

# **TERMS AND CONDITIONS OF BUSINESS**

Dealing and Custody Services for Charity Clients of  
CAF FINANCIAL SOLUTIONS LIMITED

---

Version: May 2018

# CONTENTS

- Key Points

1. Introduction

2. Services

3. Fees, Charges and Expenses

4. Representations and Warranties

5. Risk Warnings

6. Compensation Scheme and Complaints

7. Termination

8. Legal and Regulatory

Appendix A: Glossary

Appendix B; Charitable Clients

THIS IS AN IMPORTANT DOCUMENT AS IT FORMS PART OF A LEGAL CONTRACT AND YOU MUST TAKE TIME TO READ IT AND UNDERSTAND ITS CONTENTS. YOU SHOULD TAKE INDEPENDENT LEGAL ADVICE IF THERE IS ANYTHING IN THESE TERMS THAT YOU DO NOT UNDERSTAND AND YOU SHOULD ONLY GIVE (OR PERMIT YOUR AUTHORISED USERS TO GIVE ON YOUR BEHALF) ORDERS OR INSTRUCTIONS TO US OR GIVE US ASSETS AND/OR CASH UNDER THESE TERMS IF YOU WANT TO BE LEGALLY BOUND BY THEM.

## Key Points

These key points are not a substitute for reading the details of these Terms and you must familiarise yourself with all aspects of the Terms that apply to the Services provided to you hereunder.

## Definitions

Words which begin with a capital letter have a specific meaning, which is explained in Appendix A (Glossary of Defined Terms). In addition, in these Terms:

- **“you”** and **“your”** (and where appropriate **“account holder”** and **“customer”**) mean any person(s) entering the Terms with us and, where applicable, your Authorised Users (the individuals whom you authorise to use our services on your behalf) and successors; and
- **“we”, “us”, “our”** and **“WBS”** mean Winterflood Business Services which is a trading name of Winterflood Securities Limited; and
- CAF Financial Solutions Limited (**“CFSL”**) is a separate third party which markets our services to charities.

## Our relationship.

Your relationship with us is governed by the whole of this document, including any appendices, schedules and any other documents referred to in these terms (as listed below), in each case as may be amended and/or supplemented from time to time (together the **“Terms”**). The Terms apply to your use of the Services provided by WBS, including where accessed via the CAF Investment Account Website and the WBS System, each as defined in Appendix A (the **“Platform”**).

Please note that WBS does not provide any advice, whether on investment or tax matters or anything else. Please ensure that you obtain appropriate professional advice before using the Platform or any Services from WBS.

CFSL markets the Platform to charities. WBS is not responsible for the acts or omissions of CFSL or any other providers of services to CFSL (including any previous provider of dealing or custody services marketed by CFSL). CFSL is not an agent of WBS and may not agree any matter on behalf of WBS.

CFSL will receive income from your use of our Services. Charges for using the Services are set by CFSL, and will be deducted from your Investment Account by WBS as described below. If you wish to receive more details of that remuneration, please contact CFSL. WBS may deduct dealing commissions, transfer fees, taxes and other charges from your Investment Account.

The Platform and related services are provided only for use for charitable organisations based in the United Kingdom that meet the Eligibility Criteria agreed between us and CFSL and which we have accepted as a client; if you cease to meet any of these criteria you must inform CFSL in writing immediately and cease using the Platform and related Services.

Please ensure that you are in possession of any documents referred to in these Terms and inform us if any documents are missing. If there is any part of these Terms (or any other document referred to in these Terms) which is unclear, you should contact us through CFSL. Other important documents that form part of these Terms include our:

- Execution Policy;
- Interest and Charges Schedule;
- Conflicts of Interest Policy;
- Complaints Policy; and
- Privacy Policy.

These documents may be viewed via the Platform. The Terms should all be available for you in printable format. If they are not, please contact CFSL for a copy.

**These Terms replace in their entirety any previous versions provided by us to you. We reserve the right to amend these Terms by prior notice to you.**

#### **Your legal and tax obligations**

You must comply with all Applicable Laws and ensure that your investments and the management of your tax affairs comply with all Applicable Laws. You confirm that you have been, are and shall remain compliant with all tax legislation and that you have made all required declarations and fulfilled all reporting obligations relating to the investments or money held in your Investment Account(s) and any income or gains they produce.

The value to you, and the effects on you, of some of our Services may depend on your tax status and you should take your own tax advice to ensure the Services are appropriate for you. We will not provide you with any advice on tax or investments. You must not use the Services to evade or unlawfully reduce tax liabilities.

In some jurisdictions, we may be required to pass information about you to tax authorities, or deduct withholding taxes from any interest or income we pay or pass on to you. You may be unable to reclaim all or some withholding taxes as your assets will be held in a pooled account.

#### **You are responsible for compliance with any obligations as a charity**

You must comply with your internal governance, any limitations or restrictions on investments and any requirements of the Charity Commission and/or other Competent Authorities when using the Platform or Services.

WBS operates an execution-only service and is unable to determine whether or not any investments are consistent with any of those requirements. WBS is entitled at all times to assume that each instruction given by or on behalf of you complies with those requirements.

#### **Investment risks**

There are risks involved in any investment activity. The general risks include:

- the value of your investments and any returns they deliver are dependent on the financial markets which can be unpredictable;
- fluctuations in foreign exchange rates may cause the value of your investments to decrease;
- some investments may be difficult to sell at a price or within the time required by you or be difficult to value accurately;
- political developments (e.g. Brexit) could affect market sentiment, make markets more volatile and negatively impact the value of some investments;

- the tax treatment of an investment may change including in relation to any investments which you may have considered tax efficient; and
- use of borrowing to make investments will result in you having to return the amount borrowed, together with interest.

Please take time to read clause 5, which contains information on some of the general risks of investing and the nature and risks of particular types of investments.

Please note that in no circumstances does or will WBS provide advice or recommendations on investments. You must read and acknowledge product information such as Key Investor Information Documents (or KIIDs) and other documentation relating to certain products before placing instructions to buy or sell those products; we cannot advise you on KIIDs and the other product documentation and we are not responsible for their contents. If you have any questions regarding your investments, including the risks associated with investing in a particular product or market or whether any investments comply with the terms of any investment restrictions or requirements of the Charities Commission, you should consider seeking independent advice from a suitably qualified professional advisor. This might include, but may not be limited to, financial advice and tax advice. Please note that we understand that CFSL does not provide advice.

### Changes to these Terms or the Services

We can change the provisions of the Terms from time to time for various reasons which we have set out in clause 8.1.5, including to comply with a new law or introduce a new product. Clause 8.1.5 also sets out the notice periods we will give you in advance of any changes.

We can also stop providing services by giving you advance notice, or, in certain circumstances (for example where you are in breach of these Terms), without giving you notice. Clause 7 sets out what these notice periods are. Our regulators may also have powers to alter our ability to provide services to you.

### Your other obligations

You must provide us (whether via CFSL or directly) with identification information on your trustees and directors (for UK residents this may be their National Insurance number). We will not be able to trade for you until our due diligence processes (including any AML/KYC and sanctions checks) have been completed to our satisfaction.

You must update us via CFSL as soon as possible with any changes in your status or information such as your company name, address, contact details, financial circumstances, identifying information, changes to your trustees or directors, changes to people who you authorise to operate your Investment Account or changes that are relevant to your tax status such as changes to your tax residence.

It may take time to act on instructions and we may need to clarify instructions, so you should always instruct us (whether via CFSL or directly) in sufficient time to meet any deadlines.

### Other important information

Although we will contract directly with you under these Terms, we may provide the Services to you via (including without limitation upon the instructions of) CFSL and any advisor or discretionary manager that you may subsequently appoint. Therefore, you should be aware that:

- you may have a separate agreement in place with CFSL and /or any such advisor or discretionary manager for the provision of their services ("**Authorised Person Agreement**");
- the services that we provide to you under these Terms are entirely separate from those provided by CFSL or any other person under an Authorised Person Agreement; and
- we are not a party to any Authorised Person Agreement and accordingly will not be responsible, and shall have no liability whatsoever, for the provision of services by CFSL or any other person under an Authorised Person Agreement, or the contents of that agreement.

