

# Terms and Conditions

## **Client terms and conditions**

By signing the application form, you are appointing us to provide the agreed services in line with the agreement. These terms and conditions form part of the agreement, which is our standard client agreement which we will rely on. For your own protection, you should read these terms and conditions carefully before signing the application form. If you do not understand anything, please do not sign, and ask us for more information.

## Contents

### Part A: Introduction

Section 1: Defined terms	3
Section 2: About Us	5
Section 3: Your status	6
Section 4: Distance contracts and cancellation	6
Section 5: Joint account and trustees	7

### Part B: Our services

Section 6: Our services	8
Section 7: Investment objectives and restrictions	15
Section 8: Unbiased but restricted advice	15
Section 9: Account statements, confirmations and reports	16
Section 10: Carrying out orders	17

### Part C: Your assets

Section 11: Your money	19
Section 12: Your investments	21
Section 13: Settlement and default	24
Section 14: Our rights over your assets	26
Section 15: Corporate actions and shareholder rights	27

### Part D: Account Administration

Section 16: Your instructions	29
Section 17: Digital access	30
Section 18: Phone calls and electronic communications	31
Section 19: Records	31
Section 20: Confidentiality	31
Section 21: Data protection	32
Section 22: How we charge our services	32

### Part E: General

Section 23: Changes to agreement	34
Section 24: Ending the agreement	34
Section 25: Death of a sole account holder	35
Section 26: Excluding our legal responsibility	36
Section 27: Events beyond our control	37
Section 28: Conflicts of interest	37
Section 29: Other organisations and agents	39
Section 30: Time for carrying out our and your responsibilities	40
Section 31: Notices and other communications	40
Section 32: Amalgamations, mergers and transfers	40
Section 33: Disputes and language	41
Section 34: The full agreement	41
Section 35: When the terms will not be valid	41
Section 36: Rights of others to enforce the agreement	41
Section 37: Complaints	41

## Annex 1: Stocks and Shares ISA terms and conditions

Introduction	42
Section 1: Our status	42
Section 2: Categories of our ISA	42
Section 3: ISA subscriptions and cancelling your ISA	43
Section 4: ISA investments	43
Section 5: Withdrawals	43
Section 6: Ending your ISA	44
Section 7: ISA Transfers	44
Section 8: Your assets	45
Section 9: Shareholder rights	45
Section 10: Commission and other charges	45
Section 11: Confidentiality	45
Section 12: Delegating our duties	46
Section 13: Other risks explained	46

## Annex 2: Managed Portfolio Service on platform terms and conditions

Introduction	47
Section 1: Other risks explained	47
Section 2: Your adviser's role	48
Section 3: The platform's role	49

# Part A: Introduction

## Section 1: Defined terms

### What is this section about?

Below we have included the definitions and terms that will be frequently used throughout these **terms and conditions**. Please take time to read these and refer to them when you need as you go through this document.

### The agreement

When we refer to the **agreement**, we mean the arrangement between you and us for the provision of our services. The **agreement** is made up of the following documents:

**The terms & conditions** (this document) contains the main terms that apply to our provision of services to you as our client. These are outlined in the rest of this document. This document might change in the future.

**The risk disclosures** document is available on our website ([www.quiltercheviot.com/important-information](http://www.quiltercheviot.com/important-information)). It explains the level of risk associated with our services and different investment strategies and assets. By agreeing to these **terms and conditions**, you agree to us providing the **risk disclosures** on our website. Of course, if you would like a paper copy of this document, please contact your investment manager.

**The application form** is the form given to you with these **terms & conditions** or by your investment manager. Your submission of this form is your formal application to open an **account** with Quilter Cheviot. Once we have received this, we will carry out our **account-opening** procedures.

**The schedule of charges** document outlines the pricing structure for our services and is incorporated within the **application form**. This document could change in the future.

**The cost and charges information** is information about our costs and charges that can be found on our website ([www.quiltercheviot.com/our-services/costs-and-charges](http://www.quiltercheviot.com/our-services/costs-and-charges)). It replicates the information contained in the **schedule of charges** but also includes information about third-party brokerage costs associated with trading in a variety of additional jurisdictions. This information could occasionally be updated and when you agree to these **terms & conditions**, you are also agreeing to us providing it on our website. If you would like a paper copy, please contact your investment manager.

**The MPS on platform terms and conditions** are specific terms and conditions of our managed portfolio service that apply when you access our managed portfolio service on a third-party platform. They are contained in annex 2 to this document and are only relevant if you receive our managed portfolio service via a third-party platform.



**What is a platform?** This is any third-party platform that you might use. Its function is to follow our instructions to buy and sell your investments and administer and safeguard your investments and money. You can find out more about platforms on our website at: ([www.quiltercheviot.com/mps-on-platform](http://www.quiltercheviot.com/mps-on-platform))

**ISA terms and conditions** are separate terms and conditions included in annex 1 to this document and which only apply to you if you have a Quilter Cheviot Limited ISA.

## Applicable regulations

The term **applicable regulations** refers to the following:

**FCA rules and regulations** refers to the rules, guidance and principles in the FCA Handbook of Rules and Guidance.



**What is the FCA?** The FCA is a conduct regulator of over 50,000 financial service firms in the UK, including Quilter Cheviot. This means that it ensures that firms are upholding the highest standards with clients like you to make sure that they are protected. When we talk about the FCA in these **terms and conditions**, we mean the FCA and any successor organisation to it.

The rules and regulations of a stock or investment exchange (e.g., the London Stock Exchange) that is relevant to you, us, the **agreement** or the services that we provide you.

Any other laws, rules and regulations that apply to us, you, the **agreement** or the services that we provide you.

## Other frequently used terms

**Account** refers to the **account** that we will open for you when we finish our **account**-opening procedure after we receive your completed **application form**.



It is possible for us to open several **accounts** for you depending on your needs and requirements that we have discussed and agreed with you.

**Account participation form** is the form that your investment manager will give you if you want to give a third party (e.g., family members or a financial adviser) access and authority to operate your **account** once it is open.

**App** means the mobile application which provides a way for you to access the **client portal** including information about your **account** and such other services as we may make available.

**Client portal** refers to our online client portal which you can use to access information about your **account**.

**Discretionary basis** means that we have your permission to make all investment decisions for you. This includes the selection and timing of the investments in your portfolio unless we have both agreed to follow the specific instructions you have set. This means that we do not need to seek your permission for each individual transaction.

**Execution-only basis** means that we execute your instructions to buy and sell investments. We do not provide you with advice or guidance about these investments, so our role is strictly limited to carrying out the transactions you instructed us to.

**FSCS** stands for the UK Financial Services Compensation Scheme. It is an independent organisation that may be able to provide investors and savers with financial compensation on the rare occasion that their service provider cannot fulfil their financial obligations.

**Interest information** refers to the information factsheet that we publish on our website about our different interest rates. You can find it at ([www.quiltercheviot.com/important-information/qcl-schedule-of-interest-rates](http://www.quiltercheviot.com/important-information/qcl-schedule-of-interest-rates)), please keep in mind that we sometimes update this webpage, so we recommend that you check it periodically to make sure that you are up to date with our current interest rate information. By agreeing to these **terms and conditions**, you agree to us providing you with the interest information on our website. If you would like a paper copy, please contact your investment manager.

**Order execution policy and list of execution venues** refers to the policy and associated list of venues describing how and where we execute orders on your behalf. You can find this information on our website at ([www.quiltercheviot.com/important-information/order-execution-policy](http://www.quiltercheviot.com/important-information/order-execution-policy)). By agreeing to these **terms and conditions**, you agree to us providing you with the **order execution policy and list of execution venues** on our website. Please note that this webpage may be periodically updated, so we recommend that you check it regularly to keep up to date with any changes. If you would like a paper copy, please contact your investment manager.

We, us, our mean we are referring to Quilter Cheviot Limited (and, where relevant, our nominee companies). Our registered office is at Senator House, 85 Queen Victoria Street, London, EC4V 4AB.

You, your mean the person (or people) who will be completing and signing the **application form**. If the person signing is doing so for someone else, you and your refer to the person for whom they are signing.

We also publish a comprehensive glossary of words and terms that are used in the financial markets and which may also be used occasionally in these **terms and conditions**. You can easily find this at (<https://www.quiltercheviot.com/important-information/glossary>). You'll notice that we give you this same link throughout the document when we think you might need it. If you would like a paper copy of this glossary, please contact your investment manager.

Please note that the glossary published on our website is not part of the **agreement** and is only for your information.

## Section 2: About Us

### What is this section about?

This section outlines general information about us such as who we are regulated by and where we are registered. It also outlines the different types of rules and laws that we follow as well as schemes we are a part of to protect you.

- 2.1 We are a member of the London Stock Exchange and we are authorised and regulated by the FCA. Our FCA registration number is 124259 and you can find us on the FCA Register which is available at <https://register.fca.org.uk>. The address of the FCA is 12 Endeavour Square, London, E20 1JN.
- 2.2 We have to make sure that we conduct our business and provide services to all our clients in accordance with all **applicable regulations**. If there is a difference between the **agreement** between you and us and **applicable regulations**, the latter will override the **agreement**. We cannot use these **terms and conditions** to avoid or limit any legal responsibility we have towards you under any **applicable regulations**. We have the authority to take any action that we think is necessary to make sure that we are in compliance with any **applicable regulations** and, in doing so, we and our directors, officers, employees, or agents will not incur any liability to you.
- 2.3 We work together with regulatory, legal and government authorities. If these authorities have any questions or requests, we may need to provide them with information about you, your **account**, and the assets we may hold or control for you. We comply with all current tax transparency reporting requirements under **applicable regulations** including but not limited to the Foreign Account Tax Compliance Act (known as FATCA), the Common Reporting Standard (CRS) and Section 18 (or OI) reporting.
- 2.4 We take part in the **FSCS** to protect our clients. Under the **FSCS**, individuals and small businesses may qualify for up to £85,000 compensation in the event that their financial services provider can't meet its obligations to them and they have suffered a loss. The **FSCS** sets the compensation limits and eligibility criteria for claims and these could change in the future. If you ever need to claim against us or we owe you money and we have gone out of business, the **FSCS** may be available to you. You can get more information by writing to the **FSCS** at PO Box 300, Mitcheldean, GL17 1DY, or by visiting [www.fscs.org.uk](http://www.fscs.org.uk).

## Section 3: Your status

### What is this section about?

This section explains how we categorise you as our client under the **FCA rules** and the implications of that categorisation, including the regulatory protections you will get as a result. We also outline certain confirmations that we need from you to ensure that we can provide our services properly and in your best interests.

**3.1** This is based on our client categorisation process. Different rules and different levels of protection apply to you depending on your categorisation, and retail clients have the highest degree of protection under the **FCA rules** but classification as a retail client does not necessarily mean that you will have rights under the UK Financial Ombudsman Service or the **FSCS**. You may ask us to change your categorisation to professional client or eligible counterparty but we do not have to do so. If we do agree to such a request, this will limit the protections to which you are entitled as a retail client under the **FCA rules**.

As a professional client or eligible counterparty, you will not benefit from certain protections relating to: Disclosures about Services, Appropriateness, Financial Promotions, Best Execution and Investor Compensation Schemes. You may also not be able to complain to the Financial Ombudsman Service. Therefore, if you request to be categorised as a professional client or eligible counterparty and we to such request, these **terms and conditions** will be modified. We will explain this in more detail when responding to your request for re-categorisation.

**Put simply**, when you apply to become a client of ours, we will categorise you as a retail client under the **FCA rules**. This means you will receive the highest level of regulatory protection in relation to our services. You can ask us to categorise you differently under the **FCA rules** but we don't have to agree to do so.

**3.2** You confirm that:

(a) You have, and will continue to have during the term of the **agreement**, all powers, permissions and authority you need to enter into and keep to the terms of the **agreement**

(b) You own all the money and other assets transferred to us or which we hold for you, that nobody else has any rights over your money or assets and that they are free from any restrictions (such as a lien or charge) other than the restrictions granted to us under the **agreement** (see section 14)

(c) You comply, and will continue to comply during the term of the **agreement**, with your obligations under all applicable tax laws and have made, and will continue to make, all necessary disclosures and reports to all relevant tax authorities. You will inform us immediately of any changes to your tax residency or tax status or of any dispute with any tax authority in relation to your tax status or the taxation of any of the assets we hold or control for you (or the taxation of any amounts arising from those assets, such as interest or dividend payments)

(d) The information given to us on your **application form** is correct and not misleading and, if we require any additional information before providing our services to you or during the term of the **agreement**, you will provide such information promptly

We will assume that any information you give us (or which is given to us on your behalf by somebody else such as your adviser) is accurate and will have no responsibility if that information changes or becomes inaccurate. You must let us know about any changes to information supplied to us by or about you as soon as possible.

## Section 4: Distance contracts and cancellation

**4.1** If you are a “consumer” (which means you are a natural person acting for purposes outside your trade, business or profession) and your **agreement** with us is a “distance contract” (which means that

you have not met face to face with a member of our staff or an advisor or other broker before entering into the **agreement**), then the information we have given you, and our offer to provide services to you, is valid for 30 days from the date we give it to you. Please contact us to confirm that the information is still valid if you want to open your **account** after this period.

## Canceling your agreement

**4.2** The following cancellation conditions will apply.

**4.2.1** If you are a “consumer” (which means you are a natural person acting for purposes outside your trade, business or profession) and your **agreement** with us is a “distance contract” (which means that you have not met face to face with a member of our staff or an advisor or other broker before entering into the **agreement**), then you may have a right to cancel if we have not yet started providing our services. If you have a right to cancel, this right will end 14 days after you receive the **agreement** or are treated as having received the services, whichever is later.

**4.2.2** As most services we provide depend on rises and falls in the financial markets which are outside our control, you will not generally have any rights to cancel the services provided under the terms of the **agreement** once we have actually provided them.

## Section 5: Joint account and trustees

### What is this section about?

This section describes our arrangements for dealing with trust, corporate or joint **accounts** where there is typically more than one **account** holder. These arrangements ensure that we are dealing with the correct person (or people) about the **account** and that you are involved when you need to be.

**5.1** All joint **account** holders and trustees must sign the **application form** unless we agree otherwise. Once the **account** is open, unless we are notified that all trustees or joint **account** holders must act unanimously or that a specified number of them must act together, we may act on any instructions given to us by any one of them. However, in certain circumstances, we may require a joint instruction from all trustees or joint **account** holders (as applicable).

**5.2** Unless we are told otherwise in writing, we assume that all joint **account** holders hold assets as joint tenants. This means that if one of them dies, the assets in their joint **account** will pass automatically to the survivor (or survivors).

**5.3** If you are in a partnership, or are otherwise in a joint arrangement with one or more people, you will each be legally responsible jointly and severally.



Jointly and severally means that each person will be equally and individually responsible to us for performing obligations under the **agreement**.

