

stocktrade

Terms and Conditions

[www.stocktrade.co.uk](http://www.stocktrade.co.uk)

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# Stocktrade Retail Client

## Terms of Business (the “Terms”)

### INTRODUCTION

#### Stocktrade

1. Stocktrade, a division of Brewin Dolphin Limited (“We” or “us”) is incorporated in England & Wales under number 2135876 and its registered office is at 12 Smithfield Street, London EC1A 9BD. We are authorised and regulated by the Financial Services Authority (“FSA”), whose address is 25 The North Colonnade, Canary Wharf, London E14 5HS. We are entered on the FSA Register with registration number 124444. The FSA Register is accessible at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register). Brewin Dolphin is authorised to provide investment advice, investment management and dealing services. Our head office address is 12 Smithfield Street, London EC1A 9BD. Our head office telephone number is 0845 213 1000 (UK) or +44 20 7248 4400 (overseas).

#### Purpose of Our Terms of Business

2. Our legal relationship with you is governed by the following documents which together set out the basis on which we provide our service:
  - a. These Terms;
  - b. The Stocktrade Services Guide. This document is an important part of our relationship with you it describes the nature of our services in more detail and sets out the fees and charges for our services; and
  - c. Account Opening Form or Application Form.

**You should read these documents carefully. If there is anything in them that you do not understand or agree to you should discuss this with Stocktrade and seek clarification.**

3. For existing clients these documents replace any agreement or understanding we may have had in the past. You should therefore read them carefully and ensure you understand them and that they contain the matters you wish them to contain and do not include anything to which you are not prepared to agree.
4. For new clients these Terms will become effective on the date on which we receive your fully completed and signed Account Opening Form or Application Form. You confirm that you have the authority to enter into these Terms and that the information you have provided is complete, accurate and up-to-date.
5. We have powers to change these Terms, The Stocktrade Services Guide and our charges from time to time on notice to you. The way we can do this is set out in Clauses 235 to 237.
6. We will provide you with a summary of our Order Execution Policy which describes the factors we will take into account and the way in which we will deal with your order when executing bargains on your behalf. We will also provide you with a summary of our Conflicts Policy which describes our approach to handling conflicts which we may have when acting for our clients. We deal with conflicts on a case by case basis but the policy sets the general framework within which we usually operate.
7. We will need you to acknowledge your consent to our Order Execution Policy on the Account Opening Form. We will notify you of material changes to our policy either through our website or in hard copy as specified by you. The latest version of these policies is available either in a printed version on request, or on our website at [www.stocktrade.co.uk](http://www.stocktrade.co.uk). If you would like further details of the Order Execution Policy and the Conflicts Policy at any time, they are available on request.

#### Keeping Us Up-To-Date With Any Changes

8. It is your responsibility to notify us of any changes and to ensure that the information we hold is complete, accurate and up-to-date. If you do not keep us up-to-date this may adversely affect the quality of the services we can provide to you. Changes that you will need to notify us of include a change in your name, your address, your contact details, your bank

account details or the details of any third party you may have authorised to act on your behalf. We may require supporting documentation for our records in respect of any changes notified to us. Where you write to us and such written correspondence shows an address and / or other contact details that are different to those which we hold for you, we are entitled to treat such correspondence as notification to us of changes to those details unless you expressly stipulate otherwise.

9. Any material changes to your account must be notified in writing. Material changes include change of name of account holder(s), registered address of account holder(s), contact details and bank account details. Certified copies of supporting legal documentation should also be sent to us for our records.

#### **Client Classification**

10. We will treat you as a 'Retail Client'. Retail Clients benefit from a higher degree of protection under FSA rules than Professional Clients or Eligible Counterparties. You can ask us to treat you as a Professional Client and we may agree to do this although we do not have to do so. However if you ask us to treat you as a Professional Client you should be aware that among the various protections lost will be the ability to complain to the Financial Ombudsman Service and the right to make a claim against the Financial Services Compensation Scheme. Please contact Stocktrade for further details of 'opting up' to a Professional Client and to request an application form, which contains full details of the protections.

#### **Other Formats and Language**

11. We will communicate with each other in English and documents and other information we supply will be in English. A copy of these Terms is available in other formats such as large print, audio or Braille. Please contact Stocktrade for assistance.

### **EXECUTION ONLY SERVICE**

12. Stocktrade will provide you with an execution only dealing service in a range of stocks and shares quoted on recognised stock exchanges, together with associated valuation, custody and cash management services. The nature of the service will mean that we will not advise you about the merits of a particular transaction and we will not be required to ensure that the transaction is appropriate for you. We have no obligation to advise you on any matter affecting the suitability or appropriateness of any non-complex product. A complex product is a derivative, an instrument which gives rise to a contingent liability or where inadequate information is available and unlikely to be understood by the average Retail Client.

### **YOUR INVESTMENTS**

13. You agree with us that whenever you instruct us to buy, sell or hold investments:
  - a. you are (or will be) the beneficial owner (or where you are a trustee or joint trustees, the legal owner) of the investments;
  - b. you have not granted a charge or mortgage over them;
  - c. no-one else has or will have any rights in respect of the investments, including rights to demand that they be transferred to settle amounts you owe, or to sell the investments; and
  - d. you will not without our prior written agreement sell, dispose of, deal with or give anyone else any rights over the investments while they are held by us.

## OPENING YOUR ACCOUNT WITH US

14. We reserve the right not to accept your application and may reject your application to open an account at our absolute discretion and without providing any reason for this. If we accept your application we will write to you confirming this and provide you with details of your account including your account number with us. At our sole discretion, we may enter into transactions on your behalf prior to receiving your signed Account Opening Form.

### Joint Accounts

15. For joint accounts, we require all account holders to sign the Account Opening Form. However, once the account is open we will then accept instructions from any one of those joint holders and these instructions will bind all other account holders. If you only wish us to act upon instructions from all, or a specified number of, joint holders please notify us in writing. For your protection we reserve the right but are under no obligation to request a written instruction signed by all joint account holders.

### Joint Tenants

16. It is our general policy that an account in the name of two or more persons is set up as a joint tenancy account. This means that upon the death of one account holder, the total portfolio is passed to the surviving account holder(s).

### Tenants in Common

17. Alternatively, you may wish to set up a joint account as tenants in common. This arrangement allows each joint account holder to own a specified percentage e.g. 50% of the assets. Upon the death of one account holder, their portion of the account goes to their estate and not to the surviving account holder(s). If you would like us to operate your joint account as a tenancy in common please ask us to supply you with the relevant form.
18. You are advised to consider your tax position before setting up a joint account with us.
19. We will send notices and communications only to the first named account holder, who will be treated by us as authorised to receive them on behalf of all account holders. You can ask us to send copies of contract notes and statements to up to four other named individuals (who do not have to be the joint account holders) but other notices and communications will only be sent to the first named holder. At the request of all account holders, you can ask us to change the first named account holder to be one of the other joint account holders.

### Opening a Trust Account, Company Account or Charity Account

20. For trust, company or charity clients we will accept instructions from and give notices and other communications to your nominated contact person but we will generally need the Account Opening Form to be signed by a minimum of two persons. Instructions from the nominated contact person will bind the trust, company or charity. We will send notices and communications only to the nominated contact person who will be treated by us as authorised to receive them on behalf of the trust, company or charity. You can however ask us to send copies of contract notes and statements to up to four other named individuals.
21. You should be aware that we will need to undertake anti-money laundering verification checks on each of the trustees and beneficiaries of a trust. Please ask Stocktrade for the anti-money laundering verification requirements for companies and charities.
22. You can ask us to change the nominated contact person by writing to us with details of the change you require.

## YOUR RIGHT TO CANCEL

### Distance Contract

23. The right to cancel under these clauses does not apply to an existing client of Stocktrade.
24. If you are an individual and you are not entering into these Terms for the purposes of your business, trade or profession then you have the right to cancel your agreement with us if you are entering into these Terms without having had face to face contact with us. You can cancel the agreement within 14 calendar days from the date on which we have notified you that we have accepted your Account Opening Form (the "Cancellation Period"). Your rights of cancellation will be interpreted in accordance with English law.

25. Any instruction from you to us to provide services under this agreement (including to purchase or sell securities) during the Cancellation Period will remove your right to cancel this agreement and amounts due to us will be payable in accordance with these Terms.
26. To exercise your right to cancel a distance contract you must write to Stocktrade or the Compliance Director, Brewin Dolphin Limited, 12 Smithfield Street, London, EC1A 9BD within the Cancellation Period and notify us of your cancellation. If you have entered into more than one distance contract please specify whether your cancellation applies to one or all of the contracts. If you do not exercise your right to cancel we will provide the agreed services until our relationship is terminated in accordance with these Terms.