For some financial products, you may have a cooling off period in which you can change your mind and cancel the investment. We also draw your attention to the cancellation rights at clause 2.2.8 of these Terms.

Where we delegate or outsource a function to a third party when providing a service to you (such as custody of your investments), we may not be liable for certain losses caused by that third party (unless we have been negligent in appointing that third party).

Clause 9.3 is a summary of how we use your personal information. For full details please refer to our Privacy Policy which is available via the WBS website.

### Availability of Platform and other services cannot be guaranteed

We cannot guarantee the availability of the Platform, as software and IT systems may be subject to errors or interruptions, or the availability of our dealing staff to take orders.

We take precautions to mitigate against unusual events, such as fire, terrorism, bad weather, strikes, transport disruption or power outages, but if such events occur, we are not liable for any unavailability of the Platform or other services.

#### **Provision of information by electronic means**

Where we are required to provide information, data and documents in a durable medium, you acknowledge and agree that it is reasonable and appropriate for us to provide you with such information, data and documents via the CAF Investment Account Website and specifically consent to us providing you with information, data and documents in this way. Notwithstanding the foregoing, hard copies can also be obtained upon request (which may be placed via CFSL).

#### **Passwords**

You and your Authorised Users must keep all passwords, login details and similar confidential and ensure that they are only used by the Authorised User for whom they are intended. You will be responsible for any instructions arising from misuse of Passwords. You must therefore inform CFSL immediately if you or an Authorised User have lost or disclosed a Password or believe that its security may have been compromised. Authorised Users should not share Passwords.

#### **Complaints**

If you have any questions or complaints, please get in touch with CFSL.

If we are unable to meet our obligations to you, you may be entitled to compensation. Further information on complaints, compensation and access to the Financial Ombudsman is contained at clause 6.2.

#### **How to contact us**

If you have any general queries or questions, please get in touch with CFSL.

You can also contact us with any questions about these Terms or our Services by:

- Calling us on +44 (0)203 100 0130; or
- Writing to us at Client Services, Winterflood Business Services, The Atrium Building, Cannon Bridge House, 25 Dowgate Hill, London, EC4R 2GA.

We may record and monitor phone calls, emails and other electronic communications to/from WBS.

## 1. INTRODUCTION

### 1.1 About us

We are Winterflood Business Services, a division of Winterflood Securities Limited (company number 2242204). Our registered office is at The Atrium Building, Cannon Bridge House, 25 Dowgate Hill, London, EC4R 2GA. Winterflood Securities Limited is wholly owned by Close Brothers Group plc.

Winterflood Securities Limited is a financial services firm and is authorised and regulated in the United Kingdom by the Financial Conduct Authority (“FCA”) for the conduct of investment business and custody services in the United Kingdom. Our FCA reference number is 141455.

The FCA can be contacted at 25 The North Colonnade, Canary Wharf, London, E14 5HS. More information on the FCA can be found at <https://www.fca.org.uk/>.

### 1.2 About you

**Eligibility.** We provide the Services only to charities established in the United Kingdom (or the “UK”, being England, Scotland, Wales and Northern Ireland but excluding the Channel Islands or the Isle of Man). If you or any of your trustees or directors will no longer be a UK resident, you must inform us via CFSL promptly in writing at least prior to your (or their) move outside the UK as there may be certain restrictions placed on your account and we reserve the right to terminate your account upon or after you or any of your trustees or equivalent ceasing to be a UK resident. Services are not provided for use by US Persons or any person outside the UK. Additional criteria may also be determined at the point of application which shall occur via your access to the CAF Investment Account Website.

**Client Classification.** For the purpose of the FCA Rules, which require us to categorise our customers into groups so that we can treat them according to their level of knowledge about investments, we will treat you as a *Retail Client* in accordance with the FCA’s client categorisation criteria unless you request a different categorisation. Requesting a different categorisation may result in the loss of certain regulatory protections. We are not obliged to accept any such request, however where we do so, we will provide you with a written notice of protections lost.

If you are acting as agent for someone else, we will treat you alone as our client for the purposes of the FCA Rules and you will be liable, in addition to that other person, in respect of any transactions we enter into with or for you.

### 1.3 Role of CFSL and Authorised Users

We acknowledge and you agree that you have appointed CFSL to assist you in using the Platform. You will also from time to time appoint one or more individuals as your Authorised Users (as defined in Appendix A) for the purpose of these Terms. We will require you to complete confirmation of an Authorised User’s status in writing and may at any time seek clarification of the status of an Authorised User; you must ensure that an Authorised User is based in, and only gives instructions from, a location in the United Kingdom. You agree that each Authorised User is authorised by you to bind you to these Terms, to give us instructions and Orders on your behalf (on which we may act and rely under these Terms), and to perform all obligations and to exercise all rights required or entitled to be performed by or for you (as the case may be) under these Terms. All references to you in these Terms shall therefore automatically include a reference to your Authorised Users. Please be aware that in most day to day business all your dealings with us will be through CFSL. However, in unusual circumstances, such as in the event of CFSL becoming insolvent, for example, you will need to deal with us directly under these Terms.

You must notify us in advance if you wish to appoint anyone to act as a discretionary fund manager (DFM) on your behalf; one of the reasons of this is that this may lead to additional transaction reporting obligations and we reserve the right to amend these Terms to take account of your appointment of a DFM. You must not authorise or permit a DFM to access the Platform on your behalf without our prior written permission.

### 1.4 Website

You will access the Services via the website at [www.cafinvest.org](http://www.cafinvest.org) (“CAF Investment Account Website”) or such other website as we or CFSL may notify to you in writing. You must ensure that when using the website that you have a stable, working and fast internet connection.

### 1.5 Commencement

Once your application has been accepted by WBS in writing or through the provision of the Services, a contract will be formed between you and us and these Terms will come into force. You will be deemed to agree that the Services, including the execution of any Orders received from you or from an Authorised User on your behalf, will be provided on the basis of these Terms.

## 2. SERVICES

### 2.1 Services

2.1.1 We will provide you with an execution-only dealing service together with related settlement and custody services (each a “Service” and together the “Services”). The Services are made available to you via the Platform and enable you to deal, manage and view your investments online, based on your investment choices. We will hold and administer your investments acquired through the Service for you in an Investment Account. You will select your investments and carry out all dealing through your Authorised Users. You are responsible for all instructions made by your Authorised Users. We are not responsible for and cannot advise you on your choice of Authorised Users.

2.1.2 All transactions will be undertaken on an ‘execution-only’ basis. Execution-only services are provided by us when we execute trades on your behalf but without providing advice or personal recommendations. We do not provide advice or recommendations on investments and will not advise you about the merits of a particular transaction, any corporate action or the composition of your Investment Account. We will not have any discretion in relation to your Investment Account and will act for you only in accordance with instructions given by you or your Authorised Users to us, and will not seek your further instructions, either before or after effecting the transaction on your behalf. Where an execution-only Order is accepted by us we are not responsible for ensuring the investment is suitable for you.

2.1.3 If you or your Authorised Users instruct us to enter into an execution-only transaction in relation to shares that have been admitted to trading on a Trading Venue or an equivalent venue in a country outside the European Economic Area, money market instruments, bonds or other forms of securitised debt, units in a UCITS fund or other ‘non-complex’ financial instruments (as defined in the FCA Rules) and if we enter into such a transaction then:

- (a) we shall not have any duty to advise you in respect of either that execution-only transaction or any subsequent or potential sale of any asset acquired under that execution-only transaction; and
- (b) we are not responsible for assessing the suitability and/or appropriateness of that execution-only transaction in the context of your investment objectives.

2.1.4 If you appoint a financial adviser or a discretionary manager to advise you on and /or deal in investments classed as complex in accordance with the FCA Rules, we will not assess whether the transaction is suitable and/or appropriate for you and will instead rely on the recommendation or dealing decision made by your adviser or manager (to the extent permitted under the FCA Rules).

2.1.5 You shall not instruct us to enter into an execution-only transaction in respect of complex financial instruments unless you have already obtained advice on that transaction from your financial adviser or discretionary manager.

2.1.6 The provisions of this clause 2.1 shall be without prejudice to our general right to refuse to execute Orders or instructions.

2.1.7 When providing execution-only services, where we disclose the target market for a particular product to you (via CFSL) it is CFSL’s responsibility to verify that you fall within the target market criteria disclosed by us for the product and we will not be responsible for undertaking this assessment.

