

TERMS AND CONDITIONS OF BUSINESS

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Client Declaration

These are our general terms and conditions of business upon which we intend to rely. For your own benefit and protection you should read these terms carefully before agreeing to them. If there is anything you do not understand please ask us for clarification before you sign.

1. AUTHORISATION

Farley & Thompson (hereafter referred to as 'we') are authorised and regulated by the Financial Conduct Authority (the FCA). Our FCA registration number is 461601. Information on the FCA and the FCA register of firms and individuals can be accessed via the website www.fca.org.uk.

We are authorised to manage, advise and arrange dealing in investments, handle client money, hold client investments and to carry out business regulated by the FCA. As a provider of advisory and discretionary services, we select and manage investments from across a wide range of opportunities but as we do not advise on all retail investment products, under the FCA rules we are defined as offering a "restricted" service.

We are a Limited Liability Partnership registered in England & Wales under company number OC324180. We are members of the London Stock Exchange and the Personal Investment Management and Financial Advice Association (PIMFA). Our website address is www.farleyandthompson.co.uk

2. OUR SERVICES

We provide discretionary, advisory, valuation and nominee services facilities as well as transaction-based execution only dealing in the following investment classes:

- Shares, investment trusts, government stock (Gilts) and similar investments that are traded on a Recognised Investment Exchange;
- Allotment letters and other investments relating to the above; and
- Collective investment schemes such as unit trusts, OEICS and ETFs.

We do not offer advice on mortgages and equity release, protection insurance, life assurance, pensions and pension transfers, annuities or financial planning. **We do not** offer tax advice.

Discretionary - under our discretionary service Farley & Thompson will appoint a portfolio manager who will manage your investments for you. Discretionary management confers on us the authority, without prior reference to you, to enter into any kind of transaction relevant to you within the above investment classes. Management of the portfolio will be based on the information that you give to us subject to the investment objectives, restrictions and any limits set out by you on the registration form. Other than receiving periodic statements and valuations you will not normally be contacted with regard to the operation of your account. Our discretionary services are subject to a minimum investment amount.

Advisory - with our advisory service we will give you investment advice as and when you ask for it and we will contact you to discuss our recommendations. We will not deal on your behalf without contacting you beforehand. When we provide portfolio advice, we will consider the suitability of the investment taking into account your investment objectives, attitude to risk and any restrictions you may impose as set out by you on the registration form. Where appropriate we will provide you with a suitability report in a durable medium before the transaction is concluded. This report will specify the advice given and how the advice meets your preferences and investment objectives.

Where the agreement to buy or sell is concluded using a means of distance communication (such as telephone, correspondence or email) which prevents the prior delivery of the suitability report, you consent to receiving the suitability report without undue delay after the transaction has been concluded. On request we will agree to delay a transaction so that you can receive the suitability report in advance.

We may agree to undertake transactions in investments that are not exchange traded or which are not readily-realizable investments. We may also give you advice on or deal in investments that you already hold.

Execution Only - occasionally we may carry out transactions on an **execution only** basis for experienced investors who wish to make their own decisions to buy, sell or hold an investment and for individuals or estates requiring a one-off sales facility. In provision of execution only services for 'non-complex' products, we are not required to assess the suitability of the instrument or service provided and you will therefore not benefit from the rules assessing suitability.

Should you wish to take a different approach with certain elements of your investment you should open a separate account for each purpose.

If we hold your shares electronically this will be in a 'nominee' account where no paper share certificates are issued. Valuation report packs, including a statement of stocks held as well as cash and transaction schedules will be prepared according to FCA rules and issued on a six monthly basis. Discretionary accounts receive an additional quarterly valuation. The schedule of investments will be based on middle market prices as at the date of the valuation. We charge you a fee for this service, details of which can be found in our schedule of fees and commissions and on our website. You are also able to register to use our online valuation service to view your portfolio.

3. CATEGORISATION

We will categorise you as a 'retail client' as defined by the FCA. Although categorised as such, you may not necessarily be an eligible complainant under statutory dispute resolution procedures. You have the right to request a different classification.

4. COMMUNICATION

You may communicate with us and we will communicate with you in English. We may telephone you without being invited to do so as long as the call relates to investment business carried out by us on your behalf. You may contact us by telephone, email or in writing. All telephone calls are recorded in accordance with FCA regulations. We reserve the right to ask you security questions personal to your account or with regard to your internet access.

5. CLIENT IDENTIFICATION AND ANTI-MONEY LAUNDERING

Under current legislation and FCA rules, we are obliged to satisfy ourselves that a client or prospective client is who he or she claims to be. This also applies to companies, trusts and pension schemes. The purpose of these procedures is to ensure that a firm does not carry out or agree to carry out financial services, or give advice to a client or potential client, unless the firm has proof of that person's identity and residential address and in the case of a corporate entity, additional documentary requirements such as a Trust Deed or Certificate of Incorporation.