## TELEPHONE DEALING SERVICE

27. Our telephone dealing service allows for orders to be passed and executed over the telephone. Please refer to our Services Guide for information on how to contact us.
28. Orders may be placed between 8.00am – 4.30pm Monday to Friday. Sharedealing services may be affected by public holidays both in the UK and in overseas jurisdictions. We reserve the right to alter these hours without notice.
29. We may in our absolute discretion and without giving reasons decline to accept any particular instruction or order. If we accept your instructions or orders, we will use reasonable endeavours to carry them out. However, we will not be liable for any loss or expense incurred if we are unable to do so for whatever reason or if there is a delay or change in market conditions before the contract is effected.
30. If you are using the internet dealing facility and the telephone order facility at or about the same time, you should be aware that it is not permitted to transact multiple sale or purchase orders to effect a trade in a size greater than that for which a quotation is available. When a price is not being quoted either by the dealers or electronically for the size of transaction anticipated you should always refer to the telephone dealers for assistance. We reserve the right to cancel, at your cost, all and any bargains that have been transacted in this manner and we may subsequently terminate the arrangement with you.

### Providing you with a Market Price

31. We will provide indicative market prices on request, subject to availability.
32. In the unlikely event that an incorrect bargain price is reported to you, either when a bargain is confirmed or when the contract note is issued, we shall be entitled to issue a revised contract note at the correct price as follows:
  - a. in respect of a purchase, the correct price is higher than the price reported and there are insufficient funds in the deposit account, then stock held on your behalf in our custody may be sold and the funds credited to the deposit account; and
  - b. in respect of a sale where the correct price is lower than the initial price reported and where you have already instructed us to transfer the sale proceeds to a different bank account, you undertake to reimburse this amount immediately to us. Failure to do so may result in stock held on your behalf in our custody being sold to cover the debit.

## INTERNET DEALING SERVICE

33. You may instruct Stocktrade to place an order on your behalf by telephone or via the internet sharedealing service.
34. Our internet sharedealing service allows for orders to be passed and executed online via the internet. You may access the internet service from Stocktrade's website [www.stocktrade.co.uk](http://www.stocktrade.co.uk).

35. Unless otherwise agreed, we will settle all internet service transactions from your deposit account. All internet trades take place within the United Kingdom or other countries at our discretion.
36. You will be responsible for the installation and maintenance of all computer hardware, software and communications devices needed by you to use any of our services.

#### **Risks of using the Internet Sharedealing Service**

37. By its nature, the internet is not an entirely reliable medium. Delivery times for messages sent using the internet vary considerably often depending on your internet service provider, the way in which the message has been routed on the internet and other third party service providers. We cannot guarantee that any order, message or instruction sent using the internet will not be capable of being intercepted, read or copied by an unauthorised third party. We shall not be liable for any losses, costs, liabilities, claims or expenses arising from any errors or delays that may occur as a result.
38. You must contact us immediately if you suspect that your username, password or any other access details have been disclosed to, or obtained by, a third party and that the security of these details may be in jeopardy.

#### **Username and password**

39. You will be given a username and password to enable you to place an order electronically. We will assume that any instructions received in electronic form which has been authenticated by the appropriate username and password will be genuine, valid instructions and we will act accordingly. Telephone instructions will be authenticated by either your User Name or Client code. Please note we will never ask for your password over the telephone. You will assume full settlement responsibility for all such transactions.
40. Usernames, passwords, client or account codes must not be disclosed, or be allowed to be disclosed to third parties.

#### **Size of Order and Frequency of Trade**

41. Price quotes are provided by our market counterparties and are based on a maximum size of order available electronically at that time. In accordance with market rules, if you propose to effect a transaction we must inform the market, before asking for a price, where the business to be conducted is part of a larger order. This facility is not available online. Therefore, if you wish to either:
  - a. deal in the relevant security above the quoted size; or
  - b. you wish to place three or more purchase orders or three or more sale orders in the same security within a 30 minute period,then you must place this order by telephone. Repeated trades in the same security may be subject to subsequent rejection by the market. In such circumstances you will be liable for any costs associated with cancellation of the transactions.

#### **Confirmation of an Order or Instruction Online**

42. An order or instruction effected using the internet service shall be deemed to be irrevocable once the visual or graphical "Place Order" button or interface has been "clicked" where indicated. We shall act upon any order or instruction so effected. You will assume full settlement responsibility for such orders or instructions or any transactions pursuant to the same.

#### **Placing a Limit Order**

43. If you have left a limit order with us over the telephone and you subsequently transact the same order online or by telephone you must instruct us immediately to remove the original limit order. If you have any doubts as to whether the original limit has been executed, it is your responsibility to check before you enter into any subsequent transaction for the same order. If you fail to do so, you will be liable for all costs incurred in the event that we have to reverse any transaction in the market. Please refer to Clause 56 for information regarding limit orders generally.

## PAYING FOR YOUR INVESTMENT

44. It is a condition in your sharedealing account that cleared funds must be available in your Stocktrade account on or before settlement day of a purchase order unless agreed otherwise with you. Please refer to our Services Guide for more information on how to transfer funds to us.
45. If you do not pay us on time for purchases we may sell stock held on your behalf in our custody and apply the proceeds towards meeting your settlement obligations.
46. We will deal and settle all transactions in sterling unless agreed otherwise.

## EXECUTING YOUR ORDER

47. Please refer to our Order Execution Policy which details how we will deal with your order.
48. We will normally act as your agent when executing a transaction for you, although we may on occasion act as principal. If we act as principal this means that we are the person buying from you or selling to you. You will receive a contract note confirming the details of any transaction made for you. The contract note will be sent to you no later than the first Business Day after the transaction, or if relevant, after we receive confirmation of the transaction from a third party. The contract note or the periodic statement will confirm the capacity in which we have acted.
49. Please note that we may not be able to execute a transaction for you in respect of some overseas investments.
50. If you are in any doubt about whether an order has been received or carried out, please contact Stocktrade. We reserve the right at any time to refuse to accept an order from you or any third party acting on your behalf.

### Short Positions

51. A short position will arise if you contract to sell investments which you do not own, have authority to sell or cannot deliver to the market on a timely basis. If a short position arises, we may buy stock to cover any obligation without prior reference to you and you agree we may recover any expenses incurred by us from you. We will not sell any investments on your behalf if we reasonably believe that a sale may result in you incurring a short position. You agree you will not knowingly instruct us to incur a short position.

### Confirmation of Transaction

52. We will send you a contract note which will confirm your transaction and act as an invoice.
53. A contract note is deemed to be acknowledged by you as correct unless we receive written notice from you to the contrary within 2 Business Days or 7 Business Days for addresses outside the UK of delivery to you.

### Closing an Open Bargain

54. If you instruct us to transact a 'closing' a bargain, (a transaction carried out before the due date for settlement which extinguishes commitments to the markets, i.e. a sale if the initial transaction was a purchase), you must inform us at the time of dealing. A closing bargain can normally be instructed up to 3 Business Days prior to the due date for settlement of the opening transaction.
55. If, taking the two bargains together, there remains due to us a sum of money then you remain liable to ensure that we have received cleared funds on the due settlement date in respect of this balance.

### Limit Orders

56. At our sole discretion, and for registered clients only, we will accept limit orders on a best endeavours basis. We will only deal if the market price matches or exceeds the limit price you have given us. Even if the market price

has met or exceeded your limit price we still cannot guarantee that we will be able to deal, particularly in a fast moving or volatile market. Limit orders will not be accepted outside normal market hours. Limit orders will be good for that Business Day only or, if dealing in an overseas market, good for the day in which the order was left in that overseas market, and if achieved in that time the deal(s) will be contracted without further reference to you. Any limits that are not achieved on the same Business Day will lapse without further reference to you.

#### **Stop Loss Orders**

57. We do not accept stop loss orders.

### **SETTLEMENT – YOUR OBLIGATIONS**

58. Your contract note will confirm execution of your order and the relevant settlement date for all transaction
59. Settlement for all sums due including fees, dividends, market claims, charges and all expenses where applicable to us will be debited to your share dealing account unless otherwise agreed. Please refer to Clauses 204 to 207 for information about our rights if you owe us money.
60. We will usually settle funds due to you to your deposit account or send funds to you by BACS to the bank whose details appear on your Account Opening Form or Application Form. You may also request us to settle funds due to you by cheque payable to the account holder only subject to a charge.
61. Where the service provision permits payment by debit card, your bank or building society account will be debited immediately.
62. In the unlikely event that we debit your card with the incorrect amount we reserve the right to correct the error without referral to you if after unsuccessfully attempting to contact you.
63. Any correspondence and/or documents of title are dispatched to you by post or courier, and to the latest address notified to us by you and at your sole risk. Other than where specified by us, we shall have no responsibility for any failure in delivery to you on the part of the postal system. If within four weeks of the relevant settlement date you do not receive a certificate for a purchase and/or a balance certificate in respect of a sale you must contact Stocktrade immediately. We will accept no responsibility for any non-delivery where our records show that a certificate has been dispatched from us by way of a recorded postal delivery service.