**5.4** You must tell us if a trustee resigns or dies or is no longer willing or able to act as a trustee. When a new trustee is appointed, he or she must complete and sign our relevant documents (unless we agree otherwise in writing).

**5.5** If trustees have given us an investment policy statement for the purposes of section 15 (2) of the Trustee Act 2000, we will keep to that statement and any changes to it or any replacement provided the trustees have given us reasonable notice of any such changes or replacements.

**5.6** Companies or partnerships which want to restrict the number of people who can give us instructions must tell us in writing the identity of the relevant people. An authorised officer or partner must sign this notice. If we are not given notice, we may act on any written instruction given to us by any person we reasonably believe is authorised to give it.



# Part B: Our services

## Section 6: Our services

### What is this section about?

This section explains the range of services we can provide you with. Your chosen services will be detailed in the **application form** and may include:



**Discretionary portfolio services**



**Advice and dealing services**



**Advisory portfolio services**



**Managed portfolio services**



**Execution-only services**

If you would like to know more about our services, please visit [www.quiltercheviot.com](http://www.quiltercheviot.com) or contact your investment manager.

- 6.1** According to relevant laws and regulations on financial crime, we must collect and verify certain information about you before providing any service. We also need to review this information throughout our relationship regularly. This includes confirming your identity and the source of your wealth and the funds you would like to invest. In some cases, we will also need to confirm the identities of relevant people associated with you and the beneficial owners of assets (for example, shareholders of a company or beneficiaries under a trust).

We can only provide our services once we have completed these checks, although we will ensure that we complete them as quickly as possible. You agree that we may carry out whatever checks we consider necessary to meet our obligations under **applicable regulations** and will provide us with whatever information we reasonably ask for so that we are able to do so. If we are unable to gather and verify the necessary information to an acceptable level according to us and applicable regulations, we have the right to delay, suspend, or stop providing our services to you.

Please note that we will not be responsible for any losses you may sustain due to our compliance with legal or regulatory requirements. This includes situations where we are obligated to report any suspicions we might have of money laundering, terrorist activities, or any related matters, as well as any situation where we have to stop providing our services to you without explanation for legal reasons.

**Put simply**, before we can start providing our services to you, we have to confirm your identity and other important information about you, such as the source of your wealth. We also comply with laws to help ensure the absence of any criminal activities. If we do find evidence for this, we are not responsible for any losses that may stem from us complying with our legal obligations.

- 6.2** If we carry out any transaction on your behalf, we will, subject to **applicable regulations**, be acting as your agent.
- 6.3** You must read the **risk disclosures**. If you are unsure which **risk disclosures** are relevant to you or what they mean, please contact your investment manager.
- 6.4** We do not provide our clients with legal or tax advice as this is not our specialty. This means that we cannot accept any responsibility for any tax consequences of our actions. Therefore, we strongly recommend that you receive tax advice from an independent tax advisor so that you can get relevant tax information that is tailored to your situation.



- 6.5** We do not offer banking or payment services. This means that we will not accept any money into your **account** from third parties, and we do not agree to pay or transfer your assets to a third party (for example, transferring assets to a friend or a family member or as payment to a professional like a solicitor). On the rare occasion that we do agree to facilitate a payment or transaction to a third party, we will only do it once we have completed all of our due diligence checks to protect you and our firm. You must provide us with all the necessary information we need to carry out our due diligence checks. If we are unable to complete these checks to our satisfaction, we have the right to decline your request. In these cases, we will not be liable to you or any third party for our decision to decline the request.



## Discretionary portfolio services



A discretionary portfolio service when we manage your investment portfolio on your behalf and, subject to any restrictions we have agreed, have your approval to make decisions without needing to consult you for each transaction.

- 6.6** If you choose to receive a discretionary portfolio service from us, we will manage your investments for you on a **discretionary basis**. This service applies to the following types of investments:

- (a) Shares in UK or foreign companies
- (b) Debenture stock, loan stock, bonds, notes, certificates of deposit, commercial paper or other debt instruments, including government, public agency, municipal and corporate shares
- (c) Hedge funds
- (d) Warrants to subscribe for investments falling within (a) and (b) above
- (e) Depository receipts or other types of financial product relating to investments falling within (a), (b) or (d) above
- (f) Unit trusts, open-ended investment companies, mutual funds and similar schemes in the UK or elsewhere
- (g) Related or similar investments

For a definition of the terms used above, please see the glossary on our website at <https://www.quiltercheviot.com/important-information/glossary/>.

By opening an **account** with us on a **discretionary basis**, you grant us full authority, subject to any agreed investment restrictions, to carry out any type of transaction or arrangement on your behalf that involves any of the instruments mentioned in (a) – (g) above. In addition, if required, we will provide valuation and custody services (to safeguard and administer your assets), as well as any other services agreed upon between you and us.



## Managed portfolio services



A managed portfolio service is when we actively manage your portfolio on a **discretionary basis** according to a pre-defined model portfolio strategy.

**6.7** If you choose to receive a managed portfolio service from us, we will manage your investments for you on a **discretionary basis** according to a pre-defined model portfolio strategy. This service applies to the following types of investments:

- (a) Shares in UK or foreign companies
- (b) Debenture stock, loan stock, bonds, notes, certificates of deposit, commercial paper or other debt instruments, including government, public agency, municipal and corporate shares
- (c) Hedge funds
- (d) Warrants to subscribe for investments falling within (a) and (b) above
- (e) Depository receipts or other types of financial product relating to investments falling within (a), (b) or (d) above
- (f) Unit trusts, open-ended investment companies, mutual funds and similar schemes in the UK or elsewhere
- (g) Related or similar investments

For a definition of the terms used above, please see the glossary on our website at <https://www.quiltercheviot.com/important-information/glossary/>.

By opening an **account** with us on a **discretionary basis**, you grant us full authority to carry out any type of transaction or arrangement on your behalf that involves any of the instruments mentioned in (a) – (g) above. Unless you access our managed portfolio service on a platform, we will provide valuation and custody services (to safeguard and administer your assets) and any other services agreed upon between you and us. If you are accessing our managed portfolio service on a platform, the **MPS on platform terms and conditions** will apply.



## Advice and dealing services



An advice and dealing service is when we provide advice on investments to you on request and carry-out transactions for you.

**6.8** If you choose to receive advice and dealing services from us, we will carry-out transactions for you. This service applies to the following types of investments:

- (a) Shares in UK or foreign companies
- (b) Debenture stock, loan stock, bonds, notes, certificates of deposit, commercial paper or other debt instruments, including government, public agency, municipal and corporate shares
- (c) Hedge funds

- (d) Warrants to subscribe for investments falling within (a) and (b) above
- (e) Depository receipts or other types of financial product relating to investments falling within (a), (b) or (d) above
- (f) Unit trusts, open-ended investment companies, mutual funds and similar schemes in the UK or elsewhere
- (g) Related or similar investments

For a definition of the terms used above, please see the glossary on our website at <https://www.quiltercheviot.com/important-information/glossary/>.

We will also advise you about investments mentioned in (a) – (g) above that are monitored by our research team when you ask us to. We do not automatically offer ongoing advice (i.e., advice given to you regularly), but we do provide it when you request it. In addition, we will provide valuation and custody services (to safeguard and administer your assets) if these are required, as well as any other services agreed upon between you and us.



## Execution-only services



An execution-only service is when we carry out investment transactions for you based on your specific instructions without giving you any advice.

**6.9** If you choose to receive execution-only services from us, we will provide services to you on an **execution-only basis**. This service includes transactions for various types on investments, including:

- (a) Shares in UK or foreign companies
- (b) Debenture stock, loan stock, bonds, notes, certificates of deposit, commercial paper or other debt instruments, including government, public agency, municipal and corporate shares
- (c) Hedge funds
- (d) Warrants to subscribe for investments falling within (a) and (b) above
- (e) Depository receipts or other types of financial product relating to investments falling within (a), (b) or (d) above
- (f) Unit trusts, open-ended investment companies, mutual funds and similar schemes in the UK or elsewhere
- (g) Related or similar investments

For a definition of the terms used above, please see the glossary on our website at <https://www.quiltercheviot.com/important-information/glossary/>.

Please note that we will not provide advice on whether these transactions are suitable for you or the merits of them. As this service is provided on an **execution-only basis**, you will be responsible for making your own investment decisions. Therefore, we are not responsible for ensuring that the transactions you choose to carry out are suitable for your specific circumstances or **account** (although, depending on the type of investment involved, we may assess the appropriateness of it – see section 7.9.1).

Except for our responsibility under **applicable regulations** to ensure the appropriateness of certain

transactions, if you have chosen to use our execution-only service for a transaction we will not have further responsibility related to the monitoring, advice, or management of that investment in your **account**. Specifically, we will not exceed any investment limits or restrictions applicable to your **account** due to investments we have bought for your **account** on an **execution-only basis**, and we will not assume legal responsibility for any future decisions regarding the sale, retention, or other actions related to those investments.

- 6.9.1** If you receive other services from us, you may need to open a separate **account** with us for execution-only services.
- 6.9.2** We will provide custody services (to safeguard and administer your assets) if these are required but our execution-only service does not include providing you with valuations or reporting on capital gains tax.



## Advisory portfolio services



An advisory portfolio service is when you will make the final investment decisions, but you will have the benefit of our advice when doing so

- 6.10** If you choose to receive advisory portfolio services from us, we will provide investment advice about, and carry-out transactions in, the following types of investments:
- (a) Shares in UK or foreign companies
  - (b) Debenture stock, loan stock, bonds, notes, certificates of deposit, commercial paper or other debt instruments, including government, public agency, municipal and corporate shares
  - (c) Hedge funds
  - (d) Warrants to subscribe for investments falling within (a) and (b) above
  - (e) Depository receipts or other types of financial product relating to investments falling within (a), (b) or (d) above
  - (f) Unit trusts, open-ended investment companies, mutual funds and similar schemes in the UK or elsewhere
  - (g) Related or similar investments

We will not carry out any transactions or enter into any arrangements for your **account** without your permission. In addition, we will provide valuation and custody services (to safeguard and administer your assets) if these are required, as well as any other services agreed upon between you and us.

## Suitability



Suitability assessments are carried out by us when providing investment advice or acting on a **discretionary basis**. We determine whether a particular investment or transaction is suitable for you based on your experience, knowledge, objectives and financial situation.

- 6.11** When we act on a **discretionary basis** or give you investment advice, we are required by the **FCA rules** to gather certain information about you so that we can assess the suitability of our investment advice or of any transactions we propose to enter into on a **discretionary basis**. This information includes your knowledge and experience in specific investment types, financial situation, investment objectives and experience, attitude towards risk, and willingness to endure any potential loss.

When we understand these details, we can ensure that the transactions we recommend, or carry out for you, are suitable and:

- (a) In line with your investment objectives
- (b) Financially affordable for you and adequately consider associated risks as well as your investment objectives
- (c) The best match with your experience of and knowledge about investments

This process helps ensure that we keep your best interests at the core of the services we provide you and that they are suitable to your circumstances and objectives.

- 6.12** We use the information that you, or someone who has your permission, gives us to carry out the suitability assessment described in 6.11. We will base our assessment on this information unless we believe that it is obviously outdated, inaccurate, or incomplete. If we do not receive this information from you, either because you are unwilling or unable to do so, we will not be able to provide you with services or carry out transactions for you.
- 6.13** If we assess a particular transaction as not being suitable for you but you still want to undertake it, we may accommodate your order on an **execution-only basis**. If we do decide to accept your instructions, we will let you know that we will carry out your instructions despite our belief that it is unsuitable for you. However, there may be situations where we cannot follow your instructions on an **execution-only basis** because of **applicable regulations**.
- 6.14** If we have given you advice about a transaction and are required to provide you with a suitability report under **applicable regulations**, we will usually give you that report before we carry out the transaction. However, where we have provided you with advice by a means of distance communication (for example over the telephone), it may not be possible to issue you with a written suitability report before the transaction is executed. In this instance, you can ask us to delay the transaction so that you can receive the written suitability report before it happens. If you choose not to delay a transaction, you agree to receive the suitability report in a reasonable time after we complete the advised transaction.
- 6.15** If you have a financial adviser, they might recommend that you choose a specific managed portfolio service strategy. In this situation, they are responsible for ensuring that their recommended strategy is suitable for you and that the strategy meets your investment objectives and risk tolerance on an ongoing basis. To do this, your adviser will gather information about you, such as your financial situation and your investment objectives. They will also ask you about your knowledge and previous experience with the relevant types of investments used in the managed portfolio service. All this information will help them decide if their recommended managed portfolio strategy is suitable for you.

In this case, our role is to buy and sell investments according to the managed portfolio service strategy you and your financial adviser have chosen. Therefore, we will not provide investment advice or recommendations and will not be involved in assessing the suitability of the chosen strategy for you.

## Appropriateness



Appropriateness assessments are carried-out when we provide you with a service that is not investment advice or carried-out on a **discretionary basis** in relation to certain investment types. If we think a transaction is not appropriate for you, we will let you know.

- 6.16** If we provide you with certain services, under the **FCA rules**, we may need to make sure that the transaction you are considering is appropriate for you. Whether we need to assess appropriateness depends on whether the investment in question is a “complex financial instrument” or not. If we provide a service that is not investment advice or carried-out on a **discretionary basis** for a complex financial instrument, we have to make sure that the transaction is appropriate for you, but if we provide such services for a non-complex financial instrument we do not.



A non-complex financial instrument is one that is easily understandable by investors. These include certain types of shares, bonds, and Undertakings for Collective Investment in Transferable Securities (UCITS). We have provided you with a definition for ‘UCITS’ in our glossary on our website at <https://www.quiltercheviot.com/important-information/glossary/>.

- 6.17** We will let you know at the time we execute your order whether the transaction is in a non-complex financial instrument or not. If the investment is non-complex, this will mean that you are not protected by **FCA rules** on assessing appropriateness.
- 6.18** If we do carry out an appropriateness assessment, we will do this by assessing whether you have the necessary experience and knowledge to be fully aware of the potential risks associated with your chosen transaction. We will collect information from you about your knowledge and previous experience in the investment field that is relevant to the transaction you have asked us to carry-out. We will rely on this information to make the assessment unless we believe that it is clearly out of date, inaccurate or incomplete.
- 6.19** If we believe that the transaction you have requested is not appropriate for you, we will let you know. We do this to make sure that you are aware of any potential risks or limitations associated with the transaction so that you can make an informed decision.
- 6.20** If we do not receive the information outlined in section 6.18 from you, or if we do not receive enough information about your knowledge and experience, we will warn you that we do not have the right amount of information to carry out a comprehensive appropriateness assessment. Therefore, it is important that you give us accurate and complete information so that we can make an informed assessment about whether the transaction is appropriate for you. If we have warned you about missing or incomplete information, and you would still like us to complete the transaction, we may do so but, having regard to the circumstances and **applicable regulations**, we may also refuse to carry it out for you.

