

## Administrator and Custodian - Terms and Conditions

### 1. Introduction

These Terms and Conditions apply to your Plan as administered by James Brearley. Your Plan will have the features and risks set out in this Brochure and the Application and you should read all these documents.

### 2. Definitions

**James Brearley:** James Brearley & Sons Limited, the Administrator and Custodian or the ISA Manager, a member of the London Stock Exchange, authorised and regulated by the Financial Conduct Authority (FCA).

**You, the Investor:** you, the individual(s), trustee or corporate body who has/have applied for a Plan under these Terms and Conditions and who will become a James Brearley client.

James Brearley, as Plan Administrator, will act as your agent for the investment of your Initial Capital in the Plan described in this Brochure and you will be treated as a Retail Client in accordance with the FCA's Conduct of Business rules.

**Administrator and Custodian:** James Brearley, authorised and regulated by the Financial Conduct Authority, acting as Administrator and Custodian, including providing Nominee Services.

**Advised:** in relation to an Application, where a personal recommendation has been given to you by an FCA or equivalent, authorised financial adviser.

**Adviser Fee:** the fee that you have agreed to pay to your financial adviser for their services in relation to the Plan.

**Application:** the properly completed application form for the investment of your Initial Capital into your Plan (includes an authority for an ISA transfer).

**Brochure:** the Causeway Securities Limited marketing document of which these Terms and Conditions and the Application form part.

**Business Day:** a day (other than Saturday or Sunday) on which commercial banks are open for business in London.

**Cash Settlement Account:** part of your account with the Plan Administrator where cash held for you is recorded and cash related transactions following the receipt of encashment proceeds, the receipt of the Maturity Payment and the receipt of distribution entitlements are processed.

**Client Money Account:** a deposit account, which is a client account as defined by CASS 7 (the FCA's Client Asset Sourcebook). It is an account at a third party bank that is in the Plan Administrator's name but includes in its title an appropriate description to indicate that it holds only clients' money in accordance with the Plan Administrator's regulatory responsibility and is used to hold the money of one or more of the Plan Administrator's clients.

**Counterparty:** the financial institution responsible for the issuance of the Plan.

**Plan:** the structured product described in this Brochure that the Plan Administrator administers for you and which is held in accordance with these Terms and Conditions.

**Plan Charge:** the charges taken into account in the terms of the Plan.

**Email Address:** [outsourcedadministration@jbrearley.co.uk](mailto:outsourcedadministration@jbrearley.co.uk) which is the email address to be used when communicating with the Plan Administrator about the administration of Causeway Securities Limited Plans.

**FCA:** The Financial Conduct Authority who can be contacted at 12 Endeavour Square, London, E201JN and any future body which shall have regulatory control in the United Kingdom.

**Final Level:** The level of the Underlyings at the close of business on the Maturity Date.

**Group Company:** any company in the same group of companies as the Plan Administrator or the Plan Manager. For the avoidance of doubt, the Plan Administrator and the Plan Manager do not form part of the same Group.

**HMRC:** Her Majesty's Revenue & Customs.

**Initial Capital:** the amount you apply for investment in the Plan after deduction of any Adviser Fee to your Plan Payment.

**Investment(s):** the investments (including cash) that the Administrator and Custodian hold on your behalf, issued pursuant to the relevant Brochure and purchased by the Administrator and Custodian to provide the Plan's returns.

**ISA:** Individual Savings Account.

**ISA Account:** your Plan account that is in an ISA, which includes any ISA transferred from an existing ISA, contracted under these Terms and Conditions.

**ISA Regulations:** the Individual Savings Account Regulations 1998 as amended from time to time.

**ISA Manager:** James Brearley, authorised and regulated by the Financial Conduct Authority, acting as the Administrator and Custodian, including providing Nominee services.

**Joint Tenancy:** in estate law, joint tenancy is a special form of ownership by two or more persons of the same property.

**Key Information Document (KID):** the document prepared by the Counterparty to enable an investor to compare the key features, risk, rewards and costs of the securities underlying the Plan.

**Plan:** Structured product based Plan described in this Brochure and designed by Causeway Securities Limited, authorised and regulated by the Financial Conduct Authority.

**Maturity Date:** the date on which the Plan is due to mature as detailed in the Brochure and also the date on which the Final Level is recorded.

**Maturity Payment Date:** the date detailed in the Brochure by which the Counterparty will transfer the Maturity Payment to the Plan Administrator.

**Maturity Payment:** the payment due on a Plan at its Maturity.

**Nominee Service:** a facility whereby an investment, instead of being registered in your own name, is registered and held on your behalf by one of James Brearley's nominee companies. This allows James

Brearley to take care of the necessary dealing and administration associated with your investment whilst reducing the paperwork you will have to deal with.

Observation Date(s): the dates on which, where applicable, the level of the Underlyings are measured for the purpose of determining whether income is payable or a Plan will kick out and mature early.

Payment: any lump sum payment made by you to the Plan Administrator in respect of the Plan including, in the case of an ISA, any ISA transfer value in accordance with the terms of the Application and also including any sum payable as an Adviser Fee.