We are therefore obliged to ask all potential new clients and in some circumstances existing clients, for proofs of identity and residential address as described in the Joint Money Laundering Steering Group's Guidance Notes and subsequent legislation. Individual client and corporate identity requirements are detailed on the registration form. Where applicable we will also ask you to provide a power of attorney or letter of authorisation confirming that you are able to deal or give instructions on another person's behalf.

We may use electronic data to verify your ID and address details with credit reference and fraud prevention agencies. This type of search will not affect your credit rating.

We have legal obligations under the Proceeds of Crime Act 2002 in respect of the detection, reporting and prevention of fraud, money laundering and terrorist activities. Where we have any suspicions about the use or activity of client accounts or the funds we hold we are required to take action. We will advise you of any investigation only if we are legally permitted to do so. We may be obliged to refuse to undertake transactions for you and we will not be liable for any loss or damage arising from such actions which we take as a result of these legal obligations.

Transaction Reporting - we are required to report most market transactions including shares and investment trusts and in order to perform our regulatory responsibilities every client needs to have a unique identifier. If the client is acting on behalf of another person, or the investments are held on behalf of someone else, we are obliged to confirm the identity of all parties involved. For the majority of UK investors this will be your National Insurance Number (NINO). For non-UK clients the identifier will depend on the country of residency.

6. LEGAL ENTITY IDENTIFIERS (LEI)

Certain clients are deemed to be legal entities such as a company, trust, charity or a SSAS (small self-administered scheme) and are required to obtain a Legal Entity Identifier (LEI) before we can provide investment services. We will tell you if you need an LEI and will assist you with obtaining one on request. There is a charge for this service. LEIs must be renewed on an annual basis at your expense. An invalid or expired LEI could result in the unwinding of affected transactions.

7. YOUR INVESTMENT OBJECTIVES AND RELATED RESTRICTIONS

Our discretionary and advisory services will seek to build portfolios which are suitable for your personal circumstances as we understand them based on the information that you have provided us on the registration form. It is therefore important that you complete all sections of the form asking for information concerning your objectives, investment time horizon as well as your attitude to risk and capacity for loss. You are strongly encouraged to provide us with any updates to your personal circumstances or investment objectives that may have a bearing on the service that we provide you. We will make and retain a record of the information that we have taken into account when making investment recommendations to you.

We ask you to specify any individual stock or sector investment restrictions you wish to apply to your account and we will endeavour to comply with your request. However, we cannot guarantee compliance and your attention is drawn to the fact that we will not treat the restrictions as applying to investments held within a collective investment fund.

8. WRAPPERS

Portfolios may be held in structures such as an Individual Savings Account or a Self-Invested Pension Plan. Investments into and withdrawals from these structures may be made subject to HMRC rules and other regulations.

9. DEALING

All instructions to deal are carried out as Market Orders i.e. for immediate execution or soon as is reasonably practicable during normal dealing hours for the relevant exchange and at the best price available at the time of dealing. We may telephone you to confirm instructions received by post or email. Instructions sent by email are at your risk. We may give you details of a transaction by telephone but this will be for your convenience only. The official record of a transaction is given in the form of a 'trade confirmation' in a durable medium which will be sent promptly by post or email notification and not later than the business day following the day the transaction was executed. Unless you elect otherwise we do not supply trade confirmations for discretionary accounts.

We may combine your order with those of other clients (aggregation). At times this may work to your advantage and at others to your disadvantage. We reserve the right not to take dealing instructions from you. In certain circumstances we may not follow your instructions once given although we will endeavour to warn you of this as soon as possible.

10. INVESTMENT RISK

With all investment there is an element of risk. It is important that you fully understand investment risk so as part of these terms and conditions you confirm that you have received, read and understood the Farley & Thompson information sheet 'Risk and Diversification'. We will ask you to complete a registration and factfind form and we will regularly enquire if there has been any change to your financial situation or objectives. If we think your attitude to risk does not correspond to the requested service or objective, we will discuss alternatives with you. You should be aware that an investment's value and the income it produces may fall or rise and you could get back less than you initially invest, or nothing at all. Past performance is not an indicator of likely future returns.

Risk is defined as the chance that an investment's actual return will be different than expected. There are a number of risk factors that face investors; some are specific to a particular investment e.g. the Bid/Offer spread, whilst others affect the wider market e.g. changes to economic policy, inflation or deflation and movements in interest rates. Any number of factors may affect returns over a period or have an immediate impact if an investor buys at the top and sells at the bottom i.e. bad timing.

Farley & Thompson investment classes and some of the associated risks are:

UK Government stocks (gilts) and other fixed income bonds – interest distributions and capital repayments on UK government securities are guaranteed by the issuer and are widely accepted as being of negligible risk. Repayment dates are usually determined at the outset. You could get back less than you paid if the bond is not held to redemption or purchased above par.

Corporate bonds are fixed interest securities and ranked according to the strength of the underlying issuer i.e. its creditworthiness. Investment Grade bonds are typically higher quality but lower yielding than sub-investment grade bonds. All bonds are subject to interest rate risk with the shortest dated bonds usually being the least affected.