## Section 7: Investment objectives and restrictions

### What is this section about?

This section describe the types of information we require from you in order to provide our services and your ability to impose investment restrictions for us to follow in providing our services.

- 7.1** If we provide discretionary portfolio services, advice and dealing services or advisory portfolio services to you, we need to know about your investment objectives, your attitude to risk and any investment restrictions you want to us to follow.
- 7.2** If we provide managed portfolio services to you, we need to know about your investment objectives and attitude to risk but you cannot impose any investment restrictions.
- 7.3** If you receive discretionary portfolio services, advice and dealing services or advisory portfolio services from us and you impose investment restrictions, this may mean that we cannot follow our standard investment recommendations. If you want to impose investment restrictions, these should be detailed on the **application form** or supplementary 'investment restrictions' form which your investment manager will be able to provide to you.
- 7.4** If you want to change your investment objectives, attitude to risk or investment restrictions at any time, you should contact your investment manager in writing as soon as possible. We will then confirm in writing if we agree to your changes and they will not take effect until we have confirmed our agreement to them.  
We will do all we reasonably can to accommodate your requirements and to respond promptly to your requests. If your financial circumstances or tax status change, it is important that you let your investment manager know immediately.
- 7.5** We will not have breached the **agreement** if your portfolio deviates from your investment objectives, attitude to risk or any investment restrictions you have set due to market movements, corporate actions or other events beyond our control unless (in the case of managed portfolio services or discretionary portfolio services) we fail to rebalance your portfolio or (in the case of advisory portfolio services) we fail to advise you to do so within a reasonable time. When providing advice and dealing services, we do not have to monitor whether your portfolio continues to meet your investment objectives, attitude to risk or any investment restrictions but we will continue to liaise regularly with you so that you may update us on these matters.

## Section 8: Unbiased but restricted advice

### What is this section about?

This section describes the nature of our investment advice services.

- 8.1** If we give you any investment advice, it will be unbiased, but restricted. This is because we do not review all of the retail investment products available in the market (for example life policies and pension schemes). For those investment types that we do provide advice on, such advice will be on a restricted number of products from product providers that we have already assessed as suitable for our clients. Before deciding whether to use our advisory portfolio services or advice and dealing service you should carefully consider whether restricted investment advice will meet your needs.
- 8.2** You should also be aware that, although we are not tied to any particular product provider, we may advise you on products that are provided by one of our affiliated companies. To the extent that we do advise on products provided by entities with close links or any other legal or economic relationships with us, we will identify any relevant conflict of interest and prevent or manage it in accordance with our conflicts of interest policy (see section 28).



## Section 9: Account statements, confirmations and reports

### What is this section about?

This section describes the different reports and information that we will provide to you so that you remain fully informed about your investments and our services.

- 9.1** If you receive discretionary portfolio services, managed portfolio services, advice and dealing services or advisory portfolio services from us, we will send you statements showing the content and value of your **account** (which will include a measure of investment performance and other relevant information) every three months. You may also choose to receive information about transactions we have carried out on your behalf on a transaction-by-transaction basis. If your portfolio includes leverage (for a definition of 'leverage', please see the glossary at [www.quiltercheviot.com](http://www.quiltercheviot.com)), we will send you a statement every month.
- 9.2** You should review your statements carefully on receipt and contact your investment manager as soon as possible if you think they contain any errors or inaccuracies.
- 9.3** We do not have to send trade confirmations if you receive discretionary portfolio services or managed portfolio services from us, unless you have chosen to receive information about transactions on a transaction-by-transaction basis. We will assume you have chosen not to receive trade confirmations unless you tell us otherwise. If we do send you a trade confirmation you do not need to acknowledge that you have received it unless you disagree with the transaction details. Your investment manager will tell you the status of any instructions or transactions if you ask.



When we act on a **discretionary basis** we will only send you trade confirmations if you specifically ask us to.

- 9.4** If you receive advisory portfolio services, advice and dealing services or execution-only services from us, we will send you a trade confirmation together with any additional information which may be required under the **applicable regulations**. This will be no later than the first business day after buying or selling any investment (unless the trade confirmation will be promptly sent to you by someone else involved in carrying out your transaction). If we receive the trade confirmation from someone else, we will send it to you no later than the first business day after we receive it.
- 9.5** When we only receive the net asset value (NAV) of an investment, we carry out valuations on that basis. When we receive a bid and offer price from our data provider, we carry out valuations using the mid-market closing prices appropriate to the investment and the exchange rates at the close of business, either for the day of valuation or for the last dealing day. In working out the market value of your **account**, each investment listed, quoted or regularly dealt in or on an exchange, will be valued on the basis of reported transactions on that exchange or other pricing sources available to us. We will value unlisted or other investments for which, in our opinion, an exchange valuation would not provide a fair and accurate valuation, in the way we feel is best to reflect their fair market value but the values we quote in those circumstances are not guaranteed. We will use the most current available exchange rates when valuing investments in foreign currency.
- 9.6** If we are holding an offshore fund on your behalf which has UK reporting status, we will use reasonable endeavours to identify any excess reportable income announcements in relation to such funds and reflect these in your annual tax reports. However, because we do not monitor all offshore funds on an ongoing basis, we cannot guarantee that we will be able to do this. We will not apply any equalisation treatment to foreign income or excess reportable income distributions. If you require further information about this, you should speak to your tax adviser.



Excess reportable income distributions represent income collected by an offshore fund but not distributed to investors. Such notional distributions are usually still subject to income tax when applied to UK taxpayer investors.

- 9.7** If **applicable regulations** require us to provide you with any additional reports, statements or valuations we will do so.
- 9.8** Your statements and reports will be posted to you and, as explained in section 17, you can also choose to access them digitally via our **client portal**. If we agree to send information relating to you or your **account** to your adviser (or other agent), we may send this information by email or other electronic method (including via a third party data provider or aggregator) if you or your nominated agent or adviser ask us to.

## Section 10: Carrying out orders

### What is this section about?

This section explains how we execute transactions on your behalf and the rules and policies that apply when we do so.

- 10.1** Aggregating orders: We may aggregate your orders with the orders of our other clients, our affiliated companies or people connected with us. We do this to lower the costs of transacting and to make it more efficient for us to buy and sell investments on your behalf. We will only aggregate orders when we reasonably believe that it is unlikely that doing so will work overall to disadvantage any client whose order we have aggregated. We will allocate (for a definition of 'order allocation', please see the glossary at [www.quiltercheviot.com](http://www.quiltercheviot.com)) aggregated orders and transactions in line with our order allocation policy, which means we must allocate orders fairly. You acknowledge that sometimes aggregating orders may work to your disadvantage in relation to a particular order.
- 10.2** Handling orders: We will carry out your orders, and other similar client orders, promptly and in the order in which they are received unless we consider that your order or current market conditions make this impractical or protecting your interests means we should do something else.
- 10.3** Best execution: Under **applicable regulations**, we (or our affiliated company as the case may be) are required to take all sufficient steps to achieve the best possible result when carrying out a transaction on your behalf. Our **order execution policy and list of execution venues** has been developed to make sure we achieve this and we will keep to it when we are:
- (a) Carrying out orders on your behalf
  - (b) Placing orders with other people or organisations for them to carry out where those orders result from out investment decisions
  - (c) Providing discretionary portfolio services or managed portfolio services
  - (d) Receiving and sending orders to other people or organisation for them to carry out

The current version of our **order execution policy and list of execution venues** is available on our website [www.quiltercheviot.com](http://www.quiltercheviot.com). By signing the **application form**, you agree to our **order execution policy and list of execution venues** and agree to us, or our affiliated companies, as the case may be, carrying out transactions on your behalf outside a regulated market, multilateral trading facility or organised trading facility.

**Put simply**, the **FCA rules** require us to take steps to achieve the best possible result for you when executing transactions on your behalf. We have developed an **order execution policy and list of execution venues** designed to meet this requirement which we will keep to when executing transactions for you. By signing the **application form**, you agree to our **order execution policy and list of execution venues**.

- 10.4** Client limit orders: When you place a limit order (for a definition of 'limit order', please see the glossary at [www.quiltercheviot.com](http://www.quiltercheviot.com)) for shares traded on a regulated market, multilateral trading facility or organised trading facility, if the order is not immediately carried out, you agree that we do not have to make the order public so others in the market have access to it. All orders placed or carried out on your behalf will be market orders unless you tell us otherwise and as noted on trade confirmations.
- 10.5** Transaction reporting: We are required to report to the **FCA** certain information about transactions we carry-out. You must provide us with all information we require in order for us to carry out any service under the **agreement** that is subject to transaction reporting obligations under **applicable regulations**. Such information may include a UK national insurance number or other individual national identifier or a valid legal entity identifier ("LEI") for corporates, trusts or charities.

# Part C: Your assets

## Section 11: Your money

### What is this section about?

This section discusses your money and how we protect it in line with the applicable rules and regulations. We explain how we hold your money separately from our own money on a pooled basis as client money under the **FCA rules**. We also outline specific circumstances where third parties may need to control your money.

### How we hold your money

- 11.1** We will hold your money as client money per the **FCA rules**. Part of these rules specifies that we must hold your money in a client bank account set up with statutory trust status. This means that we will keep your money separate from our money. These rules are designed to ensure your money is protected. We may hold your money with other client's money in a pooled client bank account. This means you will not have a claim against a specific amount in a specific account but rather a percentage of your share in the pool. If you were ever to claim your money, it would be against the pool as a whole. If a bank we use to hold client money were to fail, you would have a claim over the original percentage share you had in the pool. This also means you would share a percentage of any loss, depending on your original share in the pool in the unlikely event that one of the banks we use were to fail. We may use money held in a pooled client money account for the account of any of our clients represented within the pool. For example, if we need to raise cash specifically on your behalf, we may use money from the pooled client bank account.
- 11.2** We will promptly place your money into one or more client money bank accounts opened with a central bank, a UK bank, an authorised bank in another country (including outside the EEA), or a qualifying money market fund. Those accounts will be separately identified from any accounts used to hold our own money. Occasionally, we may hold a proportion of total client money in an account from which we cannot immediately withdraw. We may do this to reduce the risk associated with bank default or reduce charges which might otherwise be passed to you. For example, we may have to wait until the expiry of a fixed or notice period of up to 95 days. We will always do this in line with the **applicable regulations** and will take appropriate measures to ensure that there is no delay in returning your money to you where that money is held in accounts which do not allow immediate withdrawal. However, in exceptional circumstances, there may be a delay in returning some or all of your money to you. For example, if there is a period of high or unexpected client money outflows. In such rare cases, you may need to wait until the expiry of the relevant fixed term notice or notice period to receive the full amount.
- 11.3** You agree that we may place your money in a qualifying money market fund. If we do so it will no longer be held subject to the protections of the **FCA rules** relating specifically to client money, but instead, the **FCA rules** relating to client assets. This is because we will hold units issued from the fund rather than the money itself. They are still subject to protections under the **FCA rules**, but for a different asset class.

**Put simply**, we will hold your money in a client money bank account at one (or more) of a carefully selected number of banks. Your money will be held on a pooled basis with that belonging to our other clients but separate from any of our own money. We may utilise fixed term deposit accounts and money market funds to hold your money but we will only ever do so in line with the **FCA rules** and having taken appropriate measures to minimise the risk of any delay in returning your money to you should you ask us to.

### Passing your money to other organisations

- 11.4** We may pass your money to another organisation to temporarily hold or control so we can carry out a transaction through or with that organisation on your behalf or to meet your responsibility to provide collateral for a transaction. For example, these organisations might be an exchange, intermediate broker, over-the-counter organisations or clearing houses. As long as we do not act negligently, we are not responsible for the actions or inactions of other organisations. Subject to **applicable regulations**, those organisations may have a security interest over or right to use your money if any money is owed to them. An organisation we pass your money to may hold it in a general account. This means it may not be possible to separate it from

our money or their money. If they become insolvent (unable to pay debts owed), we will have an unsecured claim against them on your and our other client's behalf. You acknowledge that this means the other organisation may not pay us enough money to cover the claims of you and all other clients.

- 11.5** Occasionally, we may pass your money to an intermediate broker, settlement agent or other organisation based outside the UK. For example, we may pass money to an overseas organisation to facilitate a transaction on a specific type of asset. In these circumstances, the regulations applicable to the organisation with your money will differ from those of the UK. If the organisation cannot return your money, it may be treated differently than if the money was in the UK.

### Delivery versus payment

- 11.6** In certain circumstances where we are carrying out transactions on your behalf through a commercial settlement system, we may use the delivery versus payment (DvP) exemption under the **FCA rules**. This exemption means that we temporarily do not need to hold your money as client money in line with the **FCA rules** where:

(a) Regarding your purchase of investments, we intend for the money that you pay to us to be due to us within one business day after we have delivered the investment to you, or

(b) Regarding your sale of investments, we intend for the money from the sale to be due to you within one business day after you have delivered the investment to us.

If we have not paid you or delivered investments within three business days from when we started using the DvP exemption, we will stop using this exemption and treat your money as client money again, in line with the **FCA rules**.

### Dormant accounts

- 11.7** If:

(a) There has been no movement on your **account** for at least 6 years (excluding payments or receipts of interest, charges or similar items), and

(b) We have attempted to contact you in accordance with our obligations under the **FCA rules**, you agree that, in line with the **FCA rules**, we may pay away any client money we hold for you to a registered charity of our choice. If that amount exceeds £25, either we or an affiliated company of ours will unconditionally undertake to pay you an equivalent sum if you make a valid claim for the balance in future.

**Put simply**, after a 6-year period of inactivity on your **account**, if we are not able to make contact with you, we may donate your money to a charity. However, if you make a valid claim in future, we will pay you an equivalent sum.

### Transferring your money to another organisation as part of a transfer of our business

- 11.8** You agree that we may transfer your money to another organisation as part of a transfer of our business where your money will be held by that other organisation under the **FCA rules** relating to client money. Or, if your money will not be held by that other organisation in line with the **FCA rules**, we will exercise all due skill, care and diligence in assessing whether the person to whom the client money is transferred will apply adequate measures to protect your money. Before transferring, we may also deduct any amounts you owe us. We will transfer your money on terms requiring the receiving person to return your money to you as soon as practicable at your request and will notify you once the transfer has taken effect in line with the **FCA rules**.

### Interest

- 11.9** We will pay you interest as outlined in the **interest information**, which you can find on our website. We update this information periodically and, at some times, the interest rate may be zero. If the interest we earn on your money is less than the rates set out on our website we will use our funds to reimburse you for the difference

unless the interest rate we published on our website was a genuine mistake. Where the interest earned on your money exceeds our website's rates, we may keep the excess. If any of the banks holding your money charge us because of a negative interest rate, we may pass this cost of holding such money onto you. To do this, we may deduct the relevant amount of the currency subject to these negative interest rates from your **account**. Any currency subject to a negative interest rate will be explained in the **interest information**, and you can ask your investment manager for more details.



