



B O W M O R E
A S S E T M A N A G E M E N T

TERMS OF BUSINESS

DISCRETIONARY MANAGEMENT - INTERMEDIARY BUSINESS

July 2020

Client Classification - Retail Client

SECTION 1: GENERAL TERMS OF BUSINESS

These Terms of Business set out the basis on which we will act as Investment Managers.

These Terms of Business together with the information disclosed in your **Client Profile** and all other information disclosed for the purpose of providing services to you in connection with these Terms of Business are collectively referred to as **these Terms**.

For your own benefit and protection, you should read **these Terms** carefully before signing them. If you do not understand any point please ask for further information before signing.

We are committed to the **FCA's** principle of treating our customers fairly and you are treated throughout **these Terms** as a "retail client" which is the highest level of protection afforded under the **FCA's** regulatory regime.

These Terms are, by necessity, detailed but we feel that, in order to meet the **FCA's** requirement of providing communications, which are clear, fair, and not misleading, this is necessary.

These Terms provide a glossary of Defined Terms, which we have used for clarity and where these appear [with the exception of "we" and "you"] they are in bold print. Reference should be made to the Defined Terms section when these words appear.

1.0 DEFINED TERMS

In **These Terms**, unless the context otherwise requires, the following words and phrases have these meanings:

"**Account(s)**" – means an account with us in your name. The principal services on your account are described in **these Terms**, these being any one or more of the following principal services:

- Discretionary Investment Management; or
- Execution Only Services;

"**Act as Agent**" – means that we shall normally communicate with, and receive instructions from, **your Adviser** in relation to the management of your **portfolio**. We may discharge any requirements to notify, obtain consent from, or enter into an agreement with you by sending to, or receiving from **your Adviser** a single communication expressed to cover each client, except that the following will be required for you individually:

- separate risk warnings required under FCA Rules;
- separate confirmations under the requirements on occasional reporting (COBS 16.3A); and
- separate periodic statements.

"**Best Execution**" – means our regulatory obligation when carrying out instructions, or acting with discretion, on your behalf to ensure that the prices those orders receive reflect an optimal mix of price, speed and likelihood of execution;

"**Client Loss**" – means any loss, liability, cost, claim, expense, tax or damage, suffered or incurred by you;

"**Client Order**" – orders placed with other parties for execution that result from our decisions to deal in financial instruments on behalf of clients when providing the service of portfolio management;

"**Client Profile**" – means collectively the information provided about your personal and financial circumstances;

"**Compliance Consultants**" – means a firm appointed by us from time to time to provide us with advice regarding our compliance with the **FCA Rules**;

"**Controller**" – means as defined under the **GDPR**;

"**Corporate Actions**" – means the exercise of conversion, subscription and voting rights, and taking action in relation to offers and capital reorganisations, in respect of your investments which we hold on your behalf;

"**Data Protection Laws**" – means all applicable laws and regulations relating to the processing of **Personal Data** and privacy including, but not limited, to the **DPA** and **GDPR** (each of these, as and when enacted and in force) and all law and regulations implementing or made under them, any amendment or re-enactment of them and, where applicable, the guidance and codes of practice issued by any applicable regulatory bodies or supervisory authorities;

"**DPA**" – means the Data Protection Act 2018;

"**EEA**" – means the European Economic Area;

"**EU Model Terms**" – means standard contractual clauses for data controller to data processor transfers of Personal Data that have been approved by the European Commission for the transfer of **Personal Data** from data controllers to data processors;

"**Execution Only**" – means you did not seek, nor did we offer, any advice or comment as to the suitability of the instructions given to us by you;

N.B. we only provide **Execution Only** services where the investment is not explicitly defined as complex, to fall within the definition of non-complex the investment must be:

- Liquid;
- Transparent in price;
- Not involve a contingent liability; and
- There must be adequate comprehensible information publicly available.
- Without any features that fundamentally alter the investment proposition; and
- Without any exit charges that have the effect of making it illiquid

"**FCA**" – the Financial Conduct Authority, 12 Endeavour Square, London E20 1JN. The **FCA's** website is www.fca.org.uk, Switchboard: +44 (0)20 7066 1000;

"**FCA Permissions**" – means the regulated activities and investment instruments for which we are authorised by the FCA. These can be reviewed on the FCA Register using our firm's reference number 626431 or our name;

"**FCA Rules**" – means the Financial Services and Markets Act 2000, the Regulated Activities Orders, the Principles, Rules and Guidance of the **FCA**, all as amended, replaced or supplemented from time to time;

"**Financial Instrument**" – instruments specified in Section C of Annex I of the Markets in Financial Instruments Directive (MiFID), and specifically in relation to **these Terms**, means:

- transferable securities;
- money-market instruments;
- units in collective investment undertakings; or
- options, futures.

"**FOS**" – means the Financial Ombudsman Service. The **FOS** website is www.fos.org.uk; telephone 0800 023 4567;

"**GDPR**" – means Regulation (EU) 2016/679;

"**Order Execution**" – the placing of orders with other parties for execution that result from our decisions to deal in financial instruments on behalf of clients when providing the service of portfolio management;

"**Packaged Product**" – means a

- life policy;
- unit in a regulated collective investment scheme;
- interest in an investment trust savings scheme;
- stakeholder pension scheme; or
- personal pension scheme.

"**Personal Data**" – means as defined under the **GDPR**;

"**Portfolio**" – means the assets and cash belonging to you held by or through us;

"**Privacy Notice**" – means our personal data privacy notice as published on our website and as may be amended from time to time;

"**Processor**" – means as defined under the **GDPR**;

"**Retail Investment Product**" – means a

- a life policy; or
- a unit; or
- a stakeholder pension scheme (including a group stakeholder pension scheme); or
- a personal pension scheme (including a group personal pension scheme); or
- an interest in an investment trust savings scheme; or
- a security in an investment trust; or
- any other designated investment which offers exposure to underlying financial assets, in a packaged form which modifies that exposure when compared with a direct holding in the financial asset; or
- a structured capital-at-risk product;

"**Special Categories of Personal Data**" – means as defined under the **GDPR**;

"**Terms of Business**" – means the terms describing the principal services to be provided, as amended from time to time;



“**These Terms**” – means these **Terms of Business** together with the information disclosed in the **Client Profile**, and all other information disclosed for the purpose of providing services in connection with these **Terms of Business**;

“**Third Party Processor**” – means a third-party Processor not related to us and appointed by us for the purposes of Personal Data processing under this Agreement;

“**UCITS Schemes**” – means FCA authorised investment funds that are within the terms of the European directive for undertakings for collective investments in transferable securities (“**UCITS**”);

“**UK**” – means the United Kingdom;

“**We**” – means Bowmore Asset Management Ltd (and “our” and “us” have appropriate meanings accordingly); and

“**You**” – means you, in the capacity of individual, attorney, trustee, executor, financial guardian, curator, administrator, registered contact, or receiver as applicable (and “your” shall have an appropriate meaning accordingly).

“**Your Adviser**” – means the FCA authorised financial planner responsible for assessing the suitability of the portfolio for you.

References to any **FCA Rules**, other Act or rule include any successor Act or rule. References to the singular include the plural and vice versa.

2.0 GOVERNING LAW

2.1 **These Terms** are governed by English law and you agree to submit to the non-exclusive jurisdiction of the courts of England and Wales.

3.0 OUR STATUS

3.1 We are authorised and regulated by the **FCA**. Our permitted business is:

- investment management and dealing in investments; and
- arranging safeguarding and administration of assets with permission to control but not to hold client money.

3.2 We are not restricted to the **Products** or **Financial Instruments** of any one institution or marketing group.

3.3 We are restricted to providing only those services in 3.1 above

3.3 Nothing contained within **these Terms** shall restrict our duties or exclude any obligations owed by us to you under the **FCA Rules**.

4.0 YOUR STATUS

4.1 In accordance with Directive 2014/65/EU, we have categorised you as a **Retail Client**, which means we are obliged to provide you with the highest level of regulatory disclosure and protection.

4.2 You confirm that you are acting for your own account or in the capacity of attorney, trustee, executor, financial guardian, curator, administrator, or receiver [or as agent for or as authorised to act for the foregoing], at all times in relation to **these Terms** and in that capacity, you warrant that all investments and cash to be managed by us are beneficially owned and free from all encumbrances. If you wish to act in a different capacity, we reserve the right not to act for you until you and we have received the necessary additional documentation.