#### **Delivering Documents in a Sale**

64. We require that any documents of title, duly signed transfer forms, or other documents necessary to enable good delivery, are delivered to us at least 3 Business Days before the relevant settlement date. Any power of attorney or other legal documents must be noted by the Company registrar prior to the sale order.

#### **Certificated Sales**

65. In the case of certificated sales, we reserve the right to request that certificates and signed stock transfer forms or renounced documents of title are in our possession prior to sale. In the case of overseas stock, the necessary documentation must be in our possession prior to sale.

#### **Delayed Delivery**

66. In the event of the delayed delivery of certificate(s) and/or other documents of title and/or appropriate transfer forms duly signed for sales or in the event of late settlement for purchases, we reserve the right to retain relevant documents and/or reverse any outstanding positions and/or charge any loss (including dealing costs) to you unless a contrary agreement has been made and confirmed in writing. If you do not deliver documents on time for a sale we may buy securities on your behalf to fulfil your obligations to deliver. We will try to contact you by telephone before taking any such action, but you should be aware that in such circumstances we may consider it appropriate to act quickly to try to reduce your and our exposure. In these circumstances, you will be liable for any

difference between the amount that is received for the sale and the cost of buying the securities in order to settle the sale transaction. In addition, trades which do not settle on the settlement date incur extra charges for which you will be liable. We will not exercise any voting rights attaching to securities which we buy or sell in the exercise of our rights under this clause.

67. We will charge interest on the outstanding amount at a rate of up to a maximum of 5% above the base rate of a major UK clearing bank and also on any unsettled loss at the same rate. An administration charge may be payable and you will also be required to pay any charges/finances levied by the Stock Exchange or Euroclear UK & Ireland (EUI) as a result of delayed delivery of certificates or other documents.
68. Delayed delivery of relevant documents to us may result in delayed settlement of any sums due to you. If documents are required to be lodged with relevant company's registrar, settlement may be similarly delayed. Unless we have recorded receipt by registered mail we will accept no responsibility for documentation lost in transit to our office.

#### **Extended Settlement**

69. Where we agree to effect a transaction for you with a settlement period which is longer than the standard settlement period for the relevant market, the counterparty will adjust the dealing price to reflect their charges in respect of this extended settlement period. Extended settlement may not always be available and is offered at our discretion.
70. We reserve the right to request payment in advance of the settlement date where you make a purchase for extended settlement. If you fail to provide us with payment within two Business Days we reserve the right to close the position and you remain liable for any outstanding costs and payments. Where this event occurs, we will use reasonable efforts to contact you in advance of closing out such open positions to give you the opportunity to make alternative arrangements.

#### **Cum Dividend, Rights and Bonus**

71. If you give us a sale instruction for stocks or shares for which a dividend has been paid to you and to which you are not entitled (i.e. you sell 'Cum dividend') you agree to pay us the amount of the dividend on receipt of our request for payment. This amount will normally be debited to your share dealing account with us. Please refer to Clause 205 which allows us to off set any amounts due to you.
72. If you give us a sale instruction for stocks or shares with the benefit of a rights, bonus or other entitlement (i.e. 'Cum rights', 'Cum bonus' etc.) you undertake to deliver to us all the appropriate documentation. If you do not, you authorise us to purchase the relative holding equivalent to the benefit due and agree to meet the purchase price and any costs or expenses incurred by us in doing so.

#### **Dealing Limits**

73. Unless otherwise agreed, dealing limits are only available to CREST or nominee clients up to the limit and value of the stock at our sole discretion. Please refer to our Services Guide for more information on dealing limits
74. Requests for a dealing limit, or an increase to an existing limit, must be made in writing to Stocktrade. You will be notified of our decision in writing.
75. Subject to Stocktrade's consent, you may only invest up to a limit of the amount held in your deposit account plus any sums from sales that are due for settlement prior to the purchase settlement day, or any funds that are authorised on your debit card.
76. If you exceed the approved dealing limit, we reserve the right to reverse the relevant purchase in its entirety without notice. Sale proceeds and purchase

considerations will be credited or debited to your deposit account and you will be liable for any resultant losses and costs.

77. Your dealing limit may be reduced, amended or removed depending on the stock held with us at our absolute discretion. In such cases we will write to you and advise of any reduction.
78. As an execution only client, you will be fully responsible at all times for your exposure in the market. Any collateral requirement, or agreed dealing limit, is for our benefit and does not imply any responsibility on our behalf to maintain that collateral or to restrict you from dealing beyond that limit.
79. If no deals are transacted for a period of six months, any previously agreed dealing limits may revert to the value of cash (and/or subject to status stocks and/or shares) you hold with us. In such cases we will write to you and advise of any reduction.

### **Rollover**

80. 'Rollover' means closing a trade that has not yet reached settlement date (i.e. closing an 'open position') and immediately reopening the position for settlement at some later date. The intention is to settle only the net balance between the opening and closing trade thus deferring payment of the full bargain consideration. The London Stock Exchange potentially views this as Market Abuse (which is a civil offence under the law for which the sanctions include an unlimited fine) and whilst we may permit rollovers on a single occasion we reserve the right to refuse to do this or to request collateral from you. As a matter of policy, if we agree to rollover a trade, we will therefore allow the rollover on one occasion only. Any trade which breaks this policy will be cancelled and you will be liable for any costs incurred. You remain liable for any fees or costs incurred from the original transaction and these will be due to us by the original due date for settlement of the first trade.

### **Annual Custody Statements**

81. Where you use our nominee or safe custody services, we will provide you with an annual custody statement, prepared on a trade date basis, and showing the investments we hold, where they are held and in what name they are registered. The annual statement will not show the value of your investments.

### **Other Notices**

82. When you hold an investment where the Rules require you to receive periodic notices we will normally arrange for these to be provided by the product provider, failing which we will supply you with a copy ourselves. These notices are required for specialist products such as Structured Capital At Risk Products (SCARPs).

## **YOUR MONEY**

83. We deal with your money in accordance with the FSA client money rules which require us to hold your money segregated from our money at an approved bank or credit institution. We may allow another organisation, such as an exchange, clearing house or an intermediate broker to hold or control client money for the purpose of a transaction for you through or with that organisation or to meet any obligation you have to provide collateral for a transaction.
84. Client money will be held in a segregated account in the name of Brewin Dolphin Limited or in a client account in the name of any other company in the Brewin Dolphin Holdings Plc group.
85. You authorise us to deduct or withhold any sum which, in our view, we are required or liable to deduct or withhold under the law or practice of any revenue authority in any relevant jurisdiction.

### **Deposits**

86. We will accept and place client money on deposit. Client money is accepted by us exclusively in the course of our investment business, being funds arising from or intended for investment.

87. We may, at our discretion, accept deposits of non-Sterling currency. Where we do so, the monies will be converted into Sterling at the relevant rate of exchange for the time being applicable of the receiving bank.

#### **Overseas Deposits**

88. Where you wish to invest outside the UK, we may hold your money with a bank located in a jurisdiction outside the UK, where the legal and regulatory regime will be different to that of the UK. We take reasonable care in the selection, appointment and periodic review of any such bank but, in the event of a failure of the bank, your money may be treated differently from the position which would apply if the money was held in a client bank account in the UK and it may therefore be less secure.

#### **Interest Payable to You**

89. Money that we hold on deposit will earn interest at a rate of interest as detailed in our Services Guide.

#### **Interest Payable by You**

90. If you fail to pay us any amount when it is due, interest will be payable by you on the overdue amount at the rate of up to a maximum of 5% above the base rate of a major UK clearing bank, such interest to accrue daily until we receive full payment. The minimum interest charge on any overdue amount will be £5.

#### **Small Payments**

91. We reserve the right not to issue cheques or to transfer sums less than £5. Sums less than £5 will be held in an account in your own name with our bank until the amount reaches £5 at which point we will remit the sum to you.

#### **Overpayment**

92. If you pay us more than is required for settlement, we will hold the overpayment in your deposit account unless you instruct us to repay the difference to you or return the funds to you in accordance with any other agreement to remit funds that we have in place with you at that time. If we pay you more than the amount due for settlement, you agree that upon request you will promptly repay any amount due to us.