2.1.8 These Terms are in English and we will communicate with you in English. You will communicate with us in English.

### 2.2 Your Account

2.2.1 **Access to the Services.** The Services and the Platform should be accessed by your Authorised Users via the CAF Investment Account Website where, following registration, CFSL will provide each Authorised User with a password for access to the Platform which they should keep safe and secure at all times. Please note each Authorised User should be asked to change their password the next time they log into the Platform.

2.2.2 **Security.** You should ensure that each Authorised User keeps their access information, including the Password, confidential and secure and they must notify us via CFSL immediately if they think any aspect of the security of the Service has been compromised in any way (for example, if their Password becomes known to a third party). They should use a ‘strong’, unique password which cannot be guessed by another person and they should not use the password for any other purpose. We refer to the website at <https://www.cyberstreetwise.com/passwords> which relates to a UK government campaign for on-line safety behaviour and contains some general guidance as to what might constitute a ‘strong’ password, but we are not responsible for the content of that website.

You are responsible for ensuring that your Authorised Users are aware of these requirements and for maintaining their adherence to them at all times.

- 2.2.3 **Authority of Authorised Users:** We will accept instructions or Orders from and give notices and other communications to, the relevant Authorised Users whom you nominate when your Investment Account is set up on-line. Instructions or Orders from any Authorised Users whom you nominate will be binding on you.
- 2.2.4 **Trust Clients:** If you are a trust and we have agreed to provide you with Services under these Terms, then all of the trustees of the trust account are customers under these Terms and not the beneficiaries of the trust. You must inform us promptly when there is a change in the trustees, as in this event, the remaining trustees continue to be personally bound by these Terms.
- 2.2.5 **Charitable status:** You must inform us immediately, either directly or via CFSL, if you cease to be registered as a charity with the Charity Commission or, if you are in Scotland or in Northern Ireland, the relevant body for registering charities.
- 2.2.6 **Charitable Organisations Appendix:** These Terms as amended by Appendix B (Charitable Organisations) will govern the provision by WBS of Services to you.
- 2.2.7 **Anti-money laundering.** We are required to comply with UK anti-money laundering law, sanctions and other applicable law and regulations aimed at fighting terrorism and financial crime. In order to comply with Applicable Law, we operate robust authentication procedures to verify the identities and permanent addresses of our customers, or we may outsource this obligation to a third party to perform on our behalf. In performing this function, you agree to provide certain documents and personal details prior to registering to use the Service, and/or prior to any sale or purchase of shares on an unregistered basis. We will use the personal information you supply to carry out anti-money laundering, counter-terrorism and sanctions checks. As part of these checks we will use the personal information you supply together with information we have collected or obtained from third parties (as further described below), including without limitation information from the electoral register, for the purpose of verifying your identity and the accuracy and completeness of the personal information you have supplied. We may also need to send your personal information to third parties in order to carry out these checks, including CFSL, fraud prevention agencies and/or credit reference agencies. In the event that these checks fail to meet our requirements, or if we have other concerns, you may be asked to provide further documents or information (including physical forms of identification and original copies). **If at any time verification of identity of all relevant parties remains outstanding, we will refuse to accept payment, dealing instructions (including the carrying out of any Orders) or any withdrawals of capital, unless and until the identity checks have been satisfactorily completed, or we may terminate these Terms upon notice to you in accordance with clause 7.**

CFSL may provide us with information to assist us with our anti-money laundering checks. You have the right to request details of the sources of information and the third parties from whom we obtain, and to whom we transmit, information about you by written request to our Compliance Officer at the address set out in the Key Points section at the beginning of these Terms.

We may also be required to identify and, if necessary verify, the identity of other related parties such as the beneficial owners of the account and not just a party named as the account holder.

You must only use the Services for your own purposes of your charitable objects, and not for transactions for other persons or other purposes. You represent that all funds used to undertake transactions have been sourced lawfully and will be used for lawful purposes in accordance with your charitable purposes.

- 2.2.8 **Cancellation Rights: Distance Contracts.** Where we enter into these Terms with you at a 'distance' (meaning where we have no face to face physical contact with you, for example via the Platform), you may be entitled to certain additional cancellation rights which are separate from the standard termination arrangements at clause 7. Where this is the case, **you may cancel these Terms and/or any or all Investment Account(s) at any time within the first 14 calendar days of entering into these Terms and/or of opening the relevant Investment Account(s).** If you wish to do this, you will need to provide us via CFSL with clear notice in writing of your decision to cancel the relevant Investment Account(s) (if not all of your Investment Account(s)), and this notice must be posted to us prior to the end of the 14-day cancellation period. You are not required to give us any reason for exercising your right to cancel.

If you do cancel during this period, subject to the below and any provisions in the Appendices, we will, without undue delay:

- (a) close the Investment Account(s) as instructed;
- (b) return any cash held in the relevant Investment Account(s);
- (c) transfer your investments to another regulated financial services firm as nominated and instructed by you or an Authorised User in accordance with these Terms; and/or
- (d) sell your investments and return the cash proceeds from such sale.

If you cancel these Terms or any Investment Account(s) (if not all your Investment Account(s)) within the cancellation period, we will refund any relevant fees received from you by us pursuant to these Terms (in the event of full cancellation) or under the relevant Investment Account(s) (if partial cancellation), **except that you agree that the following will be paid if and to the extent applicable:**

- (a) for any Service actually provided by us in accordance with these Terms and our Interest and Charges Schedule, where you (including via CFSL) have expressly requested such performance (including, without limitation, where we have provided custody of your assets and are due a custody fee in accordance with the Interest and Charges Schedule);
- (b) for any loss under a contract caused by market movements that we would reasonably incur in cancelling it, as any such market movements will be outside of our control; and/or
- (c) for any fees or charges due to CFSL.

If you cancel more than fourteen (14) calendar days after the date that the Terms become effective or after the date the relevant Investment Account(s) were opened, you will not be refunded any associated fees.

It is important that you are aware that all instructions, including those given to us by your Authorised Users, to buy or sell investments which are pending at the time of receipt of your notice to cancel, will be binding. Please note that if you have invested in a fund, the sale and redemption of units or shares in the fund will be subject to separate fund documentation (including the current fund prospectus).

**2.2.9 Funding Your Investment Account(s).** Once you have opened your Investment Account(s), you may credit your Investment Account(s) for the purposes of investment. We will accept payment from you electronically by bank transfer, BACS, CHAPS or by such other methods as we may agree with you from time to time. Payments into your Investment Account(s) must be from a bank account in your name which has previously been notified to us for this purpose and has been validated as a legitimate account belonging to you. We reserve the right to close any Investment Account(s) and/or terminate these Terms, without liability, immediately upon notice to you and CFSL in the event of any persistent or repeated breaches of the requirements set out in this clause 2.2.9.

**2.2.10 Withdrawals.** If we receive an instruction from you or CFSL to repay any or all Client Money held in your Investment Account(s), we will aim to pay your money out within seven (7) Business Days of receiving your instructions or the instructions provided by CFSL, except that where you owe money under these Terms, for example money for the settlement of any Orders or for payment of any outstanding fees to us and/or CFSL, we will retain sufficient money to cover your obligations. We will not generally make payments out to you by cheque unless specifically agreed with you, and we will not make payments out to a third party. All payments to your UK bank or building society (which shall be in accordance with the information we hold on record for you) shall be made in Pounds Sterling and it may take up to three (3) Business Days for the money to clear into your account.

## 2.3 Your Money

**2.3.1 Client Money.** Unless otherwise specifically stated in these Terms or as provided under Applicable Law, your money will be held as Client Money in accordance with the FCA Rules which, among other things, require us to hold your money in a client bank account which is free of lien and set up with statutory trust status, at an Approved Bank or CRD Credit Institution. This means we will separate your funds from our own funds and we may hold your money with the money of other customers in a pooled account, which has been named as a client bank account.

When selecting which third party bank to use, we will exercise all due skill, care and diligence and will periodically (at least annually) review the adequacy and appropriateness of any bank where your money is deposited and of the arrangements for holding your money, in accordance with the FCA Rules. We will not be responsible for any acts, omissions or default of the third party bank, including where that third party bank becomes insolvent.