Negative interest rates mean that banks apply a charge to deposit holders for holding their cash deposits.

### Using your money when you owe us money

**11.10** You agree that we may treat any client money we hold for you as due and payable to us to the extent of all or any part of any obligation you owe us under the **agreement**. **Put simply**, you agree that any money we hold for you can be used for payments we are owed by you under the **agreement**.

## Section 12: Your investments

### What is this section about?

This section discusses your investments and how we protect them in line with the applicable rules and regulations. We explain different ways we might register and hold your investments, including cases where third parties may need to hold or control them. Your investments will be held separately from any of our own investments, however they will ordinarily be held in a pool with investments belonging to our other clients.

### How investments will be registered

**12.1** We will register or record investments which can be registered and which you have bought through us, in:

- (1) Your name, or
- (2) The name of a nominee company controlled by us or an affiliate of ours, a recognised investment exchange or a third-party (for example, an appointed subcustodian) where we have deposited your assets with that exchange or other third-party in line with **FCA rules**, or
- (3) The name of other third parties in certain circumstances, where the investment is subject to the law or market practice of a jurisdiction outside the UK, or
- (4) Our name if we cannot register or record the investments using methods (1)-(3) and the relevant asset is subject to the law or market practice of a jurisdiction outside the UK.

You consent to us registering or recording legal title to your investments in this way. If we register or record your investments in the manner described in (3) or (4) above, we will only do so when we have taken reasonable steps to determine that it is in your best interest to do so or is not feasible to do otherwise because of applicable laws or market practice applying to the relevant investments.

**Put simply**, we will register or record assets in line with the requirements of the **FCA rules**. This will usually mean they are registered in the name of our, or one of our subcustodian's, nominee companies. If that's not the case, we will take reasonable steps to determine that it is in your best interests to register or record it whichever way we deem appropriate.

### How investments will be held

**12.2** We will identify, record and hold all clients' investments separately from our investments and other assets. This means that we can distinguish clients' assets from our own at any time.

**12.3** We may appoint subcustodians to hold investments for clients. Those investments will usually be held

by that subcustodian in a single account that is identified as belonging to our clients, and we will identify which of our clients they belong to in our books and records. This means that if the subcustodian suffers a financial loss, there may be a shortfall. In this case, you may share that shortfall with our other clients, depending on the amount of your investments held with that subcustodian.



One of the reasons we appoint subcustodians is because they have the infrastructure, expertise and geographical reach to safeguard and administer a wide variety of asset types and can do so at a very large scale, therefore providing a cost effective service to us and therefore our clients.

- 12.4** UK securities will generally be held by and registered in the name of one of our nominee companies.
- 12.5** Occasionally, it may be unrealistic due to national law to effectively register or record your investments in a name other than ours or a subcustodian's. This means your investments may not be clearly separate from ours or that subcustodians. A key consequence may be that if the subcustodian or we suffered a severe financial loss, you could share that loss with our other clients.
- 12.6** We will only place your investments with third parties in jurisdictions outside the UK that do not regulate the holding and safekeeping of financial instruments for another person if we have no choice. We may have to do this for a small proportion of our clients due to the nature of the investments they hold or the services we provide. For example, if you give a specific instruction which requires this. In these circumstances, the laws of that jurisdiction will govern your investments, and your rights relating to those investments may differ from those of the **applicable regulations** in the UK.

#### Transferring your investments to other organisations

- 12.7** As a necessary part of buying and selling investments on your behalf, we may transfer your investments to a third party, such as:
- (a) Intermediate brokers
  - (b) Settlement agents
  - (c) Over-the-counter counterparties
  - (d) An exchange or securities depository, as well as any participant in such a system (such as a central counterparty)

Each of these persons may have their own arrangements for dealing with and holding assets to facilitate settlement. They may also be located outside the UK, meaning they will be subject to different laws.

#### Delivery versus payment

- 12.8** In certain circumstances where we are carrying out transactions on your behalf through a commercial settlement system, we may use the delivery versus payment (DvP) exemption under the **FCA rules**.
- This exemption means that we do not need to hold your investments as client assets in line with the **FCA rules** where:
- (a) In respect of your purchase of investments, we intend for those investments to be due to you within one business day after we have received payment from you, or
  - (b) Regarding your sale of investments, we intend for those investments to be delivered to us within one business day after you receive payment from us so that we can settle the transaction.

#### Using your investments as security

- 12.9** We, and certain third parties, can use investments in your **account** to cover outstanding fees and charges. This is explained in more detail in section 14. In addition, any subcustodian, nominee, agent or certain other third



parties (e.g., an exchange or securities depository) may have a security interest in any of your investments or have the right to use their value to pay charges arising from the administration and safekeeping services they provide in relation to those investments (or, because of the pooling of our clients' assets, the investments of other clients of ours). In some cases, security interests for these third parties are required under the laws of the places where the assets are held.

### Custody services

- 12.10** You can tell us to use a particular custodian or ask us to register or record your investments in a manner other than described in section 12.1. We do not have to accept these instructions from you but, if we do so, it is at your own risk, and we will not be responsible for any expenses, losses, damages or liabilities from following these instructions.
- 12.11** As part of providing custody services, we monitor all investments we hold for you. In some cases, we may choose to hold an amount of our money to cover a shortfall. We will hold that money under **FCA rules** and section 11 until the shortfall is resolved (or until agreed otherwise). Where any relevant shortfall reduces or is resolved, our money used to cover the shortfall previously will be due immediately to us. If this **agreement** is ended and we have paid you to cover a shortfall, we will no longer be obligated to return the investment that resulted in the shortfall. In other words, upon ending the **agreement**, and if we have paid to cover the shortfall, our obligation to return the investment to you will be considered fulfilled.



Shortfalls are defined in the **FCA rules** but, in summary, mean any amount by which the investments we hold for our clients falls short of our obligation to return such investments to our clients.

- 12.12** Because we will pool your assets with those of our other clients, your individual entitlements may not be identifiable by separate certificates, ownership documents or equivalent electronic records. In the event of a shortfall due to a subcustodian suffering severe financial loss, you may share some of that shortfall. Your share in the shortfall is based on your original share of the assets in the pool. Investments held in a pool may be used for the account of any of the relevant clients within the pool. For example, if we need to raise money specifically on a client's behalf, we may use assets from the pool to do so. If your investments are held overseas, there may be different settlement, legal and regulatory requirements to those in the UK. This means there will be different practices for identifying your investments and rights (which may be reduced in comparison to the UK) if the subcustodian suffers severe financial loss or becomes insolvent.
- 12.13** In acting as custodian we accept responsibility for all investments registered in the name of our nominee or affiliated companies. As long as we have acted in line with the **FCA rules** and have not been negligent, fraudulent or breached these terms and conditions, we will not be liable for any act, or failure to act, or for the solvency of any of our chosen subcustodians or delegates provided they are not our nominee or an affiliated company. If any of these companies suffer severe financial loss or become insolvent, you may only get back some of your investments. However, we will do all we reasonably can to recover any loss on your behalf in these cases.

### Dormant accounts

- 12.14** If we have held investments for you for at least 12 years and have:
- (a) Not received instructions from you relating to those investments, and
  - (b) Not been able to contact you despite attempts to do so in accordance with the **FCA rules**

You agree that we may sell of those investments and pay the proceeds to a registered charity of our choice. If we take such action, either we or an affiliated company of ours will unconditionally undertake to pay you an equivalent sum if you make a valid claim to the asset in future.

**Put simply**, after a 12-year period of inactivity on your **account**, if we are not able to make contact with you, we may sell the investments in your **account** and donate the proceeds to charity. However, if you make a valid claim in future, we will pay you an equivalent sum.

## Holding your investments at Central Securities Depositories



Central Securities Depositories are institutions that can hold a variety of financial instruments (including equities, bonds, money market instruments and units or shares in collective investment schemes). They allow ownership of such instruments to be recorded in electronic form and transferred by the updating of such electronic records rather than paper copies. They are a key part of the infrastructure of financial markets. The UK Central Securities Depository is Euroclear UK and International which operates the CREST system.

**12.15** Where we hold investments for clients at any relevant Central Securities Depository, we offer those clients the choice between two account types, in line with Article 38(5) of the Central Securities Depositories Regulations (CSDR). These are:

- (a) Omnibus Client Segregated Account
- (b) Individual Client Segregated Account

Omnibus Client Segregated Accounts are standard. However, both are designed to segregate our clients' investments from our own. Under Article 38(6) CSDR, we publicly disclose the levels of protection and the costs associated with the different levels of segregation each account type provides. In complying with this regulation, we also ensure that these services are offered on reasonable commercial terms. For more information, please refer to our website at [www.quiltercheviot.com/important-information](http://www.quiltercheviot.com/important-information)

**Put simply**, where we hold client assets in a Central Securities Depository, we must offer our clients the choice between two types of segregated accounts and publicly disclose the levels of protection and associated costs of these accounts. These obligations are outlined in the CSDR, and you can find more information on our website. The Omnibus Client Segregated Account is the standard default option but if, having considered the disclosures on our website, you want to change your account choice, please contact your investment manager.

## Section 13: Settlement and default

### What is this section about?

This section describes how transactions to buy or sell investments are completed (or settled) on your behalf by us in accordance with the standard market practices that usually apply. This section also details the rights that we can use in the rare event of a settlement failure to protect our business and clients' interests.

### Settlement

- 13.1** In order for us to complete a transaction for you promptly, you must pay all amounts due, and give us all share certificates and other documents we need (if we do not already hold them), in good time. We may use any amounts that you owe us to repay or reduce any amounts that we owe you in connection with any **account** you have with us at any time. We will pay the relevant amount after deductions, and do not have to ask you about this beforehand.
- 13.2** There are standard settlement periods for most financial markets and the basis of settlement, in line with the rules of the relevant exchange on which the transaction is carried out, will normally be what is known as 'actual' and we will be acting as your agent for the purposes of settlement. This process is described in more detail in sections 13.3 and 13.4 below.
- 13.3** On the intended settlement date, a purchaser of an investment has an obligation to provide cleared funds to their counterparty in exchange for receipt of the investment they have agreed to purchase. This means that you will need to have sufficient money available in your **account** to meet your settlement obligations when purchasing an investment. All sums due from you relating to a purchase transaction will be taken from your **account** on the intended settlement date. If, for any reason, the counterparty to the transaction is unable to settle the transaction on the intended settlement date, your money will be held by us in accordance with the **FCA rules** until settlement occurs. If you are buying an investment and you do not have sufficient money available in your **account** on the intended settlement date, we may in our sole discretion lend you the money

to facilitate settlement, but we do not have to do so. If settlement is delayed or fails to take place after a reasonable period of time, we may reverse any loans we have made to you for these purposes. If we have agreed to lend you money and paid it out on your behalf, such money shall become immediately due and payable to us from you. If you are selling an investment, we will only take sums due to us in relation to that transaction once the sale proceeds have been received from the counterparty to the sale.



Settlement activity is usually dictated by established market practice. When you are buying an investment, successful settlement relies on you having enough money to buy the investment available in your **account**. If you don't, we might choose to lend you the money so that settlement can take place but we don't have to. If we do lend you money for these purposes, you will have to pay it back to us on demand.

- 13.4** The delivery of any investments or payment of sale proceeds by the counterparty to a transaction shall be at your risk until actual settlement of the transaction takes place. We do not have to deliver an investment, or sale proceeds (as the case may be) to you until we have received the relevant money, investments or documents (as applicable) from the counterparty. We may place a credit or debit entry onto your **account** in advance of actual settlement but such entries are contingent upon our receipt of the relevant money, investments or documents (as applicable) from the counterparty. As a result, you should not rely on the balance showing in your **account** until settlement has actually occurred (whether on the intended settlement date or otherwise). In the rare event of event of a settlement failure (for example, because the relevant investments are subject to an insolvency procedure or suspension), depending on the circumstances of such failure and relevant market practice, we may reverse or cancel any credit or debit entries of money or investments which have been entered on your **account** in advance. You may not receive the expected sale proceeds or, in the case of a purchase transaction, the relevant investments but may still be liable to pay for them.



When we carry-out a transaction for you, you bear the risk associated with the delivery of investments or receipt of money until the counterparty to the transaction delivers that investment or money. We might make entries on your **account** in advance of actual settlement taking place but you shouldn't rely on those entries as they may be reversed if settlement is delayed or fails.

## Default

- 13.5** If you fail, or we expect you to fail, to make payment on time of any amounts you owe us under the **agreement** or fail to deliver any investments or documents when they are due, we may:
- (a) Use any money or sell any investments we hold or control for you
  - (b) Repurchase (at your expense) any investments which we have sold on your behalf
  - (c) Take any other action to reduce as far as possible any loss or expected loss arising directly or indirectly by your failure or anticipated failure

In these circumstances, we can make any purchases or sales of your investments using our reasonable discretion. You will be responsible to us for repaying any expenses (including legal fees) we reasonably have to pay in taking any action under this clause. This section applies to any failure on your part to meet any payment responsibilities you have to us under the **agreement**.

In order to try and prevent any settlement failures and us having to use the rights outlined above, you must tell your investment manager immediately if you expect that you will not be able to deliver any payments, investments or other documents that we need to settle any transaction on your behalf.

- 13.6** You will have to pay us interest on any outstanding balances owed to us (sterling or non-sterling) before or after any court judgement (if applicable) and including in relation to any overdraft on your **account** at a yearly rate of 2% above the Bank of England's bank rate.

- 13.7** If a bankruptcy petition, a winding-up petition or an administration order or a resolution has been passed against you, we will close out (for a definition of 'close out', please see the glossary at [www.quiltercheviot.com](http://www.quiltercheviot.com)) all open positions held on your **account**. Any proceeds we get from doing this will go towards settlement of our outstanding costs and any other amounts due to us.
- 13.8** We may refuse to make a payment due to you, or transfer your assets to someone else if we reasonably consider this to be against any **applicable regulations**.

## Section 14: Our rights over your assets

### What is this section about?

This section outlines information about the rights we have over your assets (otherwise known as security interests). These rights help us to protect our business, and therefore our clients.

- 14.1** You are responsible for payment, delivery or other responsibilities that you may owe us or any of our affiliated companies. This includes existing or future actual, conditional or potential responsibilities. To ensure you meet these responsibilities, we require legal rights over the assets we control on your behalf. These rights allow us to use or sell your assets to pay amounts owed to us. By signing the **application form**, you give us a first fixed charge and general lien over all of your rights and interests in any of your assets we hold or control. This includes a right over the proceeds from selling your assets.



A security interest means the right to be paid in the event of default. If you default, we will be able to utilise these rights to retain or sell your assets to recover what you owe.

**Put simply**, when you sign the **application form**, you grant us legal rights to retain or sell the assets we hold or control on your behalf if you owe us money. We do this for our security and to make sure if you do not make a payment or otherwise meet your obligations to us, we can recover what's owed from your assets. It also helps to protect you as we will be less exposed to the risk of default from all of our other clients.