Permanent Interest Bearing Shares (PIBS) and Perpetual Bonds are fixed interest securities issued by Building Societies or other mutual associations, some of which have since converted into public companies. They can be redeemable (have a fixed maturity date in the future), callable (may be repaid on a specified date in the future) or irredeemable and are subject to interest rate risk. Callable bonds will have the interest terms reset if the issue is not 'called'. This type of investment can occasionally be illiquid to trade.

Convertible bonds have a fixed interest distribution but are convertible into the underlying equity on preset terms at a specified date in the future. They will be subject to interest rate risk and to any movement on the share price of the underlying equity.

A special category of convertible bond, particularly those issued by financial institutions such as banks, are known as Contingent Convertibles (Co-Cos) and may be subject to 'bail-in' conditions. This means the bond holders could be called upon to provide financial assistance in the event the bank is in financial difficulty. Farley & Thompson will not advise on this type of bond (see below).

Shares provide the investor with a unit of company ownership, the value and dividend payments for which are determined by financial performance. Other influencing factors may include industry related news, currency exchange rates, corporate activity as well as press and analyst coverage, both in print and online. Our risk level categories vary according to the size and nature of the business. Smaller companies are more volatile and have a wider bid/offer spread than larger companies meaning that you may get back less than you paid if you had to sell immediately. Securities priced electronically on the order book and via Market Maker quotation are determined by supply and demand. An increased number of buyers could result in the share price rising whilst more sellers may result in the share price falling. In the event of a winding-up ordinary shareholders rank last in the order of distribution of assets.

Preference shares pay a fixed dividend and are a hybrid between a share and a bond. They are of limited issue and trading can sometimes be illiquid. There are different types of preference share and neither the capital nor income is guaranteed. Most issues are undated and may be affected by long term interest rate policy. In the event of a winding-up they rank ahead of ordinary shareholders but behind other bond holders.

Investment Trusts are collective investment funds structured as companies, listed on an exchange and invest in other companies. The share price of an investment company does not always reflect the underlying value of the portfolio and this is referred to as the discount (or premium) to net asset value. These companies may borrow funds (gearing) to make additional investments in order to boost returns. When the trust is performing well shareholders may enjoy an enhanced or 'geared profit'. However, if the trust performs poorly then the loss may be similarly exaggerated. Investment Trusts may have a broad or narrow investment remit. Like any investment, you may get back nothing at all if there is a sufficiently large fall in value.

Unit Trusts and OEICS are open-ended collective investment funds that pool investors' money and are managed by a professional asset manager according to a specific theme or objective. Units are dealt off market direct with the manager or a third party custodian on a daily forward-priced basis, being created and redeemed according to demand. Funds may occasionally become illiquid if there are too many sellers wishing to exit the investment at the same time and could become subject to dealing restrictions and temporarily suspend investor redemptions.

Exchange Traded Funds (ETFs) are index trackers designed to replicate the constituents and performance of a broad index or sector. They are a hybrid between a unitised fund and a listed share. They are able to grow or shrink in size according to demand from investors as the underlying constituent companies will be bought and sold. The ETF itself is listed and is traded continuously throughout the day like ordinary shares.

Bonds, equities, funds and ETFs investing in overseas companies, or bonds issued by overseas governments, or UK companies with foreign earnings may be subject to currency risk and local interest rate movements. Currency or exchange rate risk is the possibility that currency depreciation will negatively affect the value of an investment, dividend or interest payment when converted back into sterling.

No asset type is considered to be risk free. Investment risk can be mitigated by investing in different companies, sectors and countries and smaller investors can achieve diversification through the use of collective investment funds.

11. COMPLEX FINANCIAL INSTRUMENTS

Some investments are regarded as complex instruments and under the current rules we are required to satisfy ourselves that you have the relevant knowledge and experience to understand the risks involved. They are considered to be highly volatile, made up of one or more underlying instruments, mathematically difficult to value, use obscure indices or where an adverse market movement could result in a substantial or total loss of the money invested. They include Structured Products that have a fixed investment term with exit barriers or penalties, Capital Protected products which could have the protection withdrawn in the event of certain conditions being met and other financial instruments including Co-Cos, Traded Options, Warrants, Derivatives, Financial Futures and synthetic notes. Farley & Thompson does not recommend, advise upon or deal in any of these types of complex instrument.

Subscription Shares are issued by Investment Trusts and give you the right, but not the obligation, to convert into new ordinary shares at some time in the future at a fixed price. They have a limited life and are typically issued as a bonus at the time of a new issue. This type of investment is highly geared, meaning that a small movement in the underlying share price could result in a substantial swing in the price of the subscription shares.

Split Capital Investment Trusts are made up of two or more classes of shares. They have a limited life and the different share classes may be traded individually or bundled together to provide different outcomes. Each split works differently with an order of priority and the repayment entitlement may be difficult to calculate. As a rule the lower in the order of priority, the riskier it is. This is because other shareholders will be paid out first and there may not be sufficient to repay all shareholder classes.