If necessary, we may also allow another institution such as an exchange, clearing house, overseas settlement agent or other intermediate broker to hold or control your money, but only if we transfer your money for the purpose of a transaction through or with that person or to meet any obligation that you may have to provide collateral (for example, margin) for a transaction. If we do this and where required to do so under the FCA Rules, we will endeavour to ensure your money is held as Client Money under the FCA Rules.

In the event of our failure (for example due to our bankruptcy or insolvency), any money held in a Client Money account by third parties will be segregated from our assets and will not be available to our creditors. However, in the event of failure of a third party, there may be a number of consequences for your investment which may include:

- (a) UK bank accounts: if we place your money in a UK account with a third party, because your Client Money will be held with other customers' Client Money in a pooled Client Money account, in the event that the third party

credit institution or bank holding the money defaults and there is a shortfall, you will share proportionately in that shortfall with other creditors of the credit institution or bank;

- (b) Non-UK bank accounts: in addition to any shortfalls through the pooling of accounts as described above, where your money is required to be held in a bank located outside the UK, you should be aware that the legal and regulatory regimes (including any associated protections) that apply to the bank holding your money may be different to those of the UK. In the event of the bank's failure, your rights and obligations may differ and your money could be less secure and treated differently from the position which would apply if the money were held in a customer bank account in the UK; or
- (c) Other Third Parties: if and to the extent your money or investments have been passed by us to any other third party in connection with a transaction (for example, to an exchange, clearing house, intermediate broker or settlement agent, either in the UK or in a jurisdiction outside the UK), your money or investments may be at risk in the event of the default or insolvency of such third party. The organisation we pass your money to may hold it in a general account and it may not always be possible to separate it from our money, or their money. If the organisation becomes insolvent, we will only have an unsecured claim against the organisation on your and our other customers' behalf. You realise this means the other organisation may not pay us enough money to cover the claim of you and all other customers.

**2.3.2 Unclaimed Client Money.** You consent to us releasing the balance of any unclaimed Client Money held on your behalf by us from our Client Money bank account and paying the balance to CAF (registered charity no. 268369) or another registered charity of our choice, in which case we will no longer treat it as Client Money, where:

- (a) we have been unable to trace you after taking reasonable steps to contact you as required by the FCA Rules; and
- (b) where the balance on the account is £25 or more and there has been no movement on your balance for at least 6 years (except for our periodic charges or debit or credit interest).

Where we do this, however, we undertake to make good any valid claim made by you or on your behalf against any balances we treat in this way where you have provided evidence to support your claim.

Where the balance is under £25.00 and we have taken the steps required by the FCA Rules to contact you, we may stop treating the balance as Client Money and donate it to CAF (registered charity no. 268369) or another registered charity of our choice but we will not make good any claim by you against the balance.

**2.3.3 Interest.** Please note that unless specifically otherwise agreed in writing between us, interest will not be payable on cash balances in Client Money accounts held by us on your behalf.

**2.3.4 Minimum Balance.** Should your account balance be at such a level that charges outweigh any credits, we will not notify you (whether directly or via CFSL).

## 2.4 Custody of Your Investments

**2.4.1 Nominee Service.** Assets purchased using the Service or otherwise transferred to us will be registered in the name of WBS or its non-trading Nominee and held on your behalf by us or our Nominee with you as beneficial owner. Please note that if you hold investments via another custodian or nominee prior to entering into these Terms, we will need the cooperation of that other custodian or nominee to have those investments transferred to the Platform. You may need to provide us with additional documentation to effect those transfers. We will record and hold all client assets separately from any of our own investments and other assets, and in such a way that we can identify your entitlement at any time. Assets held on your behalf by WBS or its Nominee may be held in an account pooled with the investments of our other customers. This means that your investments may not be individually identifiable on the relevant company register by separate certificates or electronic records. However, records in our systems make your individual entitlement clear. As a result of your investments being pooled with those of our other customers, in the event of a default by us (or of any Sub-Custodian (as per the below clauses) which causes an irreconcilable shortfall in the assets held in the pooled account, you may not receive your full entitlement and you may share proportionately in that shortfall with the other customers.

**2.4.2 Sub-Custodians.** In some situations, it may be necessary for us to act through, and hold your investments with, a Sub-Custodian, and you authorise us to appoint any such Sub-Custodian(s) from time to time in connection with the performance of our duties under these Terms. Your assets will usually be held in pooled accounts and identified as belonging to our clients as described above. The effect of this is that if there is a shortfall as a result of the Sub-Custodian suffering financial loss, you may share in that shortfall with our other customers, depending on the amount held with them. We will exercise due skill, care and diligence in the selection, appointment and periodic review of any Sub-Custodian as required under the FCA Rules.

We shall not be responsible for any acts, omissions or default of any Sub-Custodian unless and only to the extent such results directly from our own negligence, fraud or wilful default in our selection, appointment and periodic review of any Sub-Custodian as required under the FCA Rules.

**2.4.3 Overseas Sub-Custodians.** If you invest in overseas (non-UK) investments, including as a result of Orders given to us by your Authorised Users:

- (a) these may be held by an overseas Sub-Custodian, as appointed by us. The arrangements for holding these investments may vary (for example, investments may be registered or recorded either in our name or in the name of the Sub-Custodian), but before your assets are held in this way, we will have taken reasonable steps to determine that we reasonably believe it to be in your best interests to do so, or that it is not practical to do otherwise because of the nature of the Applicable Law and market practice. We will endeavour to ensure that such investments will not be held with any third party in another country which does not regulate the safekeeping of financial instruments unless the nature of the financial instrument (and market practice in the relevant jurisdiction) requires it; and
- (b) you acknowledge that Sub-Custodians and other third parties (such as central counterparties, clearing agents, settlement agents and securities depositories) may take a lien (which is a form of charge giving a right to retain your investments) over investments held by them and/or that they may be entitled to other security rights over investments or money, including rights of set-off, retention or sale. This will be determined by requirements of local law, regulation and market practice in the relevant jurisdiction.

If a Sub-Custodian or other relevant third party, such as a clearing agent, defaults or becomes insolvent (or other similar event), the consequences for you will depend upon the Applicable Law in the relevant jurisdiction (which may not be English law) and you will bear the associated risks.

**2.4.4 Lend or deposit to a third party.** Except as otherwise provided in these Terms, we will not, without your express prior written consent (which we may obtain from CFSL), lend to, surrender, pledge or deposit with a third party, as collateral, any investments in your Investment Account.

**2.4.5 Default and Power of Sale.** You acknowledge that we are entitled to charge for our Services and to receive payment in accordance with the most recent Interest and Charges Schedule provided to you by CFSL. To protect us against non-payment or late payment of legitimately incurred fees, charges and expenses and/or for late or failed settlement by you (including, without limitation, any amounts that may be owed under clause 2.7.10 (Right of Reversal and Obligation to Repay)), you agree that we may use, sell, retain or set-off assets (which shall include Client Money and/or Client Assets) held by us under these Terms under any Investment Account(s) you hold with us. We will only exercise this right if we have requested payment from you in writing and the amounts remain outstanding 30 days from the date of such request.

**2.4.6 Unclaimed Client Assets.** You consent to us ceasing to hold Client Assets held on your behalf and liquidating the same at market value before paying the balance to CAF (registered charity no.268369) or another registered charity of our choice where:

- (a) the Client Assets have been held by us for a period of 12 years or more and you have not provided any Order or instruction in relation to such Client Assets during this period; and
- (b) we have been unable to trace you after taking reasonable steps to contact you as required by the FCA Rules.

Where we do this, however, we undertake to make good any valid claim made by you or on your behalf against any Client Assets we treat in this way where you have provided evidence to support your claim.

