

Rathbones Investment Management

SELECT — TERMS OF BUSINESS

Please keep for your records.

Valid from 1 December 2024

CONTENTS

Section	Page
Key points	3
1 Our Agreement and our services	5
2 The Select service	7
3 Custody, dealing and settlement	11
4 ISAs, JISAs and Bare trusts	15
5 Banking services	19
6 General terms	24
Annex 1 - Definitions and interpretation	35
Annex 2 - Risk warnings	38

KEY POINTS

Our Agreement

Our legal relationship is governed by these Terms and a number of other documents which we provide to you, as set out in Term 1.4.1. These documents form our **Agreement**. You should read these Terms and the other documents we give you carefully before signing the Client Agreement. The Agreement is legally binding on you and us. If there is anything you do not understand, or, if you have any questions, please contact us.

Key points

We have set out below key points in the Terms to draw them to your attention and to aid your understanding. These key points are not a substitute for reading the Terms in detail. We have included a contents page to help you find relevant provisions in the Terms. A list of defined terms is included in Annex 1.

What is the Select service?

The Select service (herein referred to as 'Select') is designed as a cost-effective and straightforward investment service, which offers a range of risk and return targeted strategies that each invest exclusively in an in-house fund (**RAM Fund**) managed by Rathbones Asset Management Limited (**RAM**). Select does not offer investment in other third-party funds or investments.

We do not provide advice or personal recommendations as part of Select. We are not responsible for assessing the suitability of your chosen Select Strategy or the RAM Fund in which your chosen Select Strategy invests. As part of Select we provide related custody, dealing, settlement administration and banking services.

Select is an execution-only service where clients choose their Select Strategy, either on their own, without advice from a third-party, (**Direct Clients**), or on an advised basis using the services of a third-party Financial Adviser (**Advised Clients**).

If you are an Advised Client:

- your Financial Adviser is responsible for advising you about which Select strategy and related RAM Fund is suitable for you, both initially and on an ongoing basis, including any changes to your Select Strategy.
- you will have a right of cancellation in respect of the initial investment in the RAM Fund(s) you make following advice from your Financial Adviser. This right of cancellation does not apply to subsequent purchases or switches concerning the same or a different RAM Fund.
- your Financial Adviser will be a Connected Person for the purposes of accessing the MyRathbones Service. If you wish your Financial Adviser to be able to provide instructions directly to us you must complete a third party delegation authority form pursuant to Term 2.1.3.
- we require annual confirmations from your current Financial Adviser that they continue to act for you.

If you are a Direct Client

- you are responsible for selecting the Select Strategy and related RAM Fund, that meet your investment needs.

For the avoidance of doubt, we will not provide financial advice and will not be responsible for assessing the suitability of your chosen Select Strategy or the RAM Fund in your Account.

A residual cash balance may result from purchases or sales of shares in the chosen RAM Fund.

If you wish to receive regular fixed payment amounts from your Account, instead of relying solely on the income available via your Select Strategy, we will normally need to sell shares in the relevant RAM Fund(s) to meet your requirements. This will reduce the capital in your Account. In addition, if we need to sell shares there may be tax consequences for you, which you are responsible for. You, or your professional advisers, remain responsible for the management of your tax affairs and if you are in any doubt you should talk to your professional advisers, including if applicable, your Financial Adviser.

What are the risks involved in my investment?

There are risks involved in any investment. These include:

- levels of income and prices of investments can and do fluctuate;
- past performance is not an indication of future performance;
- exchange rate risk exists where investments are denominated in a different currency;
- tax treatment of investments can change;
- in certain market conditions some investments can become difficult to sell. This may affect the ability to meet any fixed payment requirements should disposals be required.

The Strategy Information and Performance Factsheets contain further information about risks relevant to the Select Strategies.

What are my obligations as a client?

You must provide us with certain information before we can accept you as a client including evidence of identity and source of funds.

Can I cancel this agreement?

You can cancel the Agreement at any time within 14 calendar days from the day after the date we notify you that your Bank Account is open and provide you details of your Bank Account number. You must notify us in writing if you wish to cancel. We will not charge you a fee for cancelling.

If you cancel the Agreement:

- we will still complete any transactions you requested before the cancellation;
- you may get back less than the amount you invested if the value of investments falls between the Effective Date and when you cancel the Agreement
- you must pay us for any charges that you incur before cancellation.

Where you take out an ISA or JISA at any time whilst this Agreement is in force, a separate right of cancellation (again within 14 days) may apply specifically to the ISA or JISA.

KEY POINTS – continued

Please see section 1 term 1.8, section 4, term 4.2 and section 5, term 5.12 for further details of how your rights of cancellation operate, and how you can exercise those rights.

MyRathbones Service

Select is designed to be delivered and administered primarily through the MyRathbones Service, our secure online information and messaging portal, via which you and others authorised by you can have online access to information about your Account, and can send and receive secure messages. Reports and other communications about Select will be sent via the MyRathbones Service.

What are the Ongoing Requirements of the Agreement?

By signing the Client Agreement you are contractually bound by the Terms.

You must notify us of any material changes to information you have provided to us and provide other information we reasonably request in order to comply with our obligations. If you do not provide us with the information we reasonably need, despite us requesting this, we may cease providing certain services to you. If we believe you are or may be a vulnerable client, or we have been unable to contact you, we may take such steps we reasonably consider appropriate in order to act in your best interest.

If you are an Advised Client, you also agree to notify us promptly where you terminate your contract with your Financial Adviser and/or where you appoint a new Financial Adviser.

You agree to pay our fees and charges plus costs and expenses we incur on your behalf. You are also responsible for any costs and losses that we incur in providing our services to you except where such costs and losses are caused by us in circumstances where we fail to carry out our duties with reasonable skill, care and diligence.

What do you do with my information?

We need to collect certain information about you, which may include personal data, to confirm your identity and otherwise provide services to you. Our Privacy Notice for Clients explains how we may treat your personal data.

We are required to collect and disclose certain information to relevant tax authorities regarding our clients. You agree to disclose information about you fully and accurately when requested by us.

Responsibility

We accept responsibility where we fail to act with reasonable skill, care and diligence but do not accept responsibility otherwise.

We are not responsible for losses arising out of circumstances beyond our reasonable control.

We do not accept responsibility for losses caused by the default or insolvency of a third-party custodian as long as we exercised reasonable skill and care in their selection and ongoing monitoring.

How do I end the Agreement?

You can end our Agreement at any time by giving us written notice. This will not affect liabilities and obligations which are due from either you or us at the date of termination.

You have a right to cancel our Agreement within 14 calendar days of its Effective Date.

We can end our Agreement with you by giving you 30 calendar days' written notice or 90 days' written notice (in relation to our banking services). In certain circumstances we can give you written notice to end or suspend the services being provided to you immediately, for example, where you fail to comply with the Terms or we have to do so for regulatory or operational reasons.

What happens when this Agreement ends?

When this Agreement ends, we will either arrange for the sale of your holding in the RAM Fund within your Account and will pay to you the sale proceeds once received by us less any sums which are due from you to us, or we may, at your request, transfer your holding in the RAM fund. We are not liable for any tax consequences arising from the ending of this Agreement. Any tax liability will be your sole responsibility.

How often do changes to these Terms occur?

We typically review and update the Terms on an annual basis.

We can make changes to these Terms from time to time for the reasons and in the manner as set out in the Terms, including written notice in accordance with Term 6.28.

Other Important Information

We may record telephone conversations and electronic communications (such as by email or SMS) between you and us.

How do you hold my cash balances?

As we are an authorised bank we normally hold any cash for you as a deposit rather than as client money. This means that your money forms part of our balance sheet rather than being held in a segregated client account.

If you owe us money we may set off any amounts you owe us against money we owe to you. If you fail to pay money due to us we may sell your investments to recover the money due.

We do not offer or market our services under these Terms outside of the United Kingdom.

How do I make a complaint?

You can complain to us if something goes wrong regarding our services. You may also be able to complain to the Financial Ombudsman Service.

We are covered by the Financial Services Compensation Scheme and you may be eligible to make a claim if we become insolvent.

1 OUR AGREEMENT AND OUR SERVICES

1.1 About us

- 1.1.1 We, Rathbones Investment Management Limited, are authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority. The FCA's present contact address is 12 Endeavour Square, London E20 1JN. The PRA's present contact address is 20 Moorgate, London EC2R 5DA. We are entered on the Financial Services Register with registration number 116316.
- 1.1.2 We operate under the trading names Rathbones Investment Management; Greenbank; Greenbank Investment Management; Greenbank Investments; Rathbone Greenbank Investments and Rathbones.
- 1.1.3 Our registered office is at Port of Liverpool Building, Pier Head, Liverpool L3 1NW.
- 1.1.4 Our head office is at 30 Gresham Street, London EC2V 7QN. The telephone number of our head office is 020 7399 0000.
- 1.1.5 Details of all our offices are available on our Website. The address and contact details of the Select Team which deals with your Account will be provided to you separately at the start of our relationship with you.

1.2 Purpose of these Terms

- 1.2.1 The purpose of these Terms is to set out the basis upon which we agree to provide Select to you and your obligations in relation to such services.
- 1.2.2 It is very important that you read these Terms carefully. We recommend that you keep a copy of these Terms for your records. A copy is also available on request. If there is anything you do not understand or if you have any questions, please contact the Select Team.

1.3 Structure of these Terms

- 1.3.1 These Terms comprise a number of sections:
- 1.3.2 The contents of these sections and how they apply are explained below:
 - a Section 1 sets out our details, explains how these Terms operate, and the documents that make up our Agreement;
 - b Section 2 describes Select, and its features;
 - c Section 3 contains terms specific to our custody, dealing and settlement administration;
 - d Section 4 contains terms specific to where we provide our services as ISA Manager;
 - e Section 5 contains terms specific to our limited banking services;
 - f Section 6 contains terms which apply to all clients;
- 1.3.3 Annex 1 contains a list of defined terms used in the Terms and rules interpretation.

1.4 The Agreement Between Us

- 1.4.1 The Agreement between us comprises:
 - a the documents in the Contractual Pack, which includes these Terms and documentation referred to in these Terms;
 - b the documents in the Agreement Pack (including the Client Agreement); and
 - c where we have accepted your registration to use the MyRathbones Service, the MyRathbones terms & conditions.
- 1.4.2 Please ensure that you have both the Contractual Pack and the Agreement Pack and all documents listed in each. The definitions of Contractual Pack and Agreement Pack list what is included in each pack (please note these may change in the future).
- 1.4.3 We need to obtain certain information about you (and in some circumstances persons related or connected to you) to accept you as a client, to provide you with services and to satisfy our legal and regulatory obligations. For example, detailed evidence of your identity and source of funds or wealth information to comply with anti-money laundering obligations. We may ask you to provide this information at any time before or after we provide you with services or gather this information by conducting electronic checks on you. We may also require that you provide evidence in support of the information you provide. We will not be able to accept you as a client, open any Account for you or provide you with any services, including receiving or crediting funds into an account for you, if you do not provide us with the information we ask for. We can also terminate this Agreement if you do not provide us with the information we ask for.
- 1.4.4 In addition to the reasons set out in Term 1.4.3, we may, for any reason decline to:
 - a accept you or any person, as a client; or
 - b provide any service to you or execute any transaction requested by you.

We will try to let you know if this is the case unless we are not allowed to.

1.5 Arrangements Involving a Third-Party Provider

- 1.5.1 We may be bound under a contractual agreement with a third-party provider where you are a beneficiary or policyholder of an Account which is legally owned by a third party provider (for example, where we are appointed to provide services in respect of your SIPP or assets held under an insurance scheme). Our contract with the third party provider may prevail over this Agreement if it imposes additional terms. For example, the third-party provider or its agent(s) may:

1 OUR AGREEMENT AND OUR SERVICES

– continued

- a instruct us to act without reference to you and/or limit your rights under Section 6, Term 6.7 below generally;
 - b prevent us accepting monies or assets directly from you;
 - c prevent instructions from you on payments or receipts to or from third parties under Section 6, Term 6.7.6, or to and from any parties other than the legal owner or their nominee; and/or
 - d place restrictions on the investments permitted within the Account which will take precedence over your instructions or direction.
- 1.5.2 If you are a beneficiary or policyholder of an Account which is legally owned by a third-party provider:
- a we will provide custody, dealing and settlement services under Section 3 directly to your third party provider;
 - b we will provide banking services under Section 5 directly to your third party provider;
 - c your eligibility for, and access to, compensation under the FSCS may be different to what is set out in Section 6, Term 6.20. Your third-party provider can provide you with details of the compensation arrangements (if any) that apply to their product.
- 1.5.3 Please contact us if you would like to receive further information regarding our agreement with your third-party provider.

1.6 Your Status

- 1.6.1 We have categorised you as a retail client (unless we have informed you separately in writing that we are treating you as a professional client).
- 1.6.2 Where we have categorised you as a professional client you may request in writing to be categorised as a retail client. However, we do not have to agree to such a request and may decline to act for you. We may also, on our own initiative, re-categorise you as a retail client by giving notice in writing to you.

1.7 Effective Date

- 1.7.1 The Effective Date of Agreement is the date we notify you that your Account is open and provide you with details of your Account number. We will not be responsible for administering your assets until we have control of them. There are risks when assets are withdrawn and transferred to us such as the risk of being out of the market. Further detail is set out in Section 6, Term 6.2.

1.8 Cancellation Rights

- 1.8.1 You have a right of cancellation in respect of the purchase of any shares in a RAM Fund which you buy via Select.
- 1.8.2 The right to cancel applies for a period of 14 calendar days from the date we agree to purchase shares in a RAM Fund on your behalf.
- 1.8.3 If you would like to cancel the purchase, please contact us secure message via the MyRathbones Service or write to us at our registered office, before the end of the 14 calendar day cancellation period.
- 1.8.4 If you exercise your cancellation rights this will apply to the entire Agreement and all services provided by us under the Agreement including the operation of all Accounts and Bank Accounts, and any ISA or JISA. However, the right of cancellation referred to in Term 1.8.1 does not apply:
 - a when as a result of a change in Select Strategy you switch from shares in one RAM Fund for shares in another RAM Fund;
 - b to the second and subsequent purchase of shares in a RAM Fund under a recurring savings plan or an addition to an existing investment.
- 1.8.5 You must notify us in writing if you do not wish your ISA or JISA to be cancelled, as you may lose benefits (including tax benefits) which, once lost, cannot be restored.
- 1.8.6 You will not have to pay a fee for exercising your right to cancel. However, you:
 - a must pay our fees and charges pro rata to the date of cancellation and any additional expenses incurred by us (or a third party) in cancelling this Agreement;
 - b accept any losses necessarily incurred in settling or concluding outstanding transactions.
- 1.8.7 You may get back less than the amount you invested if the value of investments in your Account falls between the Effective Date and the date we receive your cancellation notice. We will not be responsible for such losses.
- 1.8.8 If you cancel this Agreement, we will return any cash due to you, less any amount deducted in accordance with Term 1.8.6, within 30 calendar days of receiving your cancellation notice.
- 1.8.9 Separate cancellation rights may apply with respect to an ISA or JISA, as set out in Section 4.

2 THE SELECT SERVICE

2.1 Options to access Select

- 2.1.1 You can access Select in one of two ways:
- a as a Direct Client, where you access Select directly and make your own decisions about which Select Strategy and related RAM Fund to hold, without advice from a third party, such as, a Financial Adviser; or
 - b as an Advised Client, where you access Select on the advice of a Financial Adviser, who is responsible for advising you about which Select Strategy and related RAM Fund is suitable for you, both initially and on an ongoing basis, including any changes to your Select Strategy.
- 2.1.2 If you are an Advised Client you:
- a agree to include details of your Financial Adviser as part of the Client Agreement;
 - b agree to tell us if your agreement with your Financial Adviser ends, and if you appoint a new Financial Adviser of their new details, in each case, as soon as possible and in any event, within 60 calendar days;
 - c acknowledge that we require annual confirmations from your current Financial Adviser that they continue to act for you;
 - d agree that if you cease to have a Financial Adviser for a period of more than 60 days, we will treat you as a Direct Client until you notify us that you have a Financial Adviser in place;
 - e agree that your Financial Adviser will be a Connected Person for the purposes of Term 2.7.1., and will have access to the MyRathbones Service, including details of your Account and account information such as quarterly valuations, annual tax reports, Account values, transaction history and daily fund prices.
- 2.1.3 If you wish your Financial Adviser to provide instructions directly to us, please obtain a third party delegated authority form (available from your Financial Adviser) and complete and return this to us. Where you have granted authority to your Financial Adviser to give us instructions on your behalf, reference in these Terms to your instructions and notices will include instructions and notices given by your Financial Adviser.
- 2.1.4 **For the avoidance of doubt, we will not provide financial advice or personal recommendations, to you whether you are a Direct Client or an Advised Client and will not be responsible for assessing the suitability of the assets in your Account.**

2.2 Select Strategies

- 2.2.1 Within Select we offer a range of strategies, with each Select Strategy involving investment exclusively in a RAM Fund. The RAM Funds in which the Select Strategies invest are UCITS funds which are managed by RAM, a Rathbones Group company.