If you wish to deal in Subscription Shares or Split Capital Investment Trusts we will ask you to declare separately that you have the required level of knowledge and investment experience. Farley & Thompson will not directly recommend this type of investment to you but we may advise you on existing holdings.

Advisory service - whilst we seek to ensure our advice is suitable for you the final decision on whether to invest, hold or sell any investment is yours. All recommendations are made in good faith based on information that is available at the time of the recommendation. We make no assurances that the investment recommended will be profitable or perform as expected.

Discretionary service - we will assume that you accept the strategy definition and level of risk to capital in your portfolio that has been indicated on the relevant Discretionary Mandate appendix. You will be asked to sign the mandate in addition to these terms and conditions.

AIM Portfolio Service – investment in companies listed on the AIM market should only be considered by those willing to accept a high degree of risk. AIM companies are illiquid and can be difficult to buy and sell and are not subject to the same regulatory requirements as those listed on the LSE. You should only consider investment in AIM if you can afford to lose the capital committed.

You must inform us as soon as possible if you believe a change in your circumstances may be relevant to your objectives and attitude to risk.

12. CHARGES

Our fees and dealing commissions will be in accordance with our published terms as found on the relevant schedule of fees and commissions, on our website, or upon request. We reserve the right to amend or vary our dealing commissions and sundry charges at any time. Changes to our fees will be given in writing with not less than three months' notice. The dealing commission you have paid will be stated on your trade confirmation in accordance with our rates at the time that the charge was incurred. Stamp Duty, Stamp Duty Reserve Tax (SDRT) and PTM levy will be charged as appropriate at the prevailing rate and will also appear on your dealing confirmation. Any additional costs incurred in the acquisition of investments, currency conversion, tax, levies and other duties will be borne by you. You agree that these charges may be deducted from any cash balances held on your behalf.

We are members of the London Stock Exchange but not of any other exchange so we may be obliged to deal through an agent in certain circumstances. In this case the dealing price shown on your confirmation may include agency charges and/or exchange rates and our commission will be based on that price.

We will charge fees for discretionary management and our advisory nominee and ISA services and you are responsible for ensuring that there is sufficient money in your portfolio to cover payments when they become due. All fees are subject to VAT at the prevailing rate.

You may also be subject to ongoing costs (OGC) charged by the managers of collective investment funds. The OGC figure represents what you can expect to pay from one year to the next and under normal circumstances encompasses professional and other fees. It is deducted from the fund internally and not charged for separately.

13. SETTLEMENT

For most London Stock Exchange listed investments held in electronic format, settlement takes place two days after the trade date (T+2). For unit trusts and OEICS held in electronic format, settlement usually takes place three days after the trade date (T+3). Certificated shareholdings as well as overseas and unlisted securities may attract a premium to the quoted price, non-standard settlement terms or additional costs, details of which are available on request.

All transactions will be due for settlement as shown on the relevant trade confirmation. For certificated transactions you undertake to pay us any funds due by settlement date and we will pay funds due to you promptly based on good delivery of stock. **In the case of certificated sales we must be in possession of the relevant share certificate as well as a signed CREST transfer form before we can make such disposals on your behalf. We reserve the right to dematerialise your stock first which will result in a delay in dealing.**

While we are required to obtain best execution for you, dealing for a settlement period longer than the market standard of two working days (T+2) may result in a less advantageous price being obtained. We may charge interest in respect of amounts due to us which have not been paid by settlement date.

14. BEST EXECUTION

The firm is obliged to take all sufficient steps to obtain the best possible result for clients when executing, transmitting or placing orders and we must take into account price, cost of execution (to client), speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of the order. In determining the relative importance of these factors we take into account the characteristics of the client, the order, the financial instruments involved and the characteristics of the execution venue. We will ensure that the intended outcomes can be successfully achieved on an on-going basis and will monitor not only the execution quality obtained, but also the quality and appropriateness of the execution arrangements to identify whether or not changes may be appropriate.

In selecting one main execution venue (the London Stock Exchange), we are confident that we are able to satisfy our obligation to obtain the best possible result for our clients on a consistent basis in the vast majority (estimated at 90%) of all transactions. For most of our clients, best execution will primarily be a case of achieving the best price as most of the orders we undertake are standard in terms of instrument, settlement period, size and nature of order. Where we follow a client's specific instructions that is deemed to be best execution.

Where we need to trade manually via a dealer rather than electronically, we check the fairness of the price proposed to the client when executing orders or taking decisions to deal in these stocks by gathering market data used in the estimation of the price.

Unit Trusts and OEICS are dealt electronically via our custodian and independent funds platform.

Overseas securities are dealt on a best efforts basis and may involve an overseas agent or market counterparty transacting on our behalf on a non-UK exchange. You may incur additional charges when dealing in such securities.

The Farley & Thompson [Order Execution Policy](#) is available to read or download from our website and you are deemed to have accepted the policy by signing and agreeing to our Terms and Conditions of Business.

15. CONFLICTS OF INTEREST

In accordance with FCA rules, we are obliged to establish, implement and maintain a Conflicts of Interest Policy. This policy details the potential material conflicts that have been identified and the procedures and measures adopted to manage them. A full copy of the policy can be found on our website.