#### **Unclaimed Funds**

93. We reserve the right to repay cash deposits to you where there have been no transactions on your account for a period of time, usually at least 18 months. Before taking any action we will write to you asking you for your instructions. You consent to us releasing any unclaimed client money balance held for you from our client bank account and we will no longer treat it as client money where we:
- have been unable to trace you after attempting to contact you in writing, by telephone or email and;
  - we do not hold any shares or certificates for you; and
  - there has been no movement on your balance for at least 6 years (except for our periodic charges or debit or credit interest), and;
  - we satisfy any other requirement of the Rules applicable to the situation.
94. Any unclaimed balances under £5 will be donated to charity. If at any future date you raise a valid claim to these funds they will be repaid to you.

## **CUSTODY OF YOUR INVESTMENTS**

95. You may hold your investments in one of the following ways:
- By appointing us as your custodian. In this case we arrange for our nominee company to hold your assets, or use third party custodians or sub-custodians with whom we or our nominee companies have accounts. Your investment will be held and registered:

- i. in the name of a nominee company controlled by Brewin Dolphin Limited;
  - ii. in the name of a nominee company specified by you (and agreed by us);
  - iii. with a third party custodian e.g. Euroclear UK & Ireland Limited or the Bank of New York and registered in the name of or held to the order of Brewin Dolphin Limited or one of our nominee companies (see Clause 97 to 100);
  - iv. with a sub-custodian where it may be registered in the name of the sub-custodian but held to our order.
- b. in your name or a name nominated by you in certificated form;
  - c. in your name in a CREST Personal Member account; or
  - d. in bearer form – this applies only to certain investments.
96. Where we hold and register your investments for your behalf in the name of one of our nominee companies or in the name of Brewin Dolphin Limited, unless we have agreed otherwise.

### **Nominee Companies**

97. Our nominee companies are wholly owned subsidiaries of Brewin Dolphin Ltd and have been established solely to hold investments for clients. The nominee company will hold the investments, as the legal owner, on behalf of you, the beneficial owner. We reserve the right to refuse to accept any particular security into our nominee companies. The investments will appear on the respective company register in our nominee company's name. We accept responsibility for all acts and omissions of our nominee companies and they act in accordance with our instructions and on our authority.
98. We may transfer your investments between any of our nominee companies without cost to you but only after having obtained your consent. However, you agree that we may transfer investments between any of our nominee companies without reference to you if this is necessary to effect settlement of any trades or to allow us to effectively administer the deduction of any withholding tax that might be payable. If you wish to transfer investments out of our nominee companies, we will make a charge as shown in our Services Guide and apply this either when we commence to process the transfer or shortly thereafter.
99. Our nominee companies normally hold your investments in a pooled fund with those of other clients or in an individually designated account. An explanation of pooling is given in Clauses 118 to 120.
100. We will normally hold your investments in a pooled nominee account. If you do not want your UK investments pooled with those of other clients, you may ask us to hold them in certificated form or in your name as a CREST Personal Member, or in one of our nominee companies in an individual designated account. There may be additional costs and charges associated with these options and you may need to enter into additional agreements for example as a CREST Personal Member. Please ask us for further details.

### **Eligible Custodian**

101. We may also hold your investments with other custodians such as the Bank of New York, Euroclear or CREST.

### **CREST Personal Member**

102. To hold investments in your own name in the CREST system you will need to become a CREST Personal Member. By holding your investments in this way you are the legal and beneficial owner of your investments. We can help you to open and operate your CREST account and act as your CREST sponsor. Please refer to the Stocktrade Services Guide for more information.

### **Certificated Investments**

103. If you choose to hold your investments in certificated form in your own name, we will register the share certificate in your name or in a name nominated by you as specified in writing to us. You will have the direct relationship with the issuer of the investment. If we agree to hold your certificate for you we are responsible for its safe custody, but you bear any other risks connected with direct registration in your name.

104. For sales of certificated investments, you must send a properly signed and completed transfer form together with your valid share certificate(s) and any other appropriate documentation to us. We will only hold these certificates for the purpose of effecting a sale or transfer.
105. For any investment where you wish to receive a share certificate and the investment is not capable of being held in certificated form you agree that we may hold the investment on your behalf in our nominee or with our custodian in electronic form until we can contact you to determine if you want to set up a nominee account or agree to sell the stock.

#### Safe Custody of Certificated Shares

106. If we agree to hold your share certificates, we will accept responsibility for their safe custody in accordance with the Rules and these Terms and will keep them segregated from our assets. You agree that your share certificates may be held by us securely at one of our offices, with a bank or with another custodian nominated by us. These may include overseas third parties.
107. The investments will continue to be registered in your name at your address.
108. We do not accept associated mail on your behalf where we hold safe custody of your share certificates. We reserve the right to return the certificates to you at your last address notified to us in writing at any time having made reasonable attempts to contact you by ordinary mail services. We will not be responsible for the safe delivery of the certificates to you after we have posted them unless we agree otherwise with you in writing.
109. We may cease to provide you with safe custody of your share certificates if you fail to pay any amount due to us on demand for our services. We reserve the right to return any share certificates to you (at your last address notified to us in writing) at any time having made reasonable attempts to contact you by ordinary post. We will not be responsible for the safe delivery of the certificates to you after we have posted them unless we agree otherwise in writing. Please contact Stocktrade if you require us to send the certificates to you by registered post or arrange insurance cover.
110. If we cease to provide safe custody facilities and, after having made reasonable attempts to contact you, you have failed to respond to our communications then if we reasonably believe that you may no longer be resident at the address that we hold for you we reserve the right to return any share certificates or other evidence of title to the securities to the registrar or other agent of the company that issued the certificates to hold for you. We will write to you at your last known address to advise you that we have done this.

#### Custody Of Your Overseas Investments

111. Overseas investments are held for us by an overseas custodian or sub-custodian. This means your investments may be pooled with those of other clients. Clauses 118 to 120 explain pooling and describe how this can affect you. Overseas investments may be registered in the name of the overseas custodian or in our name (and by signing the Account Opening Form you agree to this) but only where we have taken reasonable steps to determine that it is in your best interests to do so or it is not feasible to do otherwise because of the nature of the applicable law and market practice.
112. **Investments held by overseas custodians or sub-custodians may not be segregated from our investments or those of the overseas custodian. Therefore, your protection may be less should a default occur on the part of the custodian or sub-custodian. Your investments will not necessarily be separately identifiable and may be subject to third party claims made against us or the relevant overseas custodian.**
113. You acknowledge that investing in foreign securities may give rise to different settlement, legal and regulatory requirements from those in the UK and different practices for the separate identification of investments. Where

accounts holding your money or investments are not subject to English law your rights may be different from those that would apply under English law.

114. You acknowledge that overseas custodians may take a lien over investments held by them or that they may be entitled to other security rights over investments or money, including rights of set-off, retention or sale.
115. We will exercise due skill, care and diligence in the selection, appointment and periodic review of any overseas custodian. We shall not be responsible for any acts, omissions or default of any such overseas custodian unless they result from our negligence, fraud or wilful default.
116. If the overseas custodian becomes insolvent, the consequences for you will depend upon the applicable law (which may not be English law) and you bear the risks that may result from this, unless they result from our negligence, wilful default or fraud or that of our nominee company. The insolvency may result in delays in settling or transferring investments or money held. The effect of any applicable law is outside our control and could, for example, mean that your interests are not recognised as separate from those of a third party.
117. If you object to your securities being held in this way, please discuss this with Stocktrade. We may be able to register your securities in another way however there are likely to be additional costs involved in this and we cannot guarantee that we will be able to comply with your request.

#### Pooling Of Investments

118. Investments that are registered in one of our pooled nominee companies or in an omnibus account with a third party are held along with investments belonging to other clients. This means that your entitlement will not be separately identifiable on the relevant company register, by separate certificates, other physical documents of title or equivalent electronic records.
119. **In the event of an irreconcilable shortfall of pooled investments held by an overseas custodian or sub-custodian or in the event of default by the overseas custodian, clients may not receive their full entitlement and may share in the shortfall in proportion to their original share, or on some other basis in accordance with the applicable law. By accepting these Terms you agree to your overseas investments being held by a third party in a pooled account.**
120. When your investments are pooled you may not receive the same treatment or options when there is a corporate action or other event as you would if the investment were held in a separately designated account with a nominee or custodian, in your own name in a CREST Personal Member's account, or in certificated form. For example, following an allocation or share issue that favours the small investor, your allocation may be less than it otherwise would have been if your investments had been registered in your own name.