- 2.2.2 The Select Strategies within Select are set out in the Client Agreement, or as notified by us to you from time to time. Each Select Strategy is also described in the relevant Strategy Information and Performance Factsheet. These Strategy Information and Performance Factsheets are updated monthly and are available on Select webpage at rathbones.com and if applicable, from your Financial Adviser.
- 2.2.3 The daily prices of the RAM Funds that the Select Strategies invest in are available from, or via links from, the Rathbones Asset Management Limited website (rathbonesam.com).
- 2.2.4 You agree to notify us of your initial chosen Select Strategy by completing the Client Agreement. On receipt of your instructions as contained in the Client Agreement and subject to sufficient funds having been provided by you to us, we will arrange for the purchase of shares in the relevant RAM Fund associated with your chosen Select Strategy.

2.3 Changing your Select Strategy

- 2.3.1 If you wish to change Select Strategy please notify us by completing and returning a Select Switch Form. The form is available from the Select team or, if applicable, your Financial Adviser. If you are an Advised Client both you and your Financial Adviser must sign the form.
- 2.3.2 Once we receive a completed and signed Select Switch Form we will arrange the required sale and purchase of shares in the relevant RAM Funds.
- 2.3.3 A change in Select Strategy involves a sale of shares in one RAM Fund and purchase of shares in another RAM Fund, and we will usually be able to effect this as a switch of shares. Except where you hold shares in a RAM Fund within an ISA or JISA, switches of shares between RAM Funds that invest in the Select Strategies (as opposed to within the same RAM Fund) will amount to a disposal and purchase of shares for tax purposes.

2.4 Execution Only Service

- 2.4.1 Select involves us arranging on your behalf the purchase and/or sale of shares in the relevant RAM Fund associated with your selected Select Strategy and providing related reporting, custody and banking services as described in these Terms.
- 2.4.2 We operate minimum initial investment requirements and reserve the right to refuse to execute transactions at values that are too small to be economic for us. You are able to liquidate all of your holdings in a RAM Fund, for example, where you want to terminate the Agreement between us.
- 2.4.3 You must provide sufficient funds to us so that we can arrange the purchase of shares in the relevant RAM Fund for you. We are not responsible for arranging the purchase of a RAM Fund where we do not hold sufficient funds to do so.

2 THE SELECT SERVICE – continued

- 2.4.4 Select is an execution-only service which we provide following receipt of your instructions (or, where applicable, those of your Financial Adviser) and we do not provide advice or personal recommendations as part of Select. We are not responsible for assessing the suitability of your chosen Select Strategy or the associated RAM Fund as this is your or your Financial Adviser's responsibility, as applicable. As Select relates to the purchase and/or sale of shares in non-complex UCITS funds, we are not responsible for assessing the appropriateness of your chosen Select Strategy or the associated RAM Funds.
- 2.4.5 If you so wish and are an Advised Client you can elect for your Financial Adviser to receive contract notes by indicating within the Client Agreement, or by sending a written request to the Select team.

2.5 Fund Documents

- 2.5.1 Before we arrange for the purchase on your behalf of shares in a RAM Fund we will provide to you or your Financial Adviser, as applicable, a copy of the KIID in respect of the RAM Fund associated with your selected Select Strategy, in good time before the purchase is concluded.
- 2.5.2 For our Advised Clients, as long as we provide or make available a copy of the KIID to your Financial Adviser we are not obliged to send a copy of the KIID direct to you.
- 2.5.3 Up to date copies of KIIDs in respect of the RAM Fund associated with your selected Select Strategy are available from, or via links from, the Select webpage at rathbones.com.
- 2.5.4 By choosing to invest using Select you will also be bound by the RAM Fund Documentation relating to the RAM Fund you invest in via Select.

2.6 Reports and Valuations

- 2.6.1 The RAM Funds associated with your selected Select Strategy are normally valued on each Business Day at a particular point in the day. Shares are bought on a forward pricing basis meaning that the shares will be bought and sold at the price calculated after the time at which we receive your instructions and agree to carry them out.
- 2.6.2 The price for the transaction will be calculated on the valuation of the RAM Fund associated with your chosen Select Strategy on the next Business Day (rather than the day that we receive your instructions). Daily share price information in respect of the RAM Fund associated with your chosen Select Strategy is available from, or via links from, the Select webpage at rathbones.com.
- 2.6.3 We will provide you with periodic valuation reports of your Account on a three-monthly basis. The periodic reports will include a valuation of your Account, details of transactions carried out in respect of your Account, as well as a statement regarding each of your Bank Accounts.

- 2.6.4 Where orders are executed on a regular periodic basis, for example where you make regular monthly investments, we may instead provide to you a report containing certain transactional information, at least once every six months.
- 2.6.5 You are responsible for checking the accuracy of any periodic reports, and transaction confirmations we send you as well as their contents including valuations and informing us as soon as possible if there appear to be any inaccuracies.
- 2.6.6 Each year when required, we will send you a set of UK tax papers in respect of Accounts other than those contained in tax wrappers. Whilst we try to ensure the information provided is correct, we cannot guarantee the accuracy of all aspects of the tax papers.

2.7 MyRathbones Service

- 2.7.1 Select is designed to be delivered and administered primarily through the MyRathbones Service. MyRathbones Service is an online facility available via a secure portal that enables you (and persons authorised by you) to access information in relation to your Account and for you to send us messages and information regarding you and your Account, and to receive messages from us. MyRathbones Service is subject to additional terms and conditions, as updated from time to time, available at www.rathbones.com.
- 2.7.2 If you have registered for MyRathbones Service you agree that we may communicate with you exclusively through the MyRathbones Service, including providing you with valuations reports, access to daily valuations of your Account and Bank Accounts and other communications.

2.8 Risk Warnings

- 2.8.1 RAM Funds
- a The RAM Funds in which Select Strategies invest are FCA authorised and regulated UCITS collective investment schemes which invest in a range of assets. The RAM Fund Documentation contains detailed information on the relevant RAM Funds including detailed risk warnings. The KIIDs which we will provide to you, as mentioned in Terms 2.5.1 and 2.5.2 (as applicable), contain summary information regarding the key risks of the relevant RAM Fund which you should read.
 - b Although the RAM Funds in which Select Strategies invest are normally available for dealing on each Business Day, when investing in collective investment schemes, investors should be aware that:

2 THE SELECT SERVICE – continued

- i due to exceptional circumstances dealing in a collective investment scheme may be suspended where this is considered in the best interests of shareholders. You will be notified if this is the case, and any period of suspension must be reviewed by the manager and depositary at least every 28 days;
 - ii the manager of a collective investment scheme could decide to close the scheme to new investors where the scheme became of a size such that it would not be in the interests of existing investors for it to take on additional investors; and
 - iii the manager of a collective investment scheme could decide to close a scheme where it became too small such that it was no longer economically viable. If that were the case you would be notified in advance and could decide to redeem your investment prior to closure, alternatively on closure you would be paid the redemption proceeds applicable to your investment.
- 2.8.2 There are risks involved in relation to any investment. We have set out below some general risk warnings you should be aware of:
 - a you may not get back the full amount you originally invested as the value of investments, and the income from them, may go up and down
 - b levels of income may fluctuate
 - c past performance is not an indication of future performance
 - d where an investment is denominated in a currency other than your usual currency, changes in exchange rates may cause the value of your investment and/or income to go down or up
 - e the tax treatment applicable to investments depends on individual circumstances and may change over time
 - f investments in your Account may become illiquid or unrealisable as a result of market activity or other circumstances beyond our control
 - g if you request regular fixed payment withdrawal sums from your Account, as opposed to relying solely on income generated from your choice of RAM Fund, we may need to sell shares to raise sufficient funds to meet your requirements. This will reduce the capital amount in your Account. In addition, the sale of shares may have tax consequences for which you are responsible. You or your professional advisers remain responsible for the management of your tax affairs and if you are in any doubt you should talk to your Financial Adviser, as applicable.
- 2.8.3 In addition to these general risk warnings, certain specific risks may apply where the RAM Funds

purchase on your behalf investments or deal in certain markets. It is important that you are aware of and understand the nature of these risks. Annex 2 contains information on certain types of investment and investment techniques and the risks associated with the types of assets which may be purchased for you. Please read this Annex carefully. Please contact the Select Team if there is anything you do not understand or you have any questions.

2.9 Fees, Charges and Expenses

- 2.9.1 You agree to pay our fees and charges for Select. You authorise us to deduct our fees and charges in relation to the provision of our services under this Agreement and all related charges and expenses from your Account, at the times and frequency set out in the Schedule of Charges and, in relation to ad hoc charges and expenses, following notification to you.
- 2.9.2 The fees and charges you pay for Select comprise:
 - a our administration fee, which is calculated quarterly in arrears by reference to the value of your Account at the end of each quarter (and in the event of termination the date of termination); and
 - b other third-party charges which are taken from within the relevant RAM Fund; for example, the annual management charge, transaction costs and other fund expenses. Further details can be found in the Prospectus, which is available upon request from the Select Team, or from, or via links from, the Select webpage at rathbones.com.
- 2.9.3 Details of our fees and charges, including the third-party charges in respect of the relevant RAM Funds, are set out in our Schedule of Charges, Schedule of Interest Rates and these Terms applicable at the relevant time.
- 2.9.4 Our administration fee is calculated as a percentage of your Account. As the value of your Account goes up or down, the amount payable to us will increase or decrease. Where the Account is invested for only part of a quarter the administration fee is only charged pro rata for the period the Account is invested.
- 2.9.5 For Advised Clients, any fees or charges payable by you to your Financial Adviser, will be agreed between you and your Financial Adviser. You may request for us to pay your Financial Adviser's fees (plus VAT as applicable) subject to the following:
 - a in requesting us to pay these fees you are instructing us to sell shares in the relevant RAM Fund, in which you are invested, on a periodic basis in order to meet such fees; and
 - b we will not provide any advice or exercise any judgement on your behalf about the merits, suitability or appropriateness of those transactions that you specifically instruct us to carry out to pay your Financial Adviser's fees.

2 THE SELECT SERVICE – continued

- 2.9.6 Our administration fee, and where you have agreed that the fees of your Financial Adviser will be paid from your Account, fees due to your Financial Adviser, are payable quarterly. Fees will be deducted from your Account on a Business Day following the quarter end date. You authorise us to arrange for the sale of holdings in the relevant RAM Fund prior to the fee processing date to ensure that the cash has been received in your Account in order to pay any fees due. Such sales may have tax consequences for which you are responsible. You or your professional advisers remain responsible for the management of your tax affairs and if you are in any doubt you should talk to your Financial Adviser, as applicable.
- 2.9.7 In the event that your Financial Adviser transfers its business to a third party, on receipt of a copy of the duly executed transfer agreement, you authorise us to continue to make the payments referred to in Term 2.9.5 to the third party rather than your original Financial Adviser.
- 2.9.8 Subject to Term 6.9 you agree to reimburse us for all the costs and expenses we incur in the carrying out of our services. The costs will include, but not be limited to:
- a any costs and expenses described in our Schedule of Charges and Schedule of Interest Rates;
 - b transaction costs where applicable; and
 - c other reasonable costs and expenses incurred by us in carrying out our services on your behalf.
- 2.9.9 You also authorise us to deduct from your Account the amount of any tax, duty or other charge levied on your Account by any tax authority or other governmental or regulatory authority (including any amount which you owe to any tax authority which we are required to pay to such authority on your behalf).
- 2.9.10 If there are insufficient funds in your Account to pay our costs, fees, charges and expenses and/or any fees or charges payable to your Financial Adviser, as applicable, you authorise us to arrange for the sale of shares owned by you in relevant RAM Funds in order to settle the outstanding balance due to us.
- 2.9.11 Our fees and charges may be changed from time to time. We will let you have at least 30 calendar days' notice before we make any change (except in relation to changes to our fees and charges in respect of our banking services where we will give you at least two months' notice). Fees charged within the relevant RAM Funds may change from time to time.
- 2.9.12 We will not apply our administration fee to uninvested cash held within your Account. You should note that other taxes or costs may arise which are not paid via us or imposed by us.

2.10 Third Party Benefits

We may receive and retain minor non-monetary benefits in providing our services to you. For example, participation in conferences, seminars and other training events and hospitality of a reasonable de minimis value such as food and drink at such events.

2.11 Corporate Actions

- 2.11.1 If you wish to be notified of a Corporate Action in respect of a RAM Fund held in your Account, you must request this from the Select Team. However, Corporate Actions are subject to strict timelines and our ability to provide full information and receive your instructions may be limited by circumstances not in our control.
- 2.11.2 We do not have to act in respect of a Corporate Action unless we receive your instructions in sufficient time before the relevant deadline to allow us to act. If you do not give us timely instructions, we may take such action or not take any action as we consider appropriate taking account of the costs and benefits.

2.12 Voting Rights

If you wish to exercise voting rights in respect of a RAM Fund held in your Account, you must notify the Select Team. We will only exercise voting rights on receipt of and in accordance with your instructions.

3 CUSTODY, DEALING AND SETTLEMENT

This section applies where we provide you with custody, dealing, and settlement services, which is the case for all clients within the Select service.

3.1 Description of services

- 3.1.1 We will provide our custody, dealing and settlement services in accordance with the FCA Rules (including the FCA client assets sourcebook).
- 3.1.2 We will provide custody services for you in respect of your Account.
- 3.1.3 Our custody, dealing and settlement services comprise:
 - a safekeeping investments within your Account;
 - b arranging for the registration of your investments;
 - c settling transactions in respect of your Account;
 - d collecting income in relation to your Account;
 - e carrying out of other administrative actions in relation to your Account.
- 3.1.4 We will take appropriate steps, in accordance with the FCA Rules, to seek to protect your investments and have policies and procedures in place to prevent your assets from being used wrongfully, including close monitoring of transactions and prompt follow up if securities are not delivered on the settlement date and beyond. We will maintain records to show that the investments which we hold for you are held on your behalf.

3.2 How your investments are held and registered

- 3.2.1 Registration of your investments
 - a We will usually appoint a third party to hold your investments for you. We may also hold your investments and if we do, we will hold them in accordance with the Regulatory Rules.
 - b Investments in your Account will normally be registered or otherwise recorded in the name of a nominee company that is controlled by us or a Rathbones Group company, a third-party custodian selected by us, or a recognised investment exchange. Investments may also be registered in your name.
 - c In some circumstances, legal title to your investments may be registered or recorded in the name of a third-party or in our name. This would be the case if the investment is subject to the law or market practice outside the UK and, because of this, legal title to your investment cannot be registered or recorded as described above.
 - d Where your investments are held or recorded in the same name as our assets, we will ensure that your investments are separately identified in our records from our own assets.

- e Where you instruct us, and we agree to arrange for your investments to be held in the name of any person other than those specified in this Term 3.2, we do not accept any responsibility for the acts or omissions of that person and you do so entirely at your own risk.
- f We accept responsibility for the acts or omissions in respect of this Agreement of any nominee company owned and controlled by us or a Rathbones Group company. You remain the beneficial owner of the investments in your Account.

3.2.2 Third-party custodians

- a We may deposit your investments into an account or accounts opened with third party custodians appointed by us. We will conduct an appropriate risk assessment and exercise all due skill, care and diligence in the selection, appointment, and periodic review of custodians we may use to hold your investments and in agreeing the terms on which each custodian may appoint its own sub-custodian. However, we will not be responsible for any acts, omissions or default of any custodian we deposit your investments with except where such a default is caused by the negligence, fraud or wilful default of us or a Rathbones Group company.
- b Although we will try to ensure that adequate arrangements are made to safeguard your rights, particularly in insolvency, your investments may be at risk if the custodian defaults or becomes insolvent.
- c We may deposit your investments with a third-party custodian outside the UK which does not regulate the activity of holding and safekeeping of investments if this is required under local laws or because of the nature of the investments or the services connected with them.
- d Unless this is not possible because of local law, we will take reasonable steps to ensure that the third-party custodian records investments separately from any assets belonging to the third-party custodian or us.
- e We have appointed a global custodian to perform custody services, our global custodian may appoint sub-custodians. We may change our global custodian or appoint other delegates during the term of our Agreement.

3.2.3 Holding your investments with other clients' investments

- a Your investments may be held together with those of other clients in an omnibus account, which is an account that holds the investments for multiple investors. This is also sometimes referred to as pooling investments. We maintain internal records to identify your investments.

3 CUSTODY, DEALING AND SETTLEMENT – continued

- b Holding investments in omnibus accounts has certain risks. For example:
 - i your entitlement to specific investments may not be identifiable by separate certificates, physical documents of title or equivalent electronic records;
 - ii if we or a sub-custodian that holds your investments becomes insolvent or defaults, any shortfall may be shared pro rata among all clients whose investments are registered or held in the same name and you may not receive your full entitlement;
 - iii your entitlement arising out of shares, income and Corporate Actions will be distributed, pro rata, in proportion to the amount you hold or as we see fit;
 - iv it also means we will use investments from the pool of investments to settle transactions.
- c Please let the Select Team know if you would like us to provide you with an individually designated account if you do not want your Account to be held on a pooled basis. Additional terms for this service will apply. Please contact the Select Team for further details.
- a appropriating a sufficient number of our own assets to cover the value of the shortfall and holding them under the Regulatory Rules in such a way that they will be available to the relevant clients in the event of our failure;
- b appropriating a sufficient amount of our own money to cover the value of the shortfall and holding it as client money under the FCA client money rules;
- c a combination of (a) and (b) above which in aggregate is sufficient to cover the value of the shortfall.

