

# TERMS OF BUSINESS

RELATING TO

DISCRETIONARY INVESTMENT MANAGEMENT SERVICES

V.42 JUNE 2021



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# PART A: INTRODUCTION

## 1 INTERPRETATION

1.1 In these Terms of Business (“**Terms**”), unless the context otherwise requires:

- (a) references to “**you**” mean you, the client to whom we provide services pursuant to the Client Agreement and references to “**your**” and “**yourself**” have the same meaning. If you are a private individual, such references include your personal representatives, successors and permitted assigns;
- (b) references to “**we**”, “**us**”, “**our**” or “**ourselves**” means Sarasin & Partners LLP and such references include our successors and permitted assigns;
- (c) headings are for convenience only and do not form part of, nor shall affect the interpretation of the relevant clauses or sections of, these Terms;
- (d) in the event of an inconsistency between any provision in any other documentation and any provision of these Terms, these Terms shall prevail unless otherwise indicated in the other documentation;
- (e) any reference to a statute, statutory instrument or regulation should be read as including any re-enactment, replacement or modification;
- (f) any reference to a document having been signed includes a recognised qualified electronic signature (as defined by Regulation (EU) 910/2014 on electronic identification) or where we are in receipt of a scanned copy of an original signature; and
- (g) where the context requires words denoting the singular include the plural and vice versa and words denoting gender shall include all genders.

## 2 DEFINITIONS

2.1 Throughout these Terms, the following definitions shall apply to capitalised terms:

“**Action**” means any lawsuit, legal action, arbitration, mediation, government investigation or other proceeding by or before any court, government agency, securities exchange or Competent Authority:

- (b) by an individual shareholder, investor or other person; or
- (c) on behalf of a group of shareholders, investors, or other persons who have the same interests in the action or proceeding and whose rights or liabilities are to be determined as a group rather than in a series of individual actions.

“**Agent**” means us acting as your formally appointed representative to undertake such actions as you have given us permission to do in these Terms.

“**Applicable Regulations**” means all applicable laws, rules, regulations and guidance of binding effect on us, including but not limited to, as applicable, the FCA Rules and FSMA.

“**Approved Bank**” means a bank appointed to hold client money in accordance with the applicable FCA Rules.

“**Associate**” means a company or other entity or person connected to us or any member of the Bank J. Safra Sarasin Limited group.

“**Business Day**” means any day of the week that banks are open for business in the United Kingdom excluding Saturdays, Sundays and public holidays.

“**Client Investment Profile**” means the client profile and investment mandate completed by you separately.

“**Client Money Rules**” means the rules set out in the Client Assets Sourcebook (“**CASS**”) of the FCA Rules and the term “client money” refers to money held in accordance with those rules.

“**Competent Authority**” means the FCA or any authority in another EEA state exercising functions corresponding to those exercised by the FCA.

“**Conflicts of Interest Policy**” means our policy (as updated or amended from time to time) dealing with the identification and management of conflicts of interest in accordance with the FCA Rules. This can be found on our website or provided upon request.

“**Connected Investments**” means an investment issued or managed by us or an Associate.

“**EEA**” means the European Economic Area.

“**Execution Policy**” means our policy (as updated or amended from time to time) relating to the execution of orders and decisions to deal on your behalf as required by the FCA Rules. This is available from our website or upon request.

“**FCA**” means the Financial Conduct Authority set up pursuant to FSMA to regulate the financial services industry in the United Kingdom or any successor or replacement regulatory body.

“**FCA Rules**” means the rules and guidance published from time to time by FCA as set out in the FCA's Handbook of Rules and Guidance.

“**Force Majeure Event**” means an event that could not be predicted or if predicted its consequences are too drastic to plan for in a contract. In the Client Agreement it means, without limitation any:

- (d) act of God, fire, earthquake, storm, flood or other natural disaster;
- (e) explosion, nuclear accident or collision;
- (f) any change to the law, order or regulation of a governmental, supranational or regulatory body;
- (g) sabotage, riot, strikes, civil disturbance, insurrection, epidemic, national emergency (whether in fact or law) or act of war (whether declared or not) or terrorism;
- (h) requirement or restriction of or failure to act by any government, semi-governmental or judicial entity;
- (i) unavoidable accident;
- (j) loss of supply of essential services, including but not limited to electrical power, telecommunications and essential third-party services;
- (k) any cyber-attack including but not limited to any 'denial of service', targeted network, malware or ransomware attack; or
- (l) any other event or circumstances that is beyond our reasonable control to avoid,

as a consequence of which we can no longer provide the services for a given period.

“**FSMA**” means the Financial Services and Markets Act 2000.

“**Global Custodian**” means such person(s) as we may engage from time to time to assist us in the performance of our custody services which as at the date of these Terms is **The Bank of New York Mellon (London Branch)** (for the majority of assets) and **BNP Paribas Securities Services S.C.A** (for clients that may require certain holdings to be held by an offshore custodian).

“**HMRC**” means Her Majesty's Revenue and Customs

**“In-House Funds”** means collective investment schemes (as that term is defined within the FCA Rules) managed by us or an Associate.

**“In-House Funds Management Charges”** means your share of the management charges due to the operator and/or authorised fund manager in respect of assets of your Portfolio which have been invested in In-House Funds.

**“Intellectual Property Rights”** means all patents, copyrights, rights in design, to photography rights, trademarks and service marks (whether registered or unregistered and including applications for registration of any of the foregoing) together with all trade secrets, rights in know-how, and all rights and forms of protection having a relevant or similar effect to any of the foregoing which may subsist in the world.

**“ISA”** mean an individual savings account, a scheme allowing individuals to hold cash, shares, and unit trusts free of tax on dividends, interest, and capital gains.

**“ISA Terms of Business”** means the terms and conditions as updated from time to time relating to the management of any ISA portfolio we manage on your behalf.

**“Management Fees”** means fees and expenses payable by you to us for the provision of discretionary investment management services as set out in the Client Investment Profile.

**“Multilateral Trading Facility”** means a multilateral trading system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments.

**“Online Reporting Terms”** means the terms and conditions as updated from time to time relating to the use of the Sarasin Reports website where your Portfolio valuation are available. This can be found on our website or provided upon request.

**“Organised Trading Facility”** means an organised trading system (a multilateral system which is not a regulated market or a Multilateral Trading Facility and in which multiple third party buying and selling interests in financial instruments are able to interact in the system in a way that results in a contract) operated by an investment firm, credit institution or market operator.

**“Outside Custodian”** means the person (if any), not being a party to the Client Agreement, charged with providing custody services for your Portfolio.

**“Portfolio”** means the portfolio or portfolios where you have more than one mandate of assets (including un-invested cash) entrusted from time to time by you to our management and if applicable, our custody.

**“Regulatory Risk Warnings”** means the document of that name as updated and amended from time to time which enable you to understand the risks related to certain financial instruments. This can be found on our website or provided upon request.

### 3 TERMS OF BUSINESS

- 3.1 We will manage the assets you have placed with us on a discretionary basis. In essence you entrust cash and investments to us which we manage at our discretion (without asking you first) in accordance with the investment mandate we have agreed with you in your Client Investment Profile.
- 3.2 The contract under which we provide discretionary investment management services to you comprises:
  - (a) these Terms (including interpretations and definitions provided for in the Terms);
  - (b) the Client Investment Profile;
  - (c) any supplemental terms referred to herein; and

- (d) any other document which is in writing, signed and agreed between us concerning the provision of our services to you.

We refer to all of these documents together as “the **Client Agreement**” and the Client Agreement sets out the basis on which we will provide our services to you.

- 3.3 The Terms set out a description of the services, details of how your Portfolio will be operated and the duties and responsibilities owed by each of us to the other.

## 4 SUMMARY OF THE TERMS

- 4.1 The Terms are grouped by subject in the following order:

**Part A Introduction:** This part sets out how to interpret the Terms, the Client Agreement defined terms and a summary of the Terms to help you navigate the document.

**Part B Your agreement with us:** This part provides details about us, sets out the effective date of the Client Agreement and describes how the Client Agreement will come to an end. It also contains details of how amendments can be made to the Terms during the life of the Client Agreement.

**Part C Discretionary investment management services:** This part provides details of our services, how we buy and sell assets for your Portfolio, reports and valuations, the exercise of voting rights and our power to delegate certain responsibilities.

**Part D Management fees and charges:** This part sets out information about our management fees and charges. Please see Section 10 of the Client Investment Profile for full details for our fees and charges.

**Part E Your investments and regulatory protections:** This part describes key regulatory protections you benefit from including the safekeeping of your cash, conflicts of interest and your rights to complain and certain rights of compensation.

**Part F Custody:** This part explains the way in which we administer the investments comprising your Portfolio from time to time held by us (or our delegate) and the arrangements that apply when a third party is custodian appointed by you.

**Part G Liability and indemnity:** This part sets out a series of undertakings you make to us, provides for sums to be paid by you to us if you fail to comply with the undertakings and describes some exclusions and limitations to our liability.

**Part H Portfolio administration:** This part sets out how your Portfolio is administered in accordance with your authority. If you are a private individual it explains what happens if you die during the term of the Client Agreement.

**Part I General information:** This part sets out a number of miscellaneous provisions including confidentiality and governing law.

- 4.2 You should read all of the Terms.

However, the main provisions that impose liabilities on you are:

- **Part D – Management fees and charges:** It is of vital importance that you understand our fees and charges, how they are calculated and when they are payable by you; and

- **Part G – Liability and indemnity:** Part G contains a series of representations made by you and upon which we rely. If you do not comply with these representations, you may become liable to make payments to us.
- 4.3 You should also take into account:
- **Clause 36 (Limitations to our Liability);** and
  - **Clause 20 (FCA cash and Client Money Rules) and Part F – Custody:** The limitations that apply to the protections on the money you entrust to us, and to the safekeeping of your investments.
- 4.4 Please take the time to read carefully both the Terms and the Client Investment Profile. We recommend that you retain a copy of the Client Agreement for your reference. If you are unclear about anything concerning our services please do not hesitate to contact your account director.
- 4.5 You may like to consider seeking advice from a suitably qualified and regulated financial adviser in order to help you decide whether our services are suitable for you and, assuming our services are suitable, how we can help you with your financial objectives generally. Please note that we do not provide any financial planning, accounting, investment advisory or tax advisory or planning services.
- 4.6 At the beginning of each part of the Terms you will see guidance boxes which contain a broad summary of the material which that part of the Terms covers. The summaries are intended to be helpful and provide guidance to the contents of each part. They are, however, not a substitute for reading the entire text of each part, all of which is binding on you.