4.3 You agree, where you have opened an account jointly with another person, that you and that other person will at all times be jointly and severally liable to us.

4.4 You agree that **your Adviser** will **act as agent** for you in relation to your **account** and the management of your **portfolio**.

4.5 You agree to provide us with such documents and other information as we may reasonably require you to enable us to provide you with the services under **these Terms**.

5.0 COMMENCEMENT OF THESE TERMS

5.1 The commencement date for **these Terms** will be when all documents requiring our and your consent or permission are signed by us and you, and the statutory anti-money laundering verification requirements are complete for all relevant parties and, where relevant, when your assets are legally

transferred into our control or when any period of notice has elapsed. We will not be obliged to provide any services prior to the commencement date.

5.2 Notwithstanding Paragraph 5.1 we may, for any valid reason, decline to open any account for you, to provide any service to you or to execute any transaction instructed by you, in which case we shall use all reasonable endeavours to notify **your Adviser** of such decision.

6.0 AMENDMENT TO THESE TERMS

6.1 We may amend **these Terms** in the following ways, by giving at least 21 days' notice to **your Adviser** in writing:

- to amend our fees and charges; and
- to vary the provider(s) of custody, dealing and settlement services
- for any other valid reason, which will be given in the written notice issued to you at the time.

Such changes will become effective on the date specified in the written notice, which must be at least 21 days after the date notification is sent to you.

6.2 **Your Adviser** may amend **these Terms** in the following ways: -

- by changing your investment objective or **risk profile**; and/or
- by imposing new investment restrictions or changing or lifting any investment restrictions which you have previously imposed.

6.3 Any such amendment will only become effective when we receive written notification from **your Adviser** setting out the amendment concerned, and we confirm such amendments to them.

6.4 We may immediately amend **these Terms** in order to comply with or make **these Terms** consistent with any legal or regulatory requirements to which we may be subject without your consent by issuing a notice of such changes to you in writing.

6.5 Any such amendment you wish to make will only become effective when we receive written notification from you setting out the amendment concerned, and we confirm such amendments to you.

7.0 TERMINATION OF THESE TERMS

7.1 **These Terms** may be terminated by **your Adviser** or us by serving written notice of not less than 30 days. Termination will be subject to full settlement of all outstanding transactions and liabilities.

7.2 **These Terms** will terminate automatically upon your death (where you are an individual) or your ceasing to exist (where you are a company, partnership or trust). However, where you comprise two or more individuals jointly, in the event of the death of one or more, the survivor or survivors shall continue to be bound by and entitled to continue with **these Terms**.

7.3 In the event of termination upon your death or ceasing to exist **these Terms** will revert to Custody and Administration and be subject to the charges applicable for this service on the date of reversion. These charges will be notified to your representatives dealing with your affairs and deducted from your funds before these are paid out by us or, where there are insufficient funds, by your representatives separately.

7.4 You agree to settle all outstanding transactions upon termination of **these Terms** and you agree that our responsibilities under **these Terms** will terminate at that date.

7.5 Termination of **these Terms** will be without prejudice to transactions for which instructions have already been given or transactions which have already been initiated and you will be liable for such transactions and any outstanding fees.

7.6 We will arrange for the re-registration and/or delivery of assets on termination of **these Terms** to such persons as **your Adviser** may instruct in writing. We will notify you in advance if there are handling charges to be applied for this administration.

7.7 Platform Securities will charge us £30 per line of stock for the re-registration and/or delivery of assets to your new provider, and we reserve the right to pass this charge on to you. Upon receipt of written confirmation of your wish to re-register and/or deliver assets to your new provider, we will notify you in writing to confirm these charges.

8.0 OUR SERVICES (GENERAL)

8.1 Our services are as described in **these Terms** and any subsequent amendments as agreed from time to time.



8.2 We shall not be obliged to provide any services to you unless and until you enter into **these Terms** with us.

8.3 We will not provide any services for you unless **your Adviser** has provided us with appropriate information by which we can verify your identity.

8.4 We will not provide any services for you unless you have provided us with appropriate information by which we can verify your identity.

8.5 If you do not supply all the information requested i.e. the full personal and financial information that we request from you, this may prejudice our ability to provide our services or exercise discretion in a suitable manner and we may decline to provide services.

8.6 Subject to any limitations or restrictions or other provisions specified by **your Adviser** in **these Terms** we may deal in any investments which are included in our **FCA Permissions** which can be viewed on the FCA Register www.fca.org.uk/register using our Firm Number 626431 or our name Bowmore Asset Management Ltd.

8.7 Additional information relating to the specific services we will provide to you under **these Terms** – is included in Section 2 - Specific Terms of Business.

9.0 YOUR ASSETS (GENERAL)

Control of your Investments

9.1 You grant us a mandate to arrange custody of and to control the investments and money within your **portfolio** to be managed by us. Such control will be subject to our compliance with **FCA Rules**.

9.2 We will act as your Agent in accordance with **FCA Rules** and enter into agreements on your behalf, to which you will be bound when arranging custody, dealing and settlement services for you.

9.3 When appointing providers of the services in 9.2 above, we shall do so in accordance with **FCA Rules**.

9.4 Terms for the services to be provided in 9.2 above are contained in Schedule 1 attached to **these terms**.

10.0 COMMUNICATIONS

Methods of communication

10.1 You agree that all communications sent from us to you in relation to the management of your **portfolio** shall be sent via **your Adviser**.

10.2 Communication may be given between us by post, telephone, email or in person. All communications between us will be in English.

10.3 Postal communication from us shall be addressed to **your Adviser** at the last address notified to us and shall be deemed to be received by them two business days after posting if sent by first class pre-paid post.

10.4 Email communication from us shall be addressed to **your Adviser** at the last email address notified to us and shall be deemed to be successfully delivered to their email inbox unless we receive notice of delivery failure from our email server.

10.5 Subject to the **FCA Rules**, we may communicate with you using an e-mail address provided by you for the specific purpose of receiving such communications.

10.6 Fax communications from us shall be sent to the fax number **your Adviser** last notified to us and shall be deemed to be successfully delivered unless we receive notice of delivery failure on the fax delivery report.

10.7 In the case of any joint account, we shall send communications only to the first named party unless you request us to send them to any or all of the other parties.

10.8 Postal communication from us shall be addressed to the address you last notified to us and shall be deemed to be received by you two business days after posting if sent by first class pre-paid post.

10.9 Email communication from us to you shall be addressed to the email address you last notified to us and shall be deemed to be successfully delivered to your email inbox unless we receive notice of delivery failure from our email server.

10.10 Our emails are not encrypted however, emails with attached documents containing confidential or sensitive information (such as bank account

details) will be sent by us to you and will be password protected. You should not send confidential information to us by email.

10.11 **You should notify us in writing if you do not wish to communicate with us by any of the above methods.** General communications should be addressed as follows:

10.11.1 **Postal communications** – Bowmore Asset Management Ltd, One Heddon Street, Mayfair, London, W1B 4BD

10.11.2 **Email communications** – enquiries@bowmoream.com

10.11.3 **Telephone communication** - +44 (0) 203 617 9206

Instructions between us

10.12 Where you comprise more than one individual you authorise us to accept and act upon instructions or communications from any of you unless otherwise notified by all signatories.

10.13 We will only accept instructions from third parties who we reasonably believe to be acting on your behalf and with your authority. We reserve the right to refuse to accept an order from a third party acting on your behalf where we do not have the appropriate authority to deal with them.

10.14 We will only accept instructions from **your Adviser**, who will **act as agent** on your behalf and who we reasonably believe to be acting on your behalf and with your authority.

10.15 We may rely on any instructions which contend to have been given by **your Adviser**, and we may decline to act on instructions which contend to have been given by you if we reasonably believe them to have been given fraudulently or in any other unauthorised manner.

10.16 In the case of joint accounts, we may accept instructions which contend to come from any of the signatories specified in writing by you.

10.17 Once given, instructions shall be revocable only with our agreement.

Recording of telephone conversations

10.18 We will record telephone conversations and electronic communications between us and retain these for a minimum period of seven years; and we may refer to them in the case of a dispute or complaint.

10.19 We may contact you to discuss investment opportunities or further investment services which we may be able to provide you or believe may be of interest to you.

