirmation letter, which will normally be the Business Day after we have accepted such information and documentation as we require including the completed and signed Application Booklet.

#### “FCA”

means Financial Conduct Authority and “FCA Rules” means the rules of the Financial Conduct Authority, or of any successor body thereof, in force from time to time.

#### “Growth Element”

means that discretionary managed part of the Portfolio which includes equities, collective investment vehicles and fixed interest instruments to aim to achieve capital growth.

#### “HMRC”

means Her Majesty’s Revenue & Customs and any successor body thereof.

#### “Income Element”

means that discretionary managed part of the Portfolio which is invested in high rated bonds, with the aim of providing interest income.

#### “Investment Planning Report”

means the investment planning report that we provide to you as part of this Agreement setting out our recommendations for the Services described in these Terms and Conditions and in particular in relation to the allocation of Assets between the Cash Element, Income Element and Growth Element.

#### “ISA”

means an Individual Savings Account and “Stocks & Shares ISA” means an ISA that can invest in qualifying stocks, shares and other instruments within the restrictions of the ISA regulations.

#### “ISA regulations”

means the Individual Savings Account Regulations 1998 and any subsequent amendment, replacement or re-enactment in respect thereof.

#### “Liquidity Fund”

means that part of the Cash Element which is a collective investment vehicle invested in deposit-based instruments.

#### “Loss(es)”

means any loss, claim, demand, liability, cost, charge or expense (including of any legal proceedings) and including, where relevant, any liability to tax.

#### “Minimum Dealing Size”

means the minimum dealing size in which bonds may be bought or sold within the Income Element and is 1,000 nominal, which may be more or less than £1,000.

#### “Minimum Threshold Level”

means, in respect of the Income Element, that sum represented by the Minimum Dealing Size; in respect of the Growth Element, £1,000; and in respect of the Cash Element, the greater of £1,000 or the monthly pro rated annual management fee.

**“Plan”**

means the investment plan for your ISA.

**“Plan Manager”**

means the plan manager of your ISA, being us.

**“Portfolio(s)”**

means the portfolio(s) of Assets that we maintain for you in respect of the Services but in respect of Part 3 (Discretionary Managed Portfolio Service Terms and Conditions), excludes Treasured Stock whether or not held in an ISA.

**“Securities”**

means the non-cash assets in your Portfolio, but with respect to Clause 15 (Corporate action and voting rights), Clause 17 (No breach of objectives from price fluctuation or exchange rate differential) and Clause 18 (Power to sell bonds before maturity), excludes Treasured Stock.

**“Securities System”**

means a securities depository or securities clearing book entry or other similar system.

**“Service” or “Services”**

has the meaning given to it in Clause 1 (The Services).

**“Terms and Conditions”**

has the meaning given to it in Clause 1 (The Services).

**“Treasured Stock”**

means stock that you ask us to retain for you outside the DMPS in accordance with Part 4 (Treasured Stock Service Terms and Conditions).

**“Treasured Stock Service” or “TSS”**

means the Service of administration of your Treasured Stock provided by us in accordance with the provisions of Part 4 (Treasured Stock Service Terms and Conditions).

**“UK”**

means the United Kingdom of Great Britain and Northern Ireland.

**“Wealth at Work group of companies”**

means Wealth at Work Group Limited and any of its subsidiaries.

**2. Interpretation**

In this Agreement, unless the context requires otherwise

- a) headings and highlighted explanatory notes are for convenience and clarity only and do not affect legal interpretations set out elsewhere in this Agreement.
- b) any reference to a statute, statutory instrument or regulation should be read as including any re-enactment, replacement or modification;
- c) words in the singular include the plural and vice versa;
- d) any reference to any part of this Agreement is a reference to the most recent edition of that part that we send to you from time to time; and
- e) any reference to a Clause, a Schedule or a Part are to a clause, schedule or part, as the case may be, to these Terms and Conditions.

**Schedule 3 – Communications**

1. You acknowledge that electronic communications (via the World Wide Web or Internet) may not be secure and the parties accept responsibility accordingly. We do not recommend that any personal data or other confidential or important information should be sent by electronic mail. If such data is sent to us electronically we will not accept any liability for its loss or the security or integrity of such data.