Plan: the investment product described in this brochure which consists of investments and any cash that James Brearley administers for you and which is held on your behalf in accordance with these Terms and Conditions.

Plan Administrator: James Brearley, authorised and regulated by the Financial Conduct Authority, acting as administrator and custodian.

Plan Manager: Causeway Securities Limited, authorised and regulated by the Financial Conduct Authority, acting as promoter and distributor of Plans.

Plan Payment: the part of your Payment to be invested, as Initial Capital, into your Plan. That is, the Payment less any sums deductible to pay an Adviser Fee. The maximum and minimum allowable Plan Payments are detailed in the Brochure.

Start Date: the date on which your Initial Capital is invested by the Plan Administrator in the Plan on your behalf and your Plan starts.

Start Level: The level of the Underlyings at the close of business on the Start Date.

Subscription Period: the period during which the Plan Administrator may accept Applications.

Telephone Number: 01253 831165, this being the telephone number to be used for contacting the Plan Administrator about the administration of Causeway Securities Limited Plans.

Terms and Conditions: these terms and conditions. They form part of the Brochure.

Transfer Amount: the value of an ISA transferred either to the Plan Administrator from another ISA manager into an ISA (including transfers from a cash ISA) or from the Plan Administrator to another ISA Manager.

Underlyings: the asset, asset class, investment or index on which the performance of the Plan depends.

Website: [www.jbrearley.co.uk](http://www.jbrearley.co.uk)

Web Portal: a secure portal where you can access valuations, statements of account and any other documents using a password that will be provided by the Plan Administrator on acceptance of your application.

Written or in Writing: an instruction that you have signed or correspondence issued to you by the Plan Administrator or the Plan Manager.

### 3. Acceptance

(a) The Plan Administrator will open a Plan for you once they have received an Application in a form acceptable to them and your Payment has cleared. All Applications are subject to anti-money laundering and other regulatory checks as appropriate and as determined by the Plan Administrator from time to time. You will be classified as a Retail Client in accordance with the FCA's Conduct of Business rules. An Application will not be acceptable if, in the Plan Administrator's reasonable opinion:

(i) you are not eligible to hold a Plan;

(ii) the Application is incomplete, needs clarification or the information provided is insufficient;

(iii) any Application and/or Payment is received by the Plan Administrator after the close of the Subscription Period. If any such late Payment is a Transfer Amount then the Payment will be held pending your instructions.

(b) A Payment received without an Application can be held for no longer than 1 business day and in such a case, if the relevant Application is not received within 1 business day of the Payment being received, an electronic payment will be returned to the account from which it was paid, while a cheque will be returned to the bank branch on which it was drawn.

(c) The Plan Administrator reserves the right to close the Subscription Period early. For example, if sufficient Plan Payments are not received, the Plan is oversubscribed or if the Counterparty requires it as a result of changes to market conditions or changes to laws or regulations. If the Subscription Period is closed early and your Application is not accepted, the Plan Administrator will return your Payment to you.

(d) Where you wish to invest your Initial Capital in the Plan by transferring an ISA account to the Plan Administrator, please be aware that an ISA transfer can take up to 30 days or more to effect and that if, after deduction of any Adviser Fee, your Plan Payment is less than the minimum allowable, your Application will not be accepted and the Plan Administrator will hold your Payment in a James Brearley ISA until further instructions are received from you. The minimum allowable Plan Payment is detailed in the Brochure.

(e) You confirm that you are not relying on any advice (written or oral) from the Plan Administrator or the Plan Manager.

### 4. What we do with your Payment

(a) The Plan Administrator will record your Payment, including any Adviser Fee element, into a Cash Settlement Account within 1 Business Day from when it is received. Client money will be held by the Plan Administrator in one or more pooled deposit accounts called Client Money Accounts. A Client Money Account is a deposit account in which the funds of more than one client may be held.

In the unlikely event of a default by a UK Bank or Building Society, if there is an unreconciled shortfall in the money held in the Client Money Account, you may share in that shortfall in proportion to your original entitlement to money in the pool.

The Plan Administrator is not responsible for the default of any third party financial institution that it uses to hold cash under these Terms and Conditions.

(b) Once your Application has been accepted, on the Plan's Start Date any amount sent by you to pay an Adviser Fee will be debited from your Cash Settlement Account and credited to your adviser's

account with the Plan Administrator. Once the Plan Administrator has deducted the amount of the Adviser Fee they will pay the Adviser Fee to your adviser.

(c) Interest may be paid on the Initial Capital recorded in your Cash Settlement Account (not including any money that is to be deducted as an Adviser Fee). Details are set out below in clause 8.

(d) Under the terms of your Application, the Plan Administrator will use all of your Plan Payment as the Initial Capital investment in your Plan subject to your Plan Payment being greater than the Plan's minimum Initial Capital amount. If for any reason the Plan is not issued by the Counterparty, the Plan Administrator will return your Payment to you.

## **5. Investing your Initial Capital**

(a) When investing your Initial Capital on your behalf into your Plan the Plan Administrator will take all reasonable steps to achieve the best result for you taking into account all relevant factors such as the price, costs, speed, likelihood of execution and settlement, size, nature or any consideration relevant to the execution of the order. However, due to the nature of the product all transactions will usually be with the Counterparty.