#### Stock Lending

121. We do not lend stock.

## SHAREHOLDER'S RIGHTS AND CORPORATE ACTIONS

#### Treatment of UK Investments held in our Nominee Company

##### Dividends, Interest and Other Payments

122. All the income i.e. dividends, interest and other distributions paid to and received by our nominee company in respect of your investments held by it, will be credited to an income account in your name within 10 Business Days of receipt.
123. All income received on your behalf and accumulated in your income account will, subject to the deduction of any charges, either be paid to your bank account by BACS or transferred to your deposit account on, or shortly after the 5th of the month, on a monthly or quarterly basis, or as otherwise agreed. If you have elected to have income paid out, this will be shown on your income statement, and will be credited to your bank account promptly.
124. You may amend your instructions in respect of income at any time by providing written instructions to us 10 Business Days prior to the next payment or transfer date.

125. Where your bank is not part of the UK BACS system then we will discuss with and agree with you arrangements for remitting funds to your bank. There may be costs involved in payments to banks outside the BACS system and we will advise you of these costs as at the time they arise.

#### Shareholder Entitlements

126. Where you are a nominee client, the following actions will occur in respect of bonus and scrip issues:
- a. all bonus issues will automatically be credited to your portfolio; and
  - b. in the case of a scrip dividend:
    - i. our default option is to elect to take any cash alternative and we will not be responsible for informing you that any scrip alternative exists; and
    - ii. in certain circumstances and upon request we will use our best endeavours to obtain any scrip alternative for your account.

#### Rights Issues

127. We will seek your instructions as to whether to take up rights or to accept an offer, and provided that sufficient cleared funds are available and you are not prohibited by law or the terms of the issue from acquiring new shares we will give effect to those instructions. It is vital that you notify us promptly of any changes to your contact details so that we are able to contact you for your instructions. If we cannot contact you we will take no action.
128. If sufficient money is not available in your account the rights will be allowed to lapse.

#### Fractional Entitlements

129. Where you are a nominee client our nominee company will usually receive one allocation of shares or units for all of the clients in our nominee who participate in an open offer, new issue, bonus, entitlement, rights issue or similar corporate action. The nominee company may also receive a small cash payment from the relevant company's registrars in respect of any fractional entitlement.
130. The shares received by the nominee will be allocated by us as follows: where the shares or units can only be transferred or registered in a whole number of shares or units, then we will allocate to your account such number of shares or units rounded down to the nearest whole number that we calculate, using the relevant company's basis of allocation, are due to you.
131. Any shares remaining after we have made these allocations will be aggregated and sold. The resulting sale proceeds, together with the cash payment (if any) referred to in Clause 129 will be distributed pro-rata amongst the relevant clients using the relevant company's basis of allocation. Any remaining cash balance will become our property. However, we reserve the right to deal with the sales proceeds and the cash payment (if any) as follows:
- a. where your share of the proceeds of sale is £5 or above this will be credited to your account, and
  - b. Amounts below £5 will become our property.
132. Where you are a designated nominee client the shares and any cash payment in respect of fractional entitlements distributed by the relevant company will be posted to your account.

#### Takeovers and Company Reorganisations

133. We require your specific written or electronic instruction to exercise your voting rights or decision on a takeover or company reorganisation. If an offer is declared unconditional then we will automatically accept the offer on your behalf.

134. Unless the investment concerned can be registered as a fraction of a share or a unit, then any investment you receive as a result of a take-over, conversion or other offer will be rounded down to the nearest whole unit. Fractional entitlements will be dealt with in accordance with Clauses 129 to 132.
135. If we are notified of a proposed class action or group litigation order concerning investments that our nominee is holding or has held on your behalf we will be under no obligation to notify you or to otherwise act upon that notification.

#### **Voting**

136. You may be able to exercise your right to vote on certain issues and at AGMs and EGMs by using our internet proxy voting service "Vote Your Shares". This can be accessed via our website at [www.stocktrade.co.uk](http://www.stocktrade.co.uk). Alternatively, you must within a reasonable time prior to the event instruct us how you wish us to vote as your proxy.
137. We are not obliged to attend, speak or vote at any meeting in respect of any of the investments held by our nominee company.

#### **Shareholder Concessions**

138. When you hold your shares through a nominee company you do not get the rights to any company privileges or shareholder perks to which you would have been entitled if you were the registered owner of the investment.

#### **Company Documents**

139. By agreeing to your investments being held in one of our nominee companies you accept that you will not be entitled to receive reports and accounts and other material issued by the entity in which you invest. However, you may access a free copy of a company report for selected companies from our website at [www.stocktrade.co.uk](http://www.stocktrade.co.uk) or ask us to request a company report on your behalf. If you request a company report, a fee is payable for this service.

#### **Corporate Actions in Overseas Investments**

140. Where overseas custodians inform us of the existence of a corporate action, affecting your overseas holdings, we will endeavour to relay these rights to you whenever practicable to do so and where appropriate advise the overseas custodian of your election.
141. If we receive notice of a corporate event from an overseas custodian in time for us to process the information and give you an opportunity to instruct us then we will do so but you should be aware that we may not receive notification of rights attaching to overseas investments or there may be a delay in notification to us. In such circumstances we may not be able to inform you or to take appropriate action on your behalf in time.
142. Holders of CREST depository receipts (CDI's) should be aware that unless the issuer of a security has entered into a proxy vote agreement with Euroclear UK & Ireland Limited, than holders will not be allowed to submit voting instructions.

#### **CREST Personal Members – Shareholder Rights and Corporate Actions**

143. If you are a CREST Personal Member you are the legal owner of investments held in the CREST system and you will receive notices directly from the companies in which you have invested through those companies' registrars. You are responsible for obtaining advice on and deciding on any rights attached to your investments. In respect of a corporate action, we will usually provide you with relevant information relating to it. You must promptly notify us, as your CREST sponsor, of your any instructions you give in relation to any corporate action in order for us to take the necessary action on your behalf.

#### **Certificated Stock – Shareholder Rights and Corporate Actions**

144. As the legal owner of investments held in certificated form, you will receive notification of matters affecting your holdings direct from companies through their registrars. You will be responsible for obtaining advice on and deciding on any rights attached to your investments and for taking any necessary action, even where we provide a safe custody service for the certificate(s).

### Corporate Action Instructions Generally

145. If we ask for your instructions on a corporate action and you do not reply within the time limit we set, then we may not be able to give effect to your instructions and the relevant company's default option, if any, may apply to your holding, unless we have notified you of an alternative default option.
146. You should be aware that, for administrative purposes and in order to ensure that we meet the deadlines imposed by companies, any settlement systems or stock exchanges, it is often necessary to impose an earlier deadline on corporate actions than those set out in company documents. We will make reasonable efforts to notify you of such earlier deadline and obtain your instructions, however this may not be possible within the relevant timescales and, in those circumstances, the company's default option (or our own alternative default option where applicable), will apply. If you are in doubt about the timetable for any corporate actions with us, you should clarify it with us.
147. Please note that we do not accept responsibility for any losses arising out of a failure of any notification to reach you or a failure of your instructions to reach us in relation to a corporate action.

## INSTRUCTIONS AND COMMUNICATION

### Given In Person, in Writing or by Telephone

148. We may accept communication and instructions to deal from you in person and in writing or by telephone where we reasonably believe the instruction has been given by you. We may require a written instruction from as specifically requested by these Terms and we reserve the right to request a written signature on paper for any instruction.
149. If we ask for your instructions on a corporate action and you do not reply within the time limit we set then we may not be able to give effect to your instructions and the default option will apply to your holding.
150. If you are in any doubt about whether we have received or acted upon your instruction, please contact us.

### Email and Facsimile Instructions

151. You may communicate with us by fax or email by providing your fax or email address in the Account Opening Form or in writing. If you have any doubt if we have received your email or fax, please contact us. Due to the risks involved, we do not accept dealing instructions by email or fax.
152. By providing us with your email address, you confirm that valuations and statements may be sent to you by email.
153. Emails sent by us are deemed to have been received by you on transmission.

### Risks of Using Email and Facsimile Communication

154. If we do act upon any instructions or communications given by fax or email we shall not accept liability for any loss you incur if it reasonably appears to us that the communication was sent by you. We shall not be liable for any loss you incur as a result of our or your failing to receive for whatever reason any communication sent by these methods or as a result of any third party receiving or obtaining sight of any such communication.

### Liability Arising From Communicating With You

155. We have no liability to you arising from breach of confidentiality or for any loss incurred if any other person sees any communication which we send to you by post at your address or which we send electronically to any e-mail address that you have specified to us.

## THIRD PARTY AUTHORITY AND POWER OF ATTORNEY

156. You may ask us to accept instructions from a third party. This request may be made either by completing the relevant section in the Account Opening Form or by putting the request in writing. If we agree to accept third party instructions, we may need to perform anti-money laundering verification checks on the third party before accepting instructions from them.
157. We may accept any instruction where we reasonably believe the instruction has been given by a third party with your authority. However, for your protection, we reserve the right to request a written signature on paper from you for any instruction.
158. You may also provide details of any existing Power of Attorney on the Account Opening Form. We will require a certified copy of the Power of Attorney before we can act upon it.