- 14.2** If you owe debts to us or our affiliated companies, we will have all of the rights of someone with security over your assets, as far as is allowed under **applicable regulations**. So, we may sell, dispose of, liquidate, set off, or apply all or any part of those assets (or their cash value) to meet all or any part of any debt you owe us. To help with this, you will also provide us with any documents we may need, as well as permission to take any further steps we may reasonably need to establish a security interest over your assets.

**Put simply**, we have the right to recover any debts you owe us using the assets that we control on your behalf, within the limits of **applicable regulations**.

- 14.3** In rare cases, we may sell your assets to recover any amount you owe us. If we decide to do so, we will try to give you prior notice but do not have to do so. If the proceeds we make from selling your assets are greater than the amount you owe us, we will pool the remaining proceeds in a client account in line with the **FCA rules** and section 11.

**Put simply**, any money which remains from the sale of your assets after we have recovered the debt owed to us will be added to the client money pool and allocated to your **account**.

- 14.4** You confirm that you are the beneficial owner of the assets we hold or control on your behalf (or are otherwise fully authorised to deal with those assets in line with the terms of the **agreement**) and nobody else will have an interest in, or right to, the assets we hold or control on your behalf unless we agree otherwise.

- 14.5** You authorise any nominees or agents with whom we have deposited your assets, or in whose name they are registered or held to act in line with any instructions that we give them under the **agreement**. This includes in relation to a sale of your investments to meet sums due to us. We are also authorised to notify relevant nominees and agents about this authority and the terms of this section 14.5. In the rare event of any loss, damage or expense that they may suffer in carrying out any valid instructions we properly give them on your behalf, you will pay each of them for this loss. We will let you know if this happens.

- 14.6** We do not have to carry out our responsibilities to pay money or deliver assets to you if you have not met your responsibilities under this **agreement** (or any other agreement you have with us) to pay money or deliver assets to us. This is the case whether or not the respective responsibilities relate to the same transaction. Instead, we may use any money you owe us to repay or reduce any amount we owe you and then pay you any excess. This is called a right of “set-off”. If we do this, we will act reasonably.

## Section 15: Corporate actions and shareholder rights

### What is this section about?

This section outlines how we will deal with corporate actions impacting any of the investments we hold on your behalf and in what circumstances we will exercise any shareholder rights (such as the right to vote at company meetings) on your behalf.

- 15.1** If your investments are registered in the name of one of our nominee companies, the nominee company will hold those investments as trustee for you and you will still own them. You acknowledge that this means you may lose certain entitlements such as receiving a yearly report and accounts and the right to attend shareholder meetings. We will process corporate actions and exercise shareholder rights on your behalf as set out in this section 15. However, in no circumstances, will we be liable to you for not taking any action if: (1) a company fails to tell us about a corporate event either at all or in sufficient time for us to take any action; or (2) we do not receive notification of a corporate action relating to an unlisted investment at all or in sufficient time for us to take any action. In particular, as unlisted investments are not quoted on recognised exchanges, monitoring for corporate events that impact them is more difficult and often relies on our receipt of manual notifications directly from the relevant companies. Therefore, we won't be liable for any losses you might suffer if we don't receive notification about corporate events relating to unlisted investments.
- 15.2** If we are holding investments for you, we will be responsible for claiming and receiving dividends and interest payments on those investments and sending them to you in line with your instructions.
- 15.3** We will do what we reasonably can to collect any dividends, interest or any other entitlements, in cash or in kind, which you may be entitled to and which we are told about. We will pay these to you as soon as possible after taking off any taxes due or credit them to your **account**.
- 15.4** If a company offers a choice between receiving a dividend in the form of cash or shares, we will opt for cash.
- 15.5** We will not undertake tax reclaims on your behalf, with the exception of UK tax reclaims on investments held in ISAs where applicable.
- 15.6** When processing corporate actions and collecting income (in the form of dividends or interest), we will usually receive one allocation of shares, units in collective investment schemes or cash for all clients whose investments and money are held in pooled accounts by one of our nominees or with one of our subcustodians or client money banks. After we have allocated such shares, units or cash to the relevant clients in proportion to their entitlement within the overall pool, we are occasionally left with fractional entitlements that cannot be properly allocated to those clients as they are not divisible. When this occurs:
- (a) In the case of shares or units in collective investment schemes, we will aggregate the fractional entitlements and, where practicable, attempt to sell them at the prevailing market rate and then distribute the resulting cash proceeds to the relevant clients in proportion to their original fractional share entitlement. On completion of this process, any residual cash amounts from the sale of the fractional entitlements that cannot be allocated will be retained by us

(b) In the case of money, these residual amounts that cannot be allocated will be retained by us

**Put simply**, where we are left with a fractional amount of an investment that we can't properly proportionately allocate to the relevant clients, we will try to sell those investments and then allocate the cash proceeds

to those clients. If we are left with a fractional amount of money that we can't properly allocate to the relevant clients, either following a corporate action, or after selling any fractional investments that can't be allocated, we will retain that money.

- 15.7** If you receive discretionary portfolio services or managed portfolio services from us, the following will apply.
- 15.7.1** If your investments are registered in the name of our nominee or held for us by a subcustodian, subject to section 15.1, we may use any conversion or subscription rights, deal with rights issues, takeovers or other offers if we consider that action to be appropriate. We will also exercise any voting rights if we consider it appropriate to do so in line with our voting principles. You can find a copy of our voting principles on our website at [www.quiltercheviot.com](http://www.quiltercheviot.com) and your investment manager can also give you a paper copy if you ask.
- 15.7.2** If your investments are held by you, or your chosen custodian or nominee, exercising any shareholder rights you may have will depend on your agreement with your custodian or nominee. However, subject to section 15.1, we will do all we reasonably can to tell you our decision on how to use these shareholder rights or, if you have already told us in writing how to use these shareholder rights, to tell your custodian or nominee. However, we will not be responsible for making sure you or they follow our decision.

**Put simply**, when we are acting on a **discretionary basis** for you, we will use our discretion to deal with corporate actions and voting rights on your behalf where we consider it appropriate to do so. However, if we are not holding your investments as custodian, we will not be responsible for making sure your chosen custodian follows any instructions we give them.

- 15.8** If you receive advisory portfolio services, advice and dealing services or execution-only services from us, the following will apply.
- 15.8.1** If your investments are registered in the name of our nominee or held for us by a subcustodian, subject to **applicable regulations** and section 15.1, we will do what we reasonably can to monitor and notify you about any conversion or subscription rights, rights issues, takeovers or other offers related to such investments. On receipt of your specific instructions in relation to any such subscription rights, rights issues, takeovers or other offers, we will do what we reasonably can to exercise them on your behalf but will not be responsible to you if you fail to instruct us at all or in sufficient time for us to take the necessary action. Subject to **applicable regulations**, we will not monitor or notify you about the availability of any voting rights in respect of your investments but we will do what we reasonably can to exercise voting rights on your behalf if you have provided us with specific instructions to do so. We will not be liable if you fail to instruct us at all or in sufficient time for us to take the necessary action.
- 15.8.2** If your investments are held by you, or your chosen custodian or nominee, we will not be able to monitor or notify you about any conversion or subscription rights, rights issues, takeovers, other offers or voting rights related to such investments and nor will we be responsible for exercising them on your behalf.
- 15.8.3** We will not actively offer you any advice about the exercise of any conversion or subscription rights, rights issues, takeovers, other offers or voting rights related to your investments unless you receive advice and dealing services or advisory portfolio services from us, and you specifically request our advice about these issues.

**Put simply**, if we are not acting on a **discretionary basis** for you but are holding your investments, we will do what we reasonably can to notify you about corporate actions and voting rights you may have and, if you give us instructions, we will do what we reasonably can to implement those instructions. We will only give you advice on such matters, if you specifically ask us for it.



# Part D: Account administration

## Section 16: Your Instructions

### What is this section about?

This section outlines how you should give us instructions and the type of instructions you can give us. It also describes those rare situations in which we are entitled not to accept your instructions or to make further enquiries to verify them.

- 16.1** We will only accept specific and clear instructions about your **account** and the assets in it. We will also only accept instructions if they come from you or from a person you have previously told us has authority to give instructions on your behalf or who we reasonably believe has such authority.
- 16.2** Depending on the type of instructions, they can be given by phone or in writing and we will accept them in good faith. We may rely on and treat as binding any instructions which we reasonably believe to be from you or your agents.
- 16.3** Until we have received all the documents we need to carry out an order, or for any other reason (for example, if we reasonably consider that an instruction is unclear, unreasonable, fraudulent, is being used to commit market abuse (including dealing on inside information) or may otherwise breach **applicable regulations**), we may refuse to accept an instruction, an order, or deal for you. In such circumstances we will have no responsibility to you for any resulting loss suffered by you or any other person. When we receive your instructions, we will tell you if we are going to refuse to act on them and give you our reasons unless we are prohibited from doing so under **applicable regulations**. You will be legally responsible to us for all actions, proceedings, costs, claims, demands or expenses that we may suffer as a result of us accepting (or not accepting) your instructions.



We put procedures in place to check that we are receiving genuine instructions from you or from somebody else on your behalf. There may be times when we refuse to act on an instruction, in order to protect you and your assets or to comply with **applicable regulations**.

- 16.4** We may refuse to act on any information and instructions received using electronic methods and may need confirmation of the instruction or information by post or by phone. You must give us dealing instructions in person, by post or phone at the address or phone number we have given you. Unless we agree otherwise, we will not normally accept instructions to carry-out a transaction for you by email. In all circumstances, you should give us dealing instructions direct and not to any third parties. Once given, you can only withdraw or change your instructions if you have our permission.



We won't normally accept dealing instructions by email so you should call your investment manager if you want to instruct us to carry-out a transaction for you.

- 16.5** We may refuse to carry out business for you which breaches any **applicable regulations** or any of these **terms and conditions**. In such circumstances, we will take the action that we consider necessary to keep to the **applicable regulations** or **terms and conditions**.
- 16.6** If you receive managed portfolio services, we will not be able to process an instruction to sell investments and send you money while we are in the process of buying and selling (rebalancing) the investments in your **account**. We will process your instructions as soon as possible once the rebalance process is complete.



## Section 17: Digital Access

### What is this section about?

This section explains the digital access we can give you to your **account** so that you can easily keep track of your portfolio and access various communications from us. It also describes the restrictions and safeguards we put in place to maintain the security of your **account** and personal information.

#### 17.1 You agree that:

(a) We may give you online access to your **account** via our website, **client portal** or **app** and where appropriate in line with **applicable regulations** communicate with you by email

(b) Where appropriate, we may also communicate with you by making relevant information available on our website at [www.quiltercheviot.com](http://www.quiltercheviot.com) or via the **client portal** or **app**

(c) Where we refer to 'in writing' in the **agreement** this includes email and notices on our website, **client portal** or **app** (where appropriate) and where we refer to your 'address' this includes your email address (where appropriate)

**17.2** If we give you access to your **account** via our website, **client portal** or **app**, you must keep your user IDs and passwords confidential, and you agree that you are responsible for protecting them from unauthorised use. We will not be responsible for any unauthorised use of a user ID or password resulting from negligence or fraud on your part.

**17.3** Because of the nature of electronic communications and the risk associated with the transmission of information over the internet, in relation to our website, **client portal**, **app** and email communications, you acknowledge that:

(a) The internet may be interrupted or fail through no fault of our own and there may be periods of time when our website, **client portal**, **app** and email communications are unavailable due to planned or unplanned maintenance

(b) You are responsible for providing and maintaining the communications equipment (including personal computers and modems) to access our website, **client portal**, **app** and to receive email

(c) We do not guarantee that our website, **client portal** or **app** will support all types of internet browser or be fully compatible with your communications equipment

(d) You may have to agree to additional terms and conditions to access your **account** via our website, **client portal** or **app**

(e) You must keep an active email address to receive ongoing electronic communications and to access your **account** via our website, **client portal** or **app**

**17.4** We may change the content, presentation, performance, user facilities and availability of any part of our website, **client portal** or **app** at any time.

**17.5** Although we will make all reasonable efforts to ensure that our websites, **client portal** and **app** are functional, for purpose and free from viruses and errors, we do not give any assurance of, and accept no responsibility for, the accuracy, adequacy, quality or fitness for any particular purpose or use of our website, **client portal** or **app**.

**17.6** You cannot allow others to use your access rights to our digital services without our written permission.

**17.7** We will take all reasonable steps to protect your personal information but cannot guarantee the security of any information you provide online or which is transmitted by you or us over the internet. If you choose to communicate with us electronically and to access our digital services you accept the security implications of passing information over the internet and you agree to access such services at your own risk. You also agree

that we will have no legal responsibility for any mistakes, missing information or breaks in security beyond our reasonable control.



You can choose to access your **account** and receive communications from us digitally to easily access your information. We will also utilise electronic means of communication where appropriate and in line with the **FCA rules**. We will do what we reasonably can to ensure the security of information transmitted over the internet but there are inherent risks with this.

## Section 18: Phone calls and electronic communications

- 18.1** We may record any phone conversations or electronic communications between you and us without telling you first. These recordings will be our property and we may use them in evidence if there is a dispute or for any other matter. A copy of any phone records or electronic communications will be available to you on request for a period of at least five years and, where required by the **FCA rules**, for a period of up to seven years, from the date of their creation.
- 18.2** Unless you ask us to call you, we will only call you if we believe it is in your best interests and in line with the **FCA rules**. We will not contact you before 8 am or after 9 pm (your time) unless we have agreed this with you.

## Section 19: Records

- 19.1** Our records, unless shown to be wrong, will be evidence of your dealings with us in connection with our services. You agree that we may use copies of our records as evidence in any legal or regulatory proceedings and they do not have to be the originals, or in writing. We can also use documents produced by computer. You must not rely on us to meet your responsibilities for keeping records. However, we may make our records available to you if you ask, we decide to or we have to according to **applicable regulations**.
- 19.2** In line with the **applicable regulations**, we will keep your records for at least five years and, where required, seven years. We may extend this period as a result of any change in the **applicable regulations**, our policies, or any agreement between you and us. You may not ask us to destroy or delete any record relating to you unless we have to do so because of **applicable regulations**.

## Section 20: Confidentiality

### What is this section about?

This section describes the circumstances in which we may disclose confidential information about you and your **account** to others. This would usually only be where you have given us permission to do so but, in rare circumstances, we may have to do so for legal or regulatory reasons.