11.0 LIABILITY AND RESPONSIBILITIES

11.1 **Your Adviser** is responsible for the suitability of the **portfolio** for your needs.

11.2 **Your Adviser** is responsible for providing you with all relevant information, as required by the **FCA**, regarding the **portfolio**. Such information includes, but is not limited to:

- Relevant risk warnings
- Fees for the discretionary management and custody services
- Information regarding the **Risk Profile** applied to your **portfolio**
- Reason(s) why the **portfolio** is suitable for you
- **Your Adviser** is responsible for assessing the suitability of our service

Where any such processing takes place, appropriate controls, such as the adoption of agreements containing the appropriate standard clauses, are in place to ensure that your information is protected to the same standard as if it were in the UK. We are responsible for managing the **portfolio** within the **risk profile** parameters that you have agreed with **your Adviser**.

11.4 We shall be liable in the unlikely event of our own fraud, negligence and wilful default but we shall not otherwise be liable to you for any **Client Loss** arising as a result of any service provided or not provided to you under **these Terms** or arising as a result of any act, event or circumstances beyond our reasonable control.

11.5 We shall not be liable for any loss you incur as a result of **your Adviser** failing to receive any electronic communication (telephone message or email) from us where this was successfully delivered.

11.6 We shall not be liable for any loss you incur as a result of **your Adviser** failing to receive any written communication from us where it was correctly



addressed to the intended recipient and placed with a recognised postal service, such as The Royal Mail, for delivery.

11.7 If we act upon instructions sent to us by fax or e-mail or left on an answering machine, which transpire to be fraudulent, we shall not accept liability for any loss you incur if it reasonably appears to us that the communication was sent by **your Adviser**.

11.8 We give no warranty or undertaking as to the performance or profitability of any investments, cash or other assets acquired, held or sold by you.

11.9 Where you are two or more persons or companies, liability under this Agreement shall be joint and several on the part of each person or company.

11.10 Where you are one or more trustees you confirm that:

- (a) you are satisfied that each of you has all the necessary powers to enter into this Agreement; and
- (b) you will notify us of any changes in the trustee(s) of the relevant trust and provide certified copies of deeds of appointment.

11.11 **Your Adviser** will check the accuracy and inform us as soon as possible of any inaccuracy in the contact details we use for you.

12.0 MATERIAL INTERESTS AND CONFLICTS OF INTERESTS

12.1 In the unlikely event that we are involved in a relationship or arrangement that is material in relation to a transaction or investment concerned, we will ensure fair treatment in applying the **FCA Rules** and will advise **your Adviser** in writing before dealing.

12.2 We operate a policy of independence, obliging our employees to disregard any material interest, relationship or arrangement and ensuring that they are at all times acting in your best interests.

12.3 Your attention is also drawn to the fact that when we enter into a transaction for you, we could be matching it with that of another client by acting on his behalf as well as yours.

12.4 We have procedures to identify and manage conflicts of interest and a Conflicts of Interest Policy. These will be provided to **your Adviser** on request.

13.0 FEES AND PAYMENTS FOR SERVICES

13.1 Our charges will be in accordance with those contained in the Cost and Charges Illustration for Bowmore's Discretionary Investment Services. Any subsequent alteration to such charges will be notified to **your Adviser** at least 30 calendar days before the time of change. Some aspects of the charges are subject to Value Added Tax, but not all. This is detailed in the Cost and Charges Illustration for Bowmore's Discretionary Investment Services.

13.2 Unless you otherwise agreed, management fees are normally charged quarterly in arrears and are based on the value of your **portfolio** at the time of charging.

13.3 Unless you otherwise agreed, we will deduct fees and charges from the appropriate **portfolio** where funds are available or, where there are insufficient funds, these will be paid by you separately.

13.4 Any charges due to us (or to agents used by us), plus any applicable rate of Value Added Tax, may be deducted from any funds held by us on your behalf or, where there are insufficient funds held, will be paid by you as stated in the relevant contract note or advice.

13.5 In the event of your **account** being transferred, withdrawn or terminated, fees and charges will be payable until the date of transfer, withdrawal or termination, and be paid from monies then available within the **portfolio** or, where there are insufficient funds, these will be paid by you separately.

13.6 We will not accept any fees, commission, monetary or non-monetary benefits other than acceptable minor non-monetary benefits where this is paid or provided by any third party or a person acting on behalf of a third party.

13.7 Minor non-monetary benefits will only be received where they enhance the quality of service to the client and do not impair our duty to act honestly, fairly and professionally in accordance with your best interests.

14.0 FAILURE TO MAKE PAYMENTS DUE TO US

14.1 In the event of your failure to make any payment due to us (or to agents used by us) we reserve the right to retain any funds, securities or other assets due to you and to offset the liability against them.

14.2 If you fail to pay:

- (a) we may, without previous notice to you or **your Adviser**, sell or otherwise dispose of all or any such investments at such price and in such manner as we may in our absolute discretion think fit, and apply the proceeds of such sale(s) towards the costs incurred thereby and then towards any amount due and outstanding. In this event we shall not be responsible for any loss or diminution in price;
- (b) interest will be payable by you on any amount due and outstanding at a rate of 2% per annum above the published base rate of The Royal Bank of Scotland plc, such interest to accrue on a day to day basis; and all investments at any time held by us or our appointed nominees for your account shall be, and remain, security for the outstanding payment, plus any associated costs incurred by us in obtaining or attempting to obtain payment from you or enforcing this security.

15.0 DEALING AND SETTLEMENT

15.1 We shall not be obliged to instruct deals if you do not have the necessary funds, which for the avoidance of doubt means cleared funds held for you Platform Securities.

15.2 We may aggregate your orders with orders for other clients where we reasonably believe that aggregation is in the overall best interest of our clients. This may operate on some occasions to your disadvantage.

15.3 For the purpose of settling any of your debts to us in one currency we may convert any of your assets or monies held in another currency at the prevailing spot or (as appropriate) forward, selling rate of exchange.

15.4 Unless otherwise agreed in writing, we may deal for you in circumstances where a transaction or order is not regulated by the rules of any stock exchange or investment exchange or multilateral trading facility and on an exchange or facility which has not been recognised or designated by the **FCA**.

15.5 We will not sell investments on your behalf if we know that this will result in your having a short position. A short position arises where a person has contracted to sell investments which are not owned at the time of sale. We will not enter into commitments on your behalf if we know that this will commit you beyond the value of your **portfolio**.

16.0 ORDER EXECUTION AND BEST EXECUTION REQUIREMENTS

16.1 We will act in good faith and with reasonable skill and care in our choice and use of counterparties with whom we place orders to be executed on your behalf. We will rely on our approved counterparties to achieve **Best Execution** when executing the orders we have placed with them. To view our **Best Execution** policy in full please use the following link to our website:

<https://www.bowmorewealth.com/privacy-policy.html>

16.2 The factors that we take into consideration when selecting counterparties are included in our **Order Execution** Policy which is provided to you as a separate document.

16.3 When a specific instruction is received from you, the order will be carried out in accordance with that instruction and we will be deemed to have complied with the **Order Execution** requirement to the extent of that transaction.

16.4 We will monitor **Order Execution** quality by counterparties and will provide you with a list of our approved execution venues on request.

17.0 RISK WARNINGS

17.1 **Past Performance** is not necessarily a guide to future performance. The value of investments, and income from them, is not guaranteed and can fall as well as rise due to market and currency fluctuations which are outside our control. This could mean a total loss of all funds invested by you including commission and other charges.

17.2 The services provided by us under **these Terms** may include advising on, or executing on your behalf transactions in investments [such as Investment Trusts] where the issuer of those investments uses or proposes to use a strategy [such as borrowing] that may result in:

- (a) movements in the price of investments being more volatile than the movements in the price of their underlying investments;
- (b) the investments being subject to sudden and large falls in value; and
- (c) you are receiving no return at all if there is a sufficiently large fall in the value of those investments.



17.3 The services provided by us under **these Terms** may include advising on, or executing on your behalf transactions in, investments whose market price may be affected by stabilisation.

17.4 The services provided by us under **these Terms** may include advising on or executing on your behalf transactions in structured products.

17.5 Unless agreed with you otherwise, we may enter into transactions on your behalf where the relevant transaction is not regulated by the rules of any stock exchange or investment exchange or multilateral trading facility and on an exchange or facility which has not been recognised nor designated by the **FCA**.