3.5 Best Execution

- 3.5.1 We will take all sufficient steps to obtain the best possible result for you when we execute orders on your behalf or receive and transmit orders to other entities for your Account taking relevant factors into account. This is known as "best execution". We have a Best Execution Policy to comply with our best execution obligations. We review our Best Execution Policy annually and whenever a material change occurs that affects our ability to continue to provide best execution. We will notify you of any material changes to our Best Execution Policy. We have provided you with a copy of our Best Execution Policy.
- 3.5.2 If we pass an order to another party for execution, that other party may execute the trade outside a Trading Venue.
- 3.5.3 We may not be able to take all sufficient steps to obtain the best possible result for you where you provide us with specific instructions in relation to the execution of an order, or part of an order (for example instructions as to execution venue, price, or timing).
- 3.5.4 We must assess the compatibility of financial instruments with your needs to ensure that financial instruments are delivered to you only when this is in your best interests. This means that we may be delayed in executing your order or we may decline to execute an order for you.
- 3.5.5 Certain transactions we execute may be subject to transaction reporting requirements. You must provide promptly us with all information we may reasonably request and take timely action as we may reasonably request, so we can fulfil any applicable transaction reporting requirements. We may be delayed in executing the transaction or we may not execute the transaction if you do not promptly provide the information we request. We may be required to report certain information about affected transactions to the FCA, which we may do via third parties.

3.3 Documents of Title

- 3.3.1 We will hold all documents of title to investments held in your Account in accordance with Term 3.2, or we may appoint a third party to hold the documents for you. We will ensure that when evidence of title to your investments is in uncertificated form, or otherwise transferable by book entry transfer, or where title passes by delivery, evidence of title will be maintained in such a way that your investments are separately identifiable from investments held in the same way for our accounts or for any member of the Rathbones Group.

3.4 Shortfalls in Investments

An investment shortfall is where the investments held by us, or a third party, on your behalf fall short of the amount we are obliged to hold for you. If we identify a shortfall and have not yet resolved it:

- 3.4.1 and we conclude that another person is responsible for the discrepancy or the discrepancy is due to a timing difference between the accounting system of that other person and us, we will take all reasonable steps to resolve the situation with the other person without undue delay, and may take appropriate steps as referred to below;
- 3.4.2 and we are responsible for the shortfall or where we are investigating the matter and consider it appropriate to do so, we may take appropriate steps under the Regulatory Rules until we resolve the shortfall which may include:

3 CUSTODY, DEALING AND SETTLEMENT – continued

3.6 Carrying out Client Orders, Combining Orders and Order Allocation

- 3.6.1 We will carry out other comparable client orders sequentially and promptly when we receive the order. However, this may not be possible if the characteristics of the order or prevailing market conditions make this impracticable or the interests of the client require otherwise. You can ask us for a copy of our policy on carrying out client orders.
- 3.6.2 We may trade transactions in respect of your Account together with those of other clients and of our employees, and companies within the Rathbones Group and their employees, without asking you first. This is called "aggregation". Aggregation may work on some occasions to your advantage, and on other occasions to your disadvantage.
- 3.6.3 We will allocate any of your transactions we combined with others in accordance with our order allocation policy. Where we cannot fill the combined order, we will generally allocate the order to all participants proportionately, unless we consider that it is not in your interest to receive a reduced allocation or we are otherwise unable to do so.

3.7 Securities Depositories etc

We may use securities depositories, clearing and settlement houses and similar security systems in providing the services to you.

3.8 Dealing and Settlement

- 3.8.1 We will settle all transactions undertaken by us on your behalf, subject to us holding or receiving all necessary documents or funds and will do so on such basis as is good market practice for units in UK authorised funds. Delivery to or payment by the relevant RAM Fund will be at your risk and our obligation to account to you for any shares in a relevant RAM Fund or the proceeds of any sale will be conditional upon receipt by us of the relevant documents or sale proceeds (as applicable) from the relevant RAM Fund. We will not charge you any settlement fines we receive if we accept your dealing instruction and it fails to settle.
- 3.8.2 We may conditionally debit the purchase costs from your Bank Account or credit the proceeds of sale to your Bank Account on the usual settlement (or subscription) days for the market concerned, we settle the transaction. This may result in a benefit or loss if we settle the transaction other than on the usual settlement date. You may make or lose money if we do not settle the transaction on a usual settlement date. This means that you cannot rely on any debit or credit until the transaction is settled.
- 3.8.3 If we encounter any difficulties or issues in settling a transaction for you we may cancel any debit or credit to you or correct errors made in any documents without giving you prior notice. However, we will try to let you know if this happens.

- 3.8.4 You agree to pay us back fully and be responsible for any debts, costs or losses that arise if you ask us to debit your Account against investments or funds which do not clear.

- 3.8.5 Where we can effect transactions or take steps on your behalf we may agree such reasonable terms as we think fit with the counterparty or other person involved (which may be a member of the Rathbones Group). For example, we may:

- a give representations and warranties on your behalf
- b execute agreements, confirmations, terms of business, master documentation and enter into other contractual arrangements binding on you
- c take any steps in accordance with market practice or custom as we think fit to effect or settle those transactions, and you will be bound by these.

3.9 Collection of Income

- 3.9.1 We will claim and receive dividends, interest payments and other entitlements in respect of investments within your Account. We will normally receive dividends in cash.
- 3.9.2 We will credit to your Account distributions from the relevant RAM Funds, not later than the date we receive cleared funds.
- 3.9.3 We may pay income net of local taxes (ie deducted tax at source), as long as we are acting in the best interests of our clients as a whole. If we do so, this will apply to you and all other clients regardless of your personal tax circumstances (unless we have agreed with you alternative arrangements). This is to manage costs and because we operate a pooled nominee.

3.10 Litigation

We do not have to participate in or process class action litigation claims or similar matters but may participate if we see fit. If we do participate, we will try to provide the input requested, subject to time constraints. If you are paid any money in settlement, we will deduct any associated costs that we have incurred in participating. We do not have to inform you about any litigation claims which come to our notice.

3.11 Costs

The costs of the provision of our custody services are included in our general fees and charges for our services as provided for in Section 2, Term 2.9.

3.12 Foreign Currency

- 3.12.1 We may carry out any foreign exchange transactions we deem necessary or reasonably incidental to carry out your instructions or protect our rights under this Agreement. You agree to assume all risks associated with foreign exchange and currency conversion. We may, for example:

3 CUSTODY, DEALING AND SETTLEMENT – continued

- a convert any of your assets or monies held in another currency to settle any of your debts due to us in one currency
- b convert money we receive that is in a different currency from the currency of the Account into the currency of the Account.

3.12.2 Where we carry out foreign exchange transactions we will act as Principal (i.e we will be the buyer or the seller of foreign currency from or to you). We will use our Reference Exchange Rate to carry out foreign exchange transactions unless we have agreed a fixed rate with you for a particular transaction.

3.13 Tax Repayment

We will not ordinarily make or assist in making any tax repayment claims to which the Account may be entitled.

3.14 Fractional Rights

- 3.14.1 Where your investment in a RAM Fund is held in a pooled account and affected by a Corporate Action, your entitlement will be allocated amongst several clients. Your fractional share of that pooled entitlement will be rounded down to the nearest whole number.
- 3.14.2 Subject to the Regulatory Rules, we will retain fractional entitlements or rights in respect of investments you have a right to receive where the aggregate credit which would result to you is less than £5 (or if applicable £5 in value of the relevant currency of the Account).

3.15 Liens and Security Interests

- 3.15.1 We, or a third-party custodian, may take a security interest, lien (a right of retention or sale), or a right of set-off over your investments. Subject to Term 3.15.2, any such lien or right granted by us or a third-party custodian will only extend to properly incurred charges and liabilities arising from the provision of custody services in respect of your investments held in that account.
- 3.15.2 If your investments are held outside the UK your investments may be subject to a security interest, lien (a right of retention or sale) or a right of set-off. We may agree for your investments to be subject to such a security interest, lien or right of set-off if:
 - a the security interest, lien or right is required by applicable law in that area;
 - b we have taken reasonable steps to determine that holding your assets subject to a security interest, lien or right is in your best interests.
- 3.15.3 We cannot lend, pledge or use your investments for our own purposes, or those of any other person except as otherwise provided in this Agreement or agreed in writing.

3.16 Unclaimed Investments

- 3.16.1 You agree that we may sell any unclaimed investments (other than client money) in your Account and pay the proceeds to a registered charity of our choice if:
 - a we have held that investment for at least 12 years and you have not given us any instructions relating to the investment during the last 12 years;
 - b we have taken reasonable steps to trace you and return your investment to you;
 - c we comply with the applicable Regulatory Rules.
- 3.16.2 If you contact us after we have paid away the proceeds of sale from your investments, we will reimburse you with a sum equal to the value of the investments when we sold them.

4 ISAS, JISAS AND BARE TRUSTS

4.1 Introduction

This section applies if we provide you with services:

- as ISA Manager, in connection with the administration of your investments held within a Rathbones stocks and shares ISA or Rathbones stocks and shares Junior ISA (JISA)
- in respect of Bare Trusts

4.2 Right to cancel

- 4.2.1 Where you open an ISA or JISA with us or transfer an ISA or JISA to us, you can cancel this within 14 calendar days from the date we receive your signed application form, or, if later, the date you receive the details of your cancellation rights.
- 4.2.2 Where you cancel an ISA or JISA, your cancelled subscription will not count as a subscription to an ISA or JISA for that tax year.
- 4.2.3 If you ask us to provide services to you before the cancellation period and later decide to cancel, your investments may fall in value and you may get back less than you put in.
- 4.2.4 If you would like to cancel your ISA or JISA please write to the Select team, before the end of the 14 calendar day cancellation period.
- 4.2.5 You can also terminate our Agreement in accordance with Section 6, Term 6.11

4.3 Subscriptions to ISAs and JISAs

- 4.3.1 You can only make subscriptions to ISAs or JISAs if you are eligible and as permitted by the ISA Regulations, including any subscription limits set out in the ISA Regulations.
- 4.3.2 We will only accept applications to subscribe to ISAs or JISAs when we have received a signed and completed Client Agreement, any other information we notify you of and, if applicable, a form to make any additional permitted subscription.
- 4.3.3 If you would like to open an ISA or JISA, you must provide us with any of the following:
 - a your instructions to transfer from an account any amount up to the subscription limit; or
 - b a cheque; or
 - c an electronic transfer of funds.

4.4 Subscriptions to ISAs in Subsequent Years

- 4.4.1 You may instruct us to carry out automatic annual subscriptions for subsequent tax years by completing the relevant section in the Client Agreement. All annual subscription requests received during the same tax year will be made by us on the same date. The subscription date will be a business day between the 6th April to the end of April as determined by us. Such automatic annual subscriptions will continue to be made by us, subject

to sufficient funds being available in your Account each year following the year the initial subscription is made and until a written request is received to cancel the instruction.

- 4.4.2 You must ensure that there are sufficient funds in your Bank Account to allow us to make the automatic annual Subscription to your ISA. If there are insufficient funds in your Bank Account, we may (but are not obliged to) sell shares in a non-ISA Account held by you and use the sale proceeds to make a subscription. If a sale of shares is required there may be tax consequences for which you are responsible.
- 4.4.3 If you do not hold a non-ISA Account with us, or there are insufficient assets and/or funds in your non-ISA Account(s), we will not be able to make the automatic annual subscription.
- 4.4.4 If there is a tax year in which you do not make a subscription your ISA application form will become invalid at the end of that tax year. You must contact the Select Team to make a fresh ISA application before your subscriptions can re-commence.

4.5 Flexible ISAs

- 4.5.1 We offer flexible ISAs. A flexible ISA is an ISA that you can take cash out of and put cash back in (either altogether or in part) in the same tax year, without this affecting your annual ISA limit for new subscriptions.
- 4.5.2 In some limited circumstances, due to HMRC's rules, cash taken out of an ISA cannot be put back in without counting towards your annual subscription limit. If you would like more information on this, please let us know. We will accept replacement funds for any withdrawals made by non-UK residents within the same tax year.
- 4.5.3 We only offer flexibility for cash held in a stocks and shares ISA (including from the sale of investments). We do not offer flexibility for JISAs.

4.6 General Provisions concerning ISAs and JISAs

- 4.6.1 In this section, where we refer to an ISA or JISA, this includes all subscriptions or transfers made by you to such an ISA or JISA where we are the ISA Manager.
- 4.6.2 For an ISA, you will be the beneficial owner of the investments and cash held within your ISA. For a JISA, the child on whose behalf the JISA is held will be the beneficial owner of the underlying investments and cash held within the JISA.
- 4.6.3 You may not use an ISA or a JISA as security for a loan. We will not retain any lien or security interest over the ISA or JISA.
- 4.6.4 We can provide HMRC with all relevant information about the ISA or JISA and the investments within it.
- 4.6.5 We will make claims and conduct appeals in respect of ISA and JISA liabilities including reliefs from tax in respect of the ISA or JISA (as applicable).

4 ISAS, JISAS AND BARE TRUSTS – continued

- 4.6.6 We will let you know if the ISA or JISA has or will become void because of any failure to satisfy the ISA Regulations.
- 4.6.7 We will hold any cash held within your ISA or a JISA as Banker and not in accordance with the FCA client money rules unless we are required to. This means that, if we fail, the client money distribution and transfer rules will not apply to this sum and you will not be entitled to share in any distribution and transfer under the client money distribution rules.
- 4.6.8 Interest earned on cash balances held within an ISA or a JISA will remain within the ISA or JISA.
- 4.6.9 We will register your ISA or JISA investments in the name of our nominee company, in our name or in the name of a custodian appointed by us. See Section 3, Term 3.2 for further details.
- 4.6.10 Share certificates or other documents evidencing title to ISA or JISA investments will be held by us or as we may direct.
- 4.6.11 The following applies where securities arising from rights issues and takeovers may be incorporated in your ISA or JISA:
- if they are eligible investments under the ISA Regulations, we will take up or accept the issue or offer within the ISA or JISA, to the extent that funds are available within the ISA or JISA, and in respect of ISAs only will take up the remainder (if any) with monies (if available) in an Account in your name outside the ISA;
 - if they are not eligible investments under the ISA Regulations we may, in relation to ISAs and JISAs, sell the investments within 30 calendar days and retain the proceeds within the ISA or JISA;
 - in relation to ISAs only, alternatively, we may hold the investments as custodian outside the ISA.
- 4.6.12 If you ask us in writing, we will arrange for you to:
- receive a copy of the annual report and accounts of the RAM Fund held within your ISA or a JISA;
 - attend shareholders' meetings, and to exercise voting rights and receive any other information issued to shareholders, in addition to the annual report and accounts, in respect of the RAM Fund held within your ISA or JISA.
- 4.6.13 We may charge you for the arrangements we make under Term 4.6.12 as set out in our Schedule of Charges.

4.7 Transferring Your ISA or JISA to us

- 4.7.1 You can, if you are eligible, transfer an ISA or JISA that are held with another manager to us.
- 4.7.2 To transfer an ISA or JISA to us, you must send us an ISA transfer request or a JISA transfer request (as applicable).

- 4.7.3 We only accept cash on transfers-in to ISAs or JISAs, we do not accept investments.

4.8 Transferring your ISA to another Manager

- 4.8.1 You can request to transfer your ISA to another ISA manager approved under the ISA Regulations (you cannot transfer part of your ISA). We will sell the holdings in the RAM Fund in your ISA and transfer cash to the new ISA manager. We will try to complete the transfer by your chosen date if you give us at least 30 days. We may need more time to transfer your ISA if your ISA holds shares in a RAM Fund and you request a transfer when the RAM Fund has suspended trading.
- 4.8.2 You must ensure that all monies that are withdrawn from your ISA, and which you wish to have replaced, have been replaced before you request a transfer of your ISA.

4.9 Withdrawing Your ISA

- 4.9.1 You can request to withdraw all or part of your ISA. We will try to complete the withdrawal by your chosen date if you give us at least 30 days. We may need more time to withdraw your ISA if you request a withdrawal when the RAM Fund has suspended trading.
- 4.9.2 If you withdraw funds from your ISA you may lose the ISA benefits for the withdrawn funds. If you intend to invest such funds in an ISA with another ISA manager, you should not request a withdrawal but should instead request an ISA transfer.

4.10 Termination of Your ISA

- 4.10.1 We may terminate the ISA by giving you 30 calendar days' written notice as long as we offer you the ability to transfer the ISA to another approved ISA manager before the notice takes effect.
- 4.10.2 Where you or we close your ISA, you cannot replace any funds from previous years that have been withdrawn but not replaced in the current year unless we choose to re-open the ISA.

4.11 Termination of your ISA upon Death

- 4.11.1 If you die, your ISA will become a "continuing account".
- 4.11.2 We will close the continuing account when we receive instructions from your executors to close it, when the administration of your estate is complete or on the third anniversary of your death (whichever comes first).
- 4.11.3 No subscriptions or transfers may be made into, or out of, your continuing account from the date of your death until the date of closure. However, we may continue to provide our services in relation to the investments held in the ISA. Funds held within the ISA continue to benefit from ISA tax advantages,

4 ISAS, JISAS AND BARE TRUSTS – continued

and any interest, dividends, or gains in respect of investments held in a continuing account after the date of death until the date of closure are exempt from tax.