## 5 CLIENTS WITH FINANCIAL ADVISERS

- 5.1 If you are a private individual and are advised by a financial adviser at any time during our management of your Portfolio, the following terms shall apply:
- (a) the financial adviser must be authorised and regulated by a Competent Authority and permitted to advise clients on U.K. retail investment products (a “**Permitted Adviser**”); and
  - (b) you, and not the Permitted Adviser, will be treated as our client for the purposes of the FCA Rules.
- 5.2 At the point you engage the Permitted Adviser, we may require you to provide us with a signed, written and binding undertaking from the Permitted Adviser about the nature of the advice they have given you and the suitability of our services taking into account your financial circumstances.
- 5.3 In certain circumstances we may agree to rely on the suitability information provided by your Permitted Adviser on a “reliance on others” basis, as permitted by the FCA Rules. This means that we can use the information they have already gathered rather than conduct a separate suitability review.
- 5.4 The investment services we provide where you use a Permitted Adviser are based on information provided to us on a timely basis and absence of such information may affect adversely the quality of the investment services we provide to you.
- 5.5 You undertake to let us know if the Permitted Adviser ceases to act for you.
- 5.6 Where you use a Permitted Adviser, you may instruct us to pay your Permitted Adviser’s charges which you have agreed with them from your Portfolio in accordance with the FCA’s Rules. This service is only available where requested by you, signed and in writing, and agreed by us and may require additional documentation to be signed by you and your Permitted Adviser. We reserve the right at our sole discretion to decline to pay your Permitted Adviser’s charges and cease to provide this service to you at any time during our management of your Portfolio.





# PART B: YOUR AGREEMENT WITH US

## GUIDANCE NOTES

This Part B of the Terms sets out the following information:

- information about us, our partners, employees and consultants;
- when the Client Agreement will begin; and
- how the Client Agreement can be changed and terminated.

## 6 ABOUT SARASIN & PARTNERS LLP

6.1 Our legal and regulatory information is as follows:

- (a) We are a limited liability partnership registered in England & Wales with registration number OC329859. The registered office of Sarasin & Partners LLP is at Juxon House, 100 St. Paul's Churchyard, London, EC4M 8BU.
- (b) We are authorised and regulated by the FCA. Our FCA registration number is 475111. The FCA is an independent body that regulates the financial services industry in the United Kingdom and can be contacted at 12 Endeavour Square, London, E20 1JN (telephone: 0800 111 6768). We will notify you as soon as reasonably practicable if we cease at any time to be authorised and regulated by the FCA.

6.2 A reference in the Client Agreement or in the course of your dealings with us to a person being a "Partner" is a reference to that person as a member of the limited liability partnership or employee with equivalent standing. A list of the current members and employees who are described as Partners is available for inspection at our registered office. Certain of our employees use the title "Business Partner", "Senior Associate Partner" and "Associate Partner". These employees do not have the equivalent status to "Partner".

## 7 EFFECTIVE DATE OF APPOINTMENT

7.1 Subject to:

- (a) our receipt of your duly completed and signed Client Investment Profile;
- (b) all our client identification and anti-money laundering requirements having been satisfactorily completed; and
- (c) your initial deposit or transfer of assets being received by us and, if paid by cheque, cleared,

the Client Agreement will be effective from the date the Client Investment Profile is or was signed by us unless otherwise agreed between you and us and stated in your Client Investment Profile (such date being referred to as the "**Effective Date of Appointment**") and shall continue until terminated by either party in accordance with these Terms.

7.2 You appoint us as discretionary investment manager of your Portfolio and delegate to us all of your powers and discretions in relation to the management of your Portfolio subject to the terms and conditions of the Client Agreement.

7.3 We reserve the right, in our absolute discretion, at any time not to accept appointment under any Client Agreement without giving a reason and/or to stop providing services where to do so may lead to a breach of Applicable Regulations.

## 8 AMENDMENTS TO TERMS

- 8.1 You acknowledge and agree that we will not reissue these Terms each time changes are made. A full copy of the latest version of the Terms will instead be available on our website [www.sarasinandpartners.com](http://www.sarasinandpartners.com), and you consent to receiving such Terms via our website. If you would like a hard copy of the Terms you can request one at any time.
- 8.2 We may make changes to these Terms from time to time in whole or in part (or issue replacement Terms in their place). Such changes will not take effect until thirty (30) days from the date of our notification to you of such change.
- 8.3 Notwithstanding the foregoing, changes to these Terms required as a result of a change in law or regulation will take effect as soon as such law or regulation comes into force.
- 8.4 No change to the Terms will affect any outstanding order or transaction or any other legal rights or obligations which may have arisen before the date of the change.
- 8.5 If you do not agree with any of the changes to the Terms, you may terminate the Client Agreement without penalty, by giving us signed written notice.

## 9 TERMINATION OF THE CLIENT AGREEMENT

- 9.1 You may terminate the Client Agreement at any time by delivering a signed written notice to us. Termination will take effect 30 days after we receive such notice of termination from you (the “**Effective Termination Date**”). If you terminate the Client Agreement, you will pay our outstanding fees on a pro rata basis up to the Effective Termination Date along with any additional expenses necessarily incurred by us in terminating the Client Agreement. You will also need to pay any costs or losses necessarily realised in settling or concluding outstanding obligations. Where we are providing custody services at the Effective Termination Date, we will continue to charge you our standard custody and administration fee to cover (a) the costs of maintaining custody of your assets until any transfer takes place and/or (b) the costs of transferring assets out of your custody account.
- 9.2 We may terminate the Client Agreement on three (3) months' written notice to you or may do so with immediate effect by signed written notice to you if so required by any Competent Authority or pursuant to Applicable Regulations.
- 9.3 Termination of the Client Agreement will not affect:
  - (a) the completion of transactions already initiated (which will be completed in accordance with our normal practice); and/or
  - (b) either our or your accrued rights, indemnities, existing commitments or any contractual provision intended to be active beyond termination and without penalty.
- 9.4 On termination, we may retain and/or realise (or as the case may be, direct the relevant custodian to retain and/or realise) any assets of your Portfolio as may be required to settle transactions already initiated, and to pay any of your outstanding liabilities including any fees which may be outstanding. If there is a dispute as to the payment of fees to us you may request the disputed amount to be held in an independent third-party account until the dispute is resolved. Where your Portfolio is invested in share classes of In-House Funds that are only made available to our clients that are actively managed (who, in such circumstances, are only charged our standard Management Fee but no fees at the fund level), we may, on termination of your Client Agreement, transfer your In-House Fund holdings to an alternative eligible share class (which may incur a charge at the fund level, given Management Fees under this Client Agreement will no longer be payable on your Portfolio after the Effective Termination Date).
- 9.5 Upon receipt of a notice of termination in accordance with this Clause 9, we shall take all reasonable steps to enable a satisfactory transfer of the Portfolio to a new investment manager or to you within a reasonable period of time which shall be specified by you but in any event no longer than 60 days (notwithstanding any external factors that are out of our control that prevent transfer completion).

within this time, including without limitation, late settlement due to registrar or unit trust manager). We shall:

- (a) where requested, deliver or cause to be delivered to you or issue you direct copies of all those records, documents, data and correspondence still held by us and which under the provisions of the Client Agreement relate to you in a good and useful condition. For the avoidance of doubt, nothing in this Clause 9.5(a) shall limit or restrict our internal regulatory record keeping requirements;
- (b) provide any new investment manager or you with sufficient information and reasonable access to our employees as may be reasonably necessary to ensure continuity of services to you and the avoidance of disruption during any transitional or handover period; and
- (c) reasonably cooperate with any incoming new investment manager so as to ensure a smooth and proper transfer of the relevant services provided under the Client Agreement to you or to the new fund manager, as the case may be.

# PART C: DISCRETIONARY INVESTMENT MANAGEMENT SERVICES

## GUIDANCE NOTES

This Part C of the Terms sets out the following information:

- a description of the discretionary investment management services we will provide to you;
- details of how we will deal in investments on your behalf as Agent;
- what information we will provide to you about your Portfolio; and
- a summary of our key regulatory policies and where the full documents can be found.

## 10 DISCRETIONARY INVESTMENT MANAGEMENT SERVICES

- 10.1 We will manage your Portfolio on a discretionary basis. This means that we will have complete discretion to act on your behalf in making, realising or otherwise dealing in investments in your Portfolio without asking you, unless otherwise agreed in your Client Investment Profile. You confirm that you have read and understood the Regulatory Risk Warnings we are required to give you so that you have an understanding of the financial risk you may be exposed to. Should we manage an ISA account for you, this will also be subject to the ISA Terms of Business. You confirm that you consent to receiving the Regulatory Risk Warnings and ISA Terms of Business via our website.
- 10.2 We will at all times act as your Agent and will manage your Portfolio:
- (a) with the standard of care that could reasonably be expected of a professional discretionary investment manager acting in good faith and with reasonable care and skill;
  - (b) in accordance with the investment objectives and applicable investment risk profile which you have specified or agreed with us in your Client Investment Profile; and
  - (c) subject to any restrictions and/or limitations agreed with you in your Client Investment Profile. Unless you specify such a restriction and/or limit, there will be no restriction on the value, type, transaction, geographical location or proportion of any investments in your Portfolio.
- 10.3 Your Client Investment Profile sets out the benchmark against which you may assess your Portfolio and its performance. If we need to change your benchmark, we will provide you with 30 days' written notice and use our reasonable discretion to determine whether such change requires your consent before becoming effective.
- 10.4 Any investment objectives, restrictions and limitations set out in your Client Investment Profile will not be breached as a result of any events or circumstances outside our reasonable control including, but not limited to, changes in the price or value of assets of your Portfolio brought about solely through movements in the market.
- 10.5 As a regulated discretionary investment manager, we have an annual suitability obligation in relation to your Portfolio. This means that at least once a year we must make an assessment of whether the investments within your Portfolio (taken as a whole) are suitable for you based on all your financial circumstances as at the time of the assessment and ensure that the information we hold about you is accurate and up to date. The reason for assessing suitability is to enable us to act in your best interests. You should notify us of any change to this information and we will need your written confirmation of any change to your Client Investment Profile. For the avoidance of doubt, we will require a signed and written confirmation to amend the following sections of your Client Investment Profile:
- (a) Section 1 – Client Personal Details

- (b) Section 2 – Client Contacts (new contacts only)
  - (c) Section 5 – Portfolio Income and Capital Withdrawals
  - (d) Section 12 – Authorised Signatories
  - (e) Section 13 – Custody and Client Money
- 10.6 Our investment services shall not include taxation, legal, or accounting services and you should take separate professional advice in relation to these matters. Unless you have agreed in the Client Investment Profile to use our custody services, our investment services will not include custodial services.
- 10.7 We shall not be responsible or have any authority for assisting with, undertaking or participating on your behalf in any Action or any proposed settlement of any Action relating to any rights or interest in assets in your Portfolio howsoever arising. You shall at all times remain solely responsible for taking any action in relation to any Action or proposed settlement of an Action. For the avoidance of doubt, we shall have no obligation to notify you of any legal notice of, or any process relating to, an Action concerning assets in your Portfolio.