17.6 We will only enter into such transactions on your behalf if we believe this to be suitable to your circumstances.

18.0 DATA PROTECTION AND RECORD KEEPING

18.1 Bowmore Asset Management Ltd is the **Data Controller** and in our capacity as **Data Controller** we will comply with the **Data Protection Laws**.

18.2 You acknowledge and agree that we may pass Personal Data to our Third-Party Processors who have been appointed in accordance with the Data Protection Laws, including but not limited to, our **Compliance Consultants**, for the purposes of advising us on compliance with the **FCA Rules**, undertaking audits and assisting with any other relevant matters in connection with compliance. They are also a registered **Data Controller** under the **DPA**.

18.3 In order that we may provide you with investment services, we need to, and you consent to us, recording and maintaining (i) certain factual information on your personal and financial circumstances, including Special Categories of Personal Data; (ii) record or monitor communications as set out in Paragraph 10; (iii) use Personal Data to meet our compliance and regulatory duties; and (iv) transfer such Personal Data outside the EEA and the UK and will disclose it to anti-fraud organisations and law enforcement or regulatory agencies anywhere in the world. This data may be held in hard copy and in electronic form. We do not pass to third parties any data about our clients for commercial exploitation or otherwise than may be necessary or beneficial in carrying out the work you have instructed us upon.

18.4 For the avoidance of doubt, the Paragraphs above shall not restrict your ability to access your own **Personal Data**, as appropriate, either from within or outside the **EEA** (to the extent such access is sought directly by you and not by a third party on your behalf).

18.5 In addition to the information that you provide, we may also obtain information about you from other individual companies, e.g. an online reference agency, in order to verify your identity.

18.6 The information that we have about you may be used to provide our services, to maintain records about you that we must keep under our regulatory requirements, for research analysis purposes and in order to send you information from time to time on the services provided by us which we think may interest you.

18.7 We will maintain our Privacy Notice which sets out our obligations when transferring any **Personal Data** outside of the EEA, processing any **Personal Data** and all other information required by, and in compliance with the **Data Protection Laws**.

19.0 CONFIDENTIALITY

19.1 We will keep any information acquired under **these Terms** confidential, except for information which we may be entitled or bound to disclose under compulsion of law, or where required by regulatory agencies.

19.2 We shall not be obliged to disclose to **your Adviser** or to take into consideration information in our possession:

- (a) the disclosure or use of which might be a breach of duty or confidence; or
- (b) of which we are unaware.

19.3 We will keep all information confidential, except that we may disclose such information:

- (a) where we are bound or entitled to disclose it under compulsion of law or where requested by regulatory agencies;
- (b) to our professional advisers where reasonably necessary for the performance of our professional services;
- (c) to any agents appointed in accordance with **these Terms**, or otherwise as intimated in writing, and to any depositories, clearing or settlement system, account controller or other participant in the relevant system, where such disclosure is reasonably intended to

assist in the performance of obligations in connection with **these Terms**; and

- (d) to counterparties where disclosure is reasonably intended for the purpose of effecting transactions in connection with **these Terms** or of establishing a dealing relationship with a view to such transactions.

20.0 ANTI MONEY LAUNDERING & DISCLOSURE

20.1 We are unable to provide any services under **these Terms** or open an **account** unless **your Adviser** have provided us with the appropriate information to verify certain information about you and to enable us to comply with the statutory anti money laundering regulations.

20.2 Full details of the required documentation will be provided, and we may ask **your Adviser** for up-to-date information in order to maintain current records as required by the statutory regulations.

21.0 COMPLAINTS

21.1 If you have any complaints about any service you have received in relation to **these Terms**, you should contact the Compliance Officer, Bowmore Asset Management Ltd, Office address One Heddon Street, Mayfiar, London, W1B 4BD, United Kingdom.

21.2 We will investigate your complaint in accordance with our written complaints procedures which are available on request. If you are dissatisfied with the progress or outcome of the investigation into your complaint you have the right to refer matters to **FOS**.

21.3 Where the complaint arises from the provision of custody, dealing and settlement services, we shall forward your complaint to the provider of these services and manage its resolution on your behalf.

21.4 We may engage our **Compliance Consultants** in the complaint's investigation process.

22.0 COMPENSATION

22.1 We have in place Professional Indemnity insurance and comply with the Capital Adequacy requirements of the **FCA** which require us to hold substantial asset balances on our account.

22.2 In common with all similar investment firms we participate in the **UK's** Financial Services Compensation Scheme. The scheme provides a measure of protection where a firm is unable to meet its obligations, a summary of which can be found in Section 2, Part 6 of these Terms and for more information on the scheme and the rules about eligibility, please refer to www.fscs.org.uk; telephone 020 7892 7300.

22.3 We may introduce you to or make arrangements with a view to, another person carrying on investment business with you from a non-**UK** location. In that case, all or most of the protections provided by the **UK** regulatory systems do not apply and such business will generally be excluded from the scope of any **UK** compensation scheme.

SECTION 2: SPECIFIC SERVICES DISCRETIONARY INVESTMENT MANAGEMENT

1.0 OUR DISCRETIONARY INVESTMENT MANAGEMENT SERVICES

1.1 We will manage your **portfolio** on a discretionary basis in line with the **risk profile** recommended by **your Adviser** and will have full authority without prior reference to you to enter into any transaction or arrangement for your account.

1.2 Suitability of the **portfolio** for your investment needs is the responsibility of **your Adviser**.

1.3 We will only make investment decisions on your behalf where we believe these are suitable in your circumstances and in your best interests.

1.4 When providing services, we will have regard to your investment objectives and degree of risk, or any subsequent agreed changes, and we will rely on any personal and financial information which you disclose.

1.5 Unless you have indicated otherwise, we will assume that there are no investments or types of investment which you do not wish us to purchase.

1.6 Unless you have indicated otherwise, we will assume there are no investments you hold which you do not wish us to sell.

1.7 For the purposes of investment management, your investment objectives and degree of risk will be applied to the composition of your **portfolio**



as a whole and not necessarily to individual investments within it. It is essential that you understand the associated risks and accept the level of risk before committing yourself to any investment. If your investment or other objectives or attitude to risk change, your Adviser will advise us in writing.

1.8 We will assume that there is no restriction on the value of any one investment or the proportion of your **portfolio** which any single investment or any one or more kinds of investment may constitute.

1.9 Subject to the above, or to any other limitations specified by you and to the restrictions and other provisions agreed between us, we may deal in any investments within the scope of our **FCA Permissions** save that we may only deal for you on a discretionary basis in those investments which we have reasonable grounds for believing are suitable for you.

1.10 A General Investment Account (GIA) and certain Trust accounts will be subject to Capital Gains Tax (CGT) on any gains over the annual allowance specified by HMRC. Unless you explicitly informed us not to utilise your CGT allowance in a specific tax year, we will assume that we have the full allowance to use and therefore will manage the portfolio to ensure that we make full use (where possible) of your CGT allowance in each tax year. In some cases, it will be necessary to generate gains over and above your allowance to ensure the portfolio's asset allocation remains in line with the agreed risk profile. If this is the case, we will aim discuss the tax implications with you before taking any action. There is a specific section in our application form asking you to specify your preference for CGT Management. If you leave this section blank, we will assume you are happy for us to generate gains over and above your allowance in order to keep the portfolio in line with your agreed risk profile.

2.0 OUR DISCRETIONARY ISA AND JISA INVESTMENT MANAGEMENT SERVICES

2.1 We will manage the investments held in your ISA or JISA **portfolio** on a Discretionary basis as set out in your **Client Profile** and **will have full authority without prior reference to you to enter into any transaction or arrangement for your account**. All parts of **these Terms** plus the ISA or JISA Manager's Terms and Conditions will apply in the operation of your ISA or JISA portfolio.

2.2 We will use our discretion to appoint an ISA or JISA Manager authorised by HMRC under the ISA Regulations 1998 (SI 1998 No 1870) as amended, who will be responsible for providing custody, dealing, settlement and administration services for your ISA or JISA. We will be responsible for the suitability of the investments held in your ISA or JISA.

2.3 You understand the importance of reading and understanding these Terms of Business and the ISA or JISA Terms and Conditions provided by the ISA or JISA Manager, which together with the ISA or JISA Application Form will form the formal agreement between you, us and the ISA or JISA Manager.