- 4.11.4 When your ISA terminates on death or if your continuing account terminates (as applicable) we will pay or transfer the cash and investments (less any applicable charges and expenses) to your personal representatives after we have received the grant of representation (please refer to Section 6, Term 6.25 for details). After we transfer the assets and cash from a continuing account, we will close the ISA.
- 4.11.5 We will produce a statement for the ISA or continuing account (as applicable) at the date of closure.
- 4.11.6 Upon your death, your ISA benefits may be passed on to your spouse or civil partner via an additional permitted subscription allowance either in cash or using non-cash assets (i.e. in specie). Your spouse or civil partner may, in addition to their own ISA allowance, be allowed to invest into their own ISA additional subscriptions to the higher value of the cash and investments held in:
 - a your ISA at the date of your death
 - b the continuing account upon the date of closure pursuant to Term 4.11.1
- 4.11.7 Additional permitted subscriptions:
 - a in cash must be made within three years of the date of death, or if later, within 180 days of the completion of the administration of the estate of the deceased ISA holder;
 - b using non-cash assets (i.e. in specie) must be made within 180 days of the beneficial ownership of the assets transferring to the surviving spouse or civil partner.

4.12 Terms applicable to JISAs

- 4.12.1 Opening a JISA:
 - a you can open a JISA for a child who is under 18 and a UK resident and who satisfies any other eligibility requirements in the ISA Regulations.
 - b we normally only offer to open JISAs where the person opening the JISA is either:
 - i an existing client of Rathbones Investment Management with an Account administered by us;
 - ii a new client of ours who opens an Account (whether in their own or joint names) which is to be administered by us and, wishes to open a JISA for a child, at the same time.
 - c We do not normally accept applications to open JISAs from persons aged 16 or 17.

4.12.2 Registered contact

- a The registered contact will be the person who completes and signs the JISA Client Agreement and can give instructions on administering investments in the JISA. We will not accept instructions in relation to the administration of the investments in the JISA from any person other than the registered contact. A JISA may only have one registered contact at any time.
- b The registered contact must be a person with parental responsibility for the child until the child's 16th birthday. Another person with parental responsibility for the child may replace the then current registered contact at any time. To change the registered contact both the existing registered contact and the incoming registered contact must complete the relevant form and declaration provided by us. There are some exemptions to this, such as, where the existing registered contact has died.
- c The child on whose behalf the JISA is held may opt to become the registered contact, at any time after their 16th birthday by applying to us. If the child exercises this option, they may not later be replaced as registered contact by anyone else. If the child does not apply to us to become the registered contact, the person acting as the registered contact immediately before the child's 16th birthday will continue in this position.

4.12.3 Investments and subscriptions:

- a the child's interest in any investment assets held in the JISA can only be sold via us.
- b all subscriptions to JISAs are gifts to the child and are non-refundable.
- c once the JISA has been opened, we may accept subscriptions to the JISA from any person and need not obtain your consent before doing so. We will invest any subscriptions to the JISA in accordance with the relevant Select Strategy.

4.12.4 Transferring the JISA to another manager:

- a you may request to transfer your JISA to another JISA manager approved under the ISA Regulations (you cannot transfer part of your JISA). We will sell the holdings in the RAM Fund in your JISA and transfer cash to the new JISA manager. We will try to complete the transfer by your chosen date if you give us at least 30 days.
- b a child cannot have more than one JISA of each type at any one time. This means that if a JISA is transferred to a stocks and shares JISA with another provider the whole amount must be transferred. The JISA can be transferred entirely or in part to a new or existing cash JISA if, at the end of the transfer, the child does not have more than one JISA of each type.

4 ISAS, JISAS AND BARE TRUSTS – continued

4.12.5 Withdrawals:

- a withdrawals cannot be made from the JISA until the child has reached the age of 18, except in the following cases:
 - i if the child becomes terminally ill before their 18th birthday, you can apply to HMRC to withdraw money from the JISA. We will allow you to withdraw money from the JISA if we receive confirmation from HMRC. We may terminate the JISA if you withdraw all the assets from the JISA.
 - ii cash and Investments may be withdrawn from a JISA:
 - aa by the registered contact when the JISA is closed; or
 - bb by us to meet our fees and expenses.

4.12.6 Terminating the JISA

We may terminate the JISA where:

- a all of the cash in the JISA are transferred to another provider under Term 4.12.4;
- b the child dies;
- c the fees and expenses we charge on the JISA reduce the balance of the JISA to zero;
- d upon the child's 18th birthday;
- e termination is permitted by the ISA Regulations.

4.12.7 What happens when the child turns 18:

- a the child may apply to withdraw the total value of the JISA. If the child does not withdraw the value of the JISA on their 18th birthday, we will treat the JISA as an adult stocks and shares ISA from that date and the provisions in this Section 4 as regards ISAs will apply instead of the JISA provisions.
- b if we do not obtain the information we need, from the child before their 18th birthday for an adult stocks and shares ISA, all cash and investments will remain in the ISA. We will administer the ISA on a temporary basis in accordance with the relevant Select Strategy until we are provided with the relevant information.
- c in order to continue with the Select service, we will ask the young adult for certain information including whether they wish to access the Select service using a Financial Adviser, as an Advised Client or if they will use the Select service without a Financial Adviser, as a Direct Client.

4.13 Fees for ISAs and JISAs

- 4.13.1 Our Schedule of Charges contains details of our fees.
- 4.13.2 Our fees in respect of your ISA will normally be debited from the non-ISA part of your Account. However, if you only hold an ISA as your Account, or

you do not have enough money to meet the fees, we will debit our fees from your ISA or from any other investment held by us, our nominees or agents, on your behalf. If you do not have enough money in your Account to pay our ISA fees, we will invoice you separately and you will be required to pay the fees within 30 calendar days of the date of invoice.

- 4.13.3 Where we debit our fees from your ISA, these monies cannot be replaced within your ISA without counting towards your annual subscription limit.

- 4.13.4 We will debit our fees in respect of a JISA from such Bank Account as may be agreed between us.

4.14 Bare Trusts

- 4.14.1 Where you are acting as the trustee(s) of a bare trust, this Term 4.14 will apply. You, in this context, means the person(s) acting as the trustee(s) of the bare trust and not the beneficiary.

- 4.14.2 We publish related guides called "What is a Bare Trust?" and "Bare Trust FAQs" which explain what a bare trust is. These documents are available on request.

- 4.14.3 When the beneficiary of a bare trust reaches age 18 they are (subject to the terms of the underlying trust instrument(s)) legally entitled to the assets of the bare trust and may take control of them. As a result, many bare trust structures are terminated at that point.

- 4.14.4 If you wish the trust structure to continue after the beneficiary reaches age 18 and up until they reach age 25 (or an earlier age), we may agree to do so but you and we will need to agree this in writing, and this is subject to Terms 4.14.5 and 4.14.6 below.

- 4.14.5 When the beneficiary reaches the age of 25 (or such earlier age as may be agreed in writing with you), in order for us to continue to provide the services either:

- a the beneficiary must instruct us directly in their capacity as beneficial owner of the trust proceeds, or
- b the beneficiary must instruct us but give authority to you as the former trustee(s) of the bare trust to continue to give instructions on their behalf.

- 4.14.6 If we do not receive instructions as set out in Term 4.14.5 we may terminate the client relationship with you on thirty days' written notice and require the Account to be transferred to another authorised investment firm. This ability to terminate the client relationship is in addition to our rights under Term 6.11.

5 BANKING SERVICES

5.1 Introduction

- 5.1.1 We will provide you with limited banking services. Your Bank Accounts are designed to be ancillary to your Account, and to service your Account. You can use your Bank Accounts to collect dividends, facilitate the settlement of security transactions and to hold cash within your Account for investment. We do not provide you with many of the day-to-day services a high street retail bank providing a payment account would offer such as cheque books, bank cards and or the ability to withdraw physical cash. Your Bank Accounts are not payment accounts.
- 5.1.2 Money held in accounts is held by us as Banker and not as trustee.
- 5.1.3 Details of our charges for banking and account services are set out in our Schedule of Interest Rates. In addition, information on our charges are available on our website and from the Select team upon request.

5.2 Our Banking Services

- 5.2.1 The limited banking services we provide are:
- a the Bank Account(s);
 - b services related to the Bank Account(s) including, executing electronic payments from your Bank Account(s) subject to the limitations set out in this Section 5;
 - c the receipt of electronic payments into your Bank Account(s);
 - d the receipt of payments into your Bank Account(s) via cheques subject to the restrictions set out in this Section 5.
- 5.2.2 We will not:
- a accept physical cash deposits or allow physical cash withdrawals from your Bank Accounts;
 - b provide cheque books;
 - c provide you with debit or credit cards;
 - d allow you to make mobile phone payments.
- 5.2.3 We will not make third-party payments on your behalf. The only exception to this is that we may, in our discretion, accept an instruction to make a third-party payment where the Account is legally owned by a trustee on bare trust for another and:
- a the payment is to the beneficiary of that bare trust; or
 - b the payment is to another third-party but for the benefit of the beneficiary of that bare trust.

Please contact a member of the Select team if you wish us to make such a payment as certain procedures apply. In particular, a notice period of five Business Days may be required to allow us to ensure that there is sufficient cash available in your Account to make the payment.

5.3 Types of Bank Account

- 5.3.1 We may support your Account by using any of the following types of Bank Account:
- a Income Account

This Bank Account supports the collection of dividends and other income in respect of your Account. Depending on your requirements, we will pay the balance to you or your Capital Account for further investment. We do not pay interest on this Bank Account.
 - b Capital Account

This Bank Account facilitates the purchase and sale of investments in respect of your Account and any payment or receipts you make to or from your Account. We pay interest on this Account in accordance with Term 5.5.

We may from time to time offer other banking only services.

5.4 Operation of the Bank Accounts

- 5.4.1 We will credit your Bank Accounts with:
- a any funds received from or held in respect of your Account, to Bank Accounts held or maintained in your name. This includes dividends and interest due to you, after applicable tax is deducted;
 - b any funds received from selling investments in accordance with this Agreement.
- 5.4.2 We will debit your Bank Accounts with:
- a the fees and expenses as provided for in this Agreement and set out in our Schedule of Charges and/or Schedule of Interest Rates;
 - b interest on outstanding balances, in accordance with our Schedule of Interest Rates
 - c any other payments owed by you in connection with the services we provide you under this Agreement, such as the cost of purchasing the applicable RAM Fund(s).
- 5.4.3 You will be responsible for paying any tax due, including any tax on your dividend and interest income. Your tax treatment depends upon your personal circumstances and may change.

5.5 Interest rates

- 5.5.1 We will pay interest on balances held in interest-bearing Accounts in accordance with our Schedule of Interest Rates, which is available on our Website and upon request.

5 BANKING SERVICES – continued

- 5.5.2 We calculate interest on a tiered basis using a rate set by us for sterling and currency. The amount of interest we offer depends on how much uninvested cash you have in your Account.
- 5.5.3 We may make changes to interest rates and interest bands, immediately and without notice where such changes are:
 - a more favourable to you
 - b based on changes to the Reference Interest Rate.
- 5.5.4 You can find the interest rates we offer on our Website, published in all our offices or in your periodic reports. You can also ask the Select Team for our interest rates.
- 5.5.5 Interest will accrue on the balance of interest-paying Bank Accounts on a day-to-day basis and will normally be applied quarterly in arrears.
- 5.5.6 Interest will accrue on the basis that there are 365 days in a year basis on applicable sterling Bank Accounts. In respect of any other currency, interest will usually accrue on the basis that there are 360 days in a year.
- 5.5.7 We may deduct tax from credit interest and other payments due to you where required by applicable law unless you have provided appropriate certificates to enable us to make payments gross. We will deduct tax on joint Bank Accounts unless all joint holders have provided such certification.
- 5.5.8 Interest on Bank Accounts held within ISAs or JISAs will be subject to the ISA Regulations.

5.6 Cheques

- 5.6.1 When a cheque is paid into your Bank Account we must collect the payment from the person who gave you the cheque. This process is known as the cheque clearing cycle.
- 5.6.2 We process all pounds sterling cheques from a bank in the UK as images. An imaged cheque is a scanned digital image of a paper cheque, which allows it to be processed electronically instead of by paper. The clearing cycle for cheques in pounds sterling from a UK bank will be as follows:
 - a the day we receive a cheque is known as day one (provided this is before 1.00pm on a Business Day); and
 - b you can usually access funds in respect of the cheque and, in addition, you can be certain that the cheque has cleared (except in the case of deliberate fraud) one Business Day after day one (this is known as day two). Interest will begin to accrue from day two.
- 5.6.3 Cheques that are in a foreign currency will take longer to clear.
- 5.6.4 We will issue a cheque to you upon your verbal instruction. However, we may ask you to confirm a request for a cheque in writing if the cheque is above our applicable limits.

- 5.6.5 Subject to Term 5.2.3, we will only accept your instructions to issue a payment to a third party recipient where the instructions themselves are in writing. We may need to obtain additional information from you such as verifying the recipient's details and confirming your instructions.
- 5.6.6 We will try to stop a cheque at your request where we have issued a cheque on your behalf.
- 5.6.7 Where a cheque is drawn on your Account, the amount will be debited immediately and will stop earning interest from that point.
- 5.6.8 Where we issue a cheque on your behalf, it will remain valid for six months from its date.

5.7 Electronic Payments

- 5.7.1 Receiving money into your Bank Account:
 - a where electronic payments are received into your Bank Account, funds will be available to you and, if the Bank Account is a Bank Account where interest is payable, be eligible for the calculation of interest on credit balances on the Business Day that such funds are received by us.
 - b Terms 5.7.2 to 5.8 below apply in relation to electronic payments which you instruct us to make from your Bank Account. Note that third party payments are only permitted where specified in accordance with Term 5.2.3.
- 5.7.2 Paying money from your Bank Account
 - a You must provide us with certain information so we can make an electronic payment for you, as set out below:
 - i for all payment requests, you must specify which Bank Account you wish the payment to be debited from – if you do not specify a Bank Account, we will make all payments from your Capital Account
 - ii to make a payment in sterling to another UK bank, you must give us the recipient's name, address and account number, bank sort code and reference where relevant (for example a building society roll number)
 - iii to make a payment to a bank within the EEA (in any currency we allow), you must give us the recipient's name, address, and account number, and the payee bank's name and address. International Bank Account Number (IBAN) and SWIFT Bank Identifier Code (BIC)
 - iv to make a payment to a bank outside the EEA (in any currency we allow), you must give us the recipient's name, and account number/ International Bank Number (IBAN) and SWIFT Bank Identifier Code (BIC) and/ or local routing code
 - b We will assume that you have given us permission to make an electronic payment or series of electronic payment transactions where

5 BANKING SERVICES – continued

you have provided us with instructions in accordance with Section 6, Term 6.7, or if you have provided us with instructions to make a payment using the MyRathbones Service and subject to Term 5.10. However:

- i we will accept a verbal instruction to make a payment if:
 - aa the payment is from your Bank Accounts to another related client's Bank Account (e.g. husband and wife), if the payment is below any limit previously agreed in writing with us;
 - bb the payment is to an account held by you with another bank, as long as you have previously notified us of the account in writing
- ii you must provide us instructions in writing to make a payment to a third-party, in accordance with Term 5.2.3, or an account that you have not previously notified to us. We will only make the payment subject to Terms 5.2.3 and 5.10. We may also need to speak to you to verify your instructions.
- c the following cut-off times are the latest times we process payment instructions:
 - i to make a payment to an international bank on a Business Day outside the UK, you must provide us with instructions by 11.00am;
 - ii to make a non-sterling payment to a bank in the UK, you must provide us with instructions by 11.00am;
 - iii to make a same day payment, you must provide us with instructions by 12 noon;
 - iv to make a BACS payment, you must provide us with instructions by 2.00pm.
- d if you give us instructions after these cut-off times or on a non-Business Day, we will treat your instruction as received on the next Business Day;
- e subject to Term 5.7.2 (f) below, the table below gives you information on when the recipient's financial institution will receive the payment if you send us instructions before the cut-off time:

Type of payment	When the recipient's financial institution will receive the payment
A same day payment in sterling to a UK financial institution	Same Business Day
A BACS payment in sterling to a UK financial institution	Three Business Days

A payment in sterling or euro to a UK or EEA financial institution	One Business Day if the instructions are not on paper. If you give us instructions by paper, two Business Days
A payment in a currency that is not sterling or euro to a UK or EEA financial institution	Four Business Days
Payments made to financial institutions outside the UK and EEA	This depends on the currency and the country you are sending the money to. You can contact us to ask us when the recipient will receive the payment
Payments between your Bank Accounts with us	Immediately except where we use an external clearing system, in which case the execution times set out in the rows above would apply

- f we may refuse to make a payment, or may delay a payment, where we have reasonable grounds to do so. For example:
 - i you have provided us with incorrect, insufficient or ambiguous details for a payment;
 - ii you do not have sufficient funds in the Bank Account;
 - iii if we have concerns about a possible breach of the law;
 - iv if we have concerns about security, unauthorised or fraudulent use of the Bank Account or other legitimate concerns;
 - v the payment is over any internal limits;
 - vi the payment exceeds our risk appetite.
- g pursuant to our internal controls, we reserve the right to refuse to execute a payment transaction to a bank account where the bank account details are not already held by us.
- h we will normally tell you why we have refused to make a payment and what you need to do so we can make the payment, unless telling you would be unlawful.
- i you generally cannot cancel a payment we have received the instruction. However, you can ask us to cancel a payment you have asked us to make on a future date up until the end of the Business Day before the agreed date for payment. We will, try to cancel your payment if

5 BANKING SERVICES – continued

we receive your request before the relevant cut-off time (see Term 5.7.2(c)). However, we may not always be able to cancel the payment. If you want to cancel or amend a payment instruction you should notify us as soon as possible during office hours on a Business Day by telephoning the Select Team. You must include all details of the payment instruction provided with the instruction (as set out in Term 5.7.2) if you send us a request to cancel a payment.