The firm has policies for identification of conflicts, recording of conflicts and managing of conflicts. The potential material conflicts identified and managed are as follows:

Possible conflict	Procedures and measures
Personal account (PA) dealing - Staff may undertake PA dealing which could result in 'front-running' or another means by which the firm's employees benefit at the expense of clients.	A full Personal Account Dealing policy is in place and employment terms and conditions require adherence to this. The firm's partners monitor adherence to this policy and client orders and other interests receive priority at all times.
Principal business – The firm dealing for its own account may conflict with client dealings.	Farley & Thompson has made a commitment not to deal for the firm's own account except in exceptional circumstances (such as correcting an error).
Inducements – The receipt of fees or non-monetary benefits from a third party.	We do not pay or receive any third party inducements in relation to the provision of services to clients. Our brokers may accept minor non-monetary benefits by way of participation or hospitality, including food and drink of a reasonable value, whilst in attendance at a conference, seminar, training event or other business meeting featuring a specific financial instrument or generic investment presentation.

16. NOMINEE CLIENTS - PROTECTION OF CLIENT MONEY/ASSETS

We will treat money held by us on your behalf in accordance with the FCA client money rules, and we will therefore hold any cash belonging to you separate to the firm's money in a designated client trust account with an FCA approved bank.

We will pay interest on any credit balances held with us at a rate of 1% below Lloyds Bank base rate. Interest is calculated daily and credited every three months in arrears. Interest earned is credited gross.

We will hold any income received from your investments on your account. You may elect to receive this income by completing the relevant box on the registration form. Payment is remitted by electronic bank transfer and an income statement will be sent to you by post. We may reclaim from your account any payment which we have made to you but to which you are not entitled.

We will register your investments in the name of our non-trading nominee company, Sidehurst Limited, which is wholly owned by the Partners of Farley & Thompson, but you remain the beneficial owner. You warrant that the investments that you wish to be held in our nominee company are at your disposal and/or in your control. You may not use them as security for a loan.

Your investments will be held in an account with similar investments belonging to other clients. This may be either in a designated account or a pooled name or a combination of both. We may hold assets either directly or indirectly with an eligible custodian. All CREST eligible securities will be held in a dematerialised form within the Euroclear Central Securities Depository for the UK and Irish markets and will be subject to the rules of the CREST system. We will keep detailed records in our client system showing how much of each holding you own, but your individual entitlement within CREST will not be identifiable by separate certificates or other physical or electronic records. Sidehurst Limited may be required to give the issuer, company registrar or corporate trustee of your investments your name, address and size of holding.

We shall not at any time lend to a third party the documents of title held by us or on our behalf and we shall not at any time borrow money on your behalf against the security of any of those documents of title. All documents of title will be held in accordance with the FCA rules and market practice. Sidehurst Limited is not itself authorised to carry on regulated business under the Financial Services and Markets Act.

Shareholder benefits - not all companies that offer shareholder benefits to certificated shareholders offer the same benefits to shareholders whose shares are held by a nominee. We will deal with these benefits on an ad hoc basis and cannot guarantee that we will inform you of any benefits due or that may be lost as a result of transferring shares into our nominee.

Corporate events - if a company has a rights issue, bonus or similar issue we will automatically credit your portfolio with the new investment. In the case of a corporate event that requires a decision, we will recommend a course of action to advisory clients and await instructions or we will propose a default position. If we are unable to contact you we will take such action as we deem appropriate, including the power to sell. For discretionary clients we will follow the course of action we deem to be in your best interests and in accordance with your investment mandate. Dividends and the cash proceeds of any corporate actions will be credited to client accounts as soon as we have received them. Scrip dividends will be declined in favour of cash.

All nominee clients will receive a consolidated tax certificate at the tax year end showing dividends and interest received.

17. POWER OF SALE OVER YOUR INVESTMENTS

We reserve the right to sell or realise any investments or monies which we are holding or are due to receive on your behalf in order to meet any liabilities to us which you may have incurred and which have not been discharged by the due date. We also reserve the right to close out contracts or positions which we may hold for you in instances where you have not fulfilled your obligation by the due date. Any such right is exercisable without further notice to you and in such manner and subject to conditions as we consider appropriate.

18. YOUR DUTIES

You warrant that you are the beneficial owner of or that you have authority to instruct us on any investments on which we are managing, advising or otherwise dealing for you. We will not be responsible for any claims or demands made by someone who has an interest in these investments. You agree to send us any dividends or other benefits which you receive but to which you are not entitled, and we may claim these from you. We will then allocate them to the person who is entitled to them.

Joint account holders will be jointly and severally liable for the payment of all sums owing under the terms of this agreement and unless we are otherwise informed, we will act upon the instructions of any one of you. Where you are trustees or personal representatives you agree you have all the necessary powers to enter into this agreement and that you will notify us of any changes to the trustees/personal representatives.

You agree to write and inform us if your address, personal situation, investment objectives or financial circumstances change.