## 11 DEALING

- 11.1 Subject to any restrictions or limits set out in your Client Investment Profile, we will have complete discretion in managing your Portfolio to:
- (a) buy, sell, retain, convert, exchange, or otherwise deal in investments and other assets, make deposits, subscribe to issues and offers for sale of any investment, execute transactions in or relating to regulated and unregulated collective investment schemes (including in each case, for the avoidance of doubt, In-House Funds and Connected Investments), accept placings, underwriting and sub-underwriting of any investments and effect transactions on any markets or exchanges, take all routine or day to day decisions and otherwise act as we judge appropriate in relation to the management of your Portfolio;
  - (b) select any broker or dealer to execute such transactions (including foreign exchange transactions with a counterparty other than your custodian) and to establish the price and trade conditions, including brokerage commissions, and to allocate such prices and at such commission rates so as to provide best execution for your Portfolio, taking into consideration in the selection of such brokers and dealers not only the available prices and rates of brokerage commissions, but also other relevant factors (including execution capabilities and the value of our ongoing relationship with such brokers and dealers);
  - (c) negotiate and execute, or otherwise bring into effect, any and all counterparty, trading, collateral, account opening documents and such other documents as we consider appropriate (whether or not on counterparty standard form terms) and give all representations, warranties and undertakings to counterparties and others for and on behalf of your Portfolio which might typically be expected in the relevant market or required by law or regulation;
  - (d) effect transactions (including transactions in derivatives) on such terms as we consider appropriate and for any purposes including for both hedging and speculative purposes and may settle or close out such transactions without further reference to you; and
  - (e) debit your Portfolio with any sums required to pay or supplement any deposit or margin in support of any such transaction, provided that you shall not be required to pay any deposit or margin in cash beyond the amount of cash available in your Portfolio.
- 11.2 You agree that:

- (a) transactions will be effected in accordance with the rules and regulations of the relevant market or exchange, and we may take all such steps as may be required or permitted by such rules and regulations and/or by appropriate market practice;
- (b) we and our respective agents (as the case may be) may trade outside a regulated market, Multilateral Trading Facility or Organised Trading Facility where we, in our discretion, consider it appropriate in the circumstances; and
- (c) you have instructed us not to make public any limit orders (an order to buy or sell at a specified price limit or better and for a specified size) in respect of shares admitted to trading on a regulated market, or traded on a Multilateral Trading Facility or Organised Trading Facility which are not immediately executed under prevailing market conditions.

## 12 NOTIFICATION, REPORTS AND VALUATIONS

12.1 We will provide you with:

- (a) a statement setting out the value and composition of your Portfolio quarterly, or such other frequency as may be required by Applicable Regulation. You have the right to request statements to be provided to you more regularly (although we may charge a fee for providing this); and
- (b) such other reporting as set out in your Client Investment Profile or as is otherwise agreed in writing with us.

12.2 We will not provide contract notes or other information about transactions executed by us on behalf of your Portfolio on a transaction by transaction basis, unless otherwise agreed in your Client Investment Profile. Where this is agreed, this information will however be provided automatically as part of our periodic valuation reports to you.

12.3 In the event that the overall value of your Portfolio (as evaluated at the beginning of each quarterly reporting period), depreciates by 10% (and thereafter at multiples of 10%) we shall notify you of this depreciation within a reasonable period of time and in accordance with time periods imposed on us by Applicable Regulation. You consent to us assessing any 10% depreciation in relation to the value of your entire Portfolio rather than on an instrument by instrument basis.

12.4 Where your Portfolio holds positions in leveraged financial instruments or contingent liability transactions and the initial value of each instrument depreciates by 10% (and thereafter at multiples of 10%) we shall notify you of this depreciation within a reasonable period of time and in accordance with time periods imposed on us by Applicable Regulation. You consent to us assessing any 10% depreciation in relation to the global value of all leveraged financial instruments in your portfolio rather than on an instrument by instrument basis.

12.5 We will, as you may request from time to time, provide all reasonable assistance to you in the fulfilment of your obligations to disclose shareholdings required by Applicable Regulations to the extent that those regulations require reporting.

12.6 If you elect at any time to use our online reporting service in relation to your Portfolio, the Online Reporting Terms shall apply. As part of this service, you will be able to provide access to information about your Portfolio to third parties as specified by you in your Client Investment Profile. You should note that if you permit third parties to have access to your Portfolio information, we shall not be responsible for their actions while using this service.

12.7 You consent to information in relation to your Portfolio and other communications between us (including information under Applicable Regulations we are required to disclose to you) being sent to you in electronic form, over a private internet site, by facsimile or by post or any combination of these methods. You may revoke your consent to this at any time by notifying us in writing. You may also request delivery of a paper copy of any information we send to you.

12.8 You acknowledge that an email from us is not secure and may contain computer viruses or other defects, may not be accurately replicated on other systems, or may be intercepted, interfered with or deleted without the knowledge of the sender or the intended recipient. We give no warranties in relation to these matters and will have no liability to you for breach of confidentiality if any person sees a communication sent to your email address. Please note that we reserve the right to intercept, monitor and retain email messages to and from our systems as permitted by Applicable Regulations. If you have any doubts about the authenticity of an email supposedly sent by us, any of our Associates or any of our authorised service providers, you should contact us immediately.

12.9 You agree that you will be solely responsible for notifying us in writing (which, for this purpose, shall not include email) of any change to your email address, and that under these circumstances, we are entitled not to seek to verify or confirm the email address provided.



12.10 We may be required to obtain certain information about your tax residence and status and to make disclosures about you and your Portfolio to HMRC. You consent to us obtaining such information and providing such information to HMRC and you hereby warrant to keep us up to date with any changes to information regarding your tax residence and status.

## 13 SHAREHOLDER ACTIVISM

- 13.1 A copy of our current policy on shareholder activism is available on our website [www.sarasinandpartners.com](http://www.sarasinandpartners.com). Our policy on shareholder activism may be updated from time to time and you consent to receiving such policy updates via our website.
- 13.2 We will have due regard to our policy on shareholder activism in managing your Portfolio and in procuring the exercise of any voting rights attaching to the investments of your Portfolio. In drawing up this policy, we have set out how we will discharge our responsibilities in accordance with the Statement of Principles relating to 'The Responsibilities of Institutional Shareholders and Agents' (as defined in that document) as drawn up by the Institutional Shareholders Committee. We will consider any changes to such Statement of Principles from time to time.

## 14 VOTING RIGHTS

- 14.1 You authorise us to exercise any rights attached to investments held in your Portfolio at our discretion. Where we exercise such rights at our discretion, we will not seek your prior instructions before we exercise any relevant right on your behalf including, without limitation:
- (a) exercising (or leaving unexercised) all conversion and subscription rights, privileges and options attaching to or in any way arising in connection with any of the investments in your Portfolio;
  - (b) proceeding on liquidations, take-overs, other offers or capital reorganisations, affecting any of the investments in your Portfolio; and
  - (c) exercising any voting rights and executing proxy voting forms on your behalf, including in relation to In-House Funds that have been registered in your own name.
- 14.2 Where you have appointed your own Outside Custodian, you shall ensure that we are able to fully exercise such rights through such custodian.
- 14.3 Where voting rights are related to a change in the fees paid by you on Portfolio's holdings of In-House Funds and Connected Investments, we will only exercise such rights on your specific instructions or with your agreement, or otherwise in accordance with Applicable Regulations. However, we may count holdings in In-House Funds or Connected Investments for the purpose of constituting a quorum at a general meeting of any In-House Fund or Connected Investments.

## 15 BEST EXECUTION

- 15.1 We will at all times comply with our Execution Policy, details of which can be found on our website, and in particular act in accordance with our obligations under the FCA Rules regarding suitability and best execution. You confirm that you have read and agree to our Execution Policy. We will notify you of any material changes to our Execution Policy which will be updated from time to time. The current version of our Execution Policy will be published on our website at [www.sarasinandpartners.com](http://www.sarasinandpartners.com) and you consent to receiving such information via our website. You may also request a copy of our Execution Policy from us at any time.
- 15.2 Specific instructions from you in relation to the execution of orders may prevent us from following our Execution Policy in relation to such orders in respect of the elements of execution covered by the instructions. We may refuse to act upon any specific instruction you provide if we reasonably believe that doing so will cause us to be in breach of any Applicable Regulations. If we do proceed on your instructions, you should be aware that:
- (a) you may be exposing yourself to risks that fall outside your knowledge and experience and/or which you may not have the knowledge and experience properly to assess and/or control to try to mitigate their consequences for you; and
  - (b) we will have no responsibility for the action so requested, including the outcome.

- 15.3 We may aggregate transactions for your Portfolio with those of other clients and with those of our staff and of Associates and their staff, subject at all times to our compliance with all Applicable Regulations including, without limitation the FCA Rules regarding the management of conflicts of interest and treating clients fairly. Wherever we aggregate transactions we will allocate such transactions on a fair and reasonable basis in accordance with the requirements of the FCA Rules and the rules of any other applicable regulator. You recognise that each individual aggregated transaction may operate to your advantage or disadvantage.
- 15.4 If any counterparty fails to deliver any necessary documents or to complete any transaction, we will take all reasonable steps on your behalf to rectify such failure or obtain compensation in lieu. All resulting reasonable costs and expenses properly incurred by us shall be paid by you.
- 15.5 If you instruct us, and we agree, to undertake transactions in advance of the relevant funds and/or assets being deposited by you with your Outside Custodian for the benefit of your Portfolio, you shall indemnify and hold us harmless from any losses, liabilities, expenses and damages, resulting directly or indirectly from your failure to deposit such funds and/or assets with your Outside Custodian during the required period and/or as a result of any trade settlement failure.