- 20.1** We may reveal any confidential information (including personal data as defined in section 21) we hold about you and your **account** to:
- (a) Your adviser and any other agent you have appointed and told us about in writing
  - (b) Any person with whom we need to share such information in order to perform our obligations under the agreement, provide our services to you or complete any other request or instruction from you
  - (c) Our affiliated companies, successors or anyone we transfer our business to
- 20.2** We may also reveal your confidential information if:
- (a) We are required to do so under any **applicable regulations**
  - (b) A regulatory or governmental authority asks us to

(c) Another third party (for example an insolvency practitioner) with a legitimate reason to see such information asks us to

(d) There are circumstances where if we didn't disclose the information, we would be exposed to a significant risk or to potential criminal or civil liability in any jurisdiction

## Section 21: Data protection

### What is this section about?

This section outlines our approach to compliance with our legal obligations regarding the processing of your personal data and, specifically, how we protect such data.

- 21.1** In this section 21, personal data means data that relates to you and from which you can be identified (either by itself or when it is combined with other data).
- 21.2** We may process your personal data in connection with this **agreement** and the services that we provide under it. For the purposes of the **applicable regulations**, we are a data controller in respect of your personal data and are responsible for ensuring that we process it in compliance with the **applicable regulations**.
- 21.3** We explain what personal data we will process, why and how we will do so, who we may share it with, and the rights that you have in respect of your personal data in our privacy notice which is published on our website: [www.quiltercheviot.com/important-information/privacy-policy](http://www.quiltercheviot.com/important-information/privacy-policy)
- 21.4** By agreeing to these **terms and conditions**, you agree to us providing our privacy notice on our website (but your investment manager can send you a printed copy if you ask) and to us processing your personal data in accordance with it. If you object to us processing your personal data in accordance with our privacy notice, please let us know by contacting your investment manager or our privacy team using the details in our privacy notice. If you do object we may not be able to provide all, or some, of our services to you.
- 21.5** You must ensure that any personal data that you provide to us is accurate and up to date, and promptly notify us if you become aware that it is incorrect. You must also only provide us with personal data belonging to somebody else if you have their consent to do so (if required) or you are otherwise permitted to do so under **applicable regulations**.
- 21.6** If you are opening and operating a corporate, trust or charity (or similar) **account** you must notify the officers, trustees, shareholders and beneficial owners (as appropriate) that we may process their personal data in connection with the **agreement** and the provision of our services. In particular, we may be required to verify their identity in accordance with **applicable regulations** and this may include the carrying-out of electronic identity checks with a credit reference agency. You must also draw their attention to our privacy notice.

## Section 22: How we charge for our services

### What is this section about?

This section explains how we charge you for our services, including how we collect our fees from your **account**. Where possible, we will take these charges automatically from your **account** so that you don't have to do anything. However, in some cases, we may need you to take action. We will always let you know if we need anything from you. This section also outlines how we may facilitate the payment of adviser charges from your **account** to your adviser.

- 22.1** You are responsible for paying us the charges noted in the **application form, schedule of charges** and the **costs and charges information** (where applicable). You also agree to pay us any amounts we have paid to third parties on your behalf, in relation to our services or your assets.

You do not need to do anything to pay these charges. We will automatically take charges due to us (or our agents) plus any VAT (where applicable) from any money we hold on your behalf. If your account has insufficient funds to cover these charges, it will go overdrawn (unless it is an ISA). If this happens, you must send us additional money to cover the overdraft and any interest due in line with section 13.6. You are also responsible for your own taxes and other costs you are legally responsible for that are not paid through us or

made by us.

If we change our charges significantly, we will give you 30 days' notice (section 23). If you do not agree to these changes, you can end the **agreement** with immediate effect by writing to your investment manager (section 24.1).

**Put simply**, we will deduct charges due to us from your **account**. If there isn't enough money to cover these charges, you will need to send it to us, including any interest if due.

- 22.2** Subject to **applicable regulations**, we may share charges with our affiliated companies or third parties. They may also share their charges with us or otherwise pay us on any basis we agree with them. For transparency, we will show you any fee sharing arrangements on our regular statements and reports to you as detailed in section 9, or you can get complete details by writing to your investment manager.
- 22.3** We apply a charge of 0.75% for all currency conversions. This will be calculated based on the amount you receive in the converted currency. For further information about this charge, please see the **schedule of charges** and **costs and charges information**.
- 22.4** We will facilitate payments of adviser charges to your financial adviser in line with the **FCA rules** and your instructions if they provide personal recommendations on retail investment products and related services to you and have entered into an **agreement** with us. To make these payments (including VAT if applicable), we will use money from your **account**. We may take any action allowed under **FCA rules** to ensure there is enough money in the **account** to cover these payments. For example, we may sell assets to raise enough money to cover the payments.
- 22.5** Upon the closure of your **account**, we will apply our management charges up to the point of closure. After that, other charges (for example, relating to asset transfers) may still apply. You should refer to the **schedule of charges** or **costs and charges information** for more detail or ask your investment manager.

# Part E: General

## Section 23: Changes to the agreement

### What is this section about?

This section describes the circumstances in which we can make changes to the **agreement** and the process for doing so; including the amount of notice you will be given of the changes.

- 23.1** We may change the **agreement** by sending you a written notice describing the relevant changes. These changes will apply from the date given in the notice.
- 23.2** Subject to section 23.3, we will give you at least 30 days' notice of any changes. If you do not accept the change, you may end the **agreement** by giving us notice in line with section 24.
- 23.3** For certain valid reasons, we may give you immediate notice of a change to the **agreement**, including in order to:
- (a) Reflect any changes or expected changes in **applicable regulations**
  - (b) Protect ourselves or you against fraud by any person
  - (c) Change our contact details
  - (d) Put right any mistake that may be discovered in the **agreement**
  - (e) Deal with changes in tax or interest rates
  - (f) Reflect other legitimate cost increases or reductions associated with providing our services to you
  - (g) Make the **agreement** clearer, fairer or more favourable to you
- If you do not accept the change, you may end the **agreement** by giving us notice in line with section 24. However, you will be bound by the amendment if you do not end the **agreement**.

- 23.4** No change to the **agreement** will affect any legal rights or responsibilities which may have already arisen.

## Section 24: Ending the agreement

### What is this section about?

This section outlines the circumstances in which you or we can end the **agreement** and the required notice periods for doing so.

- 24.1** You may end the **agreement** at any time by giving us written notice and the **agreement** will end with immediate effect when we receive your written notice. If you have chosen to transfer your assets to an alternative investment manager, we may (subject to completion of our verification checks) accept electronic transfer instructions from your new investment manager and you acknowledge that we will act on those instructions without confirming them with you first. If you cancel one of our services, but stay our client for other services, we will continue to charge you for the services you still receive from us.
- 24.2** We may end the **agreement** at any time by giving you 30 days' notice in writing. We do not need to give you a reason.
- 24.3** We may also end the **agreement** immediately if there is a valid reason for doing so, such as:
- (a) If we reasonably suspect you have acted, or will act, fraudulently or in breach of **applicable regulations** in relation to the **agreement**

(b) Your bankruptcy or inability to pay your debts as they fall due or where we reasonably believe you may not be able to meet your obligations to us under the **agreement**

(c) Your material breach of the **agreement**

**24.4** The terms of the **agreement** shall, even after termination, continue to govern any legal rights or obligations which may already have arisen or which relate to our services under the **agreement**. If the **agreement** is ended, we may ask you for your instructions regarding any assets we hold for you and it will not stop us from completing any outstanding transactions. This may involve settling any transactions and you paying any charges and other amounts due. These include our charges, commission and any expenses we have had to pay in ending these arrangements. It also includes any losses and expenses we incur in closing out any transactions or settling or concluding outstanding obligations on your behalf.

**24.5** If you ask us to re-register or transfer your investments, you may be charged to cover the cost of us doing so.



More information about relevant costs and charges can be found on your **application form**, the **schedule of charges** and the **costs and charges information** on our website.

**24.6** Individual transactions already entered into (including those for assets held as collateral) will continue even if you end the **agreement** and so you will have to pay the normal charges associated with those transactions. You agree to pay us the charges as a result of you ending the **agreement** and agree that those charges are not penalty charges.

**24.7** We may close your **account** if it has not been active for more than 12 months. Before we close any **account**, we will give 30 days' notice to you at the last address you gave us.

## Section 25: Death of a sole account holder

### What is this section about?

This section outlines our approach to dealing with your **account** on your death and how we will interact with your personal representatives in order to protect the interests of the beneficiaries of your estate.

**25.1** If you die and have an **account** solely in your own name, the following will apply.

**25.1.1** If we provide you with discretionary portfolio services or managed portfolio services, we will usually continue to actively manage your **account** on a **discretionary basis** in accordance with your investment objectives, attitude to risk and any investment restrictions as at the date we are notified of your death. Our charges will continue to be applied at the rate in force as at the date we are notified of your death. We will confirm this to your personal representatives as soon as reasonably possible after we are notified of your death. If your personal representatives ask us to (for example because they are concerned about changing market conditions), we may at our discretion agree to sell the investments and hold the proceeds as cash in your **account** until your estate is distributed to your beneficiaries. We may also decide to sell your investments and hold the proceeds in cash if we reasonably consider that continuing to manage them would not be in the best interests of your estate.

**25.1.2** If we provide you with discretionary portfolio services or managed portfolio services, we will continue to actively manage your **account** in the manner set-out in section 25.1.1 above from the time we are notified about your death until the earlier of: (1) the 12 month anniversary of the date of your death; and (2) the date on which we receive instructions about your **account** from your personal representatives pursuant to a grant of probate or letters of administration. Unless we agree otherwise with your personal representatives, or section 25.1.5 applies, we will only take instructions from your personal representatives to distribute your estate to your beneficiaries once they have given us certified copies of your death certificate and grant of probate or letters of administration. Once we have received all the documents we need from your personal representatives, we will accept their instructions to sell investments in your **account** and pay out the cash proceeds to your estate or transfer assets to beneficiaries (if applicable). If, on the 12 month anniversary of the

date of your death, we have not received any instructions from your personal representatives, your **account** will switch to our execution-only service and our 'custody and maintenance' charge will apply.

- 25.1.3** If we provide you with advisory portfolio services or advice and dealing services, those services will stop when we are notified about your death and we will not provide any advice on the investments in your **account**. We will continue to hold and administer your assets in accordance with **applicable regulations** and the **agreement** and our charges will apply at the relevant 'custody and maintenance' or execution-only rate in force at the time. If we provide you with execution-only services, our charges will continue to apply at the relevant execution-only rate after your death. We will confirm this to your personal representatives as soon as reasonably possible after we are notified of your death.
- 25.1.4** If we provide you with advisory portfolio services, advice and dealing services or execution-only services, unless we agree otherwise or in accordance with section 25.1.5, we will only take instructions from your personal representatives to distribute your assets to your beneficiaries once they have given us certified copies of your death certificate and grant of probate or letters of administration. Once we have received all the documents we need from your personal representatives, we will accept their instructions to sell investments in your **account** and pay out the cash proceeds to your estate or transfer assets to beneficiaries (if applicable). Events may occur which affect the assets in your **account** and mean we need instructions as to how we should proceed before we have received a grant of probate or letters of administration (e.g. the exercise of voting rights and rights issues in relation to an investment in your **account**). If this happens, we may take instructions from your personal representatives.
- 25.1.5** Subject to **applicable regulations**, regardless of which service we provide to you, we may agree to pay money direct to relevant tax authorities to cover inheritance tax liabilities or liquidate your **account** before we have received the certified copy grant of probate or letters of administration. However, this only applies if we are protected, to our satisfaction, by all of the personal representatives named in your will or those eligible (and planning) to apply for the grant of probate or letters of administration. For example, we will usually need them to grant us an indemnity, to protect us against claims we may receive from beneficiaries of your estate. Unless we agree otherwise, in no circumstances will we release any money (other than to relevant tax authorities) before we have received the certified copy grant of probate or letters of administration. We will not provide any other services to your personal representatives unless they set up an **account** in their own name and complete our **account**-opening process.
- 25.1.6** Due to the sensitive nature of dealing with the affairs of clients who have died, we may ask for other documents from your personal representatives (beyond those shown in section 25.1.2 and 25.1.4 above) before carrying out any actions in relation to the assets in your **account** (for example, your will if you made one). We will not be able to complete any action or process any instructions until we have received all the documents we require and we may also not be able to complete actions or process instructions as quickly as would normally be possible.

## Section 26: Excluding our legal responsibility

### What is this section about?

This section describes the circumstances in which we will be liable to you for any losses you may suffer in the course of us providing our services and the limits on the extent of our liability.

- 26.1** We, our directors, our officers, our employees and any connected person or agent will not be legally responsible for any loss or damage you suffer or costs or expenses you have to pay in connection with any of our services or the **agreement**, unless the loss, damage, cost or expense is due to our negligence, fraud or breach of the **agreement**.
- 26.2** Nothing in the **agreement** shall exclude or restrict any responsibility we have to you under the Financial Services and Markets Act 2000 or other **applicable regulations**.
- 26.3** The UK tax status of some offshore funds may change after you buy them. We are not responsible for checking the ongoing UK tax status of these offshore funds. We will not accept any responsibility for any financial loss that may arise from a change of UK tax status.



- 26.4** You will have to pay us and our nominee companies any costs, expenses, taxes or charges that we or they may suffer in carrying out our and their powers and duties, unless such costs expenses, taxes or charges arise due to our or their negligence, fraud or breach of the **agreement**.

## Section 27: Events beyond our control

- 27.1** Unless we say otherwise in these **terms and conditions**, we will not be legally responsible to you for any failure to carry out our responsibilities under the **agreement** if the cause is beyond our reasonable control, including:
- (a) War, riot, revolution, political crisis or any act of terrorism
  - (b) Earthquake, hurricane, typhoon, flood or other natural disaster
  - (c) When (1) trading in securities or an investment exchange is suspended, or (2) minimum or maximum prices are fixed for trading in securities
  - (d) Any regulatory ban on the type of activities we carry out
  - (e) A banking moratorium having been declared by law or the appropriate regulatory authorities
  - (f) Any breakdown, malfunction or failure of transmission, communication or computer facilities
  - (g) Industrial action, acts and regulations of any government or authority
  - (h) The failure of any relevant intermediate broker, our agent, appointed provider, custodian, subcustodian, dealer, exchange, clearing house or regulatory or self-regulatory organisation, for any reason, to carry out their responsibilities
- 27.2** We will do our best to give written notice to you with full details of events which mean we cannot carry out our responsibilities. However, we will not be held responsible if we have made all reasonable efforts to do so but as a result of the events we are unable to contact you promptly or even at all.

## Section 28: Conflicts of interest

### What is this section about?

This section describes how, on rare occasions, conflicts of interest may arise when we provide our services to you and the types of conflict they might be. It also summarises how we manage any conflicts that do arise in line with regulatory requirements to protect your interests and ensure that you are not disadvantaged.