19. EXCLUSION OF LIABILITY

We will act honestly and fairly at all times and in accordance with the applicable regulations and professional conduct standards.

We do not provide tax advice and we will not be responsible for seeking to minimise any taxation liability you may have in relation to your investments. Our decisions on the sale of holdings are driven by the investment rationale not personal tax positions and this may give rise to a capital gains tax charge. We will have no liability in relation to any adverse tax consequences which may arise from the variation in value of your investments, or for any depreciation in the value of your investments or any actions taken or recommended by us unless this has been caused by our negligence or non-compliance with our regulatory requirements.

We will not be responsible or liable for any claim, loss, expense or cost however suffered in performing any of our obligations to you arising from any matter outside of our control, or through any breakdown in communication between us and you, or between us and the exchange, another broker, market maker or third party through whom we are dealing on your behalf, or through the failure of any operating or computer systems.

AIM Portfolio Service - you should obtain independent tax advice before you ask us to manage an AIM portfolio for you. There is no guarantee that an AIM portfolio's objective will be achieved and we will have no liability in relation to any adverse consequences which may arise from the management, variation, recategorisation or depreciation in the value of the investments. For example, there is no published definitive list of stocks which qualify for Business Property Relief (BPR) and HMRC will only make a decision when tax becomes due. Securities that we believe are qualifying investments may cease to qualify.

20. INTERNATIONAL TAX COMPLIANCE

The Foreign Account Tax Compliance Act (FATCA) is a United States (US) law aimed at foreign financial institutions and other financial intermediaries. It aims to prevent tax evasion by US citizens and residents through the use of offshore accounts. Similar laws apply in connection with Crown Dependencies and Overseas Territories. Following the introduction of the laws mentioned above, the UK Government has and will be agreeing a number of inter-governmental agreements to share tax information, where applicable, with the tax authorities in other jurisdictions. The need to collect certain information about each customer's tax arrangement is part of UK legislation and, as a financial services company, we are legally obliged to collect it. We are required to hold your tax residency and tax ID numbers on our records. We will only disclose this information to the relevant tax authorities if and when we are required to under UK law. Your tax residence generally is the country in which you live for more than half the year. Special circumstances (such as studying abroad, working overseas, or extended travel) may cause you to be resident elsewhere or resident in more than one country at the same time (dual residency). The country/countries in which you pay income tax are likely to be your country/countries of tax residence. If you are a US citizen or hold a US passport or green card, you will also be considered tax resident in the US even if you live outside the US.

21. COMPLAINTS AND COMPENSATION

If you have a complaint about the Firm or its services you should address it in the first instance to: The Compliance Officer, Farley & Thompson, Pine Grange, Bath Road, Bournemouth, BH1 2NU. Following receipt of the complaint we will send you an acknowledgement and inform you of our complaints procedure. If you are dissatisfied with the firm's response you may contact the Financial Ombudsman Service. A copy of the firm's complaints procedure is available upon request.

We take part in the Financial Services Compensation Scheme which can pay compensation in the event that the firm is unable to pay claims against it. If you would like information about this scheme, please contact the Compliance Officer or www.fscs.org.uk.

22. DATA PROTECTION PRIVACY NOTICE

Our [Privacy Notice](#) describes how we collect and process your Personal Data. We collect your personal data in order to be able to communicate with you and offer you financial advice and discretionary managed services that are suitable for your stated investment needs and objectives. We may also use this data to recommend complementary services.

We collect your data in a number of ways, mainly through the account registration documentation you sign when you open an account with us. We may also note details of telephone conversations or meetings you have with us. This information will be treated with the utmost confidence. We will only share data with third parties if you request us to do so or in order for us to fulfil our contract with you, for example talking to your solicitor. We may also have to share your data to fulfil a legal requirement, for example when making ISA returns to HMRC.

The General Data Protection Regulation gives you rights regarding your personal data. These include a right of access to see what data we hold, the right to rectification and the right to erasure, although the latter would end our ability to provide our services to you and we will always retain such information as is necessary to meet our legal and regulatory obligations. The full Farley & Thompson Privacy Notice is available to read or download from our website.

23. GOVERNING LAW

This document sets out our general terms and conditions of business and is valid from the date you sign the Client Declaration. The agreement is governed by and shall be construed in accordance with the laws of England. Disputes arising under this document shall be subject to the jurisdiction of the English courts to which we each submit.

24. RIGHT TO CANCEL

You have the right to cancel this agreement within 14 days of entering into it by giving us written notice at our registered address. We will action your request as soon as practical and return to you within one month all money and investments we have received from you subject to the following exclusions. Cancellation does not apply if any work or transactions have already been undertaken on your behalf. Monies due to us for such work must be settled in accordance with these terms and you accept any losses that may be incurred in selling investments and concluding outstanding business. Cancellation does also not affect your liability for any charges incurred as a result of the cancellation, for example transferring the shares out into your own name.