## 16 DELEGATION

- 16.1 We may without your prior consent, delegate any of our services provided under the Client Agreement with you to third parties (including Associates) and may provide information about you and your Portfolio to any person whom we outsource activities, but our liability to you for all matters so delegated shall not be affected.
- 16.2 We will give you written notice of any delegation referred to in Clause 16.1 to the extent we delegate any function which involves the exercise of our discretionary investment powers and will not, without your prior written consent, delegate the whole or substantially the whole or part of such powers to any person who is not an Associate. If on receipt of this notice, you do not agree to consent to this delegation, you may terminate the Client Agreement in accordance with Clause 9 of these Terms.
- 16.3 We may employ and engage agents (including Associates) to perform any administrative, dealing, custodial or ancillary services to assist us in the performance of our services under the Client Agreement. We will act in good faith and with reasonable skill and care in the selection, use and monitoring of these agents.

# PART D: MANAGEMENT FEES AND CHARGES

## GUIDANCE NOTES

This Part D of the Terms sets out the details of our management fees and charges.

### 17 OUR MANAGEMENT FEES & CHARGES

- 17.1 Management Fees shall be based on the actual value of your Portfolio (including cash) and calculated quarterly in arrears in accordance with the fee schedule which we provide to you from time to time, unless otherwise agreed in writing between us. Management Fees for the first quarter will be pro-rata from the Effective Date of Appointment.
- 17.2 The fees applicable at the Effective Date of Appointment, including the rate of interest (if any) payable on overdue Management Fees, will be set out in the Client Investment Profile.
- 17.3 We may change our fee schedule by giving you written notification. Any such change in our fee schedule will be effective thirty (30) days from the date of the notification to you. If you do not agree with the change to our Management Fees, you may terminate the Client Agreement without penalty.
- 17.4 In respect of your Portfolio you will also be liable for the payment of any:
- (a) applicable taxes or stock exchange duties and levies;
  - (b) brokerage and dealing costs, custody charges, administration fees, commission, transfer fees, registration fees, other fiscal liabilities or government charges;
  - (c) In-House Funds Management Charges; and
  - (d) any other reasonable costs or expenses properly incurred by us or our Associates in the performance of our obligations and duties under the Client Agreement or the administration of your Portfolio.
- 17.5 Any Management Fees and applicable charges and expenses payable by you will be automatically debited from the assets of your Portfolio on a quarterly basis, unless otherwise agreed with us in writing. Where we are entitled to debit your Portfolio, we may instruct the relevant custodian to make payment from cash held in your Portfolio or to sell any investments held in your Portfolio to meet any Management Fees, charges and expenses payable by you under the Client Agreement.
- 17.6 Where you are invested in In-House Funds, we will ensure that you are not double charged Management Fees and In-House Funds Management Charges on the same assets. (Funds operated by our majority shareholder, Bank J Safra Sarasin, are not deemed to be In-House Funds for fee purposes.) Depending on your situation, we will achieve this by either:
- (a) investing you in a zero-charging fee class and collecting your share of the In-House Funds Management Charges due to the operator on their behalf (as set out in the Client Investment Profile); or
  - (b) where you are not invested in a zero-charging fee class, we will charge you the In-House Funds Management Charges and a Management Fee only on the balance of your Portfolio not held In-House Funds.
- 17.7 For as long as HMRC permit VAT exemption on the management of certain kinds of collective investment scheme, the charges we collect on behalf of the operators of In-House Funds will be VAT exempt.

- 17.8 We may retain or, as the case may be, we may direct the relevant custodian to retain (on our behalf) a right of retention or sale over any assets of the Portfolio to the extent that any properly incurred Management Fees and other charges or expenses arising from our provision of services to you under the Client Agreement remain unpaid.

## PART E: YOUR INVESTMENTS & REGULATORY PROTECTIONS

### GUIDANCE NOTES

Whether you are a retail or professional client, the FCA is there to provide for certain regulatory protections and we are obliged to operate within their rules and make you aware of how we are required to treat you when we provide services to you. For more information about the FCA, please visit the dedicated consumer pages on the FCA website [www.fca.org.uk/consumers](http://www.fca.org.uk/consumers).

Other useful website and resources are below and explained in more detail in this Part E.

- Financial Ombudsman Service: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).
- Financial Services Compensation Scheme: [www.fscs.org.uk](http://www.fscs.org.uk).

This Part E also includes details about the FCA's Client Money Rules, commonly known as "CASS".

**Please note** that where you have appointed your own custodian (see Clause 32), in certain circumstances the CASS rules will not apply and your chosen custodian will be able to advise you about this.

### 18 YOUR REGULATORY STATUS

- 18.1 Unless otherwise stated in your Client Investment Profile, we will treat you as a "retail client" for the purposes of the FCA Rules and will provide our services to you on this basis. Under the FCA Rules, you have the right to request a different categorisation (such request to be made by you in writing and signed), however, this may limit the level of protection you have.
- 18.2 We will not usually accept a request from a "retail client" to be treated as a "professional client" for the purposes of the FCA Rules, except in the most exceptional circumstances. Where an election to be treated as a "professional client" is accepted by us, new documentation may be required to be signed by you. If this is the case, this Client Agreement will automatically terminate when you sign the new documentation.
- 18.3 It is your responsibility to inform us about any change in your circumstances which might affect our determination of the appropriate categorisation for you.

### 19 ANTI-MONEY LAUNDERING

- 19.1 To comply with anti-money laundering requirements, we are required to verify your identity when we open your Portfolio account. Our checks include obtaining documents from you confirming your name and home address.
- 19.2 If we are unable to verify your identity using the method described in Clause 19.1 we may verify your name and address with an online reference agency. Where an online check is carried out, the agency will verify your identity against public records and it will also check whether you have a credit history. Please note, it will not disclose any information about your actual borrowings to us. The agency will also supply us with both public and shared credit and other fraud prevention information. The agency will add a note to show that an identity check was made to your credit file, but this information will

not be available to any third parties. If the online check does not confirm your identity, we will carry out a manual check and we may need to contact you for further information.

- 19.3 We may also undertake such other identity checks as we may in our discretion decide to use from time to time.
- 19.4 You agree that you will comply with all reasonable requests we make from time to time in order to comply with all Applicable Regulations and anti-money laundering requirements and that if you do not comply with such requests, that this may prevent us from providing all or some of our services to you. For example, this may mean we are unable to accept instructions from you or pay away cash or income from your Portfolio.

## 20 FCA CASH AND CLIENT MONEY RULES

**PLEASE NOTE: WHERE YOU HAVE APPOINTED A THIRD-PARTY CUSTODIAN IN CLAUSE 32, THE PROTECTIONS AND PROVISIONS IN THIS CLAUSE 20 MAY NOT APPLY TO THE PORTFOLIO.**

- 20.1 We are obliged to treat money held by us on your behalf in accordance with the FCA's Client Money Rules. In that respect, subject to the other provisions in this paragraph, we may deposit your money in the United Kingdom with any number of Approved Banks. Each Approved Bank will hold the money in a client account established with statutory trust status, separate to any account used to hold money belonging to us in our own right.
- 20.2 Your cash may be held with the cash of other clients of ours in a pooled account with the Approved Bank. In the event of any shortfall in the common pool of cash due to the failure of the Approved Bank, our clients may share that shortfall in proportion to their original share of cash in that pool. In addition, pooled cash may be used for the account of any of our relevant clients with an interest in the pooled client account.
- 20.3 We will not be responsible for any acts or omissions of the Approved Bank. If the Approved Bank becomes insolvent, we will have an unsecured claim as a creditor on behalf of our clients against the Approved Bank. If, however, the Approved Bank cannot repay all of its creditors, any shortfall may have to be shared proportionately between them.
- 20.4 The Client Investment Profile indicates the extent to which interest (if any) will be paid on cash balances we may hold for you from time to time. If interest is payable on cash balances this will be paid into your Portfolio on a quarterly basis.
- 20.5 You agree that we may allow another person such as an exchange, a clearing broker or an intermediate broker, to hold or control client money where it transfers the client money:
- (a) for the purposes of completing a transaction for you through or with that person; or
  - (b) to meet your obligation to provide collateral for a transaction (for example an initial margin requirement for a transaction in derivatives). You should note that the effect of any transfer of your money for the provision of collateral may mean that such money will not be segregated from the monies and other assets of the relevant counterparty.
- 20.6 We may deposit client money with a bank which is not an Approved Bank only where all of the following circumstances are met:
- (a) the client money relates to the settlement of a transaction, or a series of transactions or the distribution of income, subject to the law or market practice of a jurisdiction outside the United Kingdom;

- (b) because of the applicable law or market practice of that overseas jurisdiction, it is not possible to hold the client money in a client bank account with an Approved Bank; and
- (c) the money is held with such bank for no longer than is necessary to effect the transaction, or series of transactions.

In such circumstances, the client money will not be held with an Approved Bank and the legal and regulatory regime applying to the bank at which the client money is held may be different from that of the United Kingdom.

20.7 We may deposit client money in banks who are Associates in accordance with all applicable FCA Rules.

20.8 You agree that your client money may be:

- (a) held outside the United Kingdom and that in such circumstances the legal and regulatory regime applying to the Approved Bank with which the client money is held will be different from that of the United Kingdom and, in the event of a failure of the bank, your money may be treated in a different manner from that which would apply if the money was held by a bank in the United Kingdom; and
- (b) passed to a person who is located outside the United Kingdom such as an intermediate broker, settlement agent or other applicable counterparty. In such circumstances the legal and regulatory regime applying to the intermediate broker, settlement agent or other applicable counterparty will be different from that of the United Kingdom and, in the event of failure of the intermediate broker, settlement agent or other applicable counterparty, this money may be treated in a different manner from that which would apply if the money was held by an intermediate broker, settlement agent or other applicable counterparty in the United Kingdom.

20.9 Unless otherwise specified in your Client Investment Profile, you agree that your money may be placed in a qualifying money market fund and in such case your money will not be held in accordance with the FCA's Client Money Rules and the money will be held as safe custody assets in accordance with the FCA's custody rules.

20.10 We may place cash deposits overnight or on a fixed term up to 95 days with a minimum of four counterparties from an approved list, where possible. No more than 30% of total cash deposits will be held by a single counterparty, unless this is not made possible by market conditions, in which case deposits will be held by as many approved counterparties as possible at the time.

20.11 You agree that we may cease to treat your money as client money and, accordingly, release it from its client bank accounts if there has been no movement on your balance for a period of at least six years (disregarding any payments or receipts of charges, interest or similar items) and we have taken reasonable steps to trace you and to return the balance subject, at all times to all Applicable Regulations.