(b) The Plan Administrator undertakes to process your Application in a timely fashion and to arrange for the investment of your Initial Capital into the Plan.

(c) Should you instruct the Plan Administrator to encash your Plan prior to its Maturity Date, this will be handled as an Off-exchange transaction by the Counterparty. In such circumstances, in which transactions in the Plan are not governed by the rules of any investment exchange (either a regulated market or multi-lateral trading facility), the Plan Administrator undertakes to provide your encashment instruction to the Counterparty as defined in clause 9. You acknowledge that the Plan Administrator is reliant on the Counterparty to determine any amounts payable to you by way of encashment proceeds.

Restricted

For the avoidance of doubt the Plan Administrator accepts no liability in respect of the Counterparty's failure to process your instruction to encash your Plan prior to the Maturity Date.

## **6. Your right to cancel**

(a) When the Plan Administrator has received your Payment and accepted your Application they will send you in writing by email an acknowledgement incorporating a Cancellation Notice.

(b) If you decide to cancel your Application, you must send the completed Cancellation Notice to the Plan Administrator at the address set out in clause 26, to be received by the Plan Administrator prior to the Start Date.

(c) If the Plan Administrator receives your Cancellation Notice on or before the Start Date, they will cancel your Application for the Plan and you will receive a full refund of your Payment, less any Financial Adviser fee that you may have authorised and which may have been paid to your adviser, by electronic transfer. No charge will be applied by the Plan Administrator for the processing of your Cancellation Notice in these circumstances.

(d) If the Plan Administrator receives your Cancellation Notice after the Start Date but within 14 days of its receipt by you, the Plan Administrator will encash your Plan as defined in Clause 9.

The standard early encashment administration fee of £100 will not be applied in such circumstances.

(e) The return of monies to you following cancellation will be done once the Plan Administrator is certain of cleared funds having been received by them in respect of your Payment (banks and building societies may take up to ten business days to fully honour your Payment). Any monies due on cancellation will be returned to you by electronic transfer except where your Payment has come as a result of an ISA transfer, in such cases the monies will be retained in your ISA.

## **7. Plans and how they are held**

(a) The cash element of your Plan will be held on your behalf in a Client Money Bank Account in the Plan Administrator's name at a bank or banks they have approved for that purpose.

(b) The underlying Plan investment will be treated as a Client Asset and will be held within the Plan Administrator's Nominee Service on a pooled basis. Client Assets held on a pooled basis may attract different treatment during corporate actions or other events from the treatment it would attract if it was held in a separately designated account. Your options may therefore be limited. In such cases, any rights or other benefits will be shared proportionately among all investors whose Plans are affected. In the unlikely event of any loss you may be eligible for protection under the Financial Services Compensation Scheme.

(c) When held in our Euroclear Crest Account, your investments will be held in an "omnibus client segregated" account unless you request in writing a wish for them to be held in an "individual client segregated" account. We reserve the right to apply an additional charge should you wish to hold your investments in an individual client segregated account (£1,000 per annum) to cover the additional administration this structure creates. We also reserve the right to reject your request. The main benefit of individual client segregation is that your investments are held in a separate account at Crest designated to you which may lead to a prompter distribution of them, in the event of James Brearley falling into administration.

(d) You may not charge, pledge or otherwise use your Plan as security for any loan or other obligation.

(e) The Plan will be held on your behalf until the Maturity Date, unless it is encashed early in accordance with these Terms and Conditions.

## **8. Administering your Plan**

(a) After the Start Date, the Plan Administrator will send you a confirmation note detailing the investment of your Initial Capital in your Plan. Subsequently the Plan Administrator will provide you with a quarterly report of your Plan as at the end of March, June, September and December, which will include a valuation and a statement of your Cash Settlement Account. You may elect for a Plan valuation report on a more regular basis, however the Administrator and Custodian may apply a charge for the deposition of such reports (£25 each). Each May the Administrator and Custodian will provide you with a report of the income you have received over the previous tax year. This will include a consolidated tax certificate and supporting income schedules. Where appropriate they will also provide you with a capital gains report. There are no shareholders' or Investment-holders' mailing or voting rights applicable to your Plan. Valuations are available online via the Plan Administrator's Web Portal.

(b) All information will be provided in electronic format via email and/or via the Plan Administrator's Web Portal. The Web Portal is a secure online platform through which you can obtain a valuation or statement of account. You will be provided with secure access to the Web Portal and you are required to provide an email address when you complete your Application for the Plan.

(c) Where the Plan Administrator holds investments on your behalf, any dividends, interest or other income received in respect of those investments will, unless agreed otherwise, be held in your Cash Settlement Account or ISA Cash Account pending your instructions.

(d) Currently no interest will be paid on cash held in a Cash Settlement Account or ISA Cash Account.

(f) On the Maturity Payment Date, the Counterparty is required to pay the Maturity Payment on the Plan. Shortly after the Maturity Date, the Plan Administrator will write to you outlining the options available to you. The Plan Administrator will hold your Maturity Payment in your Cash Settlement Account or ISA Cash Account pending receipt of your written instructions.