2.4 Your initial subscription to open an ISA must be made by completion of BAM 'ISA Application Form', which will be a 'continuous' ISA application for the tax year of application and for all subsequent Tax Years until further notice. There will be no need for you to complete a new Isa Application Form, provided that we receive a subscription from you in each subsequent Tax Year. Should we not receive a subscription from you in a subsequent Tax Year, you will be required to complete a new BAM 'ISA Application Form' for the next Tax Year in which you chose to subscribe to your ISA.

2.5 Funds available in a General Investment Account (GIA) will be used to subscribe to your ISA each tax year. If you have a GIA but wish to fund your ISA from outside the portfolio you should make us aware of this as early in the tax year as possible. If you do not have a GIA, but wish to fund your ISA each tax year, you will be required to send in funds (via bank transfer of Cheque) in order to subscribe to your ISA.

3.0 VALUATIONS AND REPORTING

3.1 Investment valuations will be issued quarterly and will include, as a minimum:

- a statement of the contents and valuation of the portfolio, including details of each financial instrument held, its market value, or fair value if market value is unavailable, and the cash balance at the beginning and at the end of the reporting period, and the performance of the portfolio during the reporting period;
- a statement of the total amount of fees and charges incurred during the reporting period, itemising at total management fees and total costs associated with execution;
- a comparison of the portfolio's performance during the reporting period with an investment performance benchmark as agreed between us;

- the total amount of dividends, interest and other payments received during the reporting period;
- information about any corporate actions giving rights in relation to financial instruments held within the portfolio; and
- a summary of each transaction executed during the period.

3.2 Valuations will be based on prices obtained from exchanges and other pricing services which we consider to be appropriate. Exchange rates will be included where appropriate.

3.3 We will inform you where the overall value of the portfolio, as evaluated at the beginning of each reporting period, depreciates by 10% and thereafter at multiples of 10%.

3.4 Our nominated provider of custody, dealing and settlement services, in Schedule 1 of **these terms**, will produce a quarterly custody statement of your investments. These will be delivered to you by post.

4.0 OUR RESPONSIBILITY

4.1 We will not be responsible for any loss of opportunity whereby the value of investments could have been increased or for any decline in the value of investments or any taxation charges unless such decline or loss or charge is the direct result of our wilful default or negligence.

4.2 To the extent consistent with the **FCA Rules**, we will not be liable for any errors of fact or judgement or for action lawfully undertaken or omitted to be taken by us unless such errors are the direct result of our wilful default or negligence.

5.0 YOUR RESPONSIBILITY

5.1 You or **your Adviser** will advise us of any changes to your objectives, attitude to risk, contact details and any other information that is relevant to the management of your **portfolio**.

5.2 You acknowledge that:

- the value of investments may go down as well as up;
- levels of income from investments may fluctuate;
- where an investment is denominated in a currency, changes in rates of exchange may have an adverse effect on the value, price or income of the investment; and
- the tax regime applicable to investments may change in the future. Although we may provide personal taxation guidance to you, you acknowledge that it is provided in the context of this service and should not under any circumstances be relied upon by you for the purpose of establishing your taxation liability. You should therefore seek appropriate taxation advice.

6.0 FINANCIAL SERVICES COMPENSATION SCHEME ("FSCS")

Eligibility Rules

You may be eligible to make a claim to the FSCS in the event of a valid claim made in respect of a civil liability owed by us to you in relation to the regulated investment services we have provided to you and where we are in default and unable to pay what is due to you.

The FSCS will investigate such claims and establish whether or not you are eligible to make a claim.

Compensation Limits

The FSCS can pay compensation only for financial loss and there are limits to the amounts of compensation it can pay.

Private individuals are generally protected. However, other types of claimants, such as businesses and charities, may be eligible depending on the type of claim. The maximum level of compensation for claims against firms declared in default on or after 1 January 2010 is £85,000.00 per person per firm.

FSCS contact details

You can write to FSCS at this address:

Financial Services Compensation Scheme
PO Box 300
Mitcheldean
GL17 1DY



Alternatively, you can contact them online at www.fscs.org.uk or by calling 0800 678 1100

SCHEDULE 1A – PLATFORM SECURITIES CUSTODY, DEALING AND SETTLEMENT TERMS

Custody of your Investments and money

A1.1 The safeguarding and administration of your assets and cash to be managed by us will be undertaken by Platform Securities LLP (“Platform Securities”). We have, acting as your agent in accordance with **FCA Rules**, entered into an agreement with Platform Securities on behalf of ourselves and on your behalf, to provide settlement, custody and associated services (the “Platform Securities Agreement”). The Platform Securities Agreement contains terms and conditions applicable to you. The principal terms and conditions are set out in this schedule to which we are bound by entering into the Platform Securities Agreement, and to which you are also bound by accepting **these Terms**.

A1.2 Although it is possible for you to place your assets and cash with any authorised custodian, it is a condition of our service that custody of your assets and cash is as detailed in Paragraph 9.1 above. The regulatory safeguards and requirements are the same for all **FCA** firms authorised to offer custodian services and there is no additional risk to you in using our preferred custodian.

A1.3 By accepting **these Terms** you agree that:

- we are authorised to enter into the Platform Securities Agreement on your behalf as your agent on the terms of the Platform Securities Agreement, the terms of which are included in this Schedule 1;
- acceptance of **these Terms** will constitute the formation of a contract between you and us and also between you and Platform Securities (for the purposes of this Schedule 1 only);
- we are authorised to give instructions to Platform Securities and to agree any subsequent amendments to the Platform Securities Agreement on your behalf;
- Platform Securities is authorised to transfer cash or investments from your account to meet your settlement or other obligations to Platform Securities and the fees and charges that you have agreed to pay to us; and
- the warranties and indemnities you give in this Schedule 1 are given to both us and Platform Securities.

Terms and Conditions of the Platform Securities Agreement

A2.1 We will remain responsible for the operations and the supervision of your account such as approving account openings, anti-money laundering and Know Your Client (KYC) checks. Platform Securities will be responsible for the custody, dealing and settlement services it provides.

A2.2 You should direct all enquiries regarding your account to us and not to Platform Securities. Platform Securities will not accept instructions from you directly but may correspond with you in respect of any queries or complaints you may have about their services. Platform Securities reserves the right to refuse to hold any securities on your behalf in its custody and nominee service.

A2.3 The following shall apply in relation to the different Accounts:

- (a) partnership accounts – the partners of a partnership will be treated as the customer to Platform Securities and shall be jointly and severally liable to Platform Securities;
- (b) accounts for companies and unincorporated associations – the company or unincorporated association will be treated as the customer to Platform Securities and the directors of the Company or members or participants in an unincorporated association shall, to the extent they have assumed personal liability to us, also be personally liable to Platform Securities for the liabilities and obligations of the company or unincorporated association concerned;
- (c) accounts opened by the trustees of any trust– the trustees will be treated as the customer to Platform Securities and shall be jointly and severally liable to Platform Securities; and
- (d) joint accounts – each such account will be treated as a single customer to Platform Securities but all participants will be jointly and severally liable to Platform Securities.

Your classification

A3.1 Platform Securities will adopt the same client classification in relation to you as we have determined in Part 4.1 of **these Terms**.

A3.2 Platform securities will rely on information provided by us to them in accordance with **FCA Rules** and will not be responsible for any services in **these terms** other than those detailed in this Schedule 1.

Client money

A4.1 You agree that your money will be held by Platform Securities as “client money” (as defined by the **FCA Rules**), in accordance with the rules of the **FCA** which, among other things, require it to hold your money in a “client bank account” (as defined by the **FCA Rules**) segregated from Platform Securities’ own funds. You agree that where Platform Securities holds your money in a client bank account it may be pooled with other customers of Platform Securities. This means that as part of a pool of money you do not have a claim against a specific sum in a specific account. Your claim is against the client money pool in general.

A4.2 Platform Securities will exercise due skill, care and diligence when selecting and periodically reviewing a bank to hold client money. However, Platform Securities is not responsible for any acts, omissions or default of a bank chosen by it.

A4.3 For the avoidance of doubt, prior to opening a client bank account, Platform Securities shall require from the relevant institution an “acknowledgement of trust” document that satisfies the requirements in rule CASS 7.18.1R of the **FCA Rules**. To the extent required to satisfy the aforementioned CASS rules, such document shall detail that: (i) the relevant institution will not have any recourse or right against the cash held in the client bank account in respect of any sum owed to them, or owed to any third party on any other account, or any right of set-off or counterclaim against cash in the client bank account; and (ii) the relevant institution will be required to release, on demand, all cash standing to the credit of the client bank account except for any charges incurred and due to the bank for the operation of the client bank account.