## 2.5 Dealing and Processing of Orders and other Instructions

**2.5.1 Orders and instructions.** Orders and other instructions can only be placed by you or your Authorised Users on your behalf via the phone and/or the CAF Investment Account Website, access to which is explained at clause 2.2.1 (Access to the Services), or via any other form of communication as agreed with CFSL. Subject to these Terms and in accordance with Applicable Law, **we shall not be responsible for the execution of any Order unless and until you or your Authorised Users have received a specific confirmation of acceptance of the Order from us.**

In respect of Orders received to deal on your behalf and all other instructions (which shall include any instructions received from your Authorised Users to debit your bank account(s) with funds for payment into your Investment Account(s)), we will be acting in reliance upon your or your Authorised Users' Orders and instructions. You accept and agree that:

- (a) you and/or your Authorised Users should not place an Order to Trade unless we have received sufficient funds

to cover the total amount required for all relevant transaction(s), including all associated fees, expenses and charges, and it is your and/or your Authorised Users' responsibility (as the case may be) to check that this is the case before placing an Order;

- (b) we may rely on all Orders and other instructions or communications received via the CAF Investment Account Website or by phone that are given by you or your Authorised Users or anyone else using your log on details, or other instructions which we reasonably consider to be authorised by you or your Authorised Users; and
- (c) you are responsible for any incompleteness, inaccuracies or ambiguities in your and/or your Authorised Users' Orders or instructions or in any other information provided by you or your Authorised Users, to us. If we are aware of an ambiguity or inaccuracy, we will contact CFSL in the first instance for clarification and in the case of Orders we will not be required to execute any Order until it is resolved. However, you agree that we shall have no liability to you or any other person whatsoever (including but not limited to CFSL) as a result of us placing reliance on your and/or your Authorised Users' Orders and instructions, including without limitation if they later prove to be inaccurate, ambiguous, inconsistent or fraudulent and/or not from you or someone authorised to issue instructions and Orders on your behalf or in respect of the relevant Investment Account(s).

We do not accept responsibility for any actual or potential financial loss (including, for the avoidance of doubt, loss caused by market movements) that may arise if you or your Authorised Users are unable to contact us to place an Order through any of our current trading or communication methods.

**2.5.2 Best Execution.** The FCA Rules require that, where a Retail Client is legitimately relying on us to protect their interests in relation to pricing or other important elements of a transaction, we take all sufficient steps to obtain the best possible result for such clients, taking into account various execution factors (this is known as 'best execution'). In accordance with the FCA Rules, we have implemented an Execution Policy which sets out the sufficient steps we take in order to act in accordance with the best interests of our clients when executing client orders. As you are a Retail Client, our priority when executing your Orders will generally be price. A summary of our Execution Policy is available via the CAF Investment Account Website and a hard copy can also be obtained upon request (which may be placed via CFSL). You consent to your transactions being handled in accordance with our Execution Policy, as amended from time to time.

The Execution Policy highlights instances where, in your best interests, we may deal away from a Trading Venue where we reasonably believe this is necessary to achieve best execution and by entering into these Terms you give us your prior express consent to us doing so.

We may periodically amend our Execution Policy as described in clause 8.1.5.

**2.5.3 Refusing an Order.** We may, in our reasonable discretion, refuse to accept and/or execute an Order at any time. This may be for reasons including but not limited to, unusual Order size, insufficient funds (which shall include all fees and charges associated with the relevant transaction or assets), insufficient market liquidity or because of your trading history. If we do this, we will inform you or CFSL that we will not carry out the Order (unless we are not permitted to do so by Applicable Law) but, subject to Applicable Law, will not be compelled to provide a reason.

**2.5.4 Acceptance of an Order.** When we receive your Order, subject always to our right of refusal under clause 2.5.3, we will use reasonable endeavours to carry it out in accordance with our Execution Policy. We will not be liable to you or to any other person for any losses, liabilities, costs, charges and/or expenses you suffer if we are delayed and/or unable to carry out an Order or any instruction within a particular timeframe or at all, for any reason. This may include where there is a delay or change in market conditions before the Order is able to be executed and/or completed or where the characteristics of the Order (such as its size) mean that it cannot be executed within any agreed or requested timeframe.

**2.5.5 Amendment to an Order.** An Order given by you or by your Authorised Users forms an irrevocable commitment to buy or sell investments. Once accepted by us, your Order cannot be amended or cancelled by you or your Authorised Users, unless, before its execution, you or your Authorised Users request cancellation or amendment and you or they receive specific confirmation from us of any amendment or cancellation of your Order.

**2.5.6 Third Party Executing Brokers.** You agree that we may arrange for any Order to be executed with or through an intermediate broker, and that such third party may or may not be in the United Kingdom ("**Executing Broker**"). Where we do this, we, rather than you, will be treated as the Executing Broker's client for the purposes of the FCA Rules. If we use an Executing Broker, we will be responsible to you for the compliance of the transmission of the relevant Order with our Execution Policy, but we will not be responsible for any act or omission of any Executing Broker, or liable to you or to CFSL or to any other person for any losses arising from their acts or omissions.

**2.5.7 Terms of Order.** You acknowledge and agree the following with regard to placing an Order (which shall include any Order placed by your Authorised Users on your behalf):

- (a) if you have specifically requested a fixed quotation then you or your Authorised Users on your behalf will typically have around fifteen (15) seconds from receipt of the quote that we have obtained from the market to accept it, at which time we will use reasonable endeavours to execute your Order with the market at the price quoted, irrespective of whether or not the market price has moved during the time between us sending/giving the fixed quotation to you and the execution of your Order. However, this is subject to a number of factors beyond our control, including without limitation: (i) trading on the relevant securities being suspended for whatever reason, including stock in auction; and/or (ii) withdrawal or expiry of the quote by the market (for whatever reason);
- (b) if we incur additional reasonable expenses (for example, premiums and discounts) when carrying out your Order and we are unable to contact you or your Authorised Users to tell you or them about these in advance after reasonable efforts to do so, we may proceed to execute your Order and incur these expenses which you agree will then be payable by you;
- (c) there may be a delay in the execution of an Order. For example, where your Order sits in line behind other customers who already have submitted comparable orders (because all comparable orders are executed strictly in the order in which they are received), or where an Order is received after the relevant exchange has closed it will not be executed until that exchange next re-opens, following which we will present the Order for execution as soon as reasonably practicable; and
- (d) unless we (and/or any Executing Broker) accept specific instructions from you or your Authorised Users in relation to a particular Order, we may aggregate your Order with our own orders, orders of Affiliates and persons connected with us and orders of other customers, without further reference or authority from you or your Authorised Users. By aggregating your Order, as described above, we must reasonably believe that this is in the overall best interests of our customers and it is unlikely such aggregation will work to the disadvantage of you when we aggregate your order. However, aggregation may operate on some occasions to your disadvantage.

**2.5.8 Limit Orders.** You or an Authorised User on your behalf may from time to time give us an Order to execute at a specific price (“**Limit Order**”). In such case:

- (a) we will try to execute Limit Orders as soon as practicable but you should be aware that market conditions can affect the time it takes to execute such Orders and all orders will be executed in the order in which they are received;
- (b) we cannot guarantee that a Limit Order will be executed even if your stock reaches the limit price. For example, if there are orders ahead of yours at the same limit price, the orders in line ahead of you must be filled first and there may not be enough stock available to fill your Order when its turn comes;
- (c) you or your Authorised Users may cancel a Limit Order provided it has not been executed or is not in the process of being executed. It is your or your Authorised Users’ responsibility to check that your instruction to cancel has been received and accepted;
- (d) if you place a Limit Order for a financial instrument in which trading is suspended or has a Corporate Action before execution or if your Investment Account is suspended, we may, but are not required to, take steps to cancel the pending Order; and
- (e) in relation to any Limit Orders you give in respect of shares admitted to trading, or traded on, a Trading Venue within the EEA which are not immediately executed under prevailing market conditions, you expressly give us permission not to make the unexecuted Order, or any part of it, public.

**2.5.9 Order Status.** You may request information on the status of your Order at any time.

**2.5.10 Minimum investment amount.** Subject to any minimum investment amount notified to you by us or by CFSL, we have no minimum investment amount on your transactions.

## 2.6 Contract Notes

**2.6.1 Notification of a Trade.** Your Contract Note will confirm execution of your Order and the relevant Settlement Date for your transaction(s). A Contract Note will be provided by us via the Platform no later than one (1) Business Day following the execution of the Order (or, if later, within the time required by Applicable Law) and made available to you by the CAF Investment Account Website whenever you enter into a trade, be that a sale or purchase, setting out the agreed details of the relevant transaction. You will receive an electronic message from either us or CFSL that your Contract Note is available for you to review. Contract Notes made available to you via the CAF Investment Account Website will be deemed to have been received by you.