## INVESTMENT RESTRICTION AND RISK

### Stabilisation

159. We may deal for you at your request in securities subject to stabilisation. Stabilisation is a price-supporting process that very often takes place in the context of new issues, including rights issues and, in particular, privatisations. It only takes place for a specified period. There are limits on the price at which shares, warrants or depositary receipts may be stabilised but none in respect of loan stock or bonds. Stabilisation can affect the market price of investments of the same class already in issue and of other investments whose price affects the price of the new issue. It takes place in order to ensure that an issue is introduced to the market in an orderly fashion and that the issue price and/or the price of associated investments is not artificially depressed as a result of the increase in supply.

### Complex Instruments

160. In accordance with MIFID regulations with effect from 1st November 2007; if you wish to deal in complex instruments then you will be required to complete an Appropriateness Form specific to the particular instrument.

### Investment Trusts

161. Investment Trust companies use or have the ability to use gearing as an investment strategy or may invest in other companies that may use gearing as an investment strategy. Movements in the price of the securities may be more volatile than the movements in the price of the underlying investment. The investments may be subject to sudden and large falls in value and you may get back nothing at all if the fall in value is sufficiently large.

### OEIC's, Unit Trusts and other Packaged Products

162. If at any time you request and we agree to deal in OEICS, unit trusts or other packaged products, we will do so on an execution only basis and as an independent intermediary. As an execution only client you will have no right to any cooling-off or cancellation period and we will not be responsible for the appropriateness of the transaction for you.
163. When we deal for you in OEICS or unit trusts there may be a delay in the receipt by us of contract notes from the relevant manager. Due to the pricing of the investments we cannot provide a price for the investments at the time of your instruction. Contract notes will be sent to you once we have received and confirmed the transaction.

### Off-Exchange Transactions and Non-Recognised or Designated Investment

#### Exchanges

164. We may agree to deal for you in circumstances in which the relevant deal is on an investment exchange that is not Recognised or Designated by the FSA as meeting certain standards to safeguard investors or not regulated by the rules of any investment exchange. You may need to sign and return our Execution Policy to allow us to do this, and you will need to complete an Appropriateness Form before we are able to deal for you in such investments.
165. The day that we enter into a transaction is known as the dealing or trade date. For each transaction we will agree with the other party to the transaction (known as the counterparty) the day on which the deal will be settled, known as the settlement date. There is an agreed standard settlement period for most markets, for example, the UK equity market settlement period for electronic trading is currently 3 Business Days after the trade date.

166. On the agreed settlement date a purchaser has an obligation to provide cleared funds to the counterparty in exchange for receipt of the investment they have agreed to purchase. This obligation exists even if we have not received cleared funds from you in time, in which case you may be liable to pay us interest; see Clause 90.
167. If you are selling investments which are represented by a certificate such as a share certificate, we, as your agents, have an obligation to deliver the certificates (and any other evidence required to show title) to the securities sold together with a stock transfer form to the counterparty in good time for the certificates to be checked against the register and in exchange for the counterparty paying to us the settlement proceeds. We tell you what documents we require and the date by which we must receive them. If you do not deliver the documents on time we can be subject to fines and other penalties which we may pass on to you. Where you are a CREST Personal Member it is our responsibility as your CREST sponsor to deliver the securities held electronically for you in the CREST system. If you are a nominee client then it is our responsibility to effect the delivery of the securities held by our nominee.

#### **Non-Readily Realisable Investments**

168. We may agree to deal in Non-Readily Realisable Investments on your behalf. If we do, we will require you to complete an Appropriateness Form. These investments are defined as investments that are neither government securities nor listed investments nor those which regularly trade on an exchange. The market in such securities can be, or can become, limited or difficult to deal in. When dealing in Non-Readily Realisable Investments, it can be difficult to assess what would be a proper market price for these investments.

#### **Penny Share**

169. We may enter into a transaction on your behalf in penny shares. A penny share is a readily realisable security in which the bid-offer spread is 10% or more but is not a government security, a share quoted on the FTSE 100 or a security issued by a company which at the time of dealing has a market capitalisation of £100 million or more. There can be a wide difference between the buying and selling price of penny shares. You may get back less than the amount you paid for them and the price may fall quickly.

### **MARKET ABUSE**


170. You agree that you will not deliberately, recklessly or negligently by act or omission engage in market abuse (within the meaning of Part VIII of the Financial Services and Markets Act 2000) or insider dealing (within the meaning of Part V of the Criminal Justice Act 1993), or require or encourage another person to do so.
171. Market abuse is a civil offence, for which the sanctions include an unlimited financial penalty. Insider dealing is a criminal offence for which you can be prosecuted, fined and imprisoned. If you are in any doubt as to your position, you should seek independent legal advice.

#### **Model Code on Director's Dealing (the "Model Code")**

172. If you are a director of a listed company or a senior executive or employee of a listed company you must comply with the Model Code in respect of that listed company. You must disclose to us the name of any listed company of which you are a director or a senior executive and advise us when you are dealing in shares of your own company.

### **DATA PROTECTION**

173. We comply with the Data Protection Act 1998 ("DPA") which governs how we may use your personal information and provides you with certain rights in respect of your data.

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174. In order to provide the services under this agreement, we may process personal information which you have supplied to us or which has been supplied by a third party relating both to you and to other individuals, such as your spouse. You confirm that you have obtained their prior consent to provide this information to us and for us to process it in order to provide our services. Records of your personal information will be held in accordance with the DPA and shall not be kept for longer than is necessary.
  175. You confirm we may use or disclose your personal information for the purposes of administering your account, carrying out credit checks, recovering a debt and preventing fraud.
  176. If we carry out a credit check, the check will be undertaken by a licensed credit referencing agency, which will retain a record of that check. This information may be used by other stockbrokers, financial institutions, etc. in assessing applications for credit by you and members of your household and for occasional debt tracing and fraud prevention purposes. By signing the Account Opening Form you consent to these checks being undertaken. Details of the service we use are available upon request.
  177. We will keep your personal information confidential and only disclose it to our agents, business partners and contractors for the purposes of administering your account, to regulatory authorities, stock exchanges, clearing houses, share registrars, statutory and government bodies, and to persons who provide us with services in connection with credit checking and to anti-fraud controls. We may also disclose it by order of a competent court or if the law otherwise permits disclosure.
  178. In certain circumstances and to the extent necessary to provide our services, we may need to process information about you which the DPA classes as 'sensitive personal information', such as your medical status, and by signing the Account Opening Form you consent to us doing this.
  179. If you elect to receive information from us then we may use your personal information to advise you about Stocktrade or Brewin Dolphin services or for other marketing purposes. By completing the relevant section in the Account Opening Form you consent to us sharing your personal information within our group structure for this purpose.
  180. We may pass on personal information about you to parties who may be based outside of the EU, in countries which do not have the benefit of equivalent data protection legislation. Before doing so we will require in our contract with other parties that they put into place equivalent safeguards provided under EU law to protect your personal data.
  181. You have the right to obtain a copy of the information we hold about you by writing to the Data Protection Officer at Brewin Dolphin Limited, 12 Smithfield Street, London EC1A 9BD. We reserve the right to charge the statutory fee in accordance with the DPA for providing this information.

#### **Record Keeping and Recording of Calls**

182. We may record telephone conversations and retain copies of them, any transcripts and any written communication we have with you. These will be used for the purpose of administering your account, training purposes, to evidence compliance with regulatory requirements, in the event of a dispute or as evidence in court.

#### **ANTI-MONEY LAUNDERING**

183. We have certain responsibilities to verify the identity and permanent address of our clients under UK anti-money laundering legislation and the Proceeds of Crime Act 2002.
184. If you are resident in the UK we may undertake an electronic anti-money laundering check of the personal data you have provided. The check will be undertaken by a reputable referencing agency, which will retain a record of that check. This information may be used by other stockbrokers, financial institutions, etc. for fraud prevention purposes. Details of the service we use are available upon request.
185. Where an electronic check of personal data is not appropriate or acceptable you will be asked to provide documents to establish the correctness of your personal details. These will generally be a certified copy of your passport or photocard driving licence and a copy of a recent bank statement or utility bill or other acceptable documents, details of which will be supplied on request.