5.8 Foreign Currency

- 5.8.1 If we receive money that is different to the currency of your Bank Account, we will use our Reference Exchange Rate to convert it at the time we receive it.
- 5.8.2 If you instruct us to make a payment transaction in a currency different to the currency of your Bank Account, we will act as principal in the foreign exchange transaction (ie we will be the buyer or the seller of the foreign currency from or to you) and unless we have agreed a fixed or different rate with you for a particular transaction, the exchange rate we will use is our Reference Exchange Rate.
- 5.8.3 Where an instruction for a payment transaction involves a currency conversion to be carried out by another party, we will have no control over the exchange rate used.
- 5.8.4 We may make changes to exchange rates immediately and without notice where such changes are:
 - a more favourable to you; or
 - b based on changes to our Reference Exchange Rate.

5.9 Periodic Reports

- 5.9.1 We will send you a three-monthly periodic report (or at such other frequency agreed between us) in respect of your Bank Account which will include a statement of transactions. Daily account statements are also available via our MyRathbones Service and your online statement will be updated at the end of each Business Day.
- 5.9.2 It is very important that you check each periodic report and inform us as soon as possible if it shows any transactions which are incorrect or unauthorised. Failure to tell us about incorrect or unauthorised transactions may mean that you will not be entitled to any redress. Please see Term 5.11 for details about our liability for incorrect or unauthorised transactions.

5.10 Security

- 5.10.1 You must not disclose your Bank Account details or security information to anyone. Please take care when storing or disposing of information about

your Bank Account. You should shred copies of documents which include your signature to avoid fraud, including faxes or photocopies of your signature.

- 5.10.2 If you think that someone has obtained any of your Bank Account details or is using or attempting to use your security information or your signature please let us know as soon as possible (in accordance with Section 6, Term 6.7). We will deal with such notification once received by us.
- 5.10.3 If you request us to request an outgoing electronic payment, we may apply certain security measures (for example via a call back check) before we accept your instruction.
- 5.10.4 From 31 October 2024, for some payments, we will ask the receiving bank to check that the payee's name matches the payment details you have given us. This is called "Confirmation of Payee". Where we apply Confirmation of Payee, the receiving bank should tell us whether the payee's name is a match, a close match, no match, or that a check was not possible. We will provide this information to you. You must then confirm that you wish to go ahead with the payment.

5.11 Liability for Unauthorised Transactions

- 5.11.1 You must notify us as soon as possible (in accordance with Section 6, Term 6.7) of any suspected unauthorised or incorrectly executed transactions. Other than transactions involving cheques, you must notify us within 13 months of becoming aware of an unauthorised or incorrectly executed transaction. If you do not notify us within this time period you will not be entitled to redress.
- 5.11.2 You will be liable for all losses in respect of unauthorised transactions where you have acted fraudulently.
- 5.11.3 If we are liable in respect of an unauthorised or incorrectly executed transaction we will refund the amount of the unauthorised payment to you in accordance with the Regulatory Rules and where applicable return the Bank Account to the state it would have been in had the unauthorised transaction not taken place (for example, by refunding any charges or interest that you have paid as a result). If we have reasonable grounds to suspect that there has been fraud or you have been grossly negligent we may investigate the matter before effecting a refund. We will carry out any investigation as quickly as practicable in the circumstances.
- 5.11.4 If we claim you have acted fraudulently or failed with gross negligence to comply with these Terms, we will, subject to our legal obligations, provide you with supporting evidence of this.

5 BANKING SERVICES – continued

5.12 Cancellation

You can cancel your Bank Accounts. Details of how to exercise your cancellation rights are set out in Section 1, Term 1.8.

5.13 Set-Off

- 5.13.1 If you owe us money (such as fees for carrying out a transaction) and do not pay it on time, we may take this money from any Bank Account you hold with us to reduce the amount you owe us. This is called our 'right of set-off'. We will inform you in writing at least 14 calendar days' notice before we use our right of set-off. We will only use this right where we consider it reasonable to do so and if the law allows us to.
- 5.13.2 If you owe us money in different currencies, we may convert the amount you owe us using a market rate of exchange which we reasonably select.
- 5.13.3 Where your Bank Account is a joint Bank Account, our right of set off allows us to take money in your Bank Account to pay:
 - a a debt owed to us by one or more of the Bank Account holders;
 - b a debt owed to us by one or more of the Bank Account holders and someone else together.

5.14 Amendment

- 5.14.1 We will normally give you at least two months written notice in respect of changes we proposed to this section relating to our banking services unless we make a change to our interest or exchange rates, which we may make immediately without notice to you.
- 5.14.2 If we give you notice of changes and have not heard from you we will treat you as having accepted the changes. If you do not accept the changes you may also end the Agreement by notice before the changes come into effect.

5.15 Use of the MyRathbones Service for Requesting Payments

- 5.15.1 This Term 5.15 applies when we have provided you with access to the MyRathbones Service. You can send requests to us via the MyRathbones Service requesting that we make electronic payments out of your Bank Account and between your Bank Accounts. However, the MyRathbones Service does not allow you to initiate an automated payment transaction. The Select Team will consider your request for a payment transaction received via the MyRathbones Service and deal with such request in accordance and subject to these Terms. Full online terms can be found when you log on to the MyRathbones Service.

- 5.15.2 If you or anyone else granted access to the MyRathbones Service becomes aware of, or suspects any unlawful or unauthorised use of, the MyRathbones Service, or suspects that someone knows their password or any other security information, please contact the Helpdesk as soon as possible on 0800 151 3345 during Business Days or by email at onlinehelp@rathbones.com at any time.

5.16 General

- 5.16.1 We will not provide banker's references to other parties without your written consent.
- 5.16.2 We will not open a Bank Account for you unless you have provided us with appropriate information by which we can verify your identity. Full details of the documentation required are available from us.
- 5.16.3 Where your Bank Account has been superseded because, for example, that type of account is no longer being actively promoted, you will be informed in appropriate cases.

5.17 Dormant Accounts

We may, if we participate in the UK Government's dormant accounts scheme, close a Bank Account that has had no transactions for 15 years and we have lost contact with the Bank Account holder despite making reasonable attempts to find them. We can transfer the balance to the UK's central reclaim fund. If the Bank Account holder is subsequently identified and seeks repayment, we may reclaim this money back from the reclaim fund on the Bank Account holder's behalf.

6 GENERAL TERMS

6.1 Material interests and conflicts of interest

- 6.1.1 When we provide our services, we, a member of the Rathbones Group or an affiliate, may have an interest, relationship or arrangement that is material in relation to the investment, transaction or service concerned.
- 6.1.2 In particular in relation to Select the service involves you investing solely in RAM Funds which are funds managed by Rathbones Asset Management Limited, a Rathbones Group company. The Select service does not allow you to hold third party funds or other investments.
- 6.1.3 We take all appropriate steps to maintain effective internal arrangements to identify, and to prevent or manage, conflicts or potential conflicts of interest which may damage the interests of clients. We maintain a Conflicts of Interest Policy in relation to these arrangements, a copy of which is available on request.
- 6.1.4 We also maintain a conflicts of interest register (which details individual conflicts) and a conflicts of interest log (which records high level conflict themes). We shall promptly disclose to you conflicts which arise that we cannot prevent or manage effectively. We will periodically change the conflicts of interest register and log when our business activities vary. We also conduct an annual review to ensure such changes are captured.
- 6.1.5 We take steps to manage conflicts, some of which we have listed below:
- a any gifts or benefits offered or received by our employees, to or from, clients or financial services companies they deal with must adhere to internal reporting and pre-clearance policies, regulatory and legal requirements
 - b employees can undertake deals in financial instruments on their own behalf, which can create a conflict with the duties we owe to clients. All of our employees and connected parties are required to comply with our Personal Account Dealing policy which amongst other matters prohibits:
 - i dealing ahead of client orders
 - ii dealing in an investment where they know, or should know, that a written recommendation, or a piece of research or analysis, in respect of that investment or any related investment is due to be published.
 - c we are structured to operate independently with limited intervention from our Rathbones Group affiliates. This is to limit the probability of group conflicts arising.
 - d from time to time, we may want to market services to clients of another business within the Rathbones Group. In such instances we will disclose our relationship with the other relevant entity in the Rathbones Group to those clients

and ensure the services are appropriate and suitable in line with our policies and procedures.

- 6.1.6 Subject to the rest of these Terms, neither we nor another business within the Rathbones Group shall be responsible to account to you for any profit or other remuneration received from or by reason of such transactions or connected transactions or to disclose the name or the identity of any other party involved in such transaction nor will our fees be reduced.

6.2 No investment service During withdrawal or Transfer Periods

- 6.2.1 There will be times when it is neither appropriate nor possible to invest your money or assets in (or where applicable withdraw your money or assets from) the markets. This will be the case where:
- a we are to act as plan manager (for example, in relation to a personal pension plan) and there is a period before that appointment is effective
 - b cash and/or investments are being transferred to us to be administered and there is a period before that transfer is effective or we are in the process of investing money or assets for the first time in the market so that the Portfolio will be aligned with the Investment Mandate.
- 6.2.2 In the circumstances described in Term 6.2.1 there is a risk that the markets move against you during the period that your money or assets are not invested in, or disinvested from, the markets. We will not be liable for the consequences of market movements or events.

6.3 Income

- 6.3.1 We will agree with you how your income on investments will be paid or reinvested.
- 6.3.2 If you request regular fixed payment withdrawal sums from your Account, as opposed to income generated from your choice of RAM Fund, we may need to sell shares to raise sufficient funds to meet your requirements. The higher the fixed amount, the more capital erosion can occur. In addition, the sale of shares may have tax consequences for which you are responsible. You or your professional advisers remain responsible for the management of your tax affairs and if you are in any doubt you should talk to your professional advisers, including, if applicable, your Financial Adviser.

6.4 Holding Your Money as Banker

- 6.4.1 We will, from time to time, hold money in respect of your Account on your behalf.
- 6.4.2 Where you are a beneficiary or policyholder in respect of an Account which is legally owned by a third-party provider (for example, where we are appointed to provide services in respect of your

6 GENERAL TERMS – continued

SIPP or, in the case of an Advised Client, an offshore insurance bond) this Term 6.4 will apply in respect of services provided directly to your third-party provider as legal owner of the Account.

- 6.4.3 We will hold your money as Banker and not as trustee under the client money rules. If we fail as a firm the client money distribution and transfer rules will not apply and you will not be entitled to share in any distribution and transfer under the client money distribution and transfer rules.
- 6.4.4 Money received by us on your behalf will normally be transferred as soon as possible to a Bank Account of yours, operated in accordance with the terms set out in Section 5, usually on the same day as receipt (if on a Business Day) or on the next Business Day.
- 6.4.5 We also operate pooled bank accounts holding your money as Banker in certain situations including:
 - a for a limited period, when we receive funds that have not yet been allocated or when we are opening of a Bank Account in your name
 - b for a limited time only when we receive funds but your Bank Account has recently been closed.
- 6.4.6 Money held by us as Banker is not client money. We shall not be responsible to account to you for any profits or remuneration we receive in our capacity as Banker.

6.5 Limited Circumstances when your Money is Held as Client Money

- 6.5.1 In providing the Select investment service to you we will sometimes stop holding your money as Banker and instead, hold it as trustee in accordance with the FCA client money rules. This means that, if we as a firm fail, the client money distribution rules will apply to the client money we hold. We will hold client money in a client account separate from our own money and from any money we hold for you as Banker.
- 6.5.2 Where you are a beneficiary or policyholder in respect of an Account which is legally owned by a third-party provider (for example, where we are appointed to provide services in respect of your SIPP or, in the case of an Advised Client, an offshore insurance bond) this Term 6.5 will apply in respect of services provided directly to your third-party provider as legal owner of the Account.
- 6.5.3 We may hold your money as client money in the following circumstances:
 - a where we have received funds from you and the funds have not been allocated to a Bank Account within 10 Business Days of receipt;
 - b on the sale of a unit or units in a unit trust where we have received the proceeds on your behalf but the transaction has not yet been confirmed
 - c where we hold unclaimed funds on your behalf which have not been paid to your Bank Account or

an external bank account. For example, where you are no longer our client and we have not been able to pay you the funds that we are still receiving for you (such as distributions/dividends);

- d where we identify a discrepancy as a result of, or that reveals, a shortfall in assets, which we have not yet resolved. In such circumstances we may, appropriate a sufficient amount of our own money to cover the value of the shortfall and hold it as client money;
 - e on the purchase of an asset where we have debited your Account for the purposes of settlement, but the transaction has not yet settled
 - f where we have received funds relating to entitlements (e.g. dividends) that have not been allocated to an Account within ten business days of receipt.
- 6.5.4 When we receive client money we will promptly place it into one or more client bank accounts with a UK regulated bank or credit institution as permitted by the FCA client money rules. We may use a member of the Rathbones Group to hold your money (subject to a limit of 20% of the total client money we hold). We do not pay interest on money held as client money.
 - 6.5.5 We will use all due skill care and diligence on the selection, appointment and periodic review of the regulated bank(s) or credit institution(s), where your client money will be deposited and the arrangements for holding this money.
 - 6.5.6 Client money accounts are established only with banking counterparties which we consider suitable for the purpose and who acknowledge that the funds are held by us as trustee and that the accounts are separate from and may not be combined with any other accounts of ours held by them.
 - 6.5.7 We shall not be responsible for any credit institution or bank that holds your client money. Your money may be pooled with money belonging to other clients which means that your claim will not be for a specific account but for money in the general client money pool.
 - 6.5.8 We may allow another person such as an exchange, clearing house, or an intermediate broker to hold or control your money for the purpose of a transaction for you through or with that person, or to meet your obligation to provide collateral for a transaction. If the third party fails or becomes insolvent and your money is pooled with other clients, you may not receive the full entitlement and may share proportionately with other clients whose money is held in this way. In addition, we may:
 - a hold your money at a bank or credit institution outside the UK. The names of such banks or institutions are available on request.
 - b transact business for you which involves your money being passed to an intermediate broker or settlement agent or over-the-counter counterparty outside the UK.

6 GENERAL TERMS – continued

- 6.5.9 The legal and regulatory regime applying to the overseas institution will be different from that of the UK and in the event of the institution's default, your money may be treated differently from the position which would apply if it were held in the UK. Where your money is held outside of the UK, your rights in the event of a default or insolvency of the third party holding your money may be different and may be reduced.
- 6.5.10 If we lose contact with you and where there has been no movement on your client money cash balance for a period of at least six years (disregarding any payment or receipt of interest charges or similar items), we will act in accordance with our internal procedure for allocated but unclaimed client money, which:
- requires us to take certain steps to trace you and return your money to you; and
 - allows us, where you cannot be traced, to pay away any allocated but unclaimed client money balances, as permitted by the FCA Rules.
- 6.5.11 Where an unallocated client money balance in excess of £25 is paid away, we (or a company in our group) will undertake to pay to you a sum equal to the balance paid away in the event of you seeking to claim the balance in future.
- 6.5.12 In the event of a Primary Pooling Event, you agree that we may opt to transfer some or all of your client money to another entity for safekeeping on your behalf. Please contact the Select Team if you have any questions about the treatment of your client money in the case of a primary pooling event.

6.6 Re-Denomination

We may change the currency of your Account into another currency, if required to do so by law or prevailing market practice and we will inform you accordingly.

6.7 Instructions and Communications

- 6.7.1 You may give us instructions via the MyRathbones Service using secure messages. This is the preferred communication method for Select. You should refer to the MyRathbones terms for the specific details relating to instructions and communications provided using the MyRathbones Service.
- 6.7.2 You acknowledge that we will send you periodic reports, notices, or any other required or requested information or communication using the MyRathbones Service.
- 6.7.3 Where any information or confirmation is required to be given "in writing" in these Terms, we may provide such information or confirmation via the MyRathbones Service.
- 6.7.4 If you wish to communicate with us offline you may contact us orally, in writing or by email subject to the remaining provisions of this Term 6.7, provided that where instructions are given orally, by fax or by email we may require you to confirm such instructions in writing. You should contact the Select Team using the following contact details. For Advised Clients contact telephone number 0800 328 0029 or email at Selectadvised@rathbones.com. For Direct Clients contact telephone number 0800 328 0048 or email at Select@rathbones.com. We will normally reply using secure messages via the MyRathbones Service as this is the preferred method of communication for the Select service.
- 6.7.5 Instructions to purchase or sell shares in RAM Funds must be made via secure messages using the MyRathbones Service or otherwise in writing. We do not accept instructions to deal solely made via telephone. Telephone instructions to mobile telephones of the Select Team or messages sent via their LinkedIn, Facebook or any other social networking accounts will not be accepted or acted upon. We do not accept instructions given to us by SMS text message, social media or any other non-recorded means.
- 6.7.6 We require your prior instructions in writing in order to make a payment or transfer to an account that you have not previously notified to us.
- 6.7.7 In respect of communications received by telephone, we cannot accept any responsibility for any inconsistency between telephoned, and any subsequent confirmation in writing and the latter shall always prevail.
- 6.7.8 You may give us instructions by email in accordance with procedures (including security procedures and the use of passwords) for giving such instructions which we may notify to you from time to time. You agree and acknowledge that:
- you should not send urgent, time sensitive or confidential communications by email;
 - there are risks inherent in email communications, including the risk of unauthorised interception, mis-delivery, malfunction, viruses or delay (if, for example, the recipient at our office is not available);
 - we will receive email instructions (including instructions contained in any attachment) when they are accessed by us. This means there may be a delay in processing instructions received via email (including instructions contained in any attachment) as we may not process them until after we receive the email
 - we may require you to confirm email instructions by other means.
- 6.7.9 Although you can give us instructions outside normal office hours (9.00am to 5.00pm on Business Days) we will only receive the instructions during normal office hours on a Business Day and in relation to the MyRathbones Service, secure messages and emails (including instructions contained in any attachment) when manually

6 GENERAL TERMS – continued

accessed by us during such time. For our banking services, cut-off times for receipt of instructions apply as set out in Section 5.