(g) Records relating to your Plan will be retained by the Plan Administrator for a length of time in line with regulatory and statutory requirements following the termination of any relationship between you and the Plan Administrator.

#### **9. Early encashment (Full or Part)**

(a) The Plan is structured to be held until the Maturity Date.

You may, however, subject to the consent of the Counterparty encash some or all of your Plan before the Maturity Date by providing the Plan Administrator with your written instruction to that effect. The Counterparty will apply an early encashment charge which will be calculated in a commercially reasonable manner which will depend on a number of prevailing factors and may include any costs reasonably incurred for breaking the funding arrangements entered into in relation to the Plan. You will also be charged an administration fee as set out below.

(b) For early encashment of your Plan (either in full or in part) before the Maturity Date you will be charged an administration fee of £100.

This administration fee will be included in the confirmation notice which will be issued within 1 business day of your encashment instruction being executed by the Counterparty.

(c) If the Plan Administrator receives your instruction to encash your Plan after the Start Date they will pass your encashment instruction to the Counterparty within 1 business day.

The Counterparty will then execute this instruction within 1 Business Day.

(d) The Plan Administrator will pay you the proceeds of the encashment of your Plan when they are received from the Counterparty or in accordance with the Settlement Date stated on the confirmation notice, whichever is the later date. The Settlement Date will be 2 Business Days from the date the Counterparty executes your encashment instruction. Encashment proceeds will be transferred into the bank or building society account you nominated within your Application or to the account that you have subsequently informed the Plan Administrator of in writing and that they have verified in line with their procedures. The Plan Administrator will only transfer monies from your Cash Settlement Account to a bank account in your name.

(e) Where the Plan Administrator has good reason to question the validity of an encashment instruction they will not process that encashment instruction until they have resolved all connected matters to their satisfaction.

(f) If you instruct the Plan Administrator to transfer money from your Cash Settlement Account to a non-sterling bank account you have nominated, the transfer will be made in sterling and the Plan Administrator will not pay any costs for currency conversion.

Transferring monies to anyone other than you will only be made on death (see clause 13) or when transferring to another ISA manager (see clause 11).

(g) Money transfers will not be made to individuals holding powers of attorney unless they operate a Cash Settlement Account as part of an account they already hold with the Plan Administrator.

(h) The Plan Administrator reserves the right to deduct any outstanding fees, charges or expenses from the amount due to you.

(i) If your Plan is held within an ISA there are certain circumstances where the Plan Administrator may no longer be able or willing to act as the Plan Administrator. Examples of these circumstances are:

(i) HMRC removes its approval for the Plan Administrator to act as an ISA Manager;

(ii) the Plan Administrator is no longer qualified to act as an ISA Manager due to a change in applicable law or regulation; or

(iii) the Plan Administrator voluntarily ceases to be an ISA Manager.

If your Plan is held within an ISA and in the event that the Plan Administrator no longer acts as Plan Administrator, they will write to you giving you at least 30 calendar days' notice before any change is made, to let you know how it will affect the way your Plan is administered.

(j) If your Plan is held within an ISA it may become subject to the effect of changes to HMRC rules or other changes to legislation such that your Plan no longer qualifies as a Qualifying Investment capable of being held within an ISA. If such a circumstance arises the Plan Administrator will inform you of this and the options available to you.

(k) In the case of an ISA, you may terminate this arrangement by giving us notice in writing, requesting that we either transfer all Plan investments to you or to sell the Plan investments and remit the resulting proceeds to you. Termination of the ISA will be effective when written notice is received by us and all benefits and relief from tax will cease immediately.

## **10. Taxation**

(a) If your Plan is held in an ISA you will not, under current tax rules, have to pay UK income tax or UK capital gains tax on any income or capital growth you receive from your Initial Capital investment in the Plan but any losses on your investment in the Plan will be ignored for the purposes of UK capital gains tax.

(b) These taxation statements are based on current tax legislation, regulation and practice. Such tax legislation, regulation and practice may be subject to change in the future and nothing in this Brochure constitutes tax advice.

(c) Where you receive interest gross, you will be responsible for accounting to HMRC for any tax due.



(d) You confirm that you have taken tax advice as appropriate to your circumstances in respect of the Plan and that you are not relying on any communication/advice (written or oral) from the Plan Administrator or the Plan Manager in this respect.

### **11. Transferring your ISA to an alternative ISA Manager**

(a) Subject to the ISA Regulations, you have the right at any time to transfer your ISA to another ISA manager. For the Plan Administrator to arrange a transfer for you, you must submit a written instruction to the Plan Administrator with an appropriate letter of authority from your proposed ISA manager.

(b) If you wish to transfer your ISA to an alternative ISA Manager you should be aware that your Plan will be encashed in accordance with the procedures set out in clause 9. The Plan Administrator can only effect a transfer of your ISA in cash following the encashment of your Plan and it could take up to 30 calendar days or more to complete this.

(c) You will be charged an administration fee of £100 for the encashment of your Plan and arranging the transfer (as set out in clause 9).