2. Communications between you and us may be sent by any of the following methods:

- a) first class post, which will be deemed delivered on receipt. N.B. National or personal identity documents such as a passport or driving licence should never be sent via the ordinary first class postal system;
- b) personal delivery, courier or registered mail. Evidence of delivery to the correct address will be deemed proof of delivery;
- c) facsimile or any other electronic transmission which (except electronic mail) will be deemed delivered upon transmission. Evidence of transmission to the correct number or destination together with a proper transmission report or production of electronic receipt, will be sufficient evidence of delivery; and
- d) email will be deemed to be delivered upon being opened but please note the acknowledgement above regarding electronic communications.

Delivery to a party's agent will be deemed good delivery to that party.

3. All notices, correspondence and instructions to us, including changes to name,

address, bank account details (which must each be notified promptly) or requests to withdraw must be made in writing (not by electronic mail) and sent or delivered to the following address:

**Wealth at Work Limited**  
**5 Temple Square**  
**Temple Street**  
**Liverpool L2 5RH**

or such other address as we may notify to you from time to time. All notices that we send or deliver to the parties in physical form will be sent or delivered to the address recorded on your Application Booklet (where relevant) or the latest address that we are advised of by the relevant party.

4. Our additional contact details (not for use for notices or important correspondence) are:

**Tel: 0800 028 3200**  
**E-mail: mywealth@wealthatwork.co.uk**

5. You may contact us by calling the phone number provided in 4. above. Your Adviser will contact you on a periodic basis (usually annually) to arrange a review meeting with your Adviser but if you would like to arrange a further face to face meeting in the interim, you can call or email them or their assistant and this can be arranged for a mutually convenient time. Your meeting can be held either at our Liverpool offices, your home or other reasonable place of your choosing.

6. You expressly authorise us to accept any communication that we reasonably believe to originate from you or to have been given

on your behalf and you hereby release us from any liability whatsoever or howsoever arising, directly or indirectly, from our acting in accordance with such communication.

7. We may at our discretion decline to act upon any communication or instruction and the affected party hereby releases us from any liability whatsoever or howsoever arising, directly or indirectly, from our resulting action, inaction or omission. We will notify that party promptly of any such decision. Where we exercise a right under this Agreement to refuse to act upon an instruction from you, or to instruct us to realise an asset, we will not act unreasonably in reaching a determination not to accept the instruction and will take into account our responsibilities to other clients in reaching any decision over which we have the power to exercise discretion.

8. Where we ask you to respond to a communication within a certain time frame we shall not be responsible for the consequences of our acts or omissions that result from your failure to respond in a timely manner.

9. Where you have provided in writing, and we have accepted, authority for us to receive and act upon instructions from your agent, we may continue to receive and act upon such instructions until we receive written notice from you to the contrary.

10. You hereby agree that we may call upon them by telephone, or visit at a reasonable hour or otherwise communicate with them without express invitation.

11. The language used in this Agreement is to be understood in English, you and we shall communicate with each other in English

and all other documentation, information and notices shall be provided to you in English.

## Schedule 4 – Subscription Methods and Joint Accounts

### Subscription Methods

#### Q) How can I invest into the DMPS?

**A)** With the exception of subscriptions to ISAs, the Service is cash based. All cash investments (by cheque or bank transfer) will be accepted by way of subscription. Please note that there are minimum subscription limits. The minimum 'overall' subscription limit to qualify for the Service will be advised to you by your Adviser as it can depend on the allocation of assets in which you intend to invest, but there are also minimum subscription limits for the initial and subsequent subscriptions in respect of some 'elements' of our Services which are also allocation dependent.

Your Adviser will be able to assist you. The following methods can be used to receive cash subscriptions:

- sale of existing UK listed investments. You will be able to dispose of existing listed investments through your broker, and submit the cash proceeds to us.
- ISA plan manager transfers. When you complete the documentation to instruct us to request transfer of an existing ISA, we will be happy for the Portfolio to receive a cheque/bank transfer from the existing plan manager.

Element/Service	Minimum subscription limit
Cash Element	None
Treasured Stock Service	None
Growth Element	£5,000
Income Element	£25,000, or less depending upon the overall asset allocation between this Service and any other of our Services you have, and the minimum dealing size of bonds.