25. RIGHT TO AMEND AND VARIATION OF TERMS

If you do not agree or wish to change the terms of this agreement, you must give us notice in writing and receive our written agreement to such change. The governing rules from our regulatory body, the FCA, are subject to continual change, sometimes requiring amendments to our terms and conditions of business. We may change these terms at any time and you agree to accept from us reasonable one way amendments to these agreements which are necessary for compliance with the rules. We may notify you of a change by email, in writing or we may place a notice on our website. Where we make a major change we will provide you with revised terms and conditions. No amendment will affect any outstanding transaction or any rights or obligations that may already have arisen.

26. TERMINATION

This agreement may be terminated by either party on giving 30 days written notice. Termination will not affect any outstanding order or transaction awaiting settlement or any legal rights or obligations that may already have arisen and you accept any losses realised in settling or concluding outstanding business.

After receiving written notice of termination we will not execute any further transactions except at your specific request in writing. Should you request termination of your nominee or ISA account or a discretionary service, we will levy a pro rata management fee from the date of the last fee point to the closure date based on middle market prices of your investments. You will also be subject to reregistration charges to either transfer out electronically or re-certificate the holdings; the current terms are available from our website or upon request. All charges due to us will be discharged from any cash or other assets held on your behalf.

Death of an investor - after receiving notification of the death of a client, discretionary managed and advisory services cease, the account continuing to be supported on a care and maintenance basis until grant of probate or letters of administration confirm how the value is to be distributed. If the Personal Representatives require ongoing advice we will require new terms and conditions to be signed. In the event of a death on a joint account (including a trust or corporate account) these terms and conditions remain binding on the survivor(s).

27. INDIVIDUAL SAVINGS ACCOUNTS (ISAs) AND JUNIOR ISAs (JISAs)

An ISA is a type of savings scheme managed according to HMRC regulations. This section of the terms is supplemental to the general terms and conditions and may be varied by us from time to time provided that such changes do not infringe ISA regulations.

DEFINITIONS

- “ISA” means an Individual Savings Account taken out by an investor and managed in accordance with the ISA regulations and these terms and conditions.
- “JISA” means Junior ISA, a type of ISA held in the name of a child and managed in accordance with the ISA regulations and these terms and conditions.
- “Flexible ISA” means an ISA whose terms and conditions allow the withdrawal and replacement of cash, without the replacement counting towards the annual subscription. The Farley & Thompson ISA is a Flexible ISA.
- “Investor or You” means the individual who has taken out an ISA and is named on the application form.
- “Manager or We” means Farley & Thompson.
- “Registered Contact” means the individual with parental responsibility for the child, or the child if aged 16 years or over and who has been accepted as the Registered Contact.
- “Portfolio” means cash and investments comprised in the ISA or JISA.
- “Regulations” means the Individual Savings Account Regulations 1998 as amended or re-enacted from time to time.
- “FCA” means The Financial Conduct Authority.
- “HMRC” means HM Revenue & Customs.

INTRODUCTION - We are a member of the London Stock Exchange and regulated by the FCA in the conduct of investment business and we are an approved manager under HMRC Regulations. You are required by the Regulations to be a qualifying individual and complete a separate application form to open an ISA/JISA and comply with the conditions imposed by the Regulations. The initial application will remain valid for subscriptions made in this and successive tax years. You may not subscribe in total more than the annual limit in any tax year.

We only offer a Stocks & Shares ISA or Junior ISA.

INVESTMENTS, DIVIDENDS AND CASH - We will invest money from time to time held in the Portfolio as specified by you or under the terms of the discretionary mandate and will vary such investments as required. All investments that we make must satisfy the ISA requirement of being a ‘qualifying investment’.

Uninvested cash will be held in a designated sterling deposit account. We will pay interest on any credit balances held with us at a rate of 1% below Lloyds Bank base rate. Interest is calculated daily and credited every three months in arrears. Interest earned is credited gross.

Where partly paid shares are held in the Portfolio we may sell such number as may be necessary to pay any calls or instalments due on the balance. If any investment in the Portfolio is the subject of a takeover or other offer or scheme of arrangement, we will endeavour to contact you to obtain your instructions but we will take such action as we consider appropriate, including the power to sell any investments.

We will collect dividends and other distributions or benefits due in respect of the Portfolio. Where scrip dividends are available as an alternative to cash, we will accept the cash offer. You authorise us to claim from HMRC all tax credits on dividends and other distributions for credit to the Portfolio.

CUSTODY - All investments will be registered in the name of our non-trading nominee company, Sidehurst Limited, which is wholly owned by the Partners of Farley & Thompson, but you remain the beneficial owner. You may not use them as security for a loan.

CHARGES - There is no initial charge for establishing the ISA/JISA. The annual fee and transaction costs will be in accordance with our general terms, full details of which are on our website and available on request. For fee purposes the Portfolio will be valued at official mid-market prices and a charge will be levied on that value. VAT is payable on all fees. We will be entitled to vary the charges by giving you a minimum of three months’ notice.

STATEMENTS AND INFORMATION - We will provide you with a valuation and statement of securities held half-yearly calculated on the basis of official mid-market prices. We will also provide cash and transaction statements for the period. Discretionary clients receive an additional quarterly valuation.