### **12. Investment by Pension Scheme Trustees**

Where a pension scheme trustee ("First Trustee") invests Initial Capital into a Plan and the scheme member to which the Plan relates subsequently transfers to another pension scheme trustee ("Second Trustee"), the Plan Administrator will seek to allow the re-registration of the Plan from the First Trustee to the Second Trustee by means of a simple re-registration agreement. This agreement will allow the First Trustee to relinquish all interest in the Plan and for the Plan Administrator to allow the Plan to be re-registered in the name of the Second Trustee who will become the Investor in the Plan on exactly the same terms as the First Trustee. The terms of the original Plan or these Terms and Conditions cannot be changed in any way on transfer between the pension scheme trustees.

### **13. Death**

(a) In the case where the Initial Capital invested in a Plan is for more than one person (for example, a joint account, trustees) then unless agreed to the contrary in writing, the Plan Administrator shall treat all Plan Investors within a single account as Joint Tenants. This means that in the event of death, the Plan will pass to the surviving Investors within that single account. The Plan Administrator will continue to act in accordance with the previous Application unless they are given new instructions by the surviving Investors.

(b) Where the Plan is held in an ISA, it may remain within an ISA and benefit from its tax benefits for up to a maximum of 3 years from your date of death, or until we receive instructions from the administrators of your estate.

(c) If the Plan is held in your sole name and the Plan Administrator receives proof of your death, their service to you will cease. However, they will continue to administer your Plan and cash. The Plan Administrator will then follow the instructions of your personal representatives (for example, the executors of your will). For administrative purposes, the Plan Administrator will establish a new account in the name of your personal representatives which will also be governed by these Terms and Conditions.

(d) Should your executors elect to encash the Plan, the amount they receive will be subject to the early encashment charge applied by the Counterparty (see clause 9(a)). They will also be subject to a total

administration fee of £100. No fee is charged if the Plan is assigned to a beneficiary and remains in force until the Maturity Date.

(e) If your executors require a valuation of your Plan for probate purposes, a fee of £50+ VAT is payable to the Plan Administrator.

(f) The total value of your Plan forms part of your estate for inheritance tax purposes.

(g) If your executors require a Plan to be assigned to a beneficiary the Plan Administrator will require verification of the identity of the new Plan holder in line with clause 25.

#### **14. Plan Charge**

A Plan Charge has already been taken into account in the terms of your Plan. This Plan Charge is used to meet the Plan Manager's design and distribution costs and the Plan Administrator's administration costs and is disclosed in the Brochure.

#### **15. Other Fees and Charges**

(a) During the course of administering your Plan the Plan Administrator may utilise the services of third parties. Should those third parties charge fees for their work that fee will be passed on to you.

(b) The Plan Administrator reserves the right to introduce an additional charge in the future to cover any additional expenses incurred by them for a valid reason, for example:

(i) to take account of significant regulatory change or material events outside their control such as but not limited to the collapse, bankruptcy or liquidation of a Counterparty; or

(ii) to allow them to administer your Plan more effectively.

No such additional charge will be introduced by the Plan Administrator without giving you 90 calendar days' written notice.

If you are not in agreement with such a charge, you may be able to encash your Plan in accordance with clause 9.

(c) A fee to your financial adviser will only be paid on the basis of an agreement reached between you and your financial adviser. No fees or commissions can be paid to your financial adviser unless you have agreed the amount to be paid in writing. See clause 16.

(d) If you fail to pay the Plan Administrator what you owe to them they may retain any money, investment or other asset due to you and on providing you with notification, they may encash part or all of your Plan to offset your debt. In such circumstances the Plan Administrator will not be liable to you for any loss (or loss of opportunity) you may suffer as a result of their action to encash your Plan.

(e) Where you owe the Plan Administrator money they will apply, and you will pay, interest at 4% over the base rate of the Bank of England in place at the time.

#### **16. Adviser Fee**

(a) You may instruct the Plan Administrator to pay an Adviser Fee from the Payment you send them as part of your Application. The amount of the Adviser Fee must be included in your Application. Any Adviser Fee you instruct the Plan Administrator to pay will not be treated as part of your current tax year's ISA Allowance.

(b) Any Adviser Fee will be deducted from your Payment once your Application Form has been processed by the Plan Administrator.

(c) You should inform the Plan Administrator of any change of financial adviser to enable them to keep their records up to date.

### **17. Extraordinary Circumstances, Disruption and Adjustments**

(a) The Plan Administrator and the Plan Manager will perform their obligations set out in these Terms and Conditions unless events outside their reasonable control prevent or restrict them from doing so, some examples of which are set out below.

If such an event occurs, one consequence may be that monies due to you are reduced or delayed. If such an event occurs, the Plan Administrator will use due care when considering how to respond and their response will be fair and proportionate. Neither the Plan Administrator nor the Plan Manager will accept any liability for any failure or delay in the performance of their obligations as described in the Brochure or these Terms and Conditions caused by such an event but the Plan Administrator and the Plan Manager will use all reasonable efforts to minimise any adverse impact on you and your Plan as far as they reasonably can and if you are being disadvantaged the Plan Administrator will tell you as soon as possible. How quickly the Plan Administrator is able to notify you will depend on the severity of the event.