We will endeavour to obtain the transfer as quickly as possible.

- other cash transfers. Where possible, we will inform you about the encashment and subsequent transfer to us of any other assets e.g. unit trusts or listed shares. Normally the proceeds from the sale of any of these assets will be sent directly to you and you will then need to transfer the cash to the Portfolio.

#### Q) Can I transfer my existing investments into a Portfolio?

**A)** Generally, we only accept cash into our investment system, but please see the section on ISAs, below. This approach allows us to offer a streamlined and cost efficient investment system and ensures that only investments that we believe are appropriate

are included in our portfolios constructed for clients.

If considered appropriate following discussions with your Adviser, you wish to fund your Portfolio from existing investments, these would need to be liquidated and the cash proceeds remitted to us.

However, liquidating your existing investments has certain implications that you need to be aware of:

- you may incur charges or costs in selling your investments, depending on how you choose to dispose of them.
- the sale of an investment may give rise to the loss of existing or future potential benefits and/or income.
- the disposal of an investment may give rise to a tax if held outside of a tax efficient wrapper: e.g. tax on a capital gain or income tax if it has appreciated in value since you originally acquired it. Should sales give rise to tax then you may wish to retain.
- personal funds to meet this tax liability.
- movements in stock markets from the time of your instruction will affect the sale price you are able to achieve, and consequently the value of investments that are subsequently purchased which in either case may be lower or higher than you were expecting at instruction.
- the investments you choose to sell could perform better than the investments in your Portfolio.

If you are eligible to exercise your option under an HMRC approved all employee save as you earn share option scheme, you may be able to subscribe to an ISA in specie tax efficiently within ninety (90) days of exercise of the option. Additionally, if shares have been acquired from an HMRC approved all employee share incentive plan, you may also be able to arrange for the shares to be subscribed tax efficiently by transferring them in specie into an ISA within ninety (90) days of exit from the plan. Such subscriptions will count towards your annual subscription limit for ISAs, and will be a subscription to the TSS.

#### Q) Can more be invested in my Portfolio at anytime?

**A)** Following your initial investment, we would recommend that if you would like to invest additional monies into your Portfolio, then you should contact your Adviser to arrange a meeting. However, you can also add new money without taking advice by visiting our Liverpool office, telephoning or informing us in writing. We will ask you to complete a further application form and provide us with a cheque (or alternatively, pay by electronic transfer). We will send you a letter confirming your new investment. The investment will then be added to your Portfolio over the same timescales as outlined above.

#### Q) How long will it take for my Portfolio to be fully invested?

**A)** Investment in the Cash Element and Income Elements will be effected as soon as practicable following receipt of payment(s) from you. Consideration of investment in the Growth Element will commence immediately. However, depending upon our investment approach at the time of your application, investment of the full amount within the element can take up to three (3) months to complete. Where adopted, the aim of any phased investment approach will be to avoid clients' entry into the market taking place at a single entry level. Furthermore, this approach may enable the cost of dealing to be spread across a number of clients (thereby reducing the costs that might have to be passed on to you directly). We may alter our investment approach at any time. Depending on market conditions, a phased investment approach may lead to a different return than if cash had been fully invested immediately. The difference in return may be either detrimental or beneficial to you.

The assets we acquire on your behalf will be those that we deem appropriate at the time of purchase. Such investments may include assets similar to those sold by you or on your behalf to subscribe to the Service. As with all discretionary managed portfolio services, the investments deemed appropriate may change at any time and this may lead to the disposal of investments. Disposal will take place regardless of whether the relevant investments were recently acquired for your Portfolio.

#### Q) If I do not want to sell a stock, can I hold it within my Portfolio?

**A)** Only cash can be accepted into the DMPS. If you already have a Portfolio, we do however offer the Treasured Stock Service which allows you to hold a UK listed investment separately to the DMPS, and does not therefore part of your recommended investment strategy. The investment can be held until you are ready to dispose of it to fund an existing Portfolio.

### Joint Accounts

#### Q) Can we open a joint Account?

**A)** Two individuals can apply to use the DMPS under a single application. A single Cash Account will be created from which all payments to you will be made. However, ISA regulations require that investments held within those tax wrappers must be held in individual names, so single applications will be required for ISA Services.