A4.4 You agree that client money may be passed by Platform Securities to a third party in connection with a transaction for you in a jurisdiction outside the UK. Where your money is held in a credit institution or bank outside the UK or **EEA** the legal and regulatory regime applying to such person may be different to that of the United Kingdom or the **EEA** and your rights in relation to it may, therefore, differ; particularly in the event of a default of such person. In the event of a default of that third party, your client money may be treated differently to the way it would be treated if it were held in the United Kingdom.

A4.5 You consent to Platform Securities placing client money on accounts with notice periods of, or on deposit for fixed terms of, up to 95 days. Platform Securities may place client money in notice or term deposit accounts in order to better spread the risk of default by the institutions they are held with, obtain better rates of interest or avoid charges for depositing client money which may otherwise be passed on to you. Placing client money in notice or term deposit accounts does not in itself affect the ability to deal with or withdraw funds from the accounts. However, such amounts may not be immediately available for distribution to you in the event of default by Platform Securities or by one of the banks with whom such client money is held.

A4.6 Interest will be payable on any uninvested cash balances at a variable rate which may be less than the interest earned. Interest will be calculated on your credit balance on a daily basis and credited to your account every six months, at which point it becomes client money. The variable rates of interest payable will be notified to you on request.

Custody

A5.1 You agree that your investments will be registered in the name of a nominee company controlled by Platform Securities or in the name of a third-party custodian selected by Platform Securities in accordance with **FCA Rules**. Platform Securities is responsible for the acts of its nominees to the same extent as for its own acts including, for the avoidance of doubt, for losses arising from fraud, wilful default or negligence. Acceptance of **these Terms** provides authority for Platform Securities, with respect to this Schedule 1, to hold your investments in safe custody, to transfer securities from its account when they have been sold, to accept offers or other matters covered by this agreement.

A5.2 You consent that your overseas investments may be registered or recorded in the name of an eligible custodian or in the name of Platform Securities in one or more jurisdictions outside of the **UK** or **EEA**. As a consequence of this, investments may not be segregated from investments of an eligible custodian and, therefore, customer protection may be less should a default occur on the part of the person in whose name the investments belonging to you are so recorded. Investments belonging to you which are held overseas may be subject to different settlement, legal and regulatory requirements than those that apply in the **UK** or **EEA**. Platform Securities will not be held liable in the event of a default by a custodian. However, Platform Securities does not disclaim responsibility or losses arising directly from its own fraud, wilful default or negligence.

A5.3 You consent that your Investments registered or recorded in the name of a nominee or custodian (as outlined above) will be pooled with those of one or more of Platform Securities’ other customers. Accordingly, individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic entries on the register. In the event of an irreconcilable shortfall following any default of the eligible custodian responsible for pooled investments,



you may not receive your full entitlement and may share in that shortfall pro rata. A further effect of pooling can be that following an allocation or share issue that favours the small investor, your allocation may be less than it otherwise would have been had the investments been registered in your own name. As a result of the pooled nominee structure, any fractional entitlements from a corporate event will be issued to Platform Securities on the cumulative total pool in share form. It is Platform Securities' practice to sell fractional shares at the prevailing market rate and distribute the proceeds amongst the relevant customers in proportion to their holdings, on a pro rata basis. In the event that the fractional shares received are uneconomical to sell and cash to be distributed is £5 or less, Platform Securities will round up relevant customer holdings proportionally. Any remaining small cash balance will become the property of Platform Securities.

A5.4 You consent that Platform Securities, or any eligible custodian will deduct local withholding or other taxes, when required to do so to comply with legal or regulatory requirements. As a consequence of pooling, such deductions may be paid or withheld at rates that are less beneficial than those that might be applicable if the shares were held in your own name. You agree that if you are eligible to reclaim any such deductions this will be your responsibility, not that of Platform Securities or the eligible custodian.

A5.5 As your investments are held on a pooled basis, Platform Securities may receive additional entitlements, for example after corporate actions, that would not have arisen had such investments been registered in your own name. Consequently, you accept that you are not eligible for these additional entitlements. Platform Securities allocates such additional entitlements to an account administered by it, and may use them to offset against debits arising on dividends or other corporate events.

A5.6 You consent that all instructions regarding the administration of investments held by Platform Securities on your behalf will be sent to us, for onward transmission to Platform Securities. Platform Securities will not accept instructions from, or send instructions to, you or any third parties, unless a valid power of attorney has been established for this purpose.

A5.7 Platform Securities will inform us of any rights issues, take-over offers, capital reorganisations, conversion or subscription rights that affect any investments that are held for your account by Platform Securities or any eligible custodian as soon as reasonably practicable after receiving notice of those events.

A5.8 Platform Securities will be responsible for claiming and receiving dividends, interest payments and other entitlements accruing (excluding scrip dividends). We will be responsible for instructing Platform Securities to: exercise conversion and subscription rights, deal with takeovers, new issues or other offers or capital, and reorganise exercise of voting rights.

A5.9 Some companies provide benefits to shareholders relating to the nature of their business. These benefits will not necessarily be available to you automatically, as stock will be registered in the name of a nominee company. Should you wish to receive these additional benefits, you should make the necessary arrangements. We will arrange, if you so elect, for you to receive a copy of the annual report and accounts issued by every company or other concern in respect of shares, securities or units which are held in your account with Platform Securities.

Unclaimed Investments and Unclaimed Client Money

A6.1 In circumstances where Platform Securities has held your investments for at least 12 years and during that period of at least 12 years has not received any instructions relating to those investments and provided they have made all reasonable attempts during the 12-year period to notify, trace and contact you, Platform Securities may either: (i) pay away those investments to a registered charity of their choice; or (ii) liquidate those investments at market value and pay the proceeds to a registered charity of their choice.

A6.2 If any such transfer to charity is made, Platform Securities will keep records indefinitely relating to the transactions and attempts to contact you and unconditionally undertakes to pay you the amount equal to the market value of the investments in the event that you or your legal representatives subsequently claim those investments.

A6.3 In the circumstances where Platform Securities has held a client money balance for you for at least 6 years following the last movement on your account (disregarding any payment or receipt of interest, charges or similar items) and providing that Platform Securities has taken steps to trace you and return the client money balance to you, Platform Securities may pay away that client money balance to a registered charity of their choice.

A6.4 If the amount of the client money referred to in 6.3 is £25 or more, Platform Securities will keep records indefinitely relating to the transactions and the attempts to contact you and unconditionally undertakes to pay you or your successor or assignee an amount equal to the client money balance so transferred

in the event that you or your legal representatives subsequently claim the client money balance.

Settlement

A7.1 If, when settlement of a transaction under **these Terms** is due, there is insufficient cash in cleared funds in your cash account, or securities due for delivery have not been transferred to Platform Securities if in dematerialised form or the relevant certificate or other document of title and any stock transfer form or other instrument of transfer properly executed has not been delivered to Platform Securities for you in sufficient time to enable Platform Securities to meet the settlement obligations from your account, it may nevertheless settle the transaction, although it is under no obligation to do so. If Platform Securities settles the transaction, you or, failing which, we shall forthwith pay or transfer to Platform Securities within such timescale as they may specify, sufficient cash or, as the case may be, securities to reimburse Platform Securities for any shortfall plus debit interest payable from the due date until payment to Platform Securities at the rate of 9% above the Bank of England Base Rate on any sum overdue or otherwise due to Platform Securities. You or, failing which, we shall also, on demand by Platform Securities, reimburse them for any commission charges payable, interest or other expenses they have incurred in settling the transaction prior to receiving such cash or securities including any administration charge made by Platform Securities.

A7.2 If Platform Securities elects to settle a transaction for the sale of securities when there are insufficient securities in your account to enable the settlement obligations to be met from that account, Platform Securities may at any time before receiving sufficient securities to reimburse it for the shortfall, purchase such securities in the market. If it does so and the cost of purchasing the securities is greater than the amount received by Platform Securities on the settlement of the transaction, you or, failing which, we shall, instead of delivering such securities to Platform Securities pay to Platform Securities an amount equal to the difference (together with any commission or other fees or expenses that are due to Platform Securities). In any event, Platform Securities may debit the amount received on the settlement of the transaction from your account and apply such amount against the purchase or other costs or charges incurred. Any stock borrowing charges or other expenses Platform Securities has incurred in settling the transaction prior to effecting such market purchase shall continue to be payable by the you or, failing which, us, to Platform Securities.