Examples are:

- Strikes, lockouts or other industrial action;
- Civil commotion, riot, invasion, terrorist attack or threat of terrorist attack, war or the threat or preparation for war;
- Fire, explosion, storm, flood, earthquake, subsidence, epidemic or other natural disaster;
- Restrictions imposed by legislation, regulation or other governmental initiatives that are not a result of misconduct;
- Recession or significant economic collapse of a market or country;
- Failure of transport networks or other external utilities (for example telecommunications networks, water or power) leading to unavoidable disruption;
- The suspension, limitation or material disruption of trading of any Underlying;
- The exchanges on which any Underlying is traded failing to open for trading or closing early; or
- The level of any Underlying is not calculated or published.

(b) Adjustment events can arise for different reasons and may affect a stock market, an index or an individual company. Should any of the companies underlying the Plan experience an event of the nature of the examples below which has or may have a diluting or concentrating effect on the value of its shares, the Counterparty or one of its affiliates may at its sole and absolute discretion and in good faith, determine whether any adjustment to the terms and conditions of the Plan is required. Any adjustment could include the amendment of the Start Level, removal or substitution of the affected company, or even bring forward the Maturity Date of the Investment. Examples which may constitute an adjustment event include but are not limited to insolvency, suspension, delisting, a rights issue, a merger with or takeover by another company and nationalisation. As soon as practical, the

Plan Administrator will advise you of any adjustment to be made to the terms and conditions of the Plan. The terms of the Plan contain provisions which may result in adjustments to the calculation of your entitlement and/ or the timing of such calculation as a result of extraordinary circumstances, disruption or certain adjustment events.

(c) Any allocation of monies due to you in connection with your Plan is dependent on the Plan Administrator receiving monies from the Counterparty in accordance with the terms of the Plan. Depending on the event, you may have to wait longer for the Maturity Payment than the Maturity Payment Date. In the case that the Maturity Date of the Plan is brought forward due to extraordinary circumstances the amount you receive back may be subject to an early encashment charge applied by the Counterparty which will be calculated in a commercially reasonable manner which will depend on a number of prevailing factors and may include any costs reasonably incurred for breaking the funding arrangements entered into in relation to the Plan.

### **18. Counterparty and other risks**

(a) During the term of the Plan you are exposed to the credit risk of the Counterparty and the risk that the Counterparty fails to pay back the Initial Capital, including any return, which is defined under the terms of the Plan. If, for whatever reason, the Counterparty does not meet the terms of the Plan, this will affect what you will get back from the Plan and you could lose some or all of your original investment and some or all of the expected return. Neither the Plan Administrator nor the Plan Manager is responsible if the Counterparty does not comply with the terms of the Plan.

(b) If the Counterparty is unable to comply with the terms of the Plan because a change in the law means that to do so would be illegal or impractical the Plan may be forced to bring forward the Maturity date. In these circumstances, the Plan may pay out less than expected, or even nothing.

### **19. Conflicts of interests**

During the term of your Plan conflicts of interest may arise between you, the Plan Administrator or their employees, the Plan Manager or their employees, other Plan holders, or associated companies or representatives. To ensure that all Investors are treated consistently and fairly, the Plan Administrator is required to have a policy on how to identify and manage these conflicts. A summary of the policy is detailed below. A copy of the full policy is available on request from the Plan Administrator using the details contained in clause 26. The Plan Administrator:

- (a) will consider the interests of all customers and treat them fairly;
- (b) will manage conflicts of interest fairly to ensure that all customers are treated consistently and to prevent any conflict of interest giving rise to a material risk of damage to the interests of customers;
- (c) have in place procedures to ensure that employees identify and report any new conflicts;
- (d) will keep a written record of any conflicts or potential conflicts;
- (e) if appropriate, will disclose any relevant conflict to a customer before undertaking business with them;
- (f) will ensure new business developments identify any new conflicts of interest.

This policy applies to any person or company to whom the Plan Administrator delegates any of their responsibilities.

## 20. Delegation

The Plan Administrator and the Plan Manager may delegate any of their duties under these Terms and Conditions to any Group company or other agent and may provide them with information about you and your Plan and you agree that they may do so. However, the Plan Administrator and Plan Manager will remain liable to you for the performance of any delegated matters.

The Plan Administrator and the Plan Manager shall only delegate their duties under these Terms and Conditions where it is permitted by law and regulations. In any event, neither the Plan Administrator nor the Plan Manager will delegate unless they are satisfied that the person or company to whom they delegate any of their duties is competent to carry them out.

## 21. Assignment

Your agreement to these Terms and Conditions and the Application is personal to you and cannot be assigned to anyone else. The Plan Administrator may appoint another company to be the Plan Administrator of your Plan under these Terms and Conditions providing 30 calendar days' notice has been given to you. The new Plan Administrator must be approved to act as an ISA

Manager by HMRC.