**2.6.2 Checking your Contract Note.** Please ensure that you check that the information in the Contract Note accurately reflects your Order and notify us via CFSL immediately if you become aware of any inaccuracies, and in any event within 24 hours of the Contract Note being made available to you.

2.6.3 **Copies.** We will retain a copy of your Contract Note in a durable medium for at least the period of time required under the FCA Rules and you may request a copy from us (via CFSL) at any time within that period.

## 2.7 Settlement of Transactions

2.7.1 **Duty to Deliver.** Unless otherwise explicitly agreed between us, settlement of all transactions will be made in accordance with these Terms, the relevant Contract Note, Market Requirements and other Applicable Law. You acknowledge and agree that you are fully responsible for the timely settlement of each and every transaction, including but not limited to, delivery and/or ensuring the delivery, in reasonably sufficient time on or before the Settlement Date and into the relevant Investment Account(s), of any instructions, money (including any fees or any other amounts due and payable to us), taxes, documents, financial instruments or any other property to be delivered under a transaction, for the purpose of enabling the timely clearing and settlement of the transaction (including by any Executing Broker). The Settlement Date will be shown on your Contract Note. If we are permitted or obliged to make a payment on your behalf in accordance with these Terms and you do not have sufficient funds in your Investment Account in the currency of the payment, you authorise us to convert sufficient cash in your Investment Account into the currency of the payment at the prevailing market exchange rate to enable us to make the payment on your behalf.

It is important to settle purchases and sales promptly and Orders should never be given if you are not able to settle promptly as the consequences can be expensive. Settlement for all sums due (including fees, dividends, market claims, charges and all expenses where applicable) to us will be paid as per the Interest and Charges Schedule. In particular, settlement agencies clearing houses, exchanges and CREST may impose severe penalties on delays and the resultant costs will be passed to you.

2.7.2 **Delivery vs. Payment ("DvP") Exemption.** In accordance with the FCA Rules, we reserve the right to utilise the DvP exemption for treatment of Client Money and Client Assets where we have entered into a transaction on your behalf that is settled through a venue that is a Commercial Settlement System, in accordance with the FCA Rules. The DvP exemption essentially allows us to disapply the FCA Rules relating to your money or assets for a short period of time when settling your transaction within a Commercial Settlement System, subject always to Applicable Law. **By entering into these Terms, you are agreeing, and giving us permission, to fully utilise this exemption at our discretion.**

2.7.3 **Assets to be freely transferable.** You and/or your Authorised Users may only give Orders to sell investments where you own or have the right to sell any cash and/or investments held by you or transferred to us (for purchases or sales) by you or by your Authorised Users on your behalf will be free from any right of a third party to make claims against that cash and/or those investments, and that it shall remain free of any and all rights to withhold or retain it (such as a lien), security rights over them (such as a mortgage or a charge), any other rights to have any of the cash or investments paid or transferred to them or to prevent any transfer of such cash or investments from going ahead, or any right to be paid all of any of the proceeds of a transaction, so that settlement of your transactions can take place.

2.7.4 **Receipt and Risk.** We shall not have any responsibility for, or have any obligations in relation to, any cash or investments or other assets delivered by or on your behalf unless and until such cash and/or investments are actually received by us in accordance with these Terms. Furthermore, you acknowledge that we shall not be responsible for any default or failure (including insolvency) on the part of any market counterparty or any central counterparty to a transaction, or of any depository or transfer agent and that delivery and payment will be at your entire risk.

2.7.5 **Extended settlement.** If we agree to effect a transaction for you with a settlement period which is longer than the standard settlement period for the relevant market, we may require the payment of an additional charge which you or CFSL will be told of in advance. Extended settlement may not always be available and is only offered at our sole discretion.

2.7.6 **Non Sterling Settlement.** Where we are required to settle any transaction with a market in a currency other than pounds Sterling, we shall be entitled to convert into or out of the relevant currency in accordance with its foreign exchange process ready for settlement, at a rate which reflects the size, liquidity and timing of the relevant transaction. We and/or our Affiliates may retain a margin on foreign exchange conversions. Note there may be a currency risk when purchasing investments that are denominated in a currency other than your home based currency. Where any part of the total costs and charges is to be paid in or represents an amount of foreign currency we will provide an indication of the currency involved and the applicable currency conversion rates and costs.

2.7.7 **Payment by cheque.** We may decide to make payments by cheque, but only where we have not been able to complete the transfer of funds into your nominated bank account.

2.7.8 **Late collection of BACS payment.** We will not be liable for any loss arising directly or indirectly from the late collection of any BACS payment that is not our fault, including any loss of investment opportunity or loss of tax relief.

2.7.9 **No liability for third party settlement.** We accept no responsibility for default or other failure to perform by you or any third party, including any settlement or clearing agent, depository, any market participant (such as a counterparty) or for any third party system, except where such default or failure is directly caused by our own wilful default or negligence under these Terms.

**We reserve the right, where we have acted on your behalf, to only credit your account with the cash or financial instruments actually received by us, in which circumstances settlement of the transaction will be at your risk.**

2.7.10 **Right of reversal and obligation to repay.** Notwithstanding the above, if we nevertheless credit your account with cash or financial instruments (as the proceeds of a sale or result of a purchase, as the case may be) before actually receiving final payment or delivery of such cash or financial instruments from yourself and/or from the market, please be aware that the following situations may arise: (i) action taken to credit your account may be conditional upon receipt of final payment and securities from you and/or the market and may be reversed to the extent that final payment and securities is not actually received; and/or (ii) if the value of any such financial instruments subsequently falls (such that they are no longer worth the purchase price paid as of trade date), you will still be required to pay the full value of the purchase price irrespective of the then current value of the securities.

2.7.11 **Proceeds from sale.** If you make a sale, we will credit the Investment Account(s) on the day that the trade settles in the market. Upon receipt of your instruction to do so, to be sent via CFSL, we will pay money from your Investment Account(s) via BACS to the bank details that we hold on record for you.

## 2.8 Default Remedies

2.8.1 Your attention is drawn to the fact that if any amounts owed are not paid and satisfied when due, and you have not paid such amounts within thirty (30) days of our notice to you or them to do so, then we may, immediately upon further notice to you or CFSL:

- (a) cancel, close out, terminate or reverse all or any contracts or open positions and sell or otherwise dispose of any such investments at whatever price and in whatever manner we in our reasonable discretion think fit, without being responsible for any loss or diminution in price;
- (b) enter into any other reasonable transaction or take such other reasonable steps that would or could have the effect of reducing or eliminating any such indebtedness and/or liabilities or of reducing or eliminating liability under any transactions, positions or commitments undertaken for you; and/or
- (c) apply any proceeds of such sale or other disposal by, in or towards discharge of firstly, the cost incurred in such closure, sale or disposal and then, the indebtedness and/or liabilities concerned. These rights are without prejudice to any other rights, including of set-off, that we may have.

## 2.9 Corporate Actions

2.9.1 **Responsibility.** You, via CFSL, are solely responsible for instructing us (by email and/or via the CAF Investment Account Website, as applicable) to carry out any required actions in respect of all Corporate Actions with respect to your investments. We may (but are under no duty to) inform you via CFSL (in which case we shall do so by email, or via the CAF Investment Account Website or by such other communication method as is agreed with CFSL) of any Corporate Action. However, we will not be required to vote at any meeting of the holders of any investments held by our Nominee except to the extent required of us under Applicable Law (whether exercisable at an annual general meeting or otherwise). We will not be required to take any action in respect of any Corporate Action unless and until we receive timely instructions from you. If we do not receive your timely instructions, we will take our default course of action in respect of the relevant Corporate Action (for example, where the relevant Corporate Action event is mandatory with options and you have not made your choice known to us, the default option will be applied), the details of which you will be notified by CFSL at the relevant time. **You are and remain solely responsible (which may be performed via CFSL) for the correct notifications of any and all significant interests you have in the voting share capital of any companies in which you are a shareholder, in accordance with Applicable Law.** Please note the below is only an example of the types of Corporate Actions that may arise in respect of your investments and is not an exhaustive list.

2.9.2 **Income payments.** We will be responsible for requesting and receiving Income payments accruing to your investments, net of local withholding taxes or similar deductions. In the event of a Scrip Dividend being offered as an alternative to a cash dividend, we will elect to take any available cash option.