All withdrawals of cash and income generated from a joint Account will first be recorded as passing through the jointly designated Cash Account before being paid out. This will also be the case in respect of any Cash and income arising from investments held within

individual discretionary managed Portfolios and ISA tax wrappers where individuals have otherwise applied jointly.

Unless instructed otherwise, payments from such accounts will be to the order of all Account holders named on the Cash Account.

In the case of joint Accounts, your liability will be joint and several.

The opening of a joint Account and the effective transfer of Assets to another party should be considered in the context of inheritance tax planning or will drafting.

You may wish to consider seeking independent tax advice. If, for any other reason you are unclear about what you should do in relation to opening a joint Account, please consult your Adviser or other suitably qualified professionals.

## Schedule 5 – Fees and Charges

This Schedule sets out the fees and charges we levy, or are levied through us (and/or any market charges as described in section 4.b) i.3. below or fees levied by the Custodian), on the Portfolio, or you directly. Please note that additional fees and charges may be levied under this Agreement.

### 1. Initial fee

The initial fee described in the Investment Planning Report or set out in our terms of business letter or other equivalent document will be calculated on the following basis:

- a) Cash: as an agreed percentage of the Cash invested;
- b) Securities: as an agreed percentage based on the stated or disclosed market value attributed to the Securities at such date as we may agree with you;
- c) To design and implement the agreed Portfolio in line with the advisory investment recommendations:

The initial fee deducted, from the subscription for the Service.

Amount Invested	Fee
First £100,000	2% plus VAT
Next £200,000: £100,001-£300,000	1% plus VAT
£300,001 and over	0.5% plus VAT

There is no initial fee levied on regular contributions.

### 2. Annual management fee

The annual management fee is a fee charged for the ongoing investment management within the DMPS and also covers standard administrative services including the provision of quarterly valuation reports and the cost of any Adviser review meetings. The fee will normally be set out in your Investment Planning Report terms of business letter or other equivalent document provided to you but in the absence of anything to the contrary will be charged at 1.5% of the value of your Assets.

The annual management fee is calculated on a monthly basis at a rate of one twelfth of the annual management fee based on the market value of the DMPS Portfolio and is taken by us from the DMPS Portfolio monthly in arrears.

### 3. Regular administration fees

Administration fees are levied on Cash held within your Cash Account in respect of any Treasured Stock you may hold. The fees are calculated on a monthly basis at a rate of one twelfth of the annual administration fee

based on the market value of the Treasured Stock and is taken by us from the Cash Account monthly in arrears. The annual administration fee is 0.5% for the Service of holding your Treasured Stock and reporting it to you. VAT will be added if applicable.

### 4. Dealing and other charges

- a) There are no dealing charges levied by us in relation to any transaction undertaken for the Portfolio.
- b) Third parties may additionally levy the following fees and charges on the Portfolio which shall be deducted from your Account:
  - i. Stockbrokers' commissions and stamp duty. We will endeavour to execute transactions without cost. However, other charges may arise in relation to the acquisition or disposal of stock market investments in the Portfolio, which are usually:
    1. Stockbrokers' commissions: between 0.1% and 0.2% of the value of the transaction;
    2. 0.5% in respect of stamp duty, levied by the government on all UK equity purchases; and/or
    3. Market charges and other amounts that are reasonably incurred in relation to your transactions and Accounts, which may include transfer fees, registration fees, PTM levy, applicable taxes or duties (which may include any valued added tax or other transactions related taxes and any amounts incurred in complying with any obligation to apply withholdings or deductions), interest, fines, penalties, damages or other charges, costs and expenses payable by us and/or the Custodian in connection with your transactions and the administration of your holdings, and any amounts that may be imposed by a third party including, without limitation, a registrar, central counterparty, Securities System, fund manager, execution venue or regulatory body. When this happens, the amount and description of any such market charges incurred will be shown on your contract note, statement or valuation.
  - c) Other administration fees and charges. Administrative fees and charges may

apply, which we incur and which will be deducted from the Portfolio as follows:

- i. £30 if you choose to transfer any ISA Portfolio from our Service, which will be in cash;
- ii. around £30 per stock if you choose to transfer in specie a Treasured Stock out of our Service;
- iii. £100 to cover administration costs if, by your error, we are required under ISA regulations to void an ISA held within your Portfolio;
- iv. a charge of £50 per hour where we administer capital events (including attendance and voting at shareholders' meetings and the receipt of company reports) on your behalf in relation to holdings within the TSS; and
- v. a charge of £50 per hour where, at your request, we arrange for you to attend and/or vote at shareholders' meetings and/or receive company reports in relation to investments held in an ISA (or any other part of your Portfolio where, but for any restriction we impose under this Agreement, we would otherwise be entitled to exercise voting rights).