- 6.7.10 We may rely and act on any instructions transmitted by any means which we reasonably believe appear or seem to be sent by you or a third party authorised by you.
- 6.7.11 We will accept instructions from your Financial Adviser and such other third parties you have authorised us to accept instructions from until we receive written notice from you to the contrary.
- 6.7.12 We will act on instructions that we receive and access unless:
 - a doing so may involve us or you in a breaching legal, regulatory or contractual requirements, we reasonably believe that doing so would be impracticable or against your interests,;
 - b we reasonably believe that the instructions are fraudulent or unauthorised;
 - c we would run the risk of suffering financial loss; or
 - d you are not the legal owner of the Account.
- 6.7.13 Where you are a beneficiary or policyholder in respect of an Account which is legally owned by a third party provider (for example, where we are appointed to provide services in respect of your SIPP or, in the case of an Advised Client, an offshore insurance bond) the third party provider may be able to instruct us without reference to you and your rights to instruct us under this Term 6.7 may be limited. You should consult with your third party provider for details.

6.8 Third Party Authority and Powers of Attorney

- 6.8.1 You can authorise us to accept the instructions of your Financial Adviser, if applicable, and other third parties, as applicable, by completing our delegated authority form (or as otherwise agreed between you and us. third party authorised by you can instruct us as you would, obtain information about your Accounts and provide us with information on your behalf. For example, a third party authorised by you could:
 - a give us instructions to carry out transactions
 - b provide us with information relating to you
 - c agree a change to your Select Strategy provided that if you are an Advised Client, your Financial Adviser has provided separate confirmation that they have advised you in relation to this change.
- 6.8.2 You will be responsible for any instructions and information provided by a person you have authorised to act on your behalf. We will continue to accept instructions and information from an authorised third party until we receive written notice from you that they are no longer authorised to do so.

- 6.8.3 A third party that is not acting under a power of attorney will not be authorised to make a change to the service you receive (for example, a change from the execution-only services provided by Select to a different service offered by us under separate terms), nor open a new Account, nor agree to subscribe or resume subscription to an ISA.
- 6.8.4 Where you have granted a third party a lasting or enduring power of attorney we may assume that you have capacity to act until notified to the contrary by the person(s) granted authority. We may not act on instructions received from the person(s) granted authority under the lasting or enduring power of attorney unless we are satisfied, in our absolute discretion, that the lasting or enduring power of attorney allows for us to be instructed.
- 6.8.5 Subject to the terms in this Term 6.8, the same Terms in Term 6.7 apply to secure messages or oral, written, faxed or emailed instructions received by us from a third party as they do to instructions received from you, and you must ensure that your authorised third party complies with these provisions.
- 6.8.6 We may disclose Bank Account balances and any other details about your Bank Accounts to your appointed attorneys, and to the third parties authorised by you, including as applicable your Financial Adviser. If one or more of your appointed attorneys or authorised persons dies, loses their legal capacity or renounces the powers granted to them, we will assume the remaining attorneys or authorised persons continue to be authorised unless you tell us otherwise in writing.
- 6.8.7 We will write to you and as appropriate any third party (including any Connected Person) authorised by you, at the address(es) notified to us in writing. We may communicate to you and any authorised person (including any Connected Person) by secure message, post, fax, telephone or email, as appropriate. We may also provide information on our Website where we consider it appropriate to do so.

6.9 Your Responsibilities

- 6.9.1 You must comply with these Terms and this Agreement. You, and any person authorised by you, has full power and authority to enter into and instruct us, on the terms of this Agreement.
- 6.9.2 You have the following responsibilities regarding information:
 - a you must ensure that any information you have provided to us and (where relevant) any competent authority is complete and accurate;
 - b you must notify us and (where relevant) any competent authority promptly if there is any material change to the information provided by you (including, but not limited to, notifying us if

6 GENERAL TERMS – continued

- your country of residence or nationality changes, for example if you marry a citizen of another country and thereby acquire dual nationality);
- c you must provide us with all information and documentation that we may require and request you to provide to allow us to carry out our Account opening procedures and to comply with our legal, regulatory, tax compliance and contractual obligations.
- 6.9.3 You have the following responsibilities in relation to investments:
- a unless you are acting as trustee or agent, or we have provided you with a JISA, you are always acting as principal for your own account and the investments and cash within your Account belong to you;
- b except for security interests provided for in this Agreement, the investments and cash within your Account are and will remain free from all liens, charges and other security interests unless we expressly agree otherwise;
- c you will not, either directly or indirectly, cause us to be responsible to any third party which is not expressly anticipated by these Terms;
- d you will not, except through us, deal, or authorise anyone else to deal, in the investments in your Account.
- 6.9.4 You will be responsible for any reasonably foreseeable loss or liability we incur in providing any services to you under or in connection with this Agreement. You will also be responsible for any loss or liability we incur if we act on any instruction purporting to be given by you by telephone or by email (including instructions contained in any attachment), whether or not such instruction was in fact given by or authorised by you, as long as we have tried to establish whether such instruction was in fact given or authorised by you. However, you will not be responsible for any loss or liability:
- a which arises out of our own fraud, negligence or breach of this Agreement;
- b which is unreasonably or improperly incurred;
- c where a regulatory body or court of law subsequently finds our actions or omissions to be the cause of that loss or liability.
- 6.9.5 Term 6.9.4 shall not apply to any banking service that we provide you with under Section 5.
- 6.10 Our Responsibilities**
- 6.10.1 We will carry out our duties with reasonable skill, care and diligence and in accordance with the instructions and authority you have given us. As long as we do this, we do not accept any liability for loss (or the loss of an opportunity to gain) which arises from the provision of services to you.
- 6.10.2 We are responsible for the acts or omissions of any nominee company controlled by us or a Rathbones Group company in respect of this Agreement.
- 6.10.3 We will exercise reasonable skill, care and diligence in our selection and use of nominees, custodians or agents. As long as we do this (and as long as the losses do not arise directly from our fraud, negligence or wilful default) we are not responsible for loss arising from the default of a nominee, a custodian or agent whether the loss arises from loss of funds, investments, title documents or otherwise.
- 6.10.4 We are not responsible for losses you suffer if we (or our agents, nominees, custodians or others appointed by us) do not comply with this Agreement because of circumstances outside our or their reasonable control. These circumstances would include, for example: acts or regulations of any government, regulatory or supranational bodies or authorities; currency restrictions, devaluations or restructuring; the interruption, breakdown, failure, suspension or malfunction of any communications or computer service; the failure of any exchange, clearing house, market maker, dealer, broker or counterparty to perform its obligations; or acts of God, war, revolution, civil disorder, pandemic, terrorist attack, strikes or industrial disputes.
- 6.10.5 We shall not be responsible for any losses you may suffer if we suspend or delay performing our obligations if we become aware that:
- a you are unable to pay your debts when they become due (within the meaning of section 123 or 268 of the Insolvency Act 1986);
- b any step, application or proceeding has been taken by you or against you in respect of your bankruptcy or individual voluntary arrangement.
- 6.10.6 We are not responsible for any losses you may suffer if we are required to comply with the terms of an applicable court order in respect of your Account, a particular RAM Fund, or any of your Bank Accounts.
- 6.10.7 This Agreement does not exclude or restrict our duties or liabilities to you under the Financial Services and Markets Act 2000 or the regulatory system.
- 6.10.8 We will do our best not to prejudice any tax status of yours based on the tax considerations which you have notified to us in writing. However, you or your other professional advisers must remain responsible for the management of your own tax affairs.
- 6.10.9 We will normally act as your agent, which means that you will be bound by the actions we take for you in accordance with this Agreement. Nevertheless, nothing in this Agreement, none of the services we are to provide nor any other matter shall give rise to any fiduciary or equitable duties which would prevent or hinder us or any company within the Rathbones Group or Affiliate from performing our services or entering into transactions with or for you.

6 GENERAL TERMS – continued

6.11 Ending the Agreement

- 6.11.1 Our Agreement has no minimum duration. You may end the Agreement by giving us written notice at any time. The Agreement will end when we receive your notice. You are responsible for any losses and tax consequences you may incur if you end the Agreement. For example, if you give us notice to end the Agreement with immediate effect, and instruct us to sell your investments, you may get less than what the investment was originally purchased for.
- 6.11.2 We may end the Agreement by giving you 30 calendar days' written notice at any time, save that in respect of our banking services we are required to give you not less than 90 days prior written notice. This right of termination would include where you are an Advised Client and you cease to retain the services of a Financial Adviser, although we may, at our discretion, allow you a grace period of up to 60 calendar days to remedy this situation.
- 6.11.3 We may also end the Agreement, or suspend the services we provide to you, with immediate effect by giving you written notice if:
- a you do not pay us when we ask you to
 - b you act fraudulently
 - c you breach any of the terms of the Agreement and do not fix this within a reasonable time after we write to you
 - d without affecting the rest of this Term 6.11.3 you do not provide, when requested by us, information which we may reasonably require in order to continue the provision of services to you or any information that we may reasonably require under this Agreement or in order to satisfy our obligations including under international tax compliance laws (as further specified in Term 6.15.3)
 - e if we reasonably believe that you are, or are likely to be, unable to pay your debts when they become due (within the meaning of sections 123 or 268 of the Insolvency Act 1986), or any step, application or proceeding has been taken by you or against you in respect of your bankruptcy or individual voluntary arrangement
 - f we need to do so for regulatory or operational reasons, including where we are required to do so by law (for example, where we receive a notice from any governmental or tax authority requiring us to freeze all or part of your Account), or where we suspect fraud, money laundering or other crime
 - g we reasonably believe that maintaining all or part of your Account might expose us (or an associate) to action or censure from any government, regulator or law enforcement agency

- h we reasonably believe that maintaining all or part of your Account might damage our reputation
- i we are instructed to do so by a third party provider under our contract with that third party provider where all or part of your Account is legally owned by a third party provider (as described in Term 1.5).

- 6.11.4 If you provide us with written notice by email to close the Bank Account, the notice will not take effect until we have confirmed the closure with you. We will either do this by telephone, or in writing with a signature as we may require.

6.12 Consequences of Ending the Agreement

- 6.12.1 When the Agreement ends we may charge you for:
- a periodic fees, charges and expenses which have accrued and are due
 - b any additional expenses we or our agents necessarily incur on termination of the Agreement
 - c any losses we incur in settling or concluding outstanding obligations, but we will not ask you for any additional payment.
- 6.12.2 When the Agreement ends, we will promptly account to you for the monetary value of your investments plus any residual cash in your Account.
- 6.12.3 Once the Agreement ends, it will not affect any legal rights, obligations or commitments (such as in-flight transactions) that either you or we have that may already have arisen. For example, we will complete any transactions already initiated that we or our agents have committed to. You will also be required to pay any outstanding fees even after the Agreement or a particular service ends. After the Agreement ends, you and we will keep any rights each of us has under, or as a matter of, general law.

6.13 Default Remedies

- 6.13.1 We shall retain a lien and security interest over any assets within your Account to the extent that any charges, costs, losses or claims for which you are liable to us remain unpaid. You also agree subject to Section 3, Term 3.15 that assets within your Account may be subject to a lien in favour of any nominee or agent appointed by us in respect of properly incurred charges and liabilities relating to the administration and safekeeping of such assets or facilitating the settlement of trades of any depository or settlement system.
- 6.13.2 We may dispose of an investment of yours if you fail to make a payment when it is due to us. We will notify you of any disposal of investments of yours pursuant to rights under a lien or security interest. The lien or security interest will apply in respect of each asset or type of asset or class of asset comprised within your Account from time to time to the extent of your indebtedness to us.

6 GENERAL TERMS – continued

6.13.3 If you fail to pay any sum due to us under this Agreement when due we may charge you interest at a rate determined by reference to the base rate of the Bank of England, or its successors, plus a margin as disclosed in our Schedule of Interest Rates. In the case of non-sterling amounts, we will determine overdraft interest by reference to the applicable currency base rate, plus a margin as disclosed in our Schedule of Interest Rates. Such interest will accrue on a day-to-day basis. Further details are available on request.

6.13.4 We may appoint an agent to recover any sums you have not paid us. You will be responsible for paying any reasonable fees and expenses for this, including the agent's fees and expenses and any legal fees.

6.14 Confidentiality

6.14.1 We will treat any information you give us and information about your Account and any Bank Accounts as confidential. However, we may share or disclose information (confidential or not):

- a to our employees (or employees of our agents, nominees or custodians or other persons appointed by or used by us in connection with our services) on a need-to-know basis;
- b to the FCA, PRA and any other regulatory authority, to the extent that they are entitled to the information sought or to the extent that may be required in order to assist you in complying with any obligations under applicable law in relation to the services we provide to you under this Agreement;
- c to HMRC and to any other revenue service or tax authority, to the extent that they are entitled to the information sought;
- d otherwise as may be required by law, best banking or designated investment business practice, industry regulations or codes of practice;
- e to our professional advisers where reasonably necessary for the performance of such professional services;
- f to any member of the Rathbones Group where reasonably necessary to assist in the performance of obligations in connection with this Agreement or other legitimate business purposes;
- g where you are a beneficiary or policyholder in respect of an Account, or Bank Account which is legally owned by a third party provider, to such third party provider;
- h in the circumstances described in Term 6.15 or Term 6.16 (whether or not the information consists of personal data).

6.15 International Tax Compliance Laws

6.15.1 International tax compliance laws require us to collect and disclose certain information about our clients. This may include, for example, undertaking

due diligence on you and collecting information such as tax residency status.

6.15.2 We may be required to provide information about you, including your tax residency status, to HMRC and they may share this information with other tax authorities or governments.

6.15.3 We may ask you to provide additional information so we can satisfy these obligations. You must fully and accurately disclose such information when requested by us. If you do not provide such information when requested, we may end the Agreement with immediate effect by written notice in accordance with Term 6.11.3.

6.16 Use of your Personal Data

6.16.1 We will use your personal data in accordance with our Privacy Notice for Clients, as may be amended from time to time, a copy of which is available on our Website at rathbones.com/privacy or by writing to our registered office: Rathbones Investment Management Limited, Port of Liverpool Building, Pier Head, Liverpool L3 1NW.

6.17 Delegation and Use of Rathbones Group Members/ Agents

6.17.1 We may delegate any of our critical or important functions or services provided under this Agreement to any member of the Rathbones Group provided we are satisfied that such person is competent to carry out such responsibilities and has all relevant licences. We will still be responsible to you for matters we delegate. We will give you prior written notice if we delegate the exercise of the Select investment service.

6.17.2 We may, where reasonable, employ agents (including members of the Rathbones Group) to carry out administrative, dealing, and/or ancillary services (not covered by Term 6.17.1) necessary to enable us to perform our obligations under this Agreement. We will act in good faith and with reasonable skill and care in our choice, use and monitoring of such agents.

6.18 Money Laundering Compliance

6.18.1 We are required by law to operate procedures pursuant to the money laundering rules, which will include requesting that you or the controllers of the entity (trustees, beneficiaries, directors, settlors and in certain circumstances shareholders) provide us, if required, with proof of identity, proof of address, source of funds and/or source of wealth. You must comply with any such requests promptly. We will not accept new monies if you do not comply.

6.18.2 We may receive and retain documentary proof required by the money laundering rules and can disclose it to any government, regulatory, or law enforcement authority that is legally entitled to request it. You agree that we may carry out identity checks on you electronically.

6 GENERAL TERMS – continued

6.19 Bribery, Corruption and Tax Evasion

- 6.19.1 We do not tolerate instances of bribery or corruption. We will not take any action on behalf of a client or connected party which may facilitate tax evasion.
- 6.19.2 We have implemented and will maintain suitable procedures which comply with the Bribery Act 2010 and the Criminal Finances Act 2017. These procedures cover all aspects of our business.