2.9.3 **Bonus Issues and Mandatory Events.** We will adjust your Investment Account to reflect bonus issues and mandatory events as soon as reasonably practicable having received notification from the market. We will notify CFSL of this by email or via the CAF Investment Account Website following the action, and request that they notify you.

2.9.4 **Rights Issues.** The following shall apply in respect of rights issues regarding your investments:

- (a) if we have been made aware, we will use reasonable endeavours to give you the information received as soon as practicable regarding any rights issue, calls, conversion, subscription, redemption rights, takeover or other offers (without limitation) arising from capital reorganisations attaching to your investments;
- (b) provided that you or CFSL tell us within such period as specified in its notification to you (which will depend on the time period specified for the relevant Corporate Action) that you wish to exercise any rights arising out of a Corporate Action and provided there are sufficient cleared funds in your Investment Account(s), we will use reasonable endeavours to give effect to your instructions; and
- (c) if we cannot contact you or CFSL or election is not made in the specified time, we will take no action and the rights will be allowed to lapse. 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. You will be entirely responsible for giving us and ensuring that we receive instructions in good time and before such stated time.

**2.9.5 Fractions.** Where a Corporate Action results in a fractional entitlement to part of a share and/or to the fractional entitlement to Income, you authorise us to round down your entitlement to the nearest whole number and agree that any fractional entitlement received that cannot be divided on a pro rata basis will be retained by us, aggregated and sold with the proceeds going to charity.

**2.9.6 Takeovers and Company Reorganisations.** You shall be solely responsible for instructing CFSL to request that we exercise your rights or to deal with take-over or other offers or capital reorganisations. If no instruction is received and the offer is declared unconditional in all respects, we will automatically accept the offer on your behalf.

**2.9.7 Pooled Holdings.** If the terms of a Corporate Action require an election to be made on behalf of our entire Nominee holding in a company, we reserve the right not to offer an option to you, where it is reasonable to do so.

**2.9.8 Class Action.** If notified of a class action or group litigation that is being proposed or taken concerning investments that our Nominee is holding on your behalf, we are not required to tell you about this or otherwise act on that notification.

## 2.10 Statements and Reports

**2.10.1 Frequency of statements.** We will provide you, via the CAF Investment Account Website, with a periodic statement of your Investment Account(s) once every three (3) months. While we will use pricing data from sources which we consider reliable, you acknowledge that any valuation is indicative only and based on historic pricing and therefore, may be inaccurate (especially for less liquid or foreign investments) and may not reflect the amount which you would actually receive on a sale.

**2.10.2 Content of statements.** Your periodic statement will detail the key information regarding your holdings, including:

- (a) all of your purchases and sales since the last statement;
- (b) the individual investments held as at statement date;
- (c) the value of each investment as at the statement date using end of day prices where available and any cash held within your Investment Account(s); and
- (d) (at least annually) a summary of costs and charges incurred in relation to your Investment Account(s) throughout the year.

**2.10.3 Notification of valuation.** You will receive email notification from either us or CFSL that your periodic statement is available. Your periodic statement will be available via the CAF Investment Account Website. You should let us know, which may include via CFSL, if, in viewing your statement, you become aware of any inaccuracies or inconsistencies in the statements.

## 3. PAYMENT OF FEES, CHARGES AND EXPENSES

### 3.1 Fees, Charges and Expenses

**3.1.1 Summary of Charges.** You agree that we are entitled to receive payment for our proper and reasonable fees, charges and expenses as set out in the Interest and Charges Schedule which will be provided to you by CFSL from time to time. Unless otherwise agreed in writing, fees, charges and expenses applied in respect of your investments (including any custodian, administrative and support services associated with those investments), will include the following: commissions, foreign exchange transaction or Corporate Action fees and charges, brokerage fees, transfer fees, registration fees, stamp duty and other applicable taxes (including any value added tax or other transaction related taxes), and all other liabilities, charges, costs and expenses payable in connection with your Orders and transactions effected or services provided hereunder, such as: the safeguarding of your holdings,

servicing transactions and the provision of reporting and statements and any fees and charges that may be applied or imposed by any third party such as a registrar, depository, execution venue or regulatory body). The amount and description of any fees, expenses and charges incurred will be shown on your statement or valuation.

3.1.2 **Information on costs and charges.** CFSL will charge you for the provision of the Platform and our Services under these Terms. We will provide CFSL in good time before the provision of Services, appropriate information in relation to:

- (a) the costs and charges payable in relation to the Services we provide to you;
- (b) the costs and charges payable in respect of relevant financial instruments; and
- (c) any third party payments we receive in connection with the Services we provide to you.

CFSL will provide you with full details on costs and charges (including the above) in the Interest and Charges Schedule, or otherwise in writing. CFSL may charge you a different price for the provision of the Platform and our Services, for example by adding a margin on top of the amounts charged by us to CFSL, to generate revenue for CFSL.

3.1.3 Where we have or have had an ongoing relationship with you during the year, we will also provide you (via your statement) with appropriate information in relation to the costs and charges incurred during that period.

3.1.4 Where we offer services or products as part of a package, we will (where reasonably able to do so) inform CFSL of the costs and charges applicable to each component of that package.

3.1.5 Information on costs and charges shall be aggregated, however an itemised breakdown may be provided upon request to CFSL. Where you request an itemised breakdown of the costs and charges applicable to you, we will provide this to you (via CFSL) within a reasonable timeframe.

3.1.6 Where any part of the total costs and charges is to be paid in, or represent an amount of, foreign currency, we will provide an indication of the currency involved and the applicable currency conversion rates and costs.

3.1.7 **Payment.** Charges, fees and expenses will be deducted from your Investment Account(s) as described in the Interest and Charges Schedule or as otherwise incurred in accordance with these Terms, and you agree to ensure you have sufficient cleared funds in your Investment Account(s) to cover your transactions and to pay the associated fees, charges and expenses specified in the Interest and Charges Schedule. You acknowledge that we may deduct Charges, fees and expenses from your Investment Account(s) in accordance with instructions from CFSL. We calculate charges based on the value of your Investment Account at the end of each month and deduct them quarterly from your Account(s) before paying them to CFSL. We also deduct our dealing commissions, transfer fees, taxes and other charges from your Investment Account(s). All of these charges are itemised in the contract notes and/or statements you receive on your Investment Account(s).

Please ensure that you carefully read your agreement with CFSL as it may contain information as to when amounts will be deducted from your Investment Account(s).

If at any time amounts remain due and payable (which shall include any amounts due and payable under clause 2.7.10), we may exercise our rights (including our power of sale over your assets) as described at clause 2.4.5 (Default and Power of Sale) or as otherwise set out in these Terms, or we may debit the amounts from any other Investment Account(s) you hold with us, but only where we have given you no less than thirty (30) calendar days' written notice (which may be by via email or post and/or the Platform) of our intention to do this and the relevant amounts remain unpaid after this notice period has expired.

3.1.8 **New charges, fees and expenses.** In accordance with the Terms, we may from time to time introduce new fees, expenses and charges which will be detailed in an updated Interest and Charges Schedule and provided to you via CFSL, the CAF Investment Account Website or the Platform. **You should therefore always ensure that you are aware of the current Interest and Charges Schedule before you send us an Order.** We will inform you in writing via the CAF Investment Account Website, or by email or post, of any changes to the Interest and Charges Schedule at least thirty (30) calendar days prior to the changes becoming effective.

3.1.9 **Third party fees and charges.** We may deduct charges, expenses and fees from your Investment Account(s) that are due to be paid by you to other third parties (which may include CFSL, fund managers or Executing Brokers, without limitation) provided such is done in accordance with the amounts agreed between you and the relevant third party from time to time, as subsequently notified to us by you and/or CFSL (as applicable). We may also receive and retain remuneration from any such third party in respect of transactions entered into on your behalf, which may include dealing fees and charges.

3.1.10 **Exit charges, fees and expenses.** We typically charge you for cashing in the assets you hold with us, or for transferring or re-registering your assets away from us, unless specified elsewhere in these Terms. Any such charges, fees and expenses will be described in the Interest and Charges Schedule.