20.12 We may pay away to a registered charity of our choice a client money balance of yours where we have held the balance concerned for at least six years following the last movement on your account (disregarding any payment or receipt of interest, charges or similar items) and we have been unable to trace you having taken reasonable steps to do so. If we exercise this right we give you an unconditional undertaking to pay to you a sum equal to the balance paid away to charity in the event of you seeking to claim the balance in the future.

20.13 You agree that as part of a transfer by us of all or part of our business we may transfer your client money (relating to the business being transferred) to a third party provided that:

- (a) the sums transferred will be held by the person to whom they are transferred in accordance with the Client Money Rules; or

- (b) if Clause 20.13(a) does not apply, we will exercise all due skill, care and diligence in assessing whether the person to whom the client money is transferred will apply adequate measures to protect these sums.

20.14 Where a client money balance allocated to you is altogether less than or at the level prescribed by applicable law or regulation, the following applies:

- (a) we have held the balance for at least six years following the last statement on your account (disregarding any payment or receipt of interest, charges or similar items); and
- (b) we have made at least one attempt to return the balance and if you have not responded to such communication within 28 days of the communication having been made,

we shall pay this amount away to a registered charity of our choice. We will have no obligation to return the sum to you in these circumstances.

20.15 We may apply an annual charge at the level disclosed to you in writing from time to time if your account is inactive for nine consecutive months.

## 21 CONFLICTS OF INTERESTS

21.1 Our Conflicts of Interest Policy sets out the types of actual or potential conflicts of interest which affect our business, and includes details of how these are managed and any conflicts we are unable to manage effectively. We may update this policy from time to time and the current version of our Conflicts of Interest Policy will be published on our website at [www.sarasinandpartners.com](http://www.sarasinandpartners.com) and you consent to receiving such information via our website. You may also request a copy of this policy from us at any time.

21.2 Where permitted by Applicable Regulations, we or any Associate may effect transactions in which we or any Associate has, directly or indirectly, a material interest or a relationship of any description with another party which involves or may involve a potential conflict with our duty to you. In particular, we may exercise our discretion to invest in In-House Funds or Connected Investments. We will ensure that such transactions are effected on terms that are not less favourable to you than if the conflict or potential conflict had not existed.

21.3 Neither we nor any Associate shall be required to account to you for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will our fees, unless otherwise provided, be abated.

21.4 We will act as your Agent when undertaking transactions as contemplated under the Client Agreement. You will therefore be bound by our actions under the Client Agreement. To the extent that any fiduciary or equitable duties arise as a result of the services to be provided under the Client Agreement such duties shall not prevent or hinder us, or any Associate, in effecting transactions with or for you.

21.5 Our policy regarding our dealing arrangements, including the details of the goods and services that relate to the execution of trades and those which relate to the provision of research is set out in our Execution Policy. We will provide you with such information regarding our dealing arrangements (to the extent applicable) on an annual basis in accordance with FCA Rules.

## 22 COMPLAINTS AND COMPENSATION

22.1 We have an established complaints procedure which conforms to the FCA Rules for the proper handling of complaints. A copy of our current complaints handling procedure is available on request or from our website at [www.sarasinandpartners.com](http://www.sarasinandpartners.com) and will otherwise be provided by us in accordance with the FCA Rules. All formal complaints should be directed to either your account director or made in writing to:



The Head of Compliance  
Sarasin & Partners LLP  
Juxon House  
100 St Paul's Churchyard  
London, EC4M 8BU

- 22.2 Complaints may be referred to the Financial Ombudsman Service. The Financial Ombudsman Service is an independent service set up to resolve disputes between customers and businesses providing financial services. This service is free to consumers. Further information about the Financial Ombudsman Service may be found at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)
- 22.3 We confirm that we are a participant in the Financial Services Compensation Scheme. Depending upon your client classification, the circumstances of the claim and the nature of the investment service, you may be entitled to compensation from the scheme if we are unable to meet our liabilities. Most types of investment business is covered in full for the first £50,000 of any eligible claim. Further information about the compensation arrangements is available from the Financial Services Compensation Scheme at [www.fscs.org.uk](http://www.fscs.org.uk).

## PART F: CUSTODY

### GUIDANCE NOTES

Custody of your assets comprises a number of services. The custodian's principal duties are:

- (as normal practice) registering your investments in the name of a nominee company owned by the custodian or one of its sub-custodians;
- arranging, on our instructions, for the sale and purchase of investments in your Portfolio and for payment of the purchase price or collection of the proceeds of sale as appropriate; and
- collecting income and other entitlements accruing to investments in your Portfolio.

This Part F of the Terms sets out two options for the custody of your cash and investments and in the Client Investment Profile you must choose which one. The two options are as follows:

- **Appoint us to be your custodian** – we would be your custodian. Under group arrangements, we have delegated this role to either Bank of New York Mellon (London Branch) or, for clients who require an offshore custody service, BNP Paribas Securities Services S.C.A. If you choose this option, Clauses 23 to 31 apply to you; or

**You appoint a third-party custodian directly** – you are responsible for signing a contract for custody services with a third-party custodian. If you choose this option, Clause 32 applies to you.

### 23 CUSTODY SERVICES

- 23.1 The arrangements for reporting and receiving instructions in relation to our custody services will be as stated in the Client Investment Profile and the Terms.
- 23.2 We will be responsible for the safekeeping of any investments forming part of the Portfolio (including dealing with any cash and as otherwise may be specified in the Client Investment Profile), the settlement of transactions effected by us, 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 your Portfolio.
- 23.3 We shall exercise reasonable care in the selection of any party to whom we delegate our custody services. We will exercise due diligence and good faith in the use of such third-party custodians and also review regularly their financial standing, status and service.
- 23.4 As at the date of these Terms, we have engaged The Bank of New York Mellon (London Branch) as our Global Custodian. For clients who may require an offshore based custodian, we have engaged BNP Paribas Securities Services S.C.A, Jersey. If this changes, we will notify you in writing.
- 23.5 Where the Global Custodian is The Bank of New York Mellon (London Branch) and handles client money on your behalf this will generally be held by them as banker and will be protected in accordance with the Financial Services Compensation Scheme for deposits. Where client money is held by an offshore custodian, this may be held in an offshore bank which might not provide the same protection as the UK.

### 24 REGISTRATION OF SECURITIES

- 24.1 Except as otherwise agreed between us, we will arrange for your Portfolio's UK securities (other than bearer securities for which we shall arrange safekeeping) to be registered in the name of a nominee company owned by the Global Custodian satisfying the requirements of the FCA Rules. The non-UK securities of your Portfolio will be held to the order of the Global Custodian by its appointed sub-custodian in the relevant country. For the avoidance of doubt, we retain full discretion as to where to register your securities in relation to In-House Funds, these may be registered either in the name of a nominee and/or your own name. Where registered in your own name, such assets will not be held

under our Global Custodian arrangements as they will be held on the official register of the relevant fund but we will continue to provide certain non-custody services in relation to these assets.

- 24.2 Investments forming part of your Portfolio may be pooled with those of other clients. Individual entitlements to such investments may not be identifiable by separate certificates or other physical documents of title or equivalent electronic records and, should we or any third-party custodian default, any shortfall may be shared pro-rata among all our clients whose investments are registered or held in the same name and you may not receive your full entitlement. This provision is not intended to replace or reduce any claim that you may have against us in respect of any such default.
- 24.3 Where any investments are in uncertificated form, or are otherwise transferable by book entry transfer, we may or our delegates may (where this is good market practice) use the services of any securities depository, clearing or settlement system, account controller or other participant in the relevant system, on such terms as we think fit for the purposes of the holding and transfer of such investments (or entitlements accruing to such investments). Such investments or entitlements will be separately identifiable from any investments or entitlements held within the same system for our account.
- 24.4 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 the Client Agreement. Where you envisage a delay or failure in delivering such documents, you shall notify us as soon as possible.
- 24.5 We will keep records which identify your investments separately. Details of your investments held by us, delegates, nominee(s) and sub-custodians will be sent to you at the intervals set out in your Client Investment Profile.

## 25 SETTLEMENT

- 25.1 We will settle all transactions undertaken by us subject to us holding or receiving all necessary documents or funds and will do so on such basis as is 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 own risk, and our obligation to account to you for any investment or the proceeds of sale of any investment will be conditional upon receipt by us of the relevant documents, assets or sale proceeds from the other party.
- 25.2 We may operate a settlement system under which you are 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 ourselves or you where settlement is effected at other times. We reserve the right to effect the cancellation of any debit or credit due to you if there are unreasonable delays or difficulties in settlement. In this event, we will promptly notify you but, where appropriate, will also continue to seek to effect settlement.

## 26 INCOME COLLECTION

- 26.1 We will facilitate the collection of all income due on, and the exercise of all other rights and entitlements attaching to, investments in your Portfolio.
- 26.2 Dividends and distributions and any other income will be credited to you no later than the date of receipt of cleared funds by us. Dividends and distributions on non-UK securities may be credited to your Portfolio on the date when we receive notification of receipt by the sub-custodian or after receipt of funds following any necessary currency conversion (which shall be promptly effected).
- 26.3 In the case of pooled accounts, dividends, entitlements to shares and any other benefits arising from corporate events will be distributed on the following basis:

- (a) entitlements will be allocated to you, as far as reasonably possible, on the same basis as if the underlying securities were held in separate accounts for you. In the case of corporate events, entitlements to new shares may be rounded up or down to the nearest whole number and any unallocated shares may be retained and sold for the benefit of us; and
- (b) we may also retain the benefit of the sale of any fractional entitlement to shares arising from corporate events in circumstances where apportionment to you would result in a credit of less than £5.

## 27 RESPONSIBILITY FOR CUSTODY SERVICES

- 27.1 You agree that the assets of your Portfolio may be subject to a right of retention or sale in favour of the Global Custodian, any sub-custodian, nominee or agent appointed by us in accordance with the Terms in respect of charges relating to the administration and safekeeping of such assets or of any depositary or settlement system.
- 27.2 If the Global Custodian or any sub-custodian should fail to deliver any necessary documents or to account for any securities, we will take all reasonable steps on your behalf to recover such documents or securities, or any sums due, or compensation in lieu, but shall not be liable for any such failure. All reasonable costs incurred by us shall be paid by you.