A7.3 In the event of any failure by you or us to make payment or delivery in accordance with the provisions of this Paragraph 7.3, Platform Securities may exercise any of the rights or remedies available to it under these Schedule 1 terms, or otherwise including, without limitation, any of the rights or remedies set out in this Schedule 1.

A7.4 All transactions will be due for settlement in accordance with market requirements (as shown on the relevant contract note or advice). On your behalf, we shall ensure that Platform Securities will receive all cash and securities when due with respect to any transaction which it is to settle on your behalf and we will warrant that all cash or investments held by, or transferred to, Platform Securities will be and remain free of any lien, charge or encumbrance. All payments due to Platform Securities will be made without set off, counterclaim or deduction. All cash and investments held or transferred to Platform Securities (or its nominees) will be subject to a first fixed charge by way of security for you to Platform Securities. We will ensure on your behalf that all money due to us and all documents are received by us or Platform Securities by the due date to enable settlement of a transaction executed on your behalf.

A7.5 You acknowledge and accept that in settling transactions on your behalf, Platform Securities is acting as agent on your behalf and that Platform Securities will not be responsible for any default or failure on the part of any counterparty to a transaction. All currency exchange risk in respect of any transaction in overseas investments shall be borne by you. The default currency for accounts is Sterling (GBP) and transactions will be settled in GBP unless you give a specific instruction otherwise. Platform Securities and any other parties involved in providing the currency exchange transaction to us may earn revenue. This revenue is based on the difference between the applicable bid and offer rates for the currency and the rate at which the rate is offset either internally, with a related third party, or in the market.

Security

A8.1 You hereby charge by way of first fixed charge, with full title guarantee and grant a pledge over and a general lien and right of set off with respect to all securities, documents of or representing title to property, and all cash or other assets of any nature held by or subject to the control of Platform Securities (and its nominees and custodians) for your account (including, without limitation, the benefit of all contractual rights and obligations and any proceeds of sale) as continuing security for the performance of your and our obligations hereunder and for the payment of all sums that become due to Platform Securities from you or us (to the extent it is acting as agent for us). Such charge shall, without limitation, include: (i) a first fixed legal charge over all securities held for your account from



time to time in respect of which title has been transferred to Platform Securities (and its nominees and custodians); (ii) a first fixed equitable charge over all certificates or documents of title relating to securities held from time to time for your account by or to the order of Platform Securities; and (iii) a first fixed charge over our rights in respect of any securities which are held by Platform Securities (or to its order) for our account.

A8.2 Platform Securities shall have, to the greatest extent permitted by law, all of the rights of a secured party with respect to any cash or other assets charged to it and you and we will, at the request of Platform Securities, take such action as may be required to perfect or enforce any security interest and each irrevocably appoints Platform Securities as their attorney to take any such action on their behalf.

A8.3 You hereby confirm that all cash, securities or other assets of any nature transferred to or held by Platform Securities (and its nominees and custodians) for your account are your sole and beneficial property or are transferred to or held by Platform Securities (and its nominees and custodians) with the legal and beneficial owner's unconditional consent and free of such owner's interest and, in any event, will be transferred to or held by Platform Securities (and its nominees and custodians) free and clear of any lien, charge or other encumbrance and undertake that neither you nor we will charge, assign or otherwise dispose of or create any interest therein.

A8.4 You agree that if you or we fail to comply with any of our obligations to Platform Securities, all relevant charges as disclosed in this Schedule 1 shall be enforceable and the powers conferred by Section 101 of the Law of Property Act 1925 (as varied and extended by this Agreement) shall be exercisable. Section 103 of the Law of Property Act 1925 shall not apply to this Agreement. In such circumstances, Platform Securities may without prior notice to you or us and free of any interest of yours or ours, sell, charge, pledge, deposit, realise, borrow or otherwise deal, with any securities or other assets Platform Securities (and its nominees and custodians) are holding for your account on any terms it considers appropriate. The proceeds of any sale or realisation of such securities or other assets and any moneys from time to time deposited with or held by Platform Securities (and its nominees and custodians) under this Agreement, shall be applied towards the satisfaction of your liabilities (or ours) to Platform Securities.

A8.5 Platform Securities shall have no liability whatsoever to us or you for any loss or liability or loss of profit or gain incurred or suffered by us or you in consequence of any exercise by Platform Securities of any right or remedy hereunder; and any purchase, sale or other transaction or action that may be undertaken by Platform Securities shall be at such price and on such terms as Platform Securities shall, in its absolute discretion, determine.

A8.6 In exercising any right or remedy pursuant to this Schedule 1, Platform Securities is authorised to effect such currency conversions and enter into such foreign exchange transactions with, or on behalf of, you or us, at such rates and in such manner as Platform Securities may, in its absolute discretion, determine.

A8.7 We undertake that we will not take security over any of your cash or securities or otherwise assert any lien, right of set off or encumbrance over such cash or securities in priority to any rights of Platform Securities whether arising under Terms or otherwise.

Commission account

A9.1 On the execution of any bargain, instruction or order or on the occurrence of any other event which gives rise to requirement that you pay commissions, fees and charges to us, Platform Securities shall transfer, from the relevant cash account to a commission account opened in our name, the amount due from you concerned, to us calculated at the rates notified to Platform Securities by us from time to time.

A9.2 The rates of commissions, fees and charges levied by us will be as agreed between us in writing and it will be our responsibility to keep Platform Securities informed of such rates and any changes to them. Platform Securities will use all reasonable efforts to make necessary changes in its systems to accommodate any change in the rates of commissions, fees and charges levied by us but no change in any such rate will be implemented by Platform Securities until it has notified us that the necessary changes have been made to collect such commissions, fees and charges at the new rate. If Platform Securities is unable to collect any such commissions, fees and charges it will be our responsibility to calculate such commissions, fees and charges and notify Platform Securities of the amounts due and the time or times at which such commissions, fees and charges are to be collected.

A9.3 You and we will have no entitlement to any credit balance on our commission account. Our sole right will be for payment of such amounts which are due to us in accordance with arrangements agreed between us and Platform Securities. Platform Securities may deduct from our commission account any amount that is due to it under the Platform Securities Agreement, whether for settlement purposes or otherwise, and apply the amounts so deducted in or

towards satisfaction of any sum due. Interest will not be paid on our commission account.

Payment and Set-off

A10.1 Payment of all amounts due to Platform Securities from us or you are due on demand and shall be paid without set-off, counterclaim or deduction.

A10.2 Platform Securities may set-off, transfer or apply (with or without prior notice) any indebtedness, liabilities or obligations of Platform Securities to you or us, or any credit balance (whether or not then due and payable) on any account that has been opened in the name of you or us under **these Terms** (including, without limitation, our commission account and security deposit) and any accrued interest in or towards the satisfaction of any indebtedness, liabilities or obligations or any sum that is due from you or us to Platform Securities in any respect whatsoever (whether or not expressed in the same currency and including, without limitation, any payment of fees or charges due to Platform Securities and payments pursuant to any indemnity). For the avoidance of doubt: (i) any reference in this Paragraph 10.2 to any indebtedness, obligations or liabilities shall include all indebtedness, obligations or liabilities of any nature, whether present or future, actual or contingent, primary or collateral, several or joint, secured or unsecured; (ii) Platform Securities is not obliged to exercise its rights under this Sub-Paragraph 10.2, which are without prejudice to any other rights to which Platform Securities is otherwise entitled; and (iii) Platform Securities shall be entitled to combine or consolidate accounts for any of the purposes set out above or otherwise in connection with the exercise of its rights hereunder.

A10.3 Where any set-off, consolidation, combination or transfer requires the conversion of one currency to another, such conversion shall be carried out at such rates and in such manner as Platform Securities may determine.

A10.4 Until we, on your behalf, have paid or discharged in full all monies and liabilities owed to Platform Securities in relation to our account, any monies from time to time outstanding to the credit of your account with Platform Securities and any credit balance on our commission account and security deposit up to the value of the outstanding amount shall not be due and payable (to the extent it would otherwise be due and payable in accordance with the provisions of **these Terms**). Platform Securities may, however, in its absolute discretion make payments to you or us from any such account or otherwise exercise its rights, including its rights of set-off.