You may elect to receive a copy of the Annual Report and Accounts issued by every company in respect of shares, securities or units which are held directly in the ISA portfolio. You may also elect to receive other statutory information and attend shareholder meetings. Additional charges will be made for these services.

FLEXIBLE ISA WITHDRAWALS - You may withdraw and replace monies from the ISA without the replacement counting towards the annual subscription if the withdrawal and repayment are made in the same tax year. The Flexible facility only

covers cash withdrawals. You are restricted to one withdrawal per annum with a minimum withdrawal amount of £25,000. A capital withdrawal of less than £25,000 does not count as a Flexible withdrawal. A regular or ad hoc payment of income does not count as a Flexible withdrawal.

If you have already made a subscription in the current tax year the Flexible withdrawal is treated as coming from the current year's allowance first and the surplus from previous years. When replacing the money the rules are reversed, replenishing previous years' first and, if all is replaced, then the current year. **The withdrawal must be replaced in whole, or in part, in the same tax year it is taken out. Any balance not replaced cannot be carried forward to a subsequent year.**

The Flexible ISA facility is not transferable. That means if you withdraw money but do not replace it the repayment cannot be made to a new provider. You are responsible for keeping track of subscriptions and withdrawals. You can ask us to confirm what the remaining ISA allowance is but we will not be aware of any money paid into ISAs held with another ISA Manager.

A Flexible withdrawal will attract an administrative charge and the account may also be subject to a pro rata annual management fee at the point of withdrawal.

OTHER WITHDRAWALS, TERMINATION AND TRANSFERS - You have the right to withdraw your investments, the income, or the proceeds from the sale of investments. Either party may terminate an ISA by giving 30 days written notice. You may instruct us to close your ISA whereupon we will either transfer the entire portfolio to you or encash the investments and send you the balance of the account, less any closing charges.

You have the right to request us to transfer the ISA/JISA, with all rights and obligations of the parties to it, to another ISA manager by giving 30 days written notice. We will endeavour to transfer your account in specie but not all managers or fund platforms accept all types of investments. We may be instructed by the receiving manager to encash securities they are unable to accept. The costs incurred in such transfers or sales are included in our schedule of fees and commissions. We may refuse the transfer of an ISA that is currently subject to a Flexible withdrawal.

On termination Farley & Thompson will levy a closing administrative charge in addition to any outstanding pro rata annual management fee.

We are willing to accept Stocks & Shares ISAs from other providers. We are also willing to accept Cash ISAs from other providers that you wish to subsequently invest into Stocks & Shares through your Farley & Thompson ISA. We reserve the right not to accept a transfer from another manager.

Death of an ISA investor – after receiving notification of the death of an ISA client, all exemptions from tax cease as well as discretionary managed and advised services, the account continuing to be supported on a care and maintenance basis pending instructions from the personal representatives. We are able to support requests to take advantage of the **Additional Permitted Subscription Allowance (APS)**, full details of which can be found on the APS information sheet which is available on request or on our website.

JUNIOR ISAs - We operate a Junior ISA (JISA) for qualifying young investors under the age of 18 years. A JISA must have a Registered Contact who is the person who can agree the terms and conditions and who can give us instructions in relation to the management of the JISA. There can only be one registered contact and this is the person with parental responsibility for the child. A child over the age of 16 may be named as the Registered Contact on request. Anyone may contribute to a Junior ISA on the child's behalf.

A child may only have one Stocks & Shares JISA and we are willing to accept a JISA Stocks & Shares transfer from another provider. The child cannot have a Child Trust Fund and a JISA at the same time. The Child Trust Fund will have to be transferred as part of the account opening process.

A JISA cannot make a Flexible withdrawal. A JISA may only be closed in exceptional circumstances or if directed by HMRC. A JISA will become an adult ISA on the child's 18 birthday. A full information sheet on JISAs is available on request and on our website.

GENERAL - We will satisfy ourselves that any person to whom we delegate any of our functions or responsibilities under the terms agreed with you is competent to carry out those functions and responsibilities.

We will notify you if by reason of any failure to satisfy the provisions of the ISA Regulations an ISA or JISA has or will become void.

Please sign and return this declaration.

You should ensure you have ticked the appropriate box to indicate the required service(s) and your consent to us holding your data. This document should be signed by all parties to the account(s).



Authorised and regulated by the Financial Conduct Authority.
Member of the London Stock Exchange

TERMS AND CONDITIONS OF BUSINESS

CLIENT NAME(S).....
.....

CLIENT DECLARATION

I/We confirm that I/we have read and understood these terms and conditions and agree to be bound by them.
The type(s) of service I/we require is (please tick as appropriate):

- Advisory
- Discretionary
- Discretionary – AIM
- Execution only (one-off sales/estates)

- I/We consent to my/our personal data being collected, held, and processed for the purposes described.
- I/We require a Complex Financial Instruments declaration.

Signed
Date

Print name

Signed
Date

Print name

Signed
Date

Print name

Signed
Date

Print name