## 28 FOREIGN LAW AND PRACTICE

- 28.1 We draw your attention to the fact that, in certain overseas jurisdictions, there may be different settlement, legal and regulatory requirements to those applying in the United Kingdom and also different practices for the separate identification and segregation of your investments.
- 28.2 You acknowledge that in the event assets held within your Portfolio are held with an offshore custodian in a country outside the European Economic Area (the "EEA") such assets will be subject to the laws of that non-EEA country and your rights relating to those assets may be different from rights relating to assets held by parties' subject to the FCA Rules. For example, the settlement, legal and regulatory requirements may be different, and there may be different practices for the separate identification of securities.

## 29 FEES

- 29.1 Unless otherwise specified in the Client Investment Profile, our fees and expenses for our custody services shall not be subject to separate fee arrangements. We reserve the ability to charge reasonable fees for custody services from time to time as notified to you in writing. If you do not agree with the level of fees, you may terminate the Client Agreement without penalty.

## 30 ALLOCATED BUT UNCLAIMED SAFE CUSTODY ASSETS

- 30.1 We may either:
  - (a) liquidate an unclaimed safe custody asset we hold for you, at market value, and pay away the proceeds; or
  - (b) pay away an unclaimed safe custody asset we hold for you to a registered charity of our choice, provided that:
    - (i) this is permitted by law in force at the time and consistent with the arrangements under which the safe custody asset is held;
    - (ii) we have held the safe custody asset for at least 12 years;
    - (iii) in the 12 years preceding the divestment of the safe custody asset, we have not received instructions relating to any safe custody assets from you or on your behalf; and

(c) we have taken reasonable steps to trace you and return the safe custody asset.

30.2 We undertake to you that if we divest ourselves of your safe custody asset in the circumstances outlined in Clause 30.1 above, we will pay a sum equal to the value of the safe custody asset, at the time it was liquidated or paid away to you, in the event that you seek to claim the safe custody asset in future. This undertaking will survive termination of the Client Agreement.

30.3 Any costs associated with divesting of safe custody assets will be paid for by us.

## **31 RISK OF FAILURE OF GLOBAL CUSTODIAN**

31.1 Our Global Custodian may hold your assets (in certain circumstances outside of the United Kingdom and the EEA) with:

(a) itself or with any of its branches, any affiliated company or entity which it controls or which is under the common control of an entity that controls the Global Custodian;

(b) Euroclear, Clearstream (Luxembourg) and any other transnational or local securities depository, clearing agency, book-entry system or other entity that provides handling, clearing or safe-keeping services (a depository); or

(c) a bank or financial institution.

31.2 In the event of the default of the Global Custodian, assets held with the Global Custodian in securities accounts would be segregated from the assets of the Global Custodian. Assets held with sub-custodians shall be subject to the terms and conditions of the relevant sub-custodian agreement. Assets held with depositories shall be held in accordance with, and subject to, the agreements, rules and regulations and conditions imposed by, or upon, such depositories.

31.3 In certain circumstances your assets may be registered in the name of the Global Custodian, its sub-custodian or its depository if permitted by the FCA Rules. Where assets are registered in this manner, they may not be physically segregated from the assets of the Global Custodian, sub-custodian or depository and your assets may not be as well protected from claims made by the creditors of the Global Custodian, the sub-custodian or the depository on insolvency.

31.4 Our Global Custodian may hold your client money (in certain circumstances outside of the United Kingdom and the EEA) with:

(a) itself or with any of its branches, any affiliated company or entity which it controls or which is under the common control of an entity that controls the Global Custodian as banker; or

(b) a sub-custodian.

31.5 When your cash is held as banker by the Global Custodian the money is not held on trust by the Global Custodian and a claim by us on your behalf will be an unsecured claim which may not be recoverable in full on the insolvency of the Global Custodian. When cash is held with a sub-custodian, that cash will be subject to the terms and conditions of the relevant sub-custodian agreement.

31.6 The Global Custodian limits its liability in respect of sub-custodians appointed by it. For the purpose of limiting liability, it divides sub-custodians into two groups:

(a) The first group includes or is limited to sub-custodians in the same corporate group as the Global Custodian but may include other entities with whom the Global Custodian has close business links. For this first group the Global Custodian accepts liability (within certain limitations) for losses caused by the negligence, wilful default or fraud of the sub-custodian. Losses caused by a sub-custodian falling short of negligence, wilful default or fraud are not covered by the Global Custodian. In the event of the insolvency of such a sub-custodian, the Global Custodian will only be responsible for any losses to the extent such losses are caused by the Global Custodian's negligence, wilful default or fraud.

- (b) The second group comprises sub-custodians appointed by the Global Custodian who do not form part of the first group. For this second group the Global Custodian does not accept responsibility for losses caused by the sub-custodian including where losses are caused by negligence, wilful default or fraud of the sub-custodian. If a sub-custodian in this second group causes losses the Global Custodian will use reasonable steps to assist us in making efforts to obtain compensation but has no greater obligation.

The Global Custodian has a general duty to exercise reasonable skill and care in the selection, use and monitoring of sub-custodians.

## 32 YOUR OWN CUSTODIAN

**PLEASE NOTE: THE FOLLOWING CLAUSE 32 ONLY APPLIES WHERE YOU HAVE APPOINTED A THIRD PARTY TO BE YOUR CUSTODIAN.**

- 32.1 If you appoint an Outside Custodian for the whole or part of your Portfolio, the provisions of the Client Agreement relating to custody services set out in Clauses 23 to 31 shall be of no effect. You will, however, ensure that the Outside Custodian:
  - (a) enters into arrangements with regard to the provision of custody services for the whole or relevant part of your Portfolio which are satisfactory to us and enable us to provide services to you under the Client Agreement; and
  - (b) is obliged to comply with any of our instructions given in accordance with or consequential upon our obligations to you under the Client Agreement.
- 32.2 We will not be responsible for supervising or paying the fees of an Outside Custodian or for ensuring that you comply with any terms and conditions you have agreed with an Outside Custodian.
- 32.3 In certain circumstances, we will arrange for the accounts stated in your Client Investment Profile to be opened in your name and on your behalf, and we may give instructions to the relevant Outside Custodian regarding such accounts.
- 32.4 All assets purchased or otherwise held for the benefit of your Portfolio shall be held by the Outside Custodian. All certificates and other documents of title relating to securities and other instruments of your Portfolio shall be retained and kept safe by the Outside Custodian which shall be solely responsible for settlement of all transactions undertaken on your Portfolio's behalf.
- 32.5 Subject to your specific written instructions (if any), set out in your Client Investment Profile, we may exercise through the Outside Custodian, all voting and other rights of whatever nature attaching to or in any way arising in connection with your Portfolio and may make payments on your behalf in respect of any such rights in each case without prior reference to you. You shall ensure that we are able to fully exercise such rights through the Outside Custodian.
- 32.6 You agree to seek our prior written consent to the appointment of a new Outside Custodian.

## PART G: LIABILITY AND INDEMNITY

### GUIDANCE NOTES

Please read this Part G with particular care as it explains what you will be liable for in the event that we suffer losses during the management of your Portfolio.

This Part G of the Terms sets out the following information:

- a list of important confirmations that you need to give to us and that we will rely on;
- some activities or tasks you agree that you will do on an ongoing basis;
- what you will be responsible and liable to pay for above and beyond our management fees and charges; and
- an explanation of what we will be liable for in the event there are losses to your Portfolio.

### 33 YOUR REPRESENTATIONS AND WARRANTIES

33.1 You represent and warrant to us at all times while the Client Agreement is in force that:

- (a) if you are a natural person, you have full power to enter into the Client Agreement with us and the ability to perform all activities set out in it. These create a valid and binding obligation enforceable in accordance with these Terms;
- (b) if you are not a natural person, you are duly authorised to execute and deliver the Client Agreement and the execution of the Client Agreement and any obligation set out in it does not conflict with any provision of your memorandum, articles of association, trust deed or other governing document, any applicable law, rule or regulation, contract or other instrument by which you may be bound;
- (c) other than as described in your Client Investment Profile (or separately notified to us in writing), your Portfolio is free from all liens and charges and that no liens or charges will arise from you acting or not acting during the term of the Client Agreement; and
- (d) any information (including information in relation to your status, financial circumstances, residence and domicile for taxation purposes) which you have provided to us or to any Competent Authority is complete and correct. You will notify us and, where relevant, any Competent Authority promptly if there is any material change to the information.

**You must tell us immediately if any of the statements in this paragraph are or become untrue or incorrect.**

## **34 YOUR UNDERTAKINGS**

- 34.1 We have an obligation to ensure that the Client Investment Profile you have asked us to provide is suitable within your wider financial circumstances. You undertake that you will keep us informed of any material changes to your financial circumstances.
- 34.2 You will provide us promptly upon request, with such information about you or documentation relating to you that we may reasonably require:
- (a) in order to enable us to comply with Applicable Regulations and with our regulatory and contractual obligations or as is required by any Competent Authority; and
  - (b) for disclosure to a counterparty, potential counterparty or to any Associate, delegate or agent in connection with the provision of our services under the Client Agreement.

**You acknowledge that a failure to provide such information requested by us may affect adversely our ability to provide the services to you under the Client Agreement and the quality of the services that we may provide.**

- 34.3 Except with our prior written consent, you undertake not to deal, except through us, with any of the assets in your Portfolio and not to authorise anyone else to deal in any of them.
- 34.4 If you move tax jurisdiction at any time during our management of your Portfolio you will notify us in writing prior to such move. If after moving tax jurisdiction, you would like us to continue providing our investment services in respect of your Portfolio, you shall provide us if requested (at your own expense) with a written report from a qualified tax adviser as to the potential tax consequences relevant to your Portfolio arising from your move. We will be entitled to rely on this report and any additional information you may provide. You understand that failure to notify us or to provide information may affect adversely your Portfolio. In such circumstances, we reserve the right to immediately terminate the Client Agreement upon written notice to you.

## **35 YOUR LIABILITIES**

- 35.1 We act on your behalf and enter into the transactions as your Agent but you remain liable as principal at all times to all those transactions. You will, if called on by us to do so, ratify and confirm any act or thing lawfully and properly done or caused to be done by us in the proper performance of our duties or under or in connection with the Client Agreement.
- 35.2 Except where incurred as a result of our negligence, wilful default or fraud or that of our staff, or delegates or their employees, you agree to reimburse us for all direct costs (including solicitor/client costs), losses, claims and expenses which we suffer, incur or which are made against us either:
- (a) as a result of any party claiming to be entitled to investments which form part of the Portfolio at the time when we first assume management of the Portfolio;
  - (b) arising out of, or in connection with, our proper performance of the Client Agreement; or
  - (c) as a consequence of any breach by you of the Client Agreement.