## 22. Disclosure of information and the General Data Protection Regulation (GDPR)

(a) The Plan Administrator, will act as the Data Controller and is committed to ensuring that your personal data is protected. Their approach to handling and safeguarding your personal data is detailed in their Privacy Policy which can be accessed at their website- [www.jbrearley.co.uk](http://www.jbrearley.co.uk) The Policy outlines in detail their approach to the following:-

1. The type of data that they collect.
2. How they use your personal data.
3. How they collect your personal data.
4. The purposes for which they use your personal data the legal basis on which they may do so.
5. When it is necessary for them to share your personal data.
6. How they protect your personal data.
7. Your legal rights under data protection laws relating to your personal data.
8. How you may complain if you feel your personal data has been misused.

(b) You also authorise the Plan Administrator to transfer information you provide on your Application (or subsequently) to the Plan Manager. They will only use such data for purposes ancillary to their role as Plan Manager, including but not limited to hedge management, dealing with queries, fulfilling their regulatory obligations, statistical analysis and marketing on the Plan's maturity.

(c) Where a financial adviser acts on your behalf, The Plan Administrator will disclose information concerning your Plan to that financial adviser.

## 23. Liability

(a) Neither the Plan Manager nor the Plan Administrator gives any warranty as to the performance or profitability of your Plan. You must be aware that the price of investments can go down as well as up and that there are both investment and counterparty risks attached to market linked investments. You may not get back the amount of Initial Capital invested. You are reminded that past performance is no guarantee or indicator of future returns. In the event of any failure, interruption or delay in the performance of the Plan Administrator's or the Plan Manager's obligations resulting from any event

or circumstance not reasonably within their control, neither the Plan Administrator nor the Plan Manager shall be liable or have any responsibility of any kind for any loss or damage you incur or suffer as a result.

(b) Neither the Plan Administrator nor the Plan Manager will be liable or have any responsibility of any kind for any loss or damage you suffer as a result of any failure, interruption or delay in carrying out their obligations resulting from:

- Breakdown or failure of any telecommunications or computer service;
- Failure of people other than the Plan Administrator or the Plan Manager to carry out their obligations;
- Acts of governments or international authorities;
- Any other significant or material event or circumstance that is not reasonably within their control when they have made all reasonable efforts to minimise the consequences of such events.

#### **24. Changes to these Terms and Conditions**

The Plan Administrator or the Plan Manager may make fair and reasonable changes to these Terms and Conditions at any time by giving you at least 30 calendar days' prior written notice (or for changes to the fees at least 90 calendar days' notice) provided that such variations or changes are permitted by the Financial Conduct Authority. Changes will only be made for good reasons as follows:

- to make these terms clearer or more favourable to you;
- to reflect legitimate increases or reductions in the cost of administering your Plan for you, which include:
  - changes to the basis of taxation applicable to your Plan or to the Plan Administrator in connection with your Plan;
  - costs associated with changes in staff, support services, technology or systems;
- to comply with applicable law, regulation, judgment of any court, regulator or ombudsman or any regulatory guidance or codes;
- to reflect a change in the Plan Administrator's corporate structure that does not have an unfavourable impact on your Plan;
- to provide for the introduction of new or improved systems, services or facilities;
- to correct any mistake that may be discovered;
- to reflect any extraordinary circumstances.

If you are unhappy with any change that is made to these Terms and Conditions you can encash your Plan (see clause 9).

#### **25. Why do I need to prove my Identity?**

The Plan Administrator is required to have in place procedures to guard against money laundering and terrorist financing.

An important part of these procedures is the verification of the identity of all new investors. For individuals, this may include an electronic identity check via a referencing agency who may keep a record of the check. Instead, or in addition to an electronic check, you may be asked to provide original or certified copies of documents which evidence your identity. For entities (companies, trusts, etc.) the Plan Administrator will request documentary evidence of identity. Where documents are requested from you, these should be provided as soon as possible. If the Plan Administrator is unable to verify your identity or they are not satisfied that your identity has been verified, they may terminate these Terms and Conditions and withdraw all services provided.

## **26. Notices or Requests**

(a) The Plan Administrator will send all communications to you electronically to the e-mail address recorded for you or to the secure mailbox within the Plan Administrators Web Portal. As such you should ensure that the Plan Administrator has a valid e-mail address for you at all times.

(b) The Plan Administrator will only carry out instructions if they are from you or your authorised representatives. The Plan Administrator will only act on verbal or written instructions. Before verbal instructions given over the telephone can be accepted, the Plan Administrator may ask you or your representative some questions for security purposes. Written instructions will require an original signature.

(c) Where the Plan is held by more than one person (for example, a joint account, trustees etc.) the Plan Administrator will accept and act upon instructions from any one person as if the instruction had been given by all Plan holders. In all cases the liability of all Plan holders will be joint and several. Should a dispute arise between the persons connected to the Plan, you should inform the Plan Administrator in writing and they will then only act on the instructions of all persons jointly. Should all persons connected to the Plan subsequently confirm in writing that the dispute has been resolved the Plan Administrator shall go back to accepting and acting upon instructions from any one person.

(d) You should send any notices, instructions, or requests for further information, to the Plan Administrator at:

Outsourced Administration

James Brearley & Sons Limited,

PO Box 34,

Unit 2,

Burton Road,

Blackpool,

FY4 4WX.

or to such other address that the Plan Administrator tells you about in the future.