A10.5 Any money owed to us, Platform Securities, or agents used by us, or any other applicable charges, may be deducted from money held in your account by Platform Securities. For this reason, please note that Platform Securities reserve the right to retain your funds.

Default

A11.1 If we, on your behalf, do not pay cash or deliver investments when due to meet any settlement obligations or if we on your behalf fail to meet any other obligations to Platform Securities then Platform Securities may exercise the rights set out in the remainder of these Default provisions. Platform Securities will be entitled to retain any cash or investments held on your account and will have no obligation to pay such cash or deliver any investments to you or any third party until you have paid any cash owing or delivered any investments due. Platform Securities may, without notice: (i) sell any investments held on your account and use the proceeds (after deduction of any costs incurred) or use any cash to eliminate or reduce any amount that you owe to Platform Securities. If the available cash or proceeds of selling investments is insufficient to cover your obligations to Platform Securities, and you will still owe a balance, we may (ii) close-out or reverse or cancel a transaction previously entered into; and (iii) take or refrain from taking action that would or could eliminate or reduce any liability under a transaction previously entered into.

A11.2 Where Platform Securities exercises its rights to use your cash or dispose of your investments under these default provisions it will have no further obligation to you or any third party in respect of that cash or those investments.

A11.3 You agree that Platform Securities may, without notice, set off, transfer or apply any cash or other obligations owed by Platform Securities to you in order to satisfy in whole or in part any debt or obligation owed from you to Platform Securities. This applies even if the obligations are in different currencies.

Governing Law

A12.1 The terms in this Schedule 1 shall be governed by and shall be construed in accordance with English law and you hereby submit to the exclusive jurisdiction of the English courts.

Amendments

A13.1 You accept that Platform Securities may change or add to any of the terms in this Schedule by giving us reasonable notice which will usually be at least



one calendar month, and subject to subsequent written agreement between the parties (not to be unreasonably withheld or delayed). In the event of any variation or amendment of the terms in this Schedule 1, as agreed between the Parties, Platform Securities will send us a written notice of the change or addition which shall include the date from which the change or addition shall be effective, and subsequently we will pass this notice on to you.

Termination

A14.1 These terms in Schedule 1 may be terminated at any time by us and Platform Securities by giving written notice to the other and we will separately notify you of the termination of the terms in this Schedule 1. Such termination will be without prejudice to the completion of transactions already initiated.

Investor compensation

A15.1 Platform Securities participates in the Financial Services Compensation Scheme ("FSCS"), which, subject to certain exceptions, provides limited compensation in the event of Platform Securities being unable to meet its liabilities to you. This scheme currently covers eligible investors (as defined by the FCA) to a maximum of 100% of £85,000. Further information can be obtained from the FSCS at www.fscs.org.uk.

Complaints

A16.1 If you have any complaints concerning the services provided by Platform Securities you should write in the first instance to us, and not directly to Platform Securities, and we shall look into this on your behalf. You may send a copy of your complaint directly to: The Compliance Officer, Platform Securities LLP, Canterbury House, 85 Newhall Street, Birmingham, B3 1LH.

Data protection and confidentiality

A17.1 Platform Securities may use, store or otherwise process personal information about you in connection with the provision of its services, administering your account or for purposes ancillary thereto. The information Platform Securities holds about you is treated as confidential and will not be used for any purpose other than in connection with the provision of its services. Such information will only be disclosed in the following circumstances: (i) where required by law or if requested by any regulatory authority or exchange having control or jurisdiction over Platform Securities; (ii) to investigate or prevent fraud or other illegal activity; (iii) to any third party in connection with the provision of services to you by Platform Securities; (iv) for purposes ancillary to the provision of the services or the administration of your account, including, without limitation, for the purposes of credit enquiries or assessments; and (v) at our request or with your consent.

A17.2 In accordance with applicable laws and regulations relating to data protection, you are entitled to a copy of the information Platform Securities holds about you. In the first instance, you should direct any such request to us. You must let us know if you think any information that Platform Securities holds about you is inaccurate, so that we or Platform Securities may correct it. However, in accordance with legal and regulatory requirements, Platform Securities will retain records for a minimum period of six years following the termination of the terms contained in this Schedule 1. This period may be extended by law, regulatory requirement or agreement amongst us.

Conflicts of Interest

A18.1 Platform Securities provides a wide range of services to both retail and institutional clients and companies engaged in a variety of activities on behalf of individuals (collectively its customers), including the management of client assets, transacting of deals and the custody of assets. At times, it may have interests which conflict with those of its customers. Conflicts may arise between Platform Securities' interests, its associates and employees and its customers and also between customers.

A18.2 Platform Securities has in place a Conflicts of Interest Policy and procedures specifically designed to identify and manage such conflicts. These include organisational and administrative arrangements that are intended to restrict the flow of information and access to their client data so as to protect the interests of customers and to ensure that the activities of employees are visible to senior management and are monitored. Further information on Platform Securities' Conflicts of Interest Policy is available on request.

A18.3 Platform Securities may retain some of the interest paid on the balance of Client Money it holds in custody.

Indemnity

A19.1 In accepting the terms in this Schedule 1, you agree to reimburse Platform Securities for any costs, losses, or expenses incurred by it as a result of any breach by you of the provisions of the terms in this Schedule 1, or any failure to make delivery or payment when due. Platform Securities shall have no liability for any circumstance or failure resulting from any event or state of affairs beyond its reasonable control including, without limitation, any failure of communication or computer systems or equipment or the suspension of trading by an exchange or clearing house. Platform Securities shall not be liable for loss arising other than as a result of its breach of the terms in this Schedule 1, its own negligence or wilful default or contravention of the FCA rules and, in any event, will not be liable for any indirect or consequential loss (including loss of profit). Platform Securities shall have no liability for any market or trading losses that you may incur.

A19.2 The provisions of this Schedule 1 shall continue to apply notwithstanding any termination of the terms or in addition to any other right of indemnity or claim of Platform Securities whether under Schedule 1 or otherwise and shall not be affected by any forbearance whether as to payment, time, performance or otherwise.

SCHEDULE 1B - PLATFORM SECURITIES INDIVIDUAL SAVINGS ACCOUNT (ISA) and JUNIOR ISA (JISA) TERMS AND CONDITIONS

B1.1 The terms as set out in this section only apply if you have applied to open a Platform Securities ISA or JISA. Please note that this section applies in addition to Schedule 1A and should any terms within this section conflict with schedule 1A, this section shall prevail. Platform Securities is the HMRC Authorised ISA Manager.

B1.2 The ISA investments will be and must remain in your beneficial ownership and must not be used as security for a loan.

B1.3 The JISA is held in the name of the child and the JISA investments will be in the beneficial ownership of the child.

B1.4 Investments and share certificates or other documents evidencing title will be held in the name of Platform Securities Nominees Limited or a nominee company controlled by us or in the name of a third-party custodian selected by us in accordance with FCA rules.

B1.5 Platform Securities will arrange, if you so elect, for you to receive a copy of the annual report and accounts issued by every company or other concern in respect of your shares, securities or units which are held directly in the ISA or JISA.

B1.6 Platform Securities will arrange, if you so elect, for you to be able to attend shareholders, security holders, or unit holder's meetings, vote and receive any other information issued to shareholders, securities holders or unit holders.

B1.7 If we delegate any of the functions or responsibilities under these terms we will ensure that the designated person is competent to carry out those functions and responsibilities.

B1.8 We will notify you if, by reason of any failure to satisfy the provisions of the regulations, the ISA or JISA has or will become void.

B1.9 On your instruction and within the time stipulated by you (minimum 30 days) Platform Securities will transfer your ISA or part of your ISA to another ISA plan manager in accordance with the ISA regulations relating to transfers, or to yourself.

B1.10 On your instruction and within the time stipulated by you (minimum 30 days) Platform Securities will transfer the JISA to another JISA plan manager in accordance with the ISA regulations relating to transfers, or to yourself.

B1.11 Your Platform Securities ISA is a Flexible ISA which means that you may withdraw cash from the ISA and replace the cash within the same tax year without the replacement counting towards your annual subscription limit. plan manager in accordance with the ISA regulations relating to transfers, or to yourself.