You will not be liable for any consequential, indirect, special, incidental, punitive or exemplary loss, liability or cost which we may suffer or incur, howsoever the loss, liability or cost is caused and regardless of whether it is foreseeable or not.

- 35.3 If you are a trustee, your liability under the Client Agreement shall be limited, in the absence of fraud, to the assets of the trust that are managed by us from time to time unless otherwise agreed with us and signed in writing.



## 36 LIMITATIONS TO OUR LIABILITY

- 36.1 There is no contract between you and any member, partner, employee or consultant of ours. Any services provided to you, or any other work done for you, by one of our members, partners, employees or consultants is given or done by that person on our behalf and not in his or her individual capacity. No such person assumes any personal responsibility to you for the services they provide to you.
- 36.2 You agree that if, as a matter of law, any of our members, partners, employees or consultants would otherwise owe you a duty of care that duty is excluded from the Client Agreement with you. It is a condition of our providing services to you that you agree that you will not bring any claim against any of our members, partners, employees or consultants for any matter arising in any way out of providing the services to you. Accordingly, any claim you wish to make can only be made against us and not against a member, partner, employee or consultant of ours. Each such member, partner, employee or consultant shall be entitled to enforce and have the benefit of this provision under the Contracts (Rights of Third Parties) Act 1999.
- 36.3 Subject to the paragraphs below we accept responsibility for losses you may suffer to the extent that those losses are due to our negligence, wilful default or fraud or those of our appointed delegates. Nothing in the Client Agreement excludes or restricts our liability to you under FSMA and/or the FCA Rules, for fraud or for death or personal injury caused by our negligence. Where we are liable to you under this paragraph, our liability shall be limited to direct losses as an immediate result of our action or failure to act. Other than as set out in this paragraph, we will not be liable for any loss to you.
- 36.4 We will not be liable for any consequential, indirect, special, incidental, punitive or exemplary loss, liability or cost which you may suffer or incur arising out of our acts or omissions, howsoever the loss, liability or cost is caused and regardless of whether it was foreseeable or not. For example, we will not be liable for any loss, liability or cost which you may suffer or incur arising from you not being able to sell investments where the prices of the investments are falling or from not being able to purchase investments where the price of the investments are rising, or from you not being able to enter into or complete another transaction which requires you to have disposed of or purchased the investments which you are trying to dispose of or acquire.
- 36.5 We will not be liable to you for:
- (a) our failure to perform any obligation or discharge any duty owed to you under the Client Agreement or for any breach of your investment objectives or restrictions if the failure or breach results from any cause, events or circumstance beyond our reasonable control, including, but not limited to, changes in the price or value of the investments and assets of your Portfolio brought about solely through movements in prices in the market or a Force Majeure Event; or
  - (b) any loss arising from any act, omission or default of any nominee, any custodian, any broker or dealer, market maker or any agent used by us for the purposes of or in connection with the Client Agreement or the carrying out of our duties provided we have not been negligent in the selection and use of the foregoing; or
  - (c) any loss arising as a result of any failure by the Outside Custodian in the settlement of any transaction where proper instruction has been given by us to the Outside Custodian.
- 36.6 No representation or warranty is given by us as to the performance or profitability of your Portfolio or any part of it or the success of any investment strategy recommended or used by us. Similarly, any benchmark or objectives specified in the Client Investment Profile are intended as targets only and not as an assurance or guarantee of performance of your Portfolio or any part of it.

# PART H: PORTFOLIO ADMINISTRATION

## GUIDANCE NOTES

This Part H of the Terms sets out the following information:

- what happens if you appoint a third party to give instructions to us in relation to your Portfolio;
- the method of communications between us;
- how we manage accounts that you hold jointly with someone else;
- about your Portfolio in the event of your death; and
- issues relating to tax and your Portfolio.

Clauses 39 and 40 relate to private individuals only.

## 37 INSTRUCTIONS AND POWER OF ATTORNEY

37.1 Subject to these Terms, we will accept written instructions from you by post, email, and/or fax. Instructions from you to us will be acknowledged by us acting upon them. You will be promptly advised if we believe such action may not be practicable or might involve a breach of any Applicable Regulations. We reserve the right to verify by telephone, any instructions received in relation to the transfer of cash and/or securities or any other instructions where we have grounds to suspect the integrity of the source.

37.2 We may rely and act on any instruction or communication which purports to have been given (and which is reasonably accepted as having been given) by you, or on your behalf, by such person notified by you to us from time to time as being authorised to instruct us in respect of your Portfolio (unless we have received written notification of termination of such authority) and, subject to any specified requirements set out in your Client Investment Profile, by whatever means transmitted. In the absence of negligence on our part, we will not be liable for any actions taken or omitted to be taken in good faith pursuant to any instruction.

37.3 Where we act upon your instructions you agree:

- (a) not to make any claim against us by reason of, or on account of us, having acted or not acted wholly or in part accordance with such instructions. For the avoidance of doubt this Clause 37.3(a) also applies where you have provided us instructions not to carry out an action and we have acted wholly or in part in accordance with such instructions;
- (b) that in the event we receive any ambiguous or conflicting instructions regarding your Portfolio, we shall be entitled to act or decline to act as we see fit without incurring any liability to you or to defer acting until the instructions are clarified; and
- (c) to indemnify us from all claims, costs, expenses and losses we may suffer, incur or sustain as a result of acting or not acting wholly or in part in accordance with such instructions.

For the avoidance of doubt, nothing in Clause 37.3(a) prevents you from making a claim in the event that we fail to carry out an entire instruction.

37.4 Any instruction or communication to be given to us by you under the Client Agreement must comply with Applicable Regulations and, where applicable, shall be sent to the contact person and address stated in the Client Investment Profile (or otherwise as may be notified in writing by you to us) and will take effect upon its actual receipt.

37.5 In the case of a Portfolio where a power of attorney is put in place or any other change as a result of incapacity occurs, we will ask you to let us have sight of the original or certified copy documentation. Once we have received this, and the attorneys have been through the relevant anti-money laundering checks, we will be able to accept signed written instructions from you or your appointee in accordance with the documentation provided.

## 38 COMMUNICATIONS

38.1 All communications between us and documents provided will be in English.

38.2 You agree that our telephone conversations with you may be recorded by us and may, to the extent permitted by law, be used by us as evidence. We will record all telephone conversations and electronic communications that result, or may result, in transactions and hold such recordings for at least five years.

38.3 Unless you instruct us in writing to the contrary, where you have provided an email address, we will use ordinary email to communicate with you and send you documents, information and reports in relation to your Portfolio. You accept that communications sent by email are not secure and consent to our use of this method of communication.

38.4 In the interests of the proper management and administration of your Portfolio and in order to bring new services to your attention, we, our representatives or staff may wish to call upon or communicate with you by telephone, email or personal visit or otherwise communicate with you without express invitation. You consent to such communications unless we are notified otherwise.

## 39 JOINT ACCOUNTS

39.1 Your Portfolio may be held in the joint names of two or more individuals. In this situation, all joint account holders are bound by these Terms and your obligations under the Client Agreement will be joint and several and any reference in the Client Agreement to you as the Client shall be construed (where appropriate) as a reference to any one or more of you. Where there is a change of joint holders other than as a result of death, you will notify us as soon as practicable signed in writing.

39.2 Unless we received a signed written instruction otherwise:

(a) any notice given to any one of you will be deemed to be given to all of you;

(b) we will treat each joint account holder as having the right to all of the assets in your Portfolio and will not be concerned with any purported division or ownership of the assets between you and the other joint account holder(s); and

(c) we will be entitled to accept and act on the instructions from any one of you. In certain circumstances, we may require instructions to be given in writing signed by all joint account owners. This includes instructions to change account or address details or to register assets into a single name.

39.3 In the event of a dispute between you and any of the other joint account holders, we may freeze your Portfolio until we receive further clear written instructions signed by all joint account holders or a court order.

39.4 If you, or one of the other joint account holders, no longer wishes to continue with the operation of a joint Portfolio account, upon receipt of written notice signed by all account holders, we will close the joint Portfolio account and transfer the assets into a new portfolio(s) in the name of the individual account holder(s).

39.5 Upon the death of any individual joint account holder, the Client Agreement will not terminate and we may treat the surviving joint account holder(s) as the only person(s) entitled to or interested in the Portfolio.

## 40 DEATH OF AN INDIVIDUAL ACCOUNT HOLDER

- 40.1 Upon receipt of written notification of your death, we will cause or allow any open positions to close and then cease to actively manage your Portfolio in accordance with the Client Investment Profile. Unless otherwise agreed and signed in writing, we will suspend your Portfolio and it will not be managed on a 'care and maintenance' basis. For the avoidance of doubt:
- (a) Where you have appointed us to provide custody services in relation to the whole or part of your Portfolio, we will continue to provide these custody services. We may, at our discretion, not charge your Portfolio for our custody services for a period of 6 months after the date on which probate is granted; however, after this time we will charge our standard custody fee;
  - (b) Any In-House Funds Management Charges due to the operator (whether collected by us or charged directly at the fund level itself), will continue to be payable whilst you are invested in such In-House Funds; and
  - (c) Where components of your Portfolio are invested into an In-House Fund they will continue to be actively managed by virtue of sitting within a fund wrapper. Therefore, where you may previously have been invested in a zero-fee share class to enable separate charging of our discretionary management fee, we retain the right upon your death to transfer your holdings in In-House Funds to an alternative chargeable share class. At no time should this lead to an increase in the overall fees payable on your Portfolio. You also agree that the relevant custodian should accept our instructions to make such transfer prior to grant of probate if we request it.
- 40.2 Unless otherwise agreed with us, we will not accept any instructions in relation to the Portfolio in your name until a grant of probate (or its equivalent) has been issued and we have received a certified copy of the original. Following the grant of probate, in accordance with the Client Agreement your executor(s) or personal representative(s) may issue us instructions to manage the Portfolio, including without limitation, to sell, transfer or materialise the investments subject to payment of our management fees and charges. Our Client Agreement will be binding on your executor(s) or personal representative(s).

## 41 TAX

- 41.1 You, and your professional tax adviser remain entirely responsible for the management of your affairs for tax purposes and for advising us of any matter which you wish us to take into account in managing your Portfolio.
- 41.2 Subject to Clause 41.1 above, we shall not take or omit to take any action, which to the reasonable professional knowledge of the individual taking or omitting to take such action would prejudice your tax position as stated in your Client Investment Profile or otherwise notified in writing to us.
- 41.3 All payments made to you related to income arising from investment and all monies and assets contained in your Portfolio shall be subject to deduction of any applicable taxes or other levies and we may account for the same to the appropriate authorities as required by law or practice.
- 41.4 All fees and charges charged by us to you are exclusive of any tax duty or levy which may arise on them and in particular are exclusive of any value added tax (if applicable) which will be levied and payable by you in accordance with legal requirements.