Such fees and charges will be subject to the addition of VAT where applicable.

- d) Investment funds. We will not benefit from any charges levied in connection with investment into investment funds. However, in relation to such funds:
  - i. Third party managers and operators may levy:
    1. initial and exit charges (plus VAT where applicable) on purchases and redemptions;
    2. annual management charges (typically 1.5%);
    3. other operating expenses. Where possible, we will seek to obtain a reduced rate (or in the case of exit charges, a waiver) in relation to investments made for you into investment funds.
  - ii. The prices for dealing in the shares or units may be affected by dilution levies or other price adjustments designed to protect share/unit holders.

### 5. About our fees and charges

- a) Where possible, fees and charges are set out in actual money terms in the Investment Planning Report or otherwise as

- we may prescribe in writing from time to time in relation to the Services.
- b) You will pay to us the fees and charges as specified in the Investment Planning Report or otherwise as we may prescribe from time to time in relation to the Services. All fees and charges will be payable from your Assets. The sweep facility on the Cash Element aims to ensure there are sufficient funds to meet Charges levied on the Portfolio.
  - c) Subscriptions effected part way through the month will incur a pro-rated monthly annual management or regular administration fee.
  - d) We shall provide you with ninety (90) days' written notice of any proposed revision to our Charges in accordance with Clause 57 (Variation).
  - e) If any part of the Portfolio is withdrawn or transferred to a third party, or this Agreement is terminated by either you or us for any reason, then any Charges properly payable up to the date of termination or withdrawal will be deducted from the Portfolio immediately. Any annual management or administration fee already calculated but not taken will be deducted immediately together with an amount representing the period from the previous calculation date to the date of withdrawal or termination. For periods of less than one (1) calendar month, the fee will be pro-rated by reference to the number of days during which the Services were provided.
  - f) We may share our Charges with any Affiliate or third party or receive remuneration from any of them in respect of any Services carried out on your behalf. We shall be under no obligation to share any benefit with you which accrues to us, directly or indirectly, from such Services. We will provide details of any such remuneration to you upon your written request.
  - g) Charges under this Agreement may be deducted from Cash held within the Portfolio. If in connection with any receipt, transfer or holding of Cash and/or Securities with us or with the Custodian, any fees, tax, duty, claim, interest, fine, penalty, damages or other costs or charges are imposed on, or paid by or charged or due to us or the Custodian, then we are authorised to debit the Portfolio (or any part of it) with any such amount.
  - h) We reserve the right to instruct the Custodian to sell any Assets, or any part thereof, and apply the proceeds to settle fees and charges in respect of any Account(s) that we hold for you, under any client relationship that you maintain with us.
  - i) We reserve the right to apply fees and charges due to us from one client relationship to cash and assets held by us for you under another client relationship, whether or not held in your, or joint name(s).
  - j) VAT will be added to our Charges if applicable.
  - k) VAT registration. If you are, or become, registered for VAT you will notify us in writing at the time of making your application to us or within thirty (30) days of applying for VAT registration if later. You will notify us of your VAT number and date of registration as soon as you receive it.
  - l) Neither we nor the Custodian will reclaim any withholding taxes or other levies or duties in respect of income from and gains on foreign stock held on your behalf.
  - m) Any outstanding fees or charges will be deducted from the Portfolio and/or TSS in the manner decided in Part 9 (Withdrawal and Transfers) Clause 50.b).



**Call us on 0800 028 3200.**

**Email us at [mywealth@wealthatwork.co.uk](mailto:mywealth@wealthatwork.co.uk) or visit [www.wealthatwork.co.uk/mywealth](http://www.wealthatwork.co.uk/mywealth)**

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DTC - 09/21