6.20 Compensation under FSCS

- 6.20.1 We are covered by the Financial Services Compensation Scheme which considers compensation for investment business and eligible deposits separately. You may be entitled to make a claim to the FSCS in the event of our default. The amount the FSCS will pay depends on the services that we provide you with under these Terms:
 - a the FSCS can pay compensation to an eligible complainant in respect of investment business if we, as an investment firm, are unable to meet our financial obligations to you;
 - b the FSCS can pay compensation to eligible depositors if we, as the firm which accepted the eligible deposit, are unable to meet our financial obligations to you.
- 6.20.2 More detailed information about compensation provided by the FSCS in relation to eligible deposits (including the scope of the FSCS in relation to eligible deposits, the amounts of cover offered and eligibility to claim) is included in our notice Basic Information About The Protection Of Your Eligible Deposits. Compensation limits may be subject to change by the FSCS. Any changes to FSCS limits will be detailed on our Website and are available on request.
- 6.20.3 Where you are a beneficiary or policyholder in respect of an Account or Bank Account which is legally owned by a third party provider (for example, your SIPP or an offshore insurance bond) your eligibility for, and access to, compensation under the FSCS may be otherwise than as set out in this Term 6.20. You should consult your third party provider for details of the compensation arrangements that apply to their product. Please also see Section 1, Term 1.5 for further Terms which apply to such arrangements.
- 6.20.4 You may also find further information on our Website and the FSCS website at www.fscs.org.uk. In addition you may contact the FSCS by telephone on 020 7741 4100 or 0800 678 1100.

6.21 Complaints

- 6.21.1 If you have a complaint in respect of any of our services you should write to the Client Complaints team either at our head office or via clientcomplaints@rathbones.com. Details of our

internal complaints management policy are available on request. If you are unhappy with how we deal with your complaint you may be able to complain to the Financial Ombudsman Service.

- 6.21.2 You may contact the Financial Ombudsman Service by:
 - a post at Financial Ombudsman Service, Exchange Tower, London E14 9SR;
 - b telephone at 0800 023 4567 or 0300 123 9123;
 - c email to complaint.info@financial-ombudsman.org.uk;
 - d visiting their website at www.financial-ombudsman.org.uk.

6.22 Telephone Calls and Electronic Communications

- 6.22.1 We may record telephone calls and electronic communications (such as emails and SMS) between you and us and use these as evidence of your instructions and/or if there is a dispute. We can provide you with such records on request and an administration fee may be applied. These records will be available for a period of five years (or where requested by the FCA for a period of up to seven years) from the date the record is made.
- 6.22.2 Subject to Term 6.16, we may telephone (or, where you have provided relevant details, contact you via electronic means) to discuss investment opportunities or further investment services which we may be able to provide to you.

6.23 Joint Clients

- 6.23.1 If you are more than one person, unless agreed otherwise in writing the following additional terms apply:
 - a our Agreement is with each of you and your responsibility is joint and several. This means that you and any persons are liable together, but also individually for all money due
 - b where you have more than one Account we may, where we consider it appropriate, consolidate all Accounts for the purposes of reporting unless you expressly instruct us in writing to do otherwise
 - c we will only send periodic reports to the first named party in the Client Agreement, unless you request and we agree otherwise
 - d each of you accepts that we may disclose/share your personal data to/with each of you
 - e each of you has individual authority to give instructions (for example, to make deposits, withdrawals and to make and receive payments) and to take other actions (for example, signing documents or agreements) in relation to the Bank Account.

6 GENERAL TERMS – continued

6.23.2 If you are more than one person, we may accept instructions from any of you, but we will require consent from both of you if:

- a we have agreed this with you in the Client Agreement, or otherwise in writing
- b we become aware of a dispute between you and the other clients
- c you wish to make any material changes to our Agreement, such as:
 - i amending your residential address
 - ii amending any of your external bank account details held by us
 - iii to register a new third-party payment beneficiary
 - iv adding or changing a delegated authority
 - v adding any new Connected Person(s)
 - vi changing your Select Strategy (for Advised Clients we will also require confirmation from your Financial Adviser that they have recommended the change to the Select Strategy).
- d you wish to transfer out assets in specie to another custodian
- e you wish to pledge assets as security.

6.24 Companies Trusts and Other entities

- 6.24.1 Where the Bank Account is in the name of a company, or has been opened on behalf of a trust or other entity, unless agreed otherwise in writing, the following additional terms apply:
- a except as set out below, each of the entity's Entity Authorised Signatories, have individual authority to give instructions (for example, to make deposits, withdrawals and to make and receive payments) and to take other actions (for example, signing documents or agreements) in relation to the Bank Account;
 - b if the entity has specific requirements regarding multiple signatories or particular officers with certain authorities, these must be agreed with us in writing
 - c you must notify us immediately where an Entity Authorised Signatory ceases to act or ceases to have authority to give instructions on the entity's behalf, we will continue to accept instructions and information from such persons until we receive written notice from you that they are no longer authorised to do so.
 - d we may require consent from all, or particular, Entity Authorised Signatories where we are instructed to:
 - i make any material changes to our Agreement, such as:
 - amending the entity's address

- adding and amending any of the entity's external bank account details held by us
- registering a new third-party payment beneficiary
- adding or changing a delegated authority
- adding any new Connected Person(s)
- changing the entity's Investment Mandate

ii transfer out assets in specie to another custodian.

iii pledge assets as security

6.24.2 Where you have entered this Agreement as a trustee:

- a our Agreement is with each of you and your responsibility is joint and several. This means that you and any persons are liable together, but also individually for all money due
- b if there is a change in trustee, we may choose to continue this Agreement and any successor trustee will also be bound by this Agreement.

6.25 Death

- 6.25.1 In the event of your death (or if there is more than one of you the death of either or both of you) we will require a certified copy of the death certificate(s).
- 6.25.2 If you are a joint client, and only one of you dies, this Agreement will continue. We will treat the survivor(s) as our client and the only person(s) entitled to or interested in the Account. Please let us know in writing if you would like us to make alternative arrangements.
- 6.25.3 Subject to Term 6.25.2, if you die and you are the sole client, Rathbones will continue to provide our custody and banking services, but other services will cease. Our Schedule of Charges will continue to apply to the services we provide. Any ISAs will become a continuing account in accordance with Term 4.11.1 and HMRC's requirements.
- 6.25.4 We will ask your estate for reasonable evidence of your death (typically a certified copy of the death certificate) and evidence of authority (typically the grant of representation and any Will or Codicil(s)) of your personal representatives.
- 6.25.5 Prior to the grant of representation:
- a we will send correspondence and any documentation related to the Agreement to your personal representatives or (if thought fit) to the person who has notified us of your death;
 - b if your personal representatives wish us to liquidate or pay out money, we will normally only agree to this where funds are required to pay certain liabilities (for example funeral charges, inheritance tax, court fees and other related expenses) and where your personal representatives have given us an indemnity.

6 GENERAL TERMS – continued

6.26 Incapacity

- 6.26.1 Where you have granted a third party a lasting (or enduring) power of attorney and we subsequently receive notice that you no longer have capacity, we will require a certified copy of the appropriate notice of incapacity from the person(s) granted authority under the lasting (or enduring) power of attorney.
- 6.26.2 Upon receipt by us of written notification of your incapacity and subject to the remainder of this Term we may suspend the provision of services (other than our custody and banking services) in respect of the Account unless:
- we are satisfied (in our absolute discretion) that the lasting (or enduring) power of attorney allows for us to be instructed in the provision of the Select investment service
 - the person(s) granted authority under the lasting (or enduring) power of attorney takes on the responsibility to fully reimburse us against any and all costs, claims, demands, expenses, damages and liabilities (including tax liabilities) for which we, our directors and employees may become responsible as a result of our agreeing to provide, or continue with the provision of the Select investment service in relation to the Account
 - there is more than one of you, and one individual retains capacity we may take instructions from the individual who retains capacity, as we choose.
- 6.26.3 Where you have not granted a third party a lasting (or enduring) power of attorney and we subsequently receive notice that you have lost capacity, subject to Term 6.26.4:
- we shall use all reasonable efforts to contact an appropriate person, such as, a family member
 - we shall assist during any relevant discussions and proceedings with the Court of Protection with regard to your loss of capacity as we may consider reasonable
 - we may, if we choose, give at least one month's written notice (which will be deemed to be received on your behalf by the relevant appropriate person) of suspension of the provision to you of our services other than custody and banking services until receipt of a valid order issued by the Court of Protection appointing a person to take charge of your financial affairs, or equivalent order.
- 6.26.4 Where you have not granted a third party a lasting (or enduring) power of attorney and we subsequently receive notice that you have lost capacity on a temporary basis, we may, if we choose, continue to provide our services to you. Where you recover capacity we will as soon as practical discuss with you our continuing provisions of services. However, in the event that

you do not recover capacity within a reasonable timeframe, Term 6.26.3 will apply.

6.27 Foreign Powers of Attorney

- 6.27.1 Within these Terms, the references to lasting power(s) of attorney and enduring power(s) of attorney, are to power(s) of attorney validly drawn up under and/or governed by English law.
- 6.27.2 If you provide us with a power of attorney, or equivalent, that is governed by a law other than English law (a Foreign Power of Attorney), we may charge you for costs we reasonably incur to establish the validity of the Foreign Power of Attorney and the scope of its authority, including reasonable legal costs. For the avoidance of doubt a power of attorney validly drawn up under the laws of Scotland or Northern Ireland will be accepted.
- 6.27.3 We do not have to accept instructions from an attorney who is appointed under a Foreign Power of Attorney. Where we accept such instructions, then the provisions in the Terms which apply to powers of attorney shall include and apply to the respective Foreign Power of Attorney, as appropriate.

6.28 Amendments

- 6.28.1 We may need to amend this Agreement from time to time for several reasons such as:
- to comply with applicable law or regulation
 - to reflect industry guidance, standards or codes of practice
 - because of how the Rathbones Group is structured, authorised or does business
 - to introduce new services or features
 - to correct any mistake in this Agreement or to make this Agreement clearer or fairer to you
 - to reflect changes in the cost of providing our services to you, including any direct costs or changes in market conditions.
- 6.28.2 We will normally give you 30 calendar days' written notice of the changes we propose to make to this Agreement unless a specific section specifies otherwise or circumstances (such as legal or regulatory requirements) dictate a shorter or longer period.
- 6.28.3 Any amendments we make will take effect on the date set out in any notice of amendments. If we give you notice of amendments to the Agreement and do not hear from you, we will treat you as having accepted the change.
- 6.28.4 If you have chosen to receive amendments to the Terms via email or other electronic means, we may provide the amended version of the Terms to you as you have chosen. Further information in relation to receiving amended copies of the Terms via email is available on request.

6 GENERAL TERMS – continued

- 6.28.5 You must notify us if you wish to make any amendments to the Agreement. We will notify you in writing if we accept your proposed amendments. Any amendments you propose will only come into effect if they are accepted by us.

6.29 Non-Exclusive Service

You acknowledge and agree that we may and do provide services similar to those provided to you under this Agreement to other clients.

6.30 Language

This Agreement is in English. We will only write to you and communicate with you in English.

6.31 Transfer

- 6.31.1 The Agreement is personal to you and you may not assign or transfer any of your rights or responsibilities under it.
- 6.31.2 We may transfer, in whole or in part, any of our rights and responsibilities under the Agreement at any time upon giving you written notice, to any other member of the Rathbones Group provided that such member is competent to perform such rights and responsibilities and has all relevant licences. When the assignment or transfer becomes effective, all references in these Terms of Business to we, our or us will be to the person we have transferred the Agreement to and not us.

6.32 Third Party Rights

This Agreement does not create any right or benefit enforceable by any other person other than you and us, except members of the Rathbones Group may enforce rights expressed in the Agreement.

6.33 Enforcing the Agreement

We may choose not to enforce our rights under this Agreement. If we choose not to enforce this Agreement, delay enforcing it, or only partially enforce our rights this will not affect our rights under this Agreement, and we may choose to enforce later.

6.34 Severability

If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this Term shall not affect the validity and enforceability of the rest of this Agreement.

6.35 The Law and Courts that Apply to our Agreement

English law governs the Agreement and the relationship between you and us (including non-contractual claims or disputes and any relations before the Agreement is concluded). If you bring a claim against us in the courts, you must use the courts of England and Wales.

ANNEX 1 - DEFINITIONS AND INTERPRETATION

Definitions and Interpretation

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

Account means a single repository of assets and cash, held by or through us, in respect of which we provide our services under the Terms. If you have more than one Account, reference to Account should be taken to mean “each Account” or “the relevant Account” as the context may require.

Advised Client means a client who accesses and uses Select, using the services of a Financial Adviser.

Agreement means the agreement between you and us which is made up of the Agreement Pack and the Contractual Pack as may be amended from time to time, together with such additional terms which we may agree in writing shall form part of the Agreement.

Agreement Pack means the agreement pack which comprises:

- a Client Agreement;
- b Schedule of Charges; and
- c Schedule of Interest Rates.

BACS means a scheme for the electronic processing of financial transactions in the UK.

Bank Account means an account we provide you with that is in your name which is used to hold your cash including, Income Accounts, and Capital Accounts (and other deposit accounts). If you have more than one Bank Account, reference to Bank Account means each Bank Account or the relevant Bank Account as the context may require.

Banker means acting as a deposit taking institution.

Basic information about the protection of your eligible deposits means an information sheet setting out details of FSCS coverage for banking deposits, including which types of deposits are excluded from protection.

Best Execution Policy means our best execution policy, as amended from time to time.

Business Day means a weekday, excluding public and bank holidays in England, when banks in London are open for business.

Capital Account means a Bank Account in your name which is used to hold cash to facilitate the purchase and sale of investments in respect of your Account, as further described in Section 5, Term 5.3.1(b).

CHAPS means an automated same day high value payment system for processing payments within the UK.

Client Agreement means the client agreement document which forms part of the Agreement Pack.

Conflicts of Interest Policy means the Rathbones Group conflicts policy as described in Term 6.1.3.

Connected Person means a person or persons specified by you in the Client Agreement (or otherwise notified by you to us in writing) as a connected person for the purposes of the administration of your Account, including if applicable your Financial Adviser.

Contractual Pack means the contractual pack which comprises:

- a these Terms;
- b Conflicts of Interest Policy;
- c Best Execution Policy;
- d Basic information about the protection of your eligible deposits; and
- e Pre-Contract Consumer Credit Information (Overdrafts).

Corporate Actions means conversion and/or subscription rights, some types of switch (ie exercising a right to make a change concerning an existing instrument) including Voting Rights in respect of investments in your Account.

Direct Client means a client who accesses and uses Select without using the services of a Financial Adviser.

EEA means the European Economic Area.

EEA UCITS Scheme means a collective investment scheme established in accordance with the UCITS Directive.

Effective Date means the effective date of our Agreement as determined in accordance with Section 1, Term 1.7.

FCA means the Financial Conduct Authority or its successor.

FCA Rules means the FCA Handbook of rules and guidance.

Financial Adviser means an authorised intermediary who is regulated to provide investment advice in the UK.

FSCS means the Financial Services Compensation Scheme.

HMRC means HM Revenue & Customs.

Income Account means a Bank Account in your name which is used to collect dividends and other income in respect of your Account, as further described in Section 5, Term 5.3.1(a).

ISA means a flexible individual savings account which is a scheme of investment satisfying the conditions prescribed in the ISA Regulations and which is a flexible ISA as further described in HMRC's rules and guidance.

ISA Manager means acting as the manager of an ISA, including, if applicable, a JISA.

ISA Regulations means the Individual Savings Account Regulations 1998.

JISA means a stocks and shares junior individual savings account, established in accordance with the ISA Regulations.

ANNEX 1 - DEFINITIONS AND INTERPRETATION

– continued

Key Investor Information Document or KIID in respect of a **UCITS fund** means the document setting out specific information about the fund, explaining the essential elements of the fund including its name, a short description of its investment objectives and investment policy, information relating to performance, costs and associated charges and information on risk with appropriate guidance and warnings.

MyRathbones Service means the online facility provided by us and which is available via a secure portal which enables:

- a a person who has access to the MyRathbones Service to access information in relation to an Account, or Bank Account which belongs to them or to which they are connected;
- b you to send us instructions and information regarding you and your Account, and to receive messages from us.

PRA means the Prudential Regulation Authority or its successor.

PRA Rules means the PRA Handbook of rules and guidance.

Primary Pooling Event has the meaning given to it in the FCA Rules and includes the failure of a firm or a regulatory instruction for a firm to cease holding client money.

Privacy Notice for Clients means the privacy notice for clients available on our website at rathbones.com/privacy as may be amended from time to time.

Prospectus means the current prospectus in respect of the relevant RAM Fund (or RAM Funds) in which the Select Strategies invest as amended from time to time.

RAM Fund (or **RAM Funds**) means a fund (or funds) managed by Rathbones Asset Management, in which Select Strategies invest.

RAM Fund Documentation means the constitutional and required regulatory documentation in respect of the RAM Funds in which the Select Strategies invest, including the instrument, Prospectus, and KIIDs.

RAM means Rathbones Asset Management Limited, a Rathbones Group company, and manager of the RAM Funds.

Rathbones Group means the group of undertakings comprising Rathbones Group Plc and any direct or indirect subsidiary of Rathbones Group Plc from time to time.

Reference Exchange Rate means the exchange rate, made available to you, at which we (acting as principal) will offer to buy foreign currency from you, or sell foreign currency to you.

Reference Interest Rate means the interest rate which is used as the basis for calculating any interest to be applied and which comes from a publicly available source.

Regulatory Rules means the FCA Rules and/or the PRA Rules as the context shall require.

Same Day Payment means a same day payment made from your Bank Account to an account with another bank which is within the UK and which is processed by CHAPS or an equivalent route as we may determine.

Schedule of Charges means our schedule of charges, as amended from time to time.

Schedule of Interest Rates means our schedule of interest rates, which includes details of our bank charges, as amended from time to time.

Select means the execution only service, and our other related services, provided by us under these Terms.

Select Strategy or Strategies means the investment strategy or strategies offered by us via Select (as amended or updated by us from time to time).