## **27. Complaints**

(a) If you are unhappy with any aspect of the services provided by the Plan Administrator, you should address your complaint to the Leader of the Complaints Team at the address in clause 26. The Plan Administrator's complaints leaflet is available on request.

(b) If you have a complaint about the Plan Manager, you should write to the Complaints Officer, at Dax House, 18-22 Howard Street, Belfast, BT1 6PA, United Kingdom. The Plan Manager will provide details of their complaints procedure upon request, or automatically in the event that you make a complaint that is not satisfactorily resolved.

(c) If you are not satisfied with the manner in which your complaint is addressed, you may be able to refer your complaint to The Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London, E14 9SR. Making a complaint will not prejudice your right to take legal proceedings. More information on how to complain can be found on the Financial Ombudsman Services website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or by calling them on 0800 023 4567.

(d) Should your complaint relate to any aspect of the service provided by the Counterparty, you should send the details of your complaint to the Plan Administrator who will refer your complaint to the Counterparty.

## **28. Compensation**

(a) In the event that the Plan Administrator collapses, becomes bankrupt or goes into liquidation and cannot fulfil their obligations to you or return your investment, you may be entitled to compensation under the Financial Services Compensation Scheme (FSCS). Details of your rights under this scheme are available on request and further information is available either from the FCA or the FSCS direct. Their websites are [www.fca.org.uk](http://www.fca.org.uk) and [www.fscs.org.uk](http://www.fscs.org.uk) respectively. For your Plan the maximum amount of compensation available from the FSCS in the event of the Plan Administrator's insolvency is presently £85,000, subject to you being able to meet the conditions for eligibility to claim.

(b) In the event that the Counterparty collapses, becomes bankrupt or goes into liquidation and cannot fulfil their obligations to you in the return of your Plan investment, you will not be covered by the Financial Services Compensation Scheme (FSCS).

(c) In the event that the Plan Manager collapses, becomes bankrupt or goes into liquidation there should be no threat to your Plan as the Plan Manager only provides services connected to your Plan as defined in these Terms and Conditions and does not physically hold any Plan investments on your behalf.

(d) You will not be eligible to make a claim to or be entitled to compensation from the FSCS if the performance of the Plan and/or the Underlyings is poor.

## **29. Your obligations**

Changes to your Personal Information and Account Security.

You agree to inform the Plan Administrator without delay of any change in your circumstances or status, including in particular any change of address, name, bank account or residency status or change of your financial adviser in line with the Plan Administrator's procedures. The Plan Administrator shall not be responsible for any consequences of your failure to notify them of a change in respect of your personal information. Where the Plan Administrator does not have an up to date address for you, they may make enquiries to identify your new address and reclaim the cost of tracing your new address. To this end, they may need to share your details with trusted external parties. You will keep any account security information, username, passwords or system access codes secure. If you become aware that anyone has your password without having your authority to use it, you should inform the Plan Administrator as soon as possible. You will be responsible for keeping secure any usernames and passwords relating to online services provided to you by the Plan Administrator. You should take care



to ensure that any information about you which may be used as part of our security checks is also kept secure.

### **30. Law and jurisdiction**

(a) This document is based on current English and Welsh law and HMRC practice, both of which may change in the future.

(b) These Terms and Conditions and the continued relationship with you in respect of your Plan is governed by the law of England and Wales. By agreeing to these Terms and Conditions, you, the Plan Administrator and the Plan Manager submit to the exclusive jurisdiction of the courts of England and Wales. The information set out in these Terms and Conditions is based upon the understanding of all current legislation, which may change in future.

(c) The Plan Administrator will always communicate with you in English.

(d) All communications from the Plan Administrator will normally be by email but they may communicate by letter or telephone. For your protection, telephone calls may be recorded and the Plan Administrator may refer to the recordings should there be any confusion or dispute in respect of an instruction, a transaction or conversation connected to your Plan. The Plan Administrator may be required to make the recordings of our conversations available to third parties such as the FCA.

(e) No particular meaning should be attributed to the use of upper or lower case letters in relation to whether a term is defined or not. The singular includes the plural and vice versa.

### **31. Entire Terms**

These Terms and Conditions, the remainder of the Brochure and the completed Application constitute the entire terms on which the Plan is provided to you and administered for you. Nothing in these Terms and Conditions will avoid any responsibilities the Plan Administrator and the Plan Manager have either, under the Financial and Services Market Act 2000 and the FCA's rules, for death or personal injury caused by their negligence, for fraud (including fraudulent misrepresentation) or any other liability which is unlawful to exclude or attempt to exclude under the law of England and Wales.

### **Important Information**

Your Plan is not a guaranteed investment. Returns depend on your Initial Capital investment with the Counterparty and in the event of the Counterparty being unable to meet its obligations the returns may fall short of those mentioned.

Returns are dependent on the Plan being held until the Maturity Date.

The value of your Plan may fall as well as rise and is not guaranteed.

Returns are based on the understanding of current tax rules in the United Kingdom, which are subject to change.

Your liability to tax (if any) will depend on your individual circumstances.