186. You agree that we may verify the identity and permanent address of any third party or beneficial owner connected to your account and that if we ask you for information to perform the verification you will provide it to us promptly and it will be accurate.
187. We reserve the right not to make payments to third parties or to bank accounts not in your name, or accounts held in a jurisdiction outside of the EU.
188. If you invest in some products such as unit trusts, we may be requested by the product provider to forward to them copies of any verification of identity and address documents that we have obtained from you. You confirm that we have your permission to forward these documents to such persons if so requested.
189. We may also be required to pass these documents to our bank or another institution where you have a deposit account with them. You confirm that we have your permission to forward these documents to such persons if so requested.

## OUR LIABILITY

190. We will take reasonable care in providing our services to you. You agree that upon request you will promptly provide the information, payment or documents in order for us to do so. You accept that if you do not do this our ability to provide our services may be affected and you could incur additional costs and obligations.
191. We accept responsibility for liabilities, damage, losses (including loss of profit), costs, claims or expenses suffered or incurred by you as a direct result of our negligence, wilful default or fraud. We will not accept liability for any other liabilities, damage, losses (including loss of profit (whether a direct or indirect loss), claims or expenses, including but not limited to any arising:
  - a. through changes in market conditions;
  - b. as a result of any delay occurring after we have received your instructions and before the resulting transaction is effected;
  - c. once your money has left our bank account as instructed by you;
  - d. from any failure on the part of the postal system or any courier company to deliver any item to you or us (including share certificates and other documents of title);
  - e. from your use of our website, your reliance on or use for any purpose of information received through our website;
  - f. from error of judgement made by us or by any broker, analyst, adviser or agent used by us; or,
  - g. from a change in legislationexcept to the extent that such losses arise as a direct result of our negligence, wilful default or fraud.
192. Nothing in these Terms shall be read as excluding or restricting any liability we may have for fraudulent misrepresentation, any duty or liability under the Financial Services and Markets Act 2000 (including the Rules), except to the extent it may lawfully be excluded or restricted, or any other legal provision binding on us. If any conflict arises between these Terms and any applicable regulations, the latter shall prevail. We are not required to do anything or refrain from doing anything which would in our opinion infringe any applicable regulations and may do whatever we consider necessary to comply with them. All stock market transactions will be undertaken in accordance with the applicable rules of the relevant exchange.

### Manifest Error

193. A Manifest Error is any error that we believe to be obvious, evident and palpable. In deciding whether an error is a Manifest Error, we take into account all relevant information including, but not limited to, prevailing market

conditions and, within reason, human error. As such, we reserve the right to void from the outset, or within a reasonable time thereafter, any order or instruction which appears to contain, or be based upon, a Manifest Error. We also reserve the right to make reasonable amendments to the details of the resulting transaction in our sole discretion.

### **Force Majeure**

194. We shall not be liable if we cannot perform our obligations by reason of any cause beyond our control, including but not limited to any act of God, fire, act of Government or supranational bodies or authorities or state, war, civil commotion, insurrection, act of terrorism or threat thereof, embargo, industrial dispute, inability to communicate with market makers for whatever reason, unanticipated dealing volumes, failure of any telecommunication, computer dealing or settlement system, prevention from or hindrance in obtaining any energy or other supplies, labour disputes of whatever nature, late or mistaken delivery or payment by any bank or counterparty or any other reason beyond our control. If such an event happens we will do what we reasonably can to mitigate its effect on our ability to perform our obligations to you.

## **OUR CHARGES**

195. You agree to provide us with funds to cover your transactions and pay our charges specified in our Services Guide. We may vary our charges on notice to you as provided in Clauses 235 to 237.
196. We reserve the right to deduct any charges due to us plus any taxes payable from any account or fund of yours held by us. If we have shared any dealing charge with any associates or third parties, this will be indicated on the relevant contract note.
197. Additional charges are payable when dealing with overseas securities including but not limited to foreign exchange charges and commissions, delivery, applicable taxes, clearing system and third party custodian charges. We will endeavour to ensure that you are aware of these charges and their likely amounts before dealing for you.
198. Charges of third party brokers (e.g. our overseas brokers) that are passed to you relating to the execution of your transaction may include a split between an execution charge and a research charge where we may have used their research to add value to our services. Where we have been able to obtain information from third party brokers then details of the proportion of execution costs and research costs represented in the broker's fee are available upon request.

### **Third party commission**

199. We may receive remuneration including commission from third parties in respect of transactions carried out on your behalf. Details of such remuneration will be notified to you. We may receive initial commission or discounts from managers of collective investment schemes, such as unit trusts and OEIC's, which will be passed to you.
200. We may receive and retain trail commission. Trail commission is a payment we receive from a unit trust manager relating to the aggregate holding in our nominee of a particular unit trust. These commissions will not be paid to you but will be retained by us. Where the manager makes such a payment it is usually an annual percentage based on the aggregate value of the holding of that unit trust on the payment date. Commission may be received by us quarterly, half yearly or annually in arrears. Details of any arrangements we have with a unit trust manager in respect of your holdings of a particular unit trust will be notified to you on request.

## **YOUR OBLIGATIONS TO US**

201. In some cases we may have to bear additional costs because of the specific circumstances of a transaction. You agree that if we have to bear any claims, demands, liabilities, losses, expenses or costs (including costs of any third party) as a result of the matters listed in Clause 202 then you will be responsible for paying to us their full amount (this is known as "indemnifying" us). These include but are not limited to commissions, transfer and registration fees, taxes and all other financial liabilities relating to your investments or the services we provide to you. You will not however be liable for our commercial payments for services or for taxes we pay on our own account.

202. You agree to indemnify us against all claims, demands, liabilities, losses, expenses or costs (including costs of any third party) that we bear as a result of:
- a. acting on your instructions;
  - b. signing documents on your behalf with your consent;
  - c. anyone else claiming to be entitled to investments which form part of your portfolio(s), including, without limitation, any such party who claims to have had any interests in investments bequeathed to him; and/or,
  - d. material breach by you of these Terms
- except to the extent that we suffer them as a result of our negligence, wilful default or fraud or breach of the Rules.

#### Joint Accounts

203. If you have a joint account and the account is set up either as a joint tenancy or a tenancy in common, all joint account holders are bound by these Terms and each account holder will be jointly and severally liable for the account. This means that you are bound by and liable for both your own actions and the actions of all the other account holders and we may at our discretion pursue any one or any number or all of the joint account holders for any debts or other liabilities.

## OUR RIGHTS IF YOU OWE US MONEY

204. Where you owe us money we reserve the right to sell or realise any investment which we are holding (or are entitled to receive) on your behalf in order to meet any liabilities which you may have incurred with us including any fees or charges. We will use reasonable efforts to contact you in order that you might make alternative arrangements before we take any such action. Any monies still outstanding will remain your responsibility.
205. We reserve the right to deduct the sums owed to us from any amounts that we owe to you or are holding for you where you:
- a. have failed to put us in funds in sufficient time to enable us to meet any obligations incurred by us in relation to transactions carried out on your behalf; or
  - b. owe us sums in respect of our fees, charges, costs and expenses.
206. Where any amounts are due to us on one account then you agree that we may without reference to you satisfy that debt by transferring the amount owed from any other account in your name or account where you are one of the joint holders. We will notify you if we have done this.
207. We reserve the right after notifying you to refer a debt which you are unable or unwilling to pay to a debt collection agency to recover our funds. We also reserve the right, at our absolute discretion and without further notification, to sell the debt in its entirety to another party.


## TAX

### Tax Advice

208. We are not tax experts and will not provide you with advice on taxation laws and your personal tax position under this agreement. We strongly advise you to understand the tax consequences of using our services and take professional advice. We do not accept liability for any adverse tax consequences which may result from your use of the services we provide to you under these Terms, unless they result from our negligence, wilful default or fraud.

### Overseas Regulations

209. Our services will not be available in countries where they are prohibited by local law. If in doubt you should contact your legal adviser. We will not be responsible for the use of our services by persons in countries where our services are prohibited.

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210. Holders of USA reportable securities, including those USA residents or nationals who hold such securities, agree and warrant to provide us with appropriate documentation as necessary to meet USA IRS requirements. If you do not complete and return the statutory forms or the forms are not acceptable then in order to avoid the sanctions, which can include severe financial penalties imposed by the USA IRS, we will, after giving you due notice, sell the relevant USA holdings.
  211. If you are an Irish resident or Irish national then you may be required to complete appropriate documentation in respect of holdings of Irish securities. Further details are available on request.
  212. We also have obligations under the EU withholding tax rules which require us to provide certain information about the beneficial owners of investments or levy the appropriate rate of withholding tax.
  213. We will endeavour to collect income on your behalf under the appropriate rate of withholding tax provided that we have the appropriate documentation from you.