Select Switch Form means the form that you are required to complete in order to request a change to your Select Strategy.

Select Team means our UK based dedicated client service team for clients of Select.

SIPP means a self-invested personal pension.

Strategy Information and Performance Factsheet means the information produced by us in relation to each Select Strategy offered by us within Select (as may be amended or updated by us from time to time).

Terms means these terms of business, including the annexures, as amended from time to time.

Trading Venue means a regulated market, an EU regulated market, a multilateral trading facility or an organised trading facility as defined in the glossary to the FCA Rules.

UCITS means a UK UCITS or an EEA UCITS Scheme

UK means the United Kingdom.

UK UCITS means a fund established as a UK UCITS in accordance with FCA Collective Investment Schemes sourcebook (COLL).

VAT means value added tax.

Voting Rights means voting rights in respect of RAM Funds held in your Account.

we means Rathbones Investment Management Limited (and our and us shall have appropriate meanings accordingly).

Website means our website at www.rathbones.com or such other alternative or additional address as we may notify to you from time to time.

you means you the client, and where you have opened an Account, Fund or Bank Account jointly with another person, you and that other person (and your shall have an appropriate meaning accordingly) and in relation to a JISA, the registered contact.

ANNEX 1 - DEFINITIONS AND INTERPRETATION

– continued

1 In these Terms, unless the Terms state otherwise:

- 1.1 use of the singular shall include the plural and vice versa;
- 1.2 use of any gender or neuter includes the other genders;
- 1.3 headings are used for reference only;
- 1.4 references to any legislation, handbook or rule (including those laws or rules enacted or re-enacted for the purpose of bringing European Union law and regulation into domestic law and regulation) include any successor, amended or replacement legislation, handbook or rule, and are to UK legislation, handbook or rules unless expressed otherwise;
- 1.5 a time of day shall be construed as a reference to London, UK time;
- 1.6 any phrase introduced by the terms including, include, in particular or any similar expression is to be construed as illustrative only and does not limit the sense of the words preceding those terms;
- 1.7 terms which are defined in the Regulatory Rules, but which are not defined in these Terms, shall have the meaning set out in the glossary of the Regulatory Rules; and
- 1.8 a lien means a legal right to retain property (such as cash or securities) until an obligation (such as a debt) has been discharged.

ANNEX 2 – RISK WARNINGS

This Annex is an important document.

It describes some of the risks of investments, as well as risks associated with certain investment techniques and more general risks associated with financial markets. This list is not exhaustive and we do not list all potential risks.

Risk is a part of investing and cannot be avoided but it can be mitigated by experienced investment professionals carrying out due diligence, research and investing in a spread of investments. Generally taking some risk gives you the opportunity to generate greater returns than would otherwise be the case.

If you have any questions regarding the types of investments or risks disclosed in this Annex you should ask the Select team

1 Risks in certain types of investments

1.1 Equity Securities

Equity securities are typically known as “shares”. Purchasing shares makes you a part owner in the company in which you own shares. A company’s share price can be impacted by a variety of factors, including the market in which the company operates, general economic conditions, and the financial performance of the company. Companies often pay dividends however the level and extent of dividends typically depends on how well the company is doing.

Shares can offer greater growth potential than other investment types, but they are a volatile asset class since their value can go up and down more than other investment types.

1.2 Small company shares

Shares in small and very small companies, including penny shares, have particular risks. The term penny shares is used to describe shares which have speculative appeal because of their low value. There is an extra risk of losing money if you invest in such shares. There is often a significant difference between the buying and selling price of these shares, and if you need to sell immediately, you may receive much less than the purchase cost. The price may also change quickly.

1.3 Fixed income securities

Fixed income securities include bonds and treasury bills. They are loans that are usually issued by governments or companies and typically promise to pay a specified rate of interest as well as the return of the principal sum at a future stated date. Fixed income securities do not have to satisfy any minimum rating standard.

The issuer of the fixed income securities could default and stop making promised payments or be unable to repay the principal and/or interest.

The price of fixed income securities are sensitive to changes in interest rates. In general, as interest rates rise, the price of fixed income securities tend to fall. Changes in the credit ratings of a fixed

income security or in the perceived ability of the issuer to make payments of principal and/or interest also may affect the market value of the fixed income security.

2 Cash

Cash, although it keeps its nominal value, is subject to the negative effect of inflation.

3 Collective investment schemes or funds

A collective investment scheme (CIS) (often referred to as a fund) involves investors pooling their money with other investors, with the money then invested in underlying assets which are professionally managed by a third party, who seeks to achieve a return from investing and managing those underlying assets. A CIS may be structured in a number of ways, for example, in the form of a company, partnership or trust.

As an investor, you buy shares, partnership interests or units in the CIS in the hope that the value rises over time. The CIS’s investment performance depends on how the underlying assets perform.

Some CISs are “open-ended” as the number of shares, partnership interests or units in issue increases as more invest and decreases as investors take their money out. “Closed-ended” CISs are CISs in which investors are either unable to withdraw their investments until the CIS is wound up or can only do so in very restricted circumstances.

Normally, there is no established secondary market in CISs which means that your investment in them cannot usually be sold to third parties or outside of the redemption terms governed by the constitutional documents of the CIS. The constitutional documents of an open ended CIS normally allow you to redeem your investment in the CIS at a fair value price or “authorised quoted price at valuation point”.

How often you can buy and sell units in a CIS and how often prices are published will depend on the terms of the CIS constitutional documents. A CIS may suspend dealing or postpone redemptions in certain circumstances, for example difficult or extreme market conditions or where there is not enough liquidity to meet all redemption requests. These provisions are in place to ensure that all investors are treated fairly and to ensure that the portfolio of investments within the CIS can be managed in an orderly manner.

The level of risk of an investment in a CIS will depend on the underlying assets of the CIS and how well diversified it is. For example, a fund which invests only in one industrial sector, such as technology, will typically be riskier than a fund that invests across the whole range of companies in a market.

We are not responsible for the contents of material published by third party CIS managers.

ANNEX 2 – RISK WARNINGS – continued

Some CISs are regulated which means that there are rules about (and limits on) diversification of the underlying assets, the types of underlying investments in which the CIS can invest, and the frequency of dealing in the CIS. Regulated CISs include UK authorised unit trusts, and OEICs (open-ended investment companies).

Unregulated CISs referred to as include Unregulated Collective Investment Schemes (UCISs) or Non- Mainstream Pooled Investments (NMPs), may include certain hedge funds, private equity funds, property funds and other pooled investments which are not regulated by the FCA. Unregulated CIS may sometimes be called "alternative investments". Such investments are often complex, are not as liquid as regulated CIS meaning it can sometimes take a long time to realise your investment. Unregulated CISs have few or no rules about the types of investments in which they can invest or the frequency at which they can be redeemed. However, a manager of UCIS who is based in the UK must be regulated by the FCA.

3.1 Hedge Funds

Hedge funds can profit from falling as well as rising asset prices by using a range of investment techniques such as leverage, short selling and the use of derivatives that are unavailable to, or generally are restricted within UK authorised funds. Some hedge funds are run as small boutiques and investors are not compensated for taking on operational risk.

Hedge funds often have long redemption terms, with notice periods and lock in periods. Hedge funds generally cannot be traded on the secondary market.

Funds of hedge funds are funds (sometimes quoted investment trusts), which invest across a number of underlying hedge fund strategies. Funds of hedge funds aim to offer investors diversification across manager styles and therefore attempt to lower the degree of hedge fund specific risk. However, the level of fees charged can be high, given fees charged at both the manager level and in respect of the underlying funds. Funds of hedge fund managers are responsible for evaluating hedge fund strategies, identifying and selecting managers and performing due diligence and the ongoing monitoring of funds.

3.2 Private equity funds

Private equity funds are funds that invest exclusively or almost entirely in unlisted companies (or that are publicly listed companies with a view to delisting them). Investment in private equity funds is typically by way of commitment (ie where an investor agrees to commit to invest a certain amount in the fund and this amount is drawn down by the fund as and when it is needed to make private equity investments).

Private equity funds tend to be closed-ended and to have a finite lifespan. During the life of the fund, it is usually not possible for you to redeem your investment. Therefore, if you invest in a private equity fund, it may be several years before you see any sort of return on the investment.

Whilst returns can be higher than standard investments, investments in private equity funds involve a high degree of risk and are only suitable for investors who fully understand and are willing to assume the risks involved. The returns are dependent on the performance of the companies in which the fund invests and, in turn therefore, largely dependent on the fund manager's expertise to identify opportunities and manage the investments. Investors in private equity funds are exposed to potential loss which could involve a complete loss of the investment.

3.3 Property funds

Property funds invest in real property and land. These underlying assets can be difficult to sell and so you may not be able to sell/cash in this investment when you want to.

In times of difficult or uncertain market conditions (for example as seen after the Brexit referendum) property funds may suspend dealings in the fund or limit how much investors can redeem. Some property funds use gearing as part of their strategy which means they are exposed to interest rate increases.

The value of property is often a matter of a valuer's assumptions rather than fact.

3.4 Structured products

Structured products are investment vehicles designed to produce a tailored risk return objective, generally over a fixed term. The risks and returns of structured products depend on the performance of a specific market (such as the FTSE 100) or specific assets (such as shares in individual companies), as set out in the structured product.

Some structured investments offer a degree of capital protection, whilst others do not. Income or growth is usually not guaranteed and there may be no return on the investment. You should be prepared and able to sustain the loss of some or all of the capital invested. Even where your capital is protected, you may still incur a loss where fees and charges are deducted.

The value of a structured product is subject to the credit risk of its issuer and may decline if the issuer's creditworthiness goes down. If the investment bank issuing the structured product becomes insolvent, this could lead to a partial or total loss of your capital invested.

Structured products are designed to be held until redemption, typically five to seven years. There may be no secondary market for them and you may not be able to readily sell them.

ANNEX 2 – RISK WARNINGS – continued

Your investment may be affected by exchange rate movements if the structured product involves exposure to foreign currencies.

You should only consider an investment in structured products if you are experienced with respect to investments in structured products and the underlying securities or obtain professional advice.

3.5 Structured capital at risk products

Structured capital at risk products typically provide a specified level of income or growth over a fixed investment period but do not provide a guarantee on the return of initial capital. These products are only appropriate if you accept that you may lose some or all of the money to be invested.

You should be aware of the following risks in structured capital at risk products:

- 3.5.1 you may get back less than the original investment as there is no guarantee that you will get the initial capital that you invested back at the end of the investment period;
- 3.5.2 the amount of initial capital repaid may be geared, which means that a small percentage fall in the related index may result in a larger reduction in the amount that is paid out;
- 3.5.3 if the product advertises a maximum benefit, this may only be available after a set period;
- 3.5.4 if you redeem the product early, you may have to pay redemption penalties or this may provide you with a poor return;
- 3.5.5 the initial capital invested may be placed into high risk investments, such as non-investment grade bonds; and
- 3.5.6 if the product advertises the rate of income or growth, this may depend on specific conditions being met.

3.6 Warrants

A warrant is a time limited right to subscribe for shares, debentures, loan stock or government securities and is exercisable against the original issuer of the underlying securities. Although warrants can be used for the management of investment risk, these products are unsuitable for many investors. Different instruments involve different levels of exposure to risk and in deciding whether to trade in such instruments you should be aware of the following points.

A relatively small movement in the price of the underlying security may result in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be volatile. The right to subscribe which a warrant confers is limited in time. This means that if you fail to exercise this right within the predetermined time scale then the investment becomes worthless. You should not buy a warrant unless you are prepared to sustain a

total loss of the money you have invested plus any commission or other transaction charges.

Some other instruments are also called warrants but are actually options (e.g. a right to acquire securities which is exercisable against someone other than the original issuer of the securities is often called a "covered warrant").

Transactions in off-exchange warrants may involve greater risk than dealing in exchange-traded warrants because there is no exchange market to sell the investment, to assess the value of the warrant or the exposure to risk. It may be difficult to establish what is a fair price as bid and offer prices do not have to be quoted, and even where they are, they will be set by dealers in warrants.

3.7 Commodities

A commodity is a basic physical asset, often used as a raw material in the production of goods or services. Investments in commodities whether by CISs or via companies substantially involved with them may expose you to risks not typical of other investments. Companies associated with commodities and the funds invested in them may have assets in less developed countries which have less stable political, legal and social systems than those of developed countries or markets. The assets of the companies, the commodities and derivatives associated with them may be subject to or affected by conditions such as drought, flood, weather, disease, trade embargo, war or political unrest etc which may substantially affect their value.

Commodity funds may hold physical assets which may not be insured and subject to risks associated with high value items.

3.8 Exchange traded funds

Exchange traded funds (ETFs) are investment vehicles which are traded on a stock exchange. ETFs are similar to equities and bonds. ETFs are generally a low cost means of investing in a diversified pool of assets with the advantage that they are more liquid than a unit trust as they can be traded during exchange hours.

Although ETFs are generally simple, transparent and low cost, they can vary in their structure and complexity. In their simplest form, they attempt to track an index or benchmark by physically holding the constituents of the index or benchmark. However, in their more complex form they may use derivatives to replicate an index or benchmark's price movement.

This increases counterparty risk, which is the risk that the other party to the relevant derivative may not meet its commitments. It also increases leverage risk, which is where gains and losses on certain ETFs are magnified using derivatives, or where the ETF uses derivatives to perform inversely to its underlying index or benchmark. Some ETFs that use derivatives may use collateral by setting aside a pool of assets that you can claim

ANNEX 2 – RISK WARNINGS – continued

on if the issuer defaults. You should pay attention to the quality of the collateral to establish whether it would continue to hold its value if the issuer defaults. Collateral may be lent to third parties and there may be delays in recovering these assets. Investment in certain ETFs may expose you to currency risk.

ETFs which attempt to track the value of a commodity (such as gold) may back their investments by physically holding that commodity with a custodian. Although the custodian may hold the asset there is a risk of theft or fire which may not be insured against.

Most ETFs are offshore vehicles so specific taxation rules apply.

4 Risks in certain investment techniques

4.1 Gearing

Gearing is a technique with a view to enhancing the return for, or the value of, a security without increasing the amount invested by the holders of the security. Gearing may involve one or more of the following:

- 4.1.1 borrowing money;
- 4.1.2 investing in one or more instruments, such as warrants or derivatives, where a relatively small favourable or adverse movement in the value or price of the underlying rights or assets to which the instrument relates results in a larger movement in the value or the price of the instrument;
- 4.1.3 structuring the rights of holders of a security so that a relatively small favourable or adverse movement in the price or value of the underlying rights or assets results in a larger movement in the price or value of the security.

Where issuers of securities use or propose to use gearing, this you may see:

- 4.1.4 more volatile movements in the price of the securities compared to the price of the underlying investments; or
- 4.1.5 sudden and large falls in value in the investments.
You may not get anything back if there is a sufficiently large fall in value in the investment.

5 General risks in investment markets

5.1 Illiquid investments

Illiquid investments are investments which may be difficult to sell at a reasonable price and, sometimes, at any price. These are sometimes referred to as non readily realisable investments. It may also be difficult to assess how much these are worth on a market. Further examples of such investments are available on request.

5.2 Emerging markets

Investments in emerging markets may expose you to risks not typically associated with similar investments in more developed markets. A country is generally classified as an “emerging market” based on the relative economic, political and social development and this is subjective. Some of the risks associated with emerging markets are similar to those affecting more developed economies but the undeveloped nature of an emerging economy may mean they are more pronounced or have a longer and deeper effect.

Factors such as natural disasters may have a greater effect on the economy and financial systems of an emerging market. Financial instability may also be more common and exaggerated both by internal factors such as inflation and external factors such as changes in currency values. There is an increased chance of political and economic instability with less reliable custody, dealing and settlement arrangements.

Emerging companies may not be as economically stable as companies in more developed countries and there is an increased risk that they may fail to meet their obligations.

5.3 Investments affected by stabilisation

Stabilisation enables the market price of a security to be maintained artificially during the period when a new issue of securities is sold to the public.

Stabilisation may affect the price of the new issue and the price of other securities relating to it. The FCA and PRA Rules allow stabilisation in order to help counter the fact that, when a new issue comes on to the market for the first time, the price can sometimes drop for a time before buyers are found.

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

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

5.4 Suspension of trading

Under certain trading conditions it may be difficult or impossible to sell an investment. For example, a relevant exchange may suspend trading under its rules at times of rapid price movement.

ANNEX 2 – RISK WARNINGS – continued

5.5 Counterparty risk

When providing our services to you, we may:

- 5.5.1 enter into securities transactions with other financial institutions; or
- 5.5.2 invest the assets in your Portfolio in structured products, the value of which depends upon the solvency of the financial institution that is providing the underlying assets that the structured product is based upon.

In each case, the correspondent financial institution is known as “the counterparty”. Counterparty risk is the risk that you as an investor bear that the other party in an investment or trading transaction may not fulfil its part of the deal and default on their contractual obligations.

If this happens in a securities transaction, you may not receive delivery of securities which the counterparty has purchased and/or not receive payment in respect of securities which the counterparty has sold.

If this happens in an investment in a structured product, all or part of your capital and any income potential could be at risk.

Rathbones Investment Management Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
Registered office: Port of Liverpool Building, Pier Head,
Liverpool L3 1NW Registered in England number: 01448919
VAT Registration number: GB 241 6893 49
Copyright © 2024. Rathbones Group Plc. All rights reserved.