- 28.1** We do not take positions or deal in investments for our own **account** in any market. However, we, or our affiliated companies or some other person connected with us (a 'connected person') may have:
- (a) A material interest in a transaction that we intend to enter into with or for one of our clients
  - (b) A relationship that gives, or may give, rise to a conflict of interest relating to the investment, transaction or service concerned
  - (c) An interest in a transaction that is, or may be, in conflict with the interest of any of our clients
  - (d) Clients with conflicting interests in relation to a transaction
- 28.2** We are involved in a wide range of services with a wide range of individuals and organisations. This means that we, or any connected person, may have interests which conflict with those of our clients. We always aim to treat our clients fairly and appropriately and one of the ways in which we do this is to take to take **account** of any conflicts of interest that may arise through our business activities if those conflicts may risk disadvantaging our clients.

**28.3** We have policies and procedures in place that are designed to take all appropriate steps to identify and then prevent or manage conflicts of interest between: (1) us (including our managers, employees, appointed representatives or any other person directly or indirectly linked to them) and you; or (2) you and another client of ours, that may arise in the course of us providing any service to you. The policies and procedures are designed to prevent any such conflicts of interest from adversely affecting your (or another of our clients') interests.

**28.4** Below is a summary of our conflicts of interest policy and the main information that you need to understand the measures we take to protect your interests. You can ask your investment manager for more details of our conflicts of interest policy at any time.

#### **Summary of Conflicts of Interest Policy**

**28.5** The circumstances in which a conflict of interest or possible conflict of interest may arise include where we or any connected person may:

- act in relation to investments where we are involved in a new issue, rights issues, takeover or similar transaction concerning the investments;
- carry out a transaction for or with you in circumstances where we know about other actual or possible transactions in the relevant investment;
- hold a position in, or trade, deal or make markets in, investments you buy or sell; or
- have any other business relationships with, or interest in, the issuer (or any of its associates or advisers) of any investments you have bought or sold including carrying out a merger, acquisition or takeover of any issuer (or associates).

We have in place a number of procedures and measures for preventing or managing conflicts of interest that arise in the course of our business. These measures include structural separation (for a definition of 'structural separation', please see the glossary at [www.quiltercheviot.com](http://www.quiltercheviot.com)), which may be physical or otherwise, including creating information barriers, compensation arrangements and/or management and supervisory structures.

We may also oversee contacts between and within business units whose clients have opposite or competing interests with the clients of other business units. And, we may regulate the personal investment and business activities of our employees to prevent conflicts of interest arising against the interests of clients.

**28.6** If these measures are not enough to make sure, with reasonable certainty, that we will prevent the risks of damage to the interests of one or more clients, we will clearly explain the general nature and sources of the conflicts to the client concerned and the steps taken to mitigate those conflicts before we carry out business with or for that client. We will also ask their permission before we act.

**28.7** If we believe there is no practical way of preventing damage to the interests of one or more clients, we may refuse to act.

**Put simply**, we have designed and implemented a comprehensive policy to identify conflicts of interest which may risk disadvantaging you if not managed appropriately. We have implemented a variety of measures to prevent or manage conflicts of interest but, if we believe those measures are insufficient to prevent the risk of damage to your interests, we will let you know and seek your permission to continue acting. In the most extreme circumstances when we are unable to prevent the risk of damage to our clients interests, we may refuse to act.

**28.8** Subject to **applicable regulations**, we and any relevant connected person may provide the relevant services despite any conflict of interest and we do not have to account to you for any income, gain, profit, benefit or other advantage arising from doing so as long as we are not breaking any **FCA rules**.

**28.9** In accordance with **applicable regulations**, we may receive minor non-monetary benefits such as training,

hospitality of a reasonable de minimus value and research for a trial period.

- 28.10** Connected persons and their employees may have positions in and carry out transactions in securities of companies which we research and trade in. As a result, we may not be able to advise or deal for you in certain investments and we may refuse to deal or arrange any transaction or give advice or make any recommendation to you.
- 28.11** We may buy or sell units for you in collective investment schemes where we or an affiliated company are the trustee, operator, investment manager or sponsor of the scheme or an adviser to the trustee, operator, sponsor or investment manager of the scheme.



We may utilise collective investment schemes for the provision of our managed portfolio service where we are also the appointed investment manager of those schemes.

- 28.12** We may occasionally match your transaction with that of another client by acting on their behalf as well as yours.
- 28.13** We may recommend or buy investments where we or a connected person are involved in a new issue, rights issue, takeover or similar transaction concerning the investment.

## Section 29: Other organisations and agents

### What is this section about?

This section describes your ability to appoint somebody else to act as your agent in dealing with us and how you can do so. It also details our ability to delegate our responsibilities under the **agreement**.

#### 29.1 You acting as agent:

We will provide services to you on the basis that only you are our client and so, if you act on behalf of another person, whether or not you tell us about them, they will not be our client for the purposes of the **FCA rules**.

#### 29.2 You appointing someone else to act as your agent.

**29.2.1** You may appoint someone else (such as your adviser, solicitor or accountant) to act as your agent, either for all purposes of the **agreement** or for certain limited purposes. An agent who is regulated (such as by the Solicitors Regulation Authority or the **FCA**) must act within their professional field or regulated capacity. If you have appointed a professional or regulated agent, we will assume that any authority you give them is within their professional field or regulated capacity (as appropriate).

**29.2.2** If you want to appoint an agent, you must fill in the relevant section of the **application form** or **account participants form** and they must fill in the **account participants form**.

**29.2.3** If you want to place limits on what your agent can do for you or what information we can give your agent, you must make clear what those limits are in the **application form** or **account participants form**. Unless you say differently in the **application form** or **account participants form**, we may assume that your agent can do anything under the **agreement** which you could do.

**29.2.4** We will not be legally responsible to you for acting on any instruction, permission or information given to us by your agent, assuming we reasonably believe that they have been properly appointed. As a result, it is important that you choose your agent carefully.

**29.2.5** If you want to instruct us to pay your agent, you must sign separate documents to give us specific instructions to do so. This may be payment from your **account** or us sharing part of our own charges but will be subject to our **agreement** and compliance with **applicable regulations**.

**29.3** We may delegate any of our duties or functions under the **agreement** to any person or organisation but if we do so, we will first satisfy ourselves that any such person or organisation is competent to carry out those duties or functions. If we delegate any of our duties or functions under the **agreement** and the **applicable regulations** require us to, we will give you appropriate details. If we choose to delegate something we could reasonably do ourselves, we will be responsible for the acts of the person or organisation we delegate our duties to. If we appoint somebody else to carry out functions on your behalf that we do not perform ourselves (for example if we appoint a third-party broker to execute a transaction, or this is needed due to legal or regulatory reasons), we will not be responsible for any losses caused by the failure of the person or organisation we appointed (unless we failed to use reasonable care in choosing them). If we delegate to or appoint someone you have chosen, we will have no responsibility for their actions.

## Section 30: Time for carrying out our and your responsibilities

**30.1** If the **agreement** gives a time or period by which we or you must carry out the responsibilities under it, we must both keep to these timescales. If there is no timescale given, any responsibilities must be carried out within a reasonable time in the circumstances. We may serve a notice on you (and you may serve a notice on us) stating that legal action may be taken if the responsibility is not met within the reasonable period given.

## Section 31: Notices and other communications

**31.1** All notices must be given in writing in English and will be sent to the relevant address given in your **application form**, or to any new address that has been supplied by you in line with this section.

**31.2** Subject to section 16, you may communicate with us generally by post, by email, or face-to-face or by phone. We may decide the way in which you must send different types of communications (including changes in your contact information and dealing instructions) to us and the addresses to be used for that purpose. We do not have to act on any communications that are sent in a way that is not consistent with these methods.

**31.3** We will assume a notice has been received (unless it is proved differently) on:

- (a) The third business day after posting if it is sent by first-class post
- (b) The next business day after sending, if sent by email

## Section 32: Amalgamations, mergers and transfers

**32.1** The **agreement** will still be valid and binding on you even if we amalgamate or merge with any other company or if we sell or transfer all or any part of our business to another organisation. We may transfer or assign any of our rights or obligations under the **agreement**, in whole or in part, to a third party provided we act in accordance with the **applicable regulations** and reasonably consider that such a transfer will not materially affect the services provided under the **agreement**. We may do this upon giving you at least 30 days' written notice, unless you have given us notice terminating the **agreement** on a date before any transfer. If we carry out such a transfer and it will cause you significant disadvantage, you may end the **agreement** by giving us written notice.



If we transfer our business (or part of it) to another organisation, these **terms and conditions** will still be binding on you. We will give you at least 30 days' notice of any such transfer of business and will always act in accordance with our regulatory obligations.

**32.2** If we transfer our rights and obligations under the **agreement**, in whole or in part, to an affiliated company of ours which we have satisfied ourselves holds the necessary regulatory authorisation, we may act as your agent for the purpose of giving effect to the transfer and assignment of our rights and obligations in accordance with this section 32.2, including the provision of any consent to the transfer of your investments and money to an affiliated company of ours, its nominee or a third party.

- 32.3** The **agreement** is binding on us and on anyone who takes over our business. In the event of your death, the **agreement** will continue to be binding on your personal representatives when they are acting in that capacity, but you cannot transfer your rights and responsibilities under the **agreement** or any interest in it without our written permission and any attempt by you to do so without our permission will not be effective.

### Section 33: Disputes and language

- 33.1** The **agreement** and any dispute or claim arising out of or in connection with it will be governed by English law. Any disputes will be dealt with by the courts of England and Wales.
- 33.2** Our documents, other information and the communications between us and you will be in English.

### Section 34: The full agreement

- 34.1** We believe that the **agreement** contains all those terms which have been agreed between us and you. However, there may be terms, either agreed between us or implied by the law, which apply to the **agreement** that are not set out here. If we have agreed a term that is not set out here, you (or we) will need to be able to prove that the term was agreed and that the person who agreed it was authorised to do so. If you believe that something has been agreed which is not set out in the **agreement**, please tell your investment manager as soon as possible. The law implies certain terms into an **agreement** even though they may not be stated in it. This is especially the case for those terms which are too obvious to need stating (for example, that you will not commit fraud against us), or are needed to make the **agreement** effective in the way you and we intend.
- 34.2** We are governed by certain requirements under the **applicable regulations** that may give you rights of action against us. Except for those specific requirements, it is not a term of the **agreement** that we keep to other **applicable regulations**, any breach of which will be a matter between us and the relevant authority.

### Section 35: When the terms will not be valid

- 35.1** Each term or condition of the **agreement** is separate. If we cannot enforce any term or condition or it is invalid or breaks any laws or **applicable regulations**, it will not affect any of the other **terms and conditions**. However, if such term or condition affects the commercial basis of the **agreement** or our relationship, we and you will negotiate in good faith to change that term or condition to correct the situation.

### Section 36: Rights of others to enforce the agreement

- 36.1** A person who is not party to the **agreement** cannot enforce its terms. This will not affect any rights of action of anyone else who may have rights other than under the Contracts (Rights of Third Parties) Act 1999.

### Section 37: Complaints

- 37.1** If you have any complaint about our services, you should contact our Chief Risk Officer at Quilter Cheviot Limited, Senator House, 85 Queen Victoria Street, London, EC4V 4AB, who will investigate the complaint.
- 37.2** We have an internal procedure for handling complaints, full details of which are available on request. We will do our best to resolve your complaint as quickly as possible. We will promptly acknowledge your complaint by letter and explain our procedure for handling complaints. You can ask your investment manager for a copy of this at any time. Once we have investigated your complaint, we will send you a final response letter. If for any reason you are not satisfied with our response, you may be able to refer the matter to the Financial Ombudsman Service at Exchange Tower, London E14 9SR. We will include information explaining the procedure in the final response. You can also get more information, and a complaint form to use the service, from the Financial Ombudsman's website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

# Annex 1: Stocks and Shares ISA terms and conditions

## Introduction

These **ISA terms and conditions** apply to the Quilter Cheviot Limited Individual Savings Account (the **Quilter Cheviot Limited ISA**) in addition to the main terms and conditions which govern your overall relationship with us (the **main terms and conditions**). Any defined terms (in bold type) used, but not defined, in these **ISA terms and conditions** have the meaning given to them in the **main terms and conditions**. By signing the **Quilter Cheviot Limited ISA** application form (the **ISA application form**) and returning it to us, you will be entering into a legal customer agreement with us governed by these **ISA terms and conditions**. The **ISA terms and conditions** replace any terms we may have previously told you about to do with your **Quilter Cheviot Limited ISA (your ISA)**.

If you do not have an existing account with us, you will need to open an **account** and sign up to our **main terms and conditions** and the other documents which make up our **agreement**.

**Your ISA** is subject at all times to The Individual Savings Account Regulations 1998 Regulations (as amended from time to time) (the **ISA Regulations**) and, should there be any inconsistency between these **ISA terms and conditions** and the **ISA Regulations**, the **ISA Regulations** will apply.

The **Quilter Cheviot Limited ISA** is a stocks and shares ISA. The **ISA Regulations** allow you to invest in one cash ISA, one stocks and shares ISA, one Innovative Finance ISA and one Lifetime ISA, up to the annual ISA subscription limit, each tax year.

You must apply in writing on the **ISA application form** which we will give to you. We will not accept a faxed copy of the **ISA application form**. We will act as ISA manager for **your ISA** and we are approved by HM Revenue & Customs to do this.



All ISA managers must be approved by HM Revenue & Customs.

## Section 1: Our status

- 1.1 As an ISA manager, approved by HM Revenue & Customs to manage the stocks and shares part of an ISA, we will manage **your ISA** in line with the **ISA regulations**, as amended from time to time.
- 1.2 In line with the **applicable regulations**, we will keep your records for at least five years and, where required, seven years. We may extend this period as a result of any change in the **applicable regulations**, our policies, or any agreement between you and us. You may not ask us to destroy or delete any record relating to you unless we have to do so because of **applicable regulations**.

## Section 2: Categories of our ISA

We will be responsible for making sure that investments we buy for **your ISA** are qualifying investments under the **ISA regulations** (see section 4 of these **ISA terms and conditions** for further details).

- 2.1 Discretionary and Managed Portfolio Service ISA: We will manage the investments in **your ISA** on a **discretionary basis** alongside your main **account** investments and on the basis of the information you, or your agent, have given us. This means that we will carry out investment transactions for **your ISA**, without asking you first.
- 2.2 Advisory Portfolio Service, Advice and Dealing and Execution-only ISA: For advisory or advice and dealing ISAs, we will provide advice on the investments in **your ISA** in accordance with the **main terms and conditions**, taking into account any information you or your agent have given us. For advisory ISAs, advice



and dealing ISAs and execution-only ISAs, all investment decisions will be yours and we will carry out all dealing instructions as your agent.