## GENERAL TERMS

### Disclosures of Interests in Shares

214. You are responsible for monitoring the level of your shareholdings and making the relevant disclosures when your shareholding in any company reaches/exceeds/falls below certain threshold levels in accordance with the current legislation. This applies to all your investments whether held through our nominee company or otherwise. We will endeavour to notify you if we believe you should make a disclosure in respect of your investments in our nominee company but we cannot be held liable for any failure to do so.

### Online Access to your Account and Risks of using our Website

215. We will not be liable under any circumstances for any direct, indirect, incidental, special punitive or consequential loss or damages which result or may result from your use of our website (including but not limited to system errors, deletion or loss of files, defects or delays in transmission of instructions or other information, any failure of our server or the internet, or any other event beyond our control) or your access to the internet or use thereof for any purpose whatsoever or for any reliance on or use of information received on or through the website or the internet.

## CLIENT PROTECTION AND COMPLAINTS

### Client Protection

216. We are covered by the Financial Services Compensation Scheme.
217. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £50,000 per person per firm.
218. Information about compensation arrangements is available from the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN.
219. If you invest in overseas investments, the applicable regulatory system (including any compensation arrangements) may be different in some or all respects from that of the UK.
220. Brewin Dolphin has taken care to ensure the quality of its insurance programme. We have in place specific cover via the Securities Industry Policy Scheme to provide us with protection to its maximum limit of £20 million for any one claim in respect of losses arising out of fraud, misappropriation or theft of any client's assets in our custody and control, which includes both cash and securities. As a further safeguard we have topped up this cover to give us a current total insured limit of £60 million.

### Complaints

221. You should contact Stocktrade immediately if you are dissatisfied in any way with any aspect of your account or our services.
222. If after speaking to us the matter is not resolved to your satisfaction then we will send you a copy of our Complaints procedure. You can at any time write to our Compliance Officer at

Brewin Dolphin Limited, 12 Smithfield Street, London EC1A 9BD. A complaint can be made in writing, by telephone, by fax, by email or in person.

223. We treat any complaint very seriously and aim to resolve a complaint fairly and promptly. We have an independent Client Services department which will investigate and deal with your complaint in accordance with our procedures. We hope to resolve all complaints amicably, however, should we be unable to resolve any matter between us you can subsequently direct your complaint to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR. There is however a statutory time limit for you to refer the matter to the Ombudsman which is within 6 months of you receiving our final decision letter.

## TERMINATION, INCAPACITY AND DEATH

### Termination

224. You may terminate your relationship with us by giving written notice specifying the date on which you wish to terminate to Stocktrade or to the Compliance Officer at Brewin Dolphin Limited, 12 Smithfield Street, London EC1A 9BD.
225. We may terminate our relationship with you by giving at least 28 calendar days' written notice to you. We do not have to provide any reason for the termination. At the time we provide you with written notice of termination, we will ask you for your instructions regarding any stock and cash held for you and therefore you will have 28 calendar days to make alternative arrangements. After this time we will cease to act for you and, wherever possible, we will materialise your investments and dispatch them to the last address that you have notified to us.
226. This agreement will terminate immediately if:
- you make a voluntary arrangement with your creditors;
  - you become bankrupt;
  - we receive written notice of your legal incapacity [see Clause 231]; or
  - you are a body corporate and an administrator, receiver, liquidator or other insolvency practitioner is appointed or you merge with another body corporate or otherwise removed from the register of the Companies House.
227. You will remain liable for prompt settlement of all outstanding transactions, fees, charges and obligations related to services provided by us prior to termination. No penalty or other additional payment will be payable by you or us in respect of the termination. We will return the balance of any monies we hold to you.
228. These Terms shall, even after termination, continue to govern any legal rights or obligations which have already arisen or which relate to our services under these Terms or which arise in consequence of termination and any outstanding debts relating to those services must be satisfied.
229. We will carry out your reasonable instructions relating to the termination as soon as is reasonably practicable.
230. Where we do not hold any stock or cash in respect of an account and we have had no contact from you over an 18 month period we reserve the right to terminate this agreement in accordance with Clause 225.

### Incapacity and Power of Attorney

231. In the event of your legal incapacity, our relationship will terminate automatically upon our receipt of written notice unless you have granted a power of attorney under which we can continue to act. We reserve the right to require proof or further details of your legal incapacity.
232. Where a power of attorney has been granted over your account, we will continue to administer the account in accordance with the attorney's instructions until such time as the power of attorney is revoked, or until the time of your death.

### Death of a Client

233. Upon receipt of written notification of your death your account (and, if relevant, your personal membership account in CREST) will be suspended and we will close any open position including any which carries a contingent liability.
234. Unless otherwise agreed with us, we will not accept any instructions over any account in your name until a grant of probate, certificate of confirmation (in Scotland) or its equivalent has been issued and we have received a certified copy. Thereafter, your executor or personal representative may instruct us to sell, transfer or materialise the investments subject to payment of our normal charges in which case these Terms will be binding on your executor or personal representative.

## VARIATION AND NOTICES

### Variation

235. We may vary these Terms, our charges, and the characteristics of our services by written notice to you. We will give you a reason for the proposed change and a summary of any material changes.
236. Any variation will become effective on the date specified in the notice to you which shall be at least 28 calendar days from the date the notice was sent to you.
237. If we make any change which is material in relation to the existing provisions which govern our relationship, then you may give us notice of termination in accordance with Clause 224 and if you do so within 28 days of receiving notice of the variation then we shall not make a charge for transferring any investments we hold for you.

### Notices

238. We will correspond with you at the address last notified by you to us.
239. All correspondence and notices sent by us shall be deemed to be received by you two Business Days after posting if sent by first class pre paid post to addresses within the UK, seven Business Days if sent by airmail post to addresses outside the UK.
240. Our address for any notices is Brewin Dolphin Limited, 12 Smithfield Street, London EC1A 9BD. Your notice can be sent to Stocktrade or for the attention of The Compliance Director.

## ASSIGNMENT

241. These Terms are only enforceable by you and us and no other person shall have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any provision of these Terms.
242. You agree that you may not assign, dispose of or grant security over any of your rights and obligations under these Terms without our prior written consent. We will not unreasonably withhold such consent.
243. We may assign or transfer any of our rights or obligations under these Terms or delegate all or any of our functions under these Terms to a third party. We will give you written notice of any assignment in accordance with Clauses 235 to 237. If you object to such assignment, you may terminate these Terms with immediate effect in accordance with Clause 224. We shall not make a charge for transferring any investments we hold for you if you terminate under this clause.

## SEVERABILITY OF TERMS AND WAIVERS

244. If any provision (or part of any provision) of these Terms becomes invalid, void, voidable or unenforceable, or contravenes any applicable regulations, that provision (or part) will to such extent be deemed not to form part of these Terms. The remaining clauses will not be affected.
245. Any failure to exercise or any delay in exercising a right, power or remedy provided by these Terms or at law will not constitute a waiver of or bar to the enforcement or exercise of the right, power or remedy or a waiver or bar to the enforcement or exercise of other rights, powers or remedies. No single or partial exercise of a right, power or remedy provided by law or under these Terms will preclude the exercise of any other right, power or remedy.

## INTERPRETATION

246. In these Terms, unless the context requires otherwise:

- a. headings are inserted for convenience only and will not affect the construction or interpretation of these Terms;
- b. words importing the singular include the plural and vice versa;
- c. any reference to a statute, statutory instrument, the Rules or other regulation includes all provisions, rules and regulations made under it and will be construed as a reference to such statute, statutory instrument, the Rules or regulation as amended, consolidated, re-enacted or replaced from time to time;
- d. a reference to any party shall include that party's personal representative, successor or permitted assigns;
- e. in the event of any conflict between these Terms and any document, these Terms shall prevail;
- f. references to Brewin Dolphin Limited include Stocktrade, Bell Lawrie, Hill Osborne, Wise Speke or any other successor names or trading names notified to the FSA and appearing on the FSA register.

## GOVERNING LAW

247. These Terms are governed and construed in accordance with the laws of England and Wales. Each party submits to the non-exclusive jurisdiction of the English Courts.

## GLOSSARY

<b>Business Day</b>	A day on which banks are open for business in the City of London
<b>Designated Investment Exchange</b>	An overseas exchange, not operating in the UK, deemed by the Financial Services Authority to provide an appropriate level of investor protection.
<b>Non-Readily Realisable Investments</b>	Investments that are not government securities and are not listed on an exchange or regularly traded thereon.
<b>OEICs</b>	Open Ended Investment Companies.
<b>Recognised Investment Exchange</b>	An exchange providing a market place in investments and declared by the Financial Services Authority. Whilst the exchanges must be licensed or 'recognised', they are exempt from authorisation.
<b>Rules</b>	The rules contained with the FSA Handbook of rules and guidance.