# PART I: GENERAL INFORMATION

## GUIDANCE NOTES

This Part I of the Terms includes the following information:

- details on how we will keep information about you confidential;
- how we will give you notices; and
- if we have a dispute that we cannot resolve, what laws will apply.

## 42 CONFIDENTIALITY

42.1 We both undertake to each other that we shall not, except as set out in this Clause 42, disclose information of a confidential nature belonging to the other party acquired as a consequence of the Client Agreement, except for information which we may be entitled or bound to disclose by Applicable Regulations, or which is requested by regulatory, taxation or fiscal authorities or a court of competent jurisdiction, or which is disclosed to our advisers or auditors or service providers where reasonably necessary.

42.2 We may disclose information relating to you or your Portfolio to:

- (a) our Associates, to any of our delegates and other agents appointed in accordance with these Terms provided they agree to keep such information confidential to the same extent and use it only for permitted purposes; and
- (b) to any depository, stock exchange, clearing or settlement system, market counterparty, custodian, broker or other similar party in relation to transactions undertaken for your Portfolio, in all cases only to assist or enable the proper performance of our services under the Client Agreement, the operation of your Portfolio or any trading arrangements or to comply with Applicable Regulations.

42.3 Information of a confidential nature excludes:

- (a) information which at the time of disclosure is or subsequently becomes readily available from publicly available sources, except where the party making the disclosure is aware that the information has come to the public domain through a breach of confidence by such party or its agents or affiliates; and
- (b) information which can be demonstrated to have been lawfully in the possession of a party free of any duty of confidence prior to its disclosure.

## 43 DATA PROTECTION

43.1 “**Applicable Data Protection Law**” shall mean any law, statute, declaration, decree, directive, legislative enactment, order, ordinance, regulation, rule or other binding restriction which relates to the protection of individuals with regard to the processing of personal data and to which a party to this Agreement is subject, including (in each case as relevant to the party):

- (a) the UK Data Protection Act 2018;
- (b) the General Data Protection Regulation (EU) 2016/679;
- (c) the UK General Data Protection Regulation;

- (d) the Privacy and Electronic Communications (EC Directive) Regulations 2003 (as may be amended or replaced from time to time including by United Kingdom laws giving effect to the proposed EU Regulation on Privacy and Electronic Communications); and

in each case as updated, amended and/or replaced from time to time.

- 43.2 Under the Client Agreement we are the Data Controller as defined in the Applicable Data Protection Law.
- 43.3 We may collect, use and store the personal information which you may provide to us from time to time (including, without limitation, via the Client Investment Profile) or in correspondence with us, including information relating to our services you have acquired from us, transactions that we carry out on your behalf and your relationship with us and our Associates, in accordance with the Applicable Data Protection Law ("**Personal Information**").
- 43.4 If you contact us we may keep a record of that correspondence and we may keep copies of any documents that you provide to us including any documents provided for verifying your identity such as your passport or driving licence in accordance with our record retention policy set out in Clause 43.9.
- 43.5 You acknowledge that we may use and process the Personal Information that we collect:
  - (a) to process and implement your Client Investment Profile and open your Portfolio account and related trading arrangements;
  - (b) to supply the services in accordance with our Client Agreement;
  - (c) to meet our obligations under Applicable Regulations;
  - (d) for client service, analysis and our own marketing and market research purposes;
  - (e) to undertake credit and reference checks and/or to recover a debt or for the purposes of legal proceedings; and/or
  - (f) for general account administration purposes.
- 43.6 You acknowledge that we may share your Personal Information in the following circumstances:
  - (a) where we use your Personal Information to assess your eligibility for our services and to verify your identity;
  - (b) we may share your Personal Information with our Associates and with third parties who we use to assist us in administering and operating your Portfolio. We will always take appropriate measures and meet our legal obligations to ensure that any Personal Information transferred to such third parties is kept securely;
  - (c) if we restructure our business or the whole or any part of our business is sold then we may transfer your information to another division or part of the group (if there is a restructuring) or to the buyer of our business (if the business is sold);
  - (d) we may share your Personal Information with law enforcement agencies, regulatory authorities, fiscal or tax authorities or other relevant bodies for crime prevention purposes or to fulfil any legal or regulatory obligation in the United Kingdom and overseas (including outside the EEA); and
  - (e) we may also share your Personal Information with our Associates.
- 43.7 Your request for products or services that necessitates us processing your Personal Information in order to perform our contract with you (or that necessitates us processing your Personal Information before entering into such contract) is our primary legal ground for the processing of your Personal

Information. However, there may be circumstances where we also rely on other valid legal grounds for processing your Personal Information. These include, for example:

- (a) compliance with a legal obligation to which we are subject (in the case of Clause 43.5(c), 43.6(a) and 43.6(d)); and
- (b) our legitimate interests as a business (in the case of Clause 43.5(d), 43.6(b) or 43.6(c)) (except where such interests are overridden by your interests or rights).

43.8 Where you have given us permission to do so, we may share your Personal Information to provide you with information about other similar services provided by us which we think may be of interest to you. We may provide this information by telephone, post, email, text message and other means. If you would like to stop receiving this information you should notify us.

43.9 Our record retention policy requires us to keep records for a period stipulated by us in accordance with Applicable Regulations from the date of termination of the Client Agreement. All client hard copy Personal Information may be destroyed securely after seven (7) years from the termination date of this Client Agreement. We scan and retain all hard copy documentation including client Personal Information within our data storage system for as long as we have a legitimate and lawful purpose for doing so. Data retained by us may be archived by us on or off-site. Where data is archived off-site, third party providers may be used.

43.10 Under applicable Data Protection Law, you have certain rights in relation to your Personal Information. You may:

- (a) check whether we hold and ask to see a copy of the Personal Information we hold about you;
- (b) under certain circumstances, ask us to rectify any inaccurate and/or complete any incomplete Personal Information we hold about you;
- (c) under certain circumstances, ask us to provide certain of your Personal Information to you in a structured, commonly used and machine-readable format and have it transferred to another provider of the same or similar services;
- (d) under certain circumstances, ask us to stop processing your Personal Information;
- (e) under certain circumstances, ask us to erase your Personal Information; or
- (f) decline to provide information we may request.

You should note that exercise of the rights in (d), (e) or (f) above may result in certain products or services being made unavailable to you.

43.11 If you have a complaint about our handling of your Personal Information this should be made in accordance with our Complaints and Compensation procedure set out in Clause 22 of this Client Agreement. You may also contact the relevant regulatory authority directly. To contact the UK regulatory authority (the Information Commissioner's Office) please visit [www.ico.org.uk](http://www.ico.org.uk) for instructions.

43.12 If any Personal Information concerning other individuals (which may include your family members) is provided to us, you represent to us that you have obtained their consent to the use of such data and that you can demonstrate this to us, if requested.

## 44 NOTICES

44.1 Any notice given under this Client Agreement shall be in writing and may be delivered by email, hand, or sent by facsimile, (confirmed by email or telephone), post or other electronic communication method. Any notice shall be sent to you using the information set out in your Client Investment Profile.



- 44.2 Any notice given by us:
- (a) by post will be deemed given two (2) Business Days after posting to you, at an address in the United Kingdom, and five (5) Business Days after posting to an address abroad;
  - (b) by delivery or by telecommunications will be deemed given upon delivery or successful transmission; and
  - (c) by email will be deemed to have been received one (1) Business Day after being transmitted.
- 44.3 We can be contacted at the address below:

Sarasin & Partners LLP  
Juxon House  
100 St Paul's Churchyard  
London, EC4M 8BU  
United Kingdom

## 45 FORCE MAJEURE

- 45.1 The performance of our obligations under the Client Agreement may be interrupted and shall be excused by the occurrence of events beyond our control, known as Force Majeure Events, affecting us or any of our delegates or agents.

## 46 ASSIGNMENT AND NOVATION

- 46.1 Subject to Clause 46.2 below, neither you, nor we, may novate or assign or transfer any of your or our respective rights or obligations under the Client Agreement without the prior signed written consent of the other.
- 46.2 We may, after not less than thirty (30) days prior written notice to you, transfer the Client Agreement to another company or firm which at the time of such transfer is authorised and regulated by the FCA or another Competent Authority and you hereby grant us irrevocable authority to enter into such transfer. You acknowledge that you may be required to enter into such further documentation as we or any other company or firm may reasonably require solely in order to facilitate the transfer.
- 46.3 On such transfer occurring, we shall be released from all obligations and liability to you under the Client Agreement and you agree to be bound by the Client Agreement as if the other company or firm had originally been named in the Client Agreement as a party to the same instead of us.
- 46.4 In addition to your normal termination rights under Clause 9.1, should you object to such transfer under Clause 46.2, you may terminate the Client Agreement at the earlier of 30 days' notice to us or the expiry notice date of the proposed transfer.

## 47 WAIVER AND SEVERABILITY

- 47.1 No waiver by us or you, of any provision of the Client Agreement shall be deemed to be a waiver of any subsequent breach of that or any other provision of the Client Agreement and any forbearance or delay by us or you in exercising any of our or your rights under the Client Agreement shall not be construed as a waiver of such rights. Any waiver under this Clause 47.1 will only be effective if made in writing.
- 47.2 Each provision of the Client Agreement is severable and the invalidity, illegality or unenforceability of any provision shall not affect the validity or enforceability of any other part of the Client Agreement.

47.3 If any such provision is held to be, or becomes, illegal or unenforceable in any respect it shall have no effect in that respect and the parties shall use all reasonable efforts to replace it with a valid and enforceable substitute provision the effect of which is as close to its intended effect as possible.

#### **48 ENTIRE AGREEMENT AND THIRD PARTIES**

48.1 The Client Agreement forms the entire agreement between us relating to the investment services we provide to you in respect of the Portfolio and supersedes any prior representations, understandings or implications whether written or oral.

48.2 Save as expressly provided in the Client Agreement, the Client Agreement does not create any right or benefit enforceable by any person or persons not party to it, except that our Associates may enforce rights as expressed in the Client Agreement. Both parties shall remain free to terminate the Client Agreement without the consent of any Associate.

#### **49 GOVERNING LAW**

49.1 The Client Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.

49.2 We each agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with the Client Agreement or its subject matter or formation (including non-contractual disputes or claims).