### Section 3: ISA subscriptions and cancelling your ISA

- 3.1** We will treat your **ISA application form** as your authority to continue to transfer the maximum allowable subscription to **your ISA** from your non-ISA **account** each tax year, until you write to cancel this authority. Your application will be valid for subscriptions made in future tax years.
- 3.2** You will not have to fill in another **ISA application form** unless there has been a break in your contributions to **your ISA** for a complete tax year or more, or if you have previously cancelled your continuous authority.
- 3.3** By paying the maximum allowable subscription, you cannot invest in another ISA in the same tax year. In any tax year, you can pay into only one stocks and shares ISA.
- 3.4** If these **ISA terms and conditions** are concluded “at a distance” (which means you do not meet with a Quilter Cheviot employee before agreeing to them), or if this is your first **Quilter Cheviot Limited ISA** and we have advised you to purchase the ISA (and it was not concluded “at a distance”), you have 14 days to cancel **your ISA** and these **ISA terms and conditions**. The cancellation period will start on the date on which we agree to provide the ISA or, if later, the date you receive the **ISA terms and conditions**.
- 3.5** If you exercise your right to cancel, we will return to you any cash we hold for you and transfer to you any investments which we hold for you, less any fees and expenses due to us. There may be a shortfall if we have carried out transactions on your behalf during the cancellation period. You will bear that market risk.

### Section 4: ISA investments

- 4.1** **The ISA regulations** give details of the types of UK and foreign securities which may be included in an ISA (**qualifying investments**). Subject to the **ISA regulations**, **qualifying investments** may include certain UK and overseas equities, a range of UK gilts and fixed-interest securities and a range of unit trusts, open ended investment companies (OEICs) and investment trusts.

### Section 5: Withdrawals

- 5.1** If you want to withdraw cash or any investment from **your ISA**, you must instruct us as set out in the **main terms and conditions**. Subject to the **ISA regulations**, when we receive your written instructions, we will transfer all or part of the investments and any proceeds arising from those investments, to you. We will do this within the time period specified in your instructions, subject to any reasonable business period we may require for the practical implementation of your request which will not be more than 30 days.
- 5.2** Once you have reached the combined ISA subscription limit for a tax year (across all permitted ISA types), you may not make any more subscriptions into **your ISA**. However, the **Quilter Cheviot Limited ISA** is a flexible ISA. This means that, if you make withdrawals from **your ISA**, any further subscriptions you make to **your ISA** in the same tax year will only count towards **your ISA** subscription limit for that tax year if all withdrawn amounts are fully replaced. Withdrawals from a flexible ISA may only be paid back to the account the funds originally came from, and in any event must be replaced in the ISA before the end of the tax year in which such funds were withdrawn.



A flexible ISA allows you to repay into the ISA amounts which you have previously withdrawn without those further subscriptions counting towards your subscription limit for that tax year.



## Section 6: Ending your ISA

- 6.1** Subject to the **ISA regulations**, you may end **your ISA** at any time by giving us at least 30 days' written notice. We will liquidate the holdings in **your ISA** and transfer the cash to you (after deducting any amount we may be entitled to deduct or have to deduct under the **ISA regulations**, for example in respect of fees, charges or the settlement of outstanding transactions). We may also re-register the investments in your name or transfer them to another non-ISA account. These **ISA terms and conditions** will continue to apply to **your ISA** until all transactions have been carried out and amounts owing have been paid. If we end the ISA, you will pay any tax necessary and carry out any other obligations due which relate to your **accounts** with us. You authorise us to take from **your ISA** any assets we consider necessary to satisfy our responsibilities under the **ISA regulations**, your tax responsibilities or any amounts you owe us under these **ISA terms and conditions** or any other agreement with us.
- 6.2** We may end **your ISA** if it is in breach of the **ISA regulations** (void). We will tell you if **your ISA** has or will become void by reason of any failure to satisfy the provisions of the **ISA regulations**. If an ISA is made void, you may lose part or all of your tax exemption relating to the ISA. We have to give HM Revenue & Customs full details of any void ISA, including the personal details of the investor.
- 6.3** We may terminate our services as ISA manager by giving you at least 30 days' written notice.
- 6.4** If you die, following your death, **your ISA** will automatically stop being exempt from tax upon the earlier of: (i) the date of completion of the administration of your estate; (ii) the third anniversary of your death; and (iii) the date of withdrawal of all investments and cash from **your ISA**. No further subscriptions may be made to **your ISA** on or after the date of your death. We will require your personal representatives to notify us of your death before we will accept any instructions in relation to **your ISA**.

## Section 7: ISA transfers

- 7.1** Transfer to another manager: Subject to the **ISA regulations**, upon receipt of transfer instructions from you or from your new ISA Manager, we will transfer all or part of **your ISA** to your new ISA manager as long as they agree to the transfer. We will carry-out the transfer within the time period specified by you, subject to any reasonable business period we may require for the practical implementation of your instructions which will not be more than 30 days.

We can either liquidate the holdings in **your ISA** and transfer the cash, or transfer the assets and any cash balance in **your ISA**, to your new ISA manager. However, we will deduct amounts we are entitled to keep or which we have to deduct under these **ISA terms and conditions** or under the **ISA regulations** (for example in respect of fees, charges or the settlement of outstanding transactions). If we are transferring assets rather than liquidating the ISA, we will not have to complete the transfer until you have paid us all amounts you owe us.

Once you have instructed us to transfer **your ISA** to another ISA Manager, unless we agree otherwise, we will not undertake any further subscriptions on your behalf or accept any request to replace funds previously withdrawn pursuant to the **ISA regulations** applicable to flexible ISAs (and as described in section 5.2 of these **ISA terms and conditions**).

- 7.2** Transfer from another manager: We may, at our discretion, accept an existing ISA from another ISA manager, either as a transfer in cash or by them transferring investments held in the existing ISA (as long as the investments qualify to be included in a **Quilter Cheviot Limited ISA**).

You should fill in our ISA transfer authority form to give us, and your existing ISA manager, your written instructions.

We do not have to accept a transfer of an ISA from another ISA manager.

## Section 8: Your assets

- 8.1** The investments in **your ISA** will be registered in the name of one of our nominees (the legal owner), but the investments in **your ISA** will be, and must remain, in your beneficial ownership. The investments in **your ISA** must not be used as security for a loan, except as permitted under the **ISA regulations**. The share certificates or other documents evidencing title to the investments in **your ISA** will be held by us or as we may direct. We will be responsible for looking after them as described under the heading 'Your investments' in the **main terms and conditions**.

## Section 9: Shareholder rights

- 9.1** In respect of **your ISA** investments, if you ask, we will arrange for you to:

- (a) Receive a copy of the annual report and accounts issued by any organisation whose shares, securities or units are held directly in **your ISA**
- (b) Attend shareholders', securities holders' or unit trust holders' meetings
- (c) Vote (as proxy for our nominee)
- (d) Receive any other information issued to shareholders, securities holders or unit holders

However, you will need to give us reasonable written notice to arrange these services and we may apply a charge for doing so (which we will notify you about on receipt of your request).

## Section 10: Commission and other charges

- 10.1** You can find full details of our charges for **your ISA** in your **application form, ISA application form, schedule of charges** and the **costs and charges information**. Subject to **applicable regulations**, we will take dealing commission and other charges related to the purchase and sale of ISA investments (including stamp duty and stamp duty reserve tax), if they apply, from **your ISA** when we carry out transactions on your behalf. We may take all other fees and charges related to the administration of **your ISA** from **your ISA** but, subject to our agreement we may, on request, take such charges from your non-ISA **account**. We take our management charges every three calendar months for the three months just passed. These are based on the mid-market value of **your ISA** at each month-end averaged over the charging period and are subject to VAT. If there is not enough money in **your ISA** to meet the relevant charges or, as applicable, we are unable to deduct the charges from your non-ISA **account** we may without prior notice to you sell enough of **your ISA** investments to allow us to take the charges.
- 10.2** If you close **your ISA**, we will calculate the charge by using the average value of **your ISA** on the date it closes and each previous month-end (as above) for the period from the last fee billing date to the date you close **your ISA**.

## Section 11: Confidentiality

- 11.1** Unless it says otherwise in the **main terms and conditions**, we will not use confidential information (including your date of birth and National Insurance number), which you have to give us in the **ISA application form**, for purposes other than those for which it is collected. You authorise us to give HM Revenue & Customs, the FCA or any other regulatory or governmental body any information we consider it is necessary or appropriate to provide to them under the **agreement, applicable regulations, the ISA regulations** or the **FCA rules** or which they request.

## Section 12: Delegating our duties

- 12.1** We may delegate any of our functions or responsibilities under these **ISA terms and conditions** to another organisation. If we do, you authorise us to give that company any information about **your ISA** they may need for this purpose. We shall satisfy ourselves that any person to whom we delegate any of our functions or responsibilities under these **ISA terms and conditions** is competent to carry out those functions and responsibilities.

## Section 13: Other risks explained

- 13.1** Once you have made the maximum allowable subscription to **your ISA** in a particular tax year, you will not be able to subscribe to another stocks and shares ISA in the same tax year that you make this contribution. By making the maximum allowable subscription, you will also be prevented from investing in another ISA in the same tax year.
- 13.2** When we refer to tax rates and concessions in our published documents in relation to ISAs, we mean those which at any current time apply. Tax relief and tax law may change in future and any tax relief will depend on your personal circumstances.

# Annex 2: MPS on platform terms and conditions

## Introduction

These **MPS on platform terms and conditions** apply to the Quilter Cheviot managed portfolio service when provided via a platform in addition to the main terms and conditions which govern your overall relationship with us (the **main terms and conditions**). If there is a difference between these **MPS on platform terms and conditions** and the **main terms and conditions**, the **MPS on platform terms and conditions** will apply.



These additional terms and conditions apply if you access our managed portfolio service via a third-party platform.

If we provide our managed portfolio service via a third-party platform, your adviser will act as your agent by appointing us to provide these services to you. We will treat your adviser and not you as our client for the purposes of the **FCA rules**, and we will be responsible for making decisions on the basis that your adviser is not acting for their own account but only as agent for you. If you have not given your adviser authority to act on your behalf in this way, you should let us know immediately. We will treat your adviser as a professional client for the purposes of the **FCA rules**. If you end your relationship with your adviser or you withdraw their authority to act as your agent, subject to the procedures of the relevant platform, you will not be able to access our managed portfolio service via the platform.

We may remove our managed portfolio service from any third-party platform at any time if it becomes impossible or impractical in our reasonable opinion to continue providing the service or as a result of change in the law or regulation, or in the event of an increase in the costs of providing the service or termination of our agreement with the platform. If this happens, we will notify your adviser as soon as reasonably practicable and they will be responsible for notifying you.



We will interact with your adviser in relation to this service in their capacity as your agent rather than directly with you.

## Section 1: Other risks explained

- 1.1** We will create model portfolios of investments based on our investment strategies and may amend these from time to time (referred to in these **MPS on platform terms and conditions** as a **strategy** or **strategies**). We will allow your adviser to make available these **strategies** to you on the platform. Our role will be limited to:
- (a) Deciding on the composition of investments for each strategy
  - (b) Accessing the platform to review, rebalance or change the investments in each strategy from time to time in accordance with the objectives and risk profile of that strategy
  - (c) Communicating with your adviser on matters which we and your adviser will agree on
- 1.2** We will not provide you with any advice or personal recommendations about the selection of our managed portfolio service generally or a particular **strategy**, nor will we assess the suitability of the **strategy** that your adviser selects for you. This will be the responsibility of your adviser as they will have collected all the necessary information about you in order to carry out that assessment.



Your adviser will act as your agent in selecting one of our managed portfolio service **strategies** for you based on their assessment of your requirements and which **strategy** is suitable for you.

- 1.3** We will choose the investments for each **strategy**. As your chosen platform may change the investments which are available on it at any given time, changes to the **strategies** may be outside of our control. Otherwise, we will have complete discretion as to the choice of investments for each **strategy** and will buy and sell them for you on a **discretionary basis**.
- 1.4** We will not safeguard or administer your assets as that will be the responsibility of the platform.
- 1.5** We describe in detail our **strategies**, and the costs and charges for accessing them on each platform in the factsheets which are available on our website [www.quiltercheviot.com](http://www.quiltercheviot.com). Your adviser will have access to these and they will agree to our charges on your behalf as your agent and will also be able to give you copies of the relevant factsheets. We may make changes to our **strategies** or our charges by updating the factsheets on our website. If we make these changes, we will send your adviser a notice describing them and the changes will apply from the date given in that notice. If you or your adviser on your behalf do not accept the change, you may end the agreement by giving us notice at any time before the change applies in line with section 24 of the **main terms and conditions**.
- 1.6** Neither you nor your adviser may make changes to the **strategies** and we will not be responsible for any changes to them that we have not made.

## Section 2: Your adviser's role

- 2.1** Your adviser will be responsible for choosing the platform to carry out the activities set out in section 3 below and we will have no responsibility for monitoring or supervising the platform. Your adviser will be responsible for choosing a **strategy** for you and for ensuring that the chosen **strategy** is suitable for you on an ongoing basis taking into account your individual circumstances and investment objectives.



Your adviser will be responsible for selecting the platform that will hold and administer your assets and for selecting which of our managed portfolio service **strategies** is suitable for you.

- 2.2** Your adviser will also be responsible for giving you all relevant information and documents relating to the platform, our managed portfolio service and the particular **strategy** they have chosen for you.
- 2.3** If the platform allows investments to be held in tax wrappers (for example an ISA or offshore bond), the provider of that tax wrapper may have placed restrictions on the types of investments which may be held in it. If you want to hold your investments in a tax wrapper, your adviser will be responsible for making sure that any investments included in the **strategy** they have chosen for you are allowed to be held in the tax wrapper. We will have no responsibility for any losses you suffer if an investment in a **strategy** is not allowed to be held in a tax wrapper you or your adviser have chosen.



Your agreement with your adviser should also cover the above matters.

### Section 3: The platform's role

**3.1** The platform will be responsible for:

- (a) Putting the **strategies** we create in place by carrying out transactions to buy and sell investments in accordance with our instructions (and any dealing services in relation to those transactions)
- (b) Effecting any changes we make to the **strategies** by carrying out transactions to buy and sell investments in accordance with our instructions (and any dealing services in relation to those transactions)
- (c) Registering, recording and protecting your investments and money in line with your agreement with them and the **applicable regulations**
- (d) Preparing and providing you with reports, statements and valuations in relation to the **strategies** in line with the **applicable regulations** and our and your agreements with them
- (e) Paying us our charges from your account on the platform in line with the relevant **strategy's** factsheet and our agreement with them



Your agreement with the platform should also cover the above matters.

**3.2** We will not be responsible for any errors or omissions by the platform including any incorrect transactions made by it or failures to take due care in carrying out its activities or following our instructions.



**Quilter Cheviot**  
Senator House  
85 Queen Victoria Street  
London EC4V 4AB

+44 (0)20 7150 4000  
[enquiries@quiltercheviot.com](mailto:enquiries@quiltercheviot.com)  
[quiltercheviot.com](http://quiltercheviot.com)

**April 2024**

Quilter Cheviot Limited is registered in England with number 01923571, registered office at Senator House, 85 Queen Victoria Street, London, EC4V 4AB. Quilter Cheviot is a member of the London Stock Exchange and authorised and regulated by the UK Financial Conduct Authority.