## 4. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

### 4.1 Representations and Warranties

4.1.1 Representations and warranties are statements, assurances or undertakings given by you to us on which we will rely when dealing with you. You represent and warrant to us, on the date these Terms come into effect and thereafter on an ongoing basis, including as of the date of each Order and on each day that any transaction is outstanding, that:

- (a) you have and will maintain full legal capacity and all necessary authority, permissions and powers and have taken all necessary action to enable you lawfully to enter into these Terms and to give us Orders and instructions and to enter into any transactions and to grant any rights and powers referred to in these Terms;
- (b) (where a natural person) you are a resident of the UK and over the age of 18 and have full capacity to enter into these Terms;
- (c) you are not a US Person or national of any country listed in the United States Department of Treasury's Office of Foreign Assets Control website at <http://www.treas.gov/ofac>;
- (d) you will provide us (which may be via CFSL) with any and all information we reasonably require in order to provide the Services to you (including, without limitation, any national personal identifier(s));
- (e) all information that you provide to us under these Terms, including any information provided by you via CFSL, is true, complete, accurate and up-to-date in all material respects;
- (f) any persons entering into these Terms and each transaction on your behalf, including any Authorised Users, have been and are duly and properly authorised to do so
- (g) if you are investing in any fund instruments, that (where appropriate) you have read and understood the relevant fund documentation, including the Key Investor Information Document or equivalent ("KIID") and/or any prospectus;
- (h) these Terms, each transaction and the obligations created under both are binding upon you and enforceable against you and do not and will not violate the terms of any regulation, order, charge or agreement by which you are bound;
- (i) you acknowledge and agree that any payment or accounting made by us to a single trustee shall be treated as made to all of the trustees, provided that this Agreement allows us to rely on the relevant actual or apparent instruction from you in relation to that payment or accounting;
- (j) at the time you or an Authorised User on your behalf instruct us to undertake a transaction, there are sufficient funds or assets in your Investment Account(s) to permit timely settlement and you will not subsequently execute transactions which could result in insufficient funds or assets being available;
- (k) you are willing and financially able to sustain a total loss of funds resulting from transactions and (where appropriate) that the trading of all such transactions is appropriate and suitable for you;
- (l) you are now and will be at all material times in the future in compliance with all Applicable Law, rules and regulations concerning the detection of financial crime, prevention of terrorism and anti-money laundering and you acknowledge that any transaction dealt with by us on your instructions will be covered by statutory and other requirements relating to money laundering and combating terrorist financing; and
- (m) there is not pending or, to your knowledge, threatened, any action, suit or proceeding before any court, tribunal, governmental body (including the Charities Commission), agency or official or any arbitrator that purports to affect or is likely to affect, the legality, validity or enforceability against you of these Terms or ability to perform your obligations under these Terms or adversely affect your charitable status or your reputation (and if any of the above occurs or appears likely, you must promptly notify us in writing).

### 4.2 Undertakings

4.2.1 An undertaking is a promise to do something. You undertake to us that:

- (a) you will take all reasonable steps to comply with all Applicable Law in relation to these Terms;
- (b) you must comply at all times with your constitutional documents, the directions and guidance of the Charities Commission and HMRC, and any internal investment guidelines;
- (c) you will notify us via CFSL immediately in writing if any of the representations and warranties given above are no longer true (whether in part or whole);
- (d) you must inform us via CFSL as soon as possible if you become a US Person (as restrictions and changes may be applied to your Investment Account(s) and the services we provide to you as a consequence); and
- (e) you will notify us promptly, or request that CFSL promptly notifies us, of any inaccuracy and/or change to

information previously provided by you and CFSL will, upon demand, provide us with all such information as we may reasonably request to comply with these Terms and Applicable Law.

## 5. RISK WARNINGS

### 5.1 Risks

5.1.1 **No Advice.** All investments carry a certain amount of risk. We do not provide investment advice and shall not at any time be under any duty to provide any such advice, and shall not be regarded as having done so. You should consider taking independent professional advice, such as financial advice, legal and tax advice in relation to your individual circumstances and requirements. You agree that you will not seek advice from us and will instruct us or procure that we are instructed on an execution-only basis. You confirm that you are solely responsible for seeking your own advice and/or making your own independent assessment of the risks of transactions. WBS has not undertaken any assessment whatsoever of your personal circumstances and will not make any assessment of the suitability or appropriateness (including under the FCA Rules or otherwise) of any transaction(s) for you.

Below is a list of some generally recognised risks of investing. This is not intended to be an exhaustive list of all risks but a range of examples of risks for you to consider.

5.1.2 **Funds instruments.** Details of essential information, including key facts and specific risks, about funds, may be found in the KIID or analogous document for each fund that is prepared to help an investor assess whether a particular investment meets their needs. The KIID and any other fund documentation that we are instructed to provide to you or to an Authorised User on your behalf, including any prospectus, must be read before a decision is made to invest in a fund. In no event shall we be responsible or have any liability for the contents, accuracy or validity of any KIIDs, any prospectus or any other documentation or information relating to fund instruments in which you may want to invest. The availability of a fund instrument through the Service is not and shall not be regarded as a recommendation to invest in fund instruments or any particular fund instrument.

5.1.3 **Investment value.** The value of your investment is not guaranteed and prices may go up as well as down. You may get back less than the amount that you originally invested.

5.1.4 **Exchange rate risk.** If you hold investments which are denominated in foreign currencies, movements in exchange rates and interest rates may cause the value of your investments to fluctuate which may not be in your favour.

5.1.5 **Market risk.** External factors may cause the value of your investments to fall in value. Investments in foreign securities may give rise to different payment, settlement, legal and regulatory requirements from those in the UK and different practices for the separate identification of investments. Where Investment Account(s) holding your money or investments are not subject to English law, your rights may be different from those that would apply under English law. For example, you may be subject to the risk that a counterparty fails to deliver securities after receiving payment. Foreign countries may impose restrictions on the ownership, purchase or sale of securities by non-residents.

5.1.6 **Liquidity risk.** Some investments may be illiquid and/or traded infrequently, meaning that we may be unable to sell them. This may mean that fair value for those investments is not achievable or difficult to determine. Market conditions may also make it difficult to sell a position. This may happen in circumstances when the fluctuation in price movement is such that in accordance with the rules of the exchange trading will be suspended.

5.1.7 **Political risk.** It is unclear what the relationship between the UK and member states of the European Union may be following the exit of the UK from the European Union, and what the consequences of that exit may be for investments or the transfer of funds. This may create volatility and uncertainty in certain markets or industry sectors and may impact the value of the UK pound and/or other currencies.

5.1.8 **Tax risk.** All UK residents are subject to the UK taxation regime. All offshore funds are subject to their local tax regimes and returns to UK residents are subject to the UK taxation regime. As a result of using our Service, your tax position may change. Levels of tax, tax rules and tax relief are subject to change. You have sole responsibility for the management of your legal and tax affairs (including any requirements for charities) and if you are unclear as to what your position is, you should seek professional advice.

5.1.9 **Inflation risk.** If the value of your investment changes by less than the rate of inflation it will have less buying power in the future.

## 6. COMPENSATION SCHEME AND COMPLAINTS

### 6.1 Financial Services Compensation Scheme

6.1.1 We participate in the Financial Services Compensation Scheme (“FSCS”). The FSCS provides compensation in certain circumstances for customers of authorised financial services firms if a firm is in default. The scheme may provide compensation should we be unable to meet our obligations but is not available to every investor. Compensation is typically paid out because a firm has ceased trading and/or is insolvent. For investments in UK funds, the FSCS can cover 100% of eligible investments up to a maximum of £50,000 per person per authorised firm (so, for a joint account held by two eligible investors, the maximum amount that could be claimed would be £100,000). The limit relates to the total combined amount in all of the eligible investor’s accounts with an authorised firm, including their share of any joint account, and not to each separate account. Investments in non-UK funds are not covered by the compensation scheme but may be covered by other European compensation schemes. For cash, the FSCS can pay, as at 30 January 2017, up to a maximum of £85,000 per person per authorised firm.

6.1.2 The actual level of compensation paid depends upon the basis of each claim, but a customer’s entitlement to compensation from the scheme will depend on the type of investment made and the circumstances of the claim. Compensation limits are per person, per authorised firm and per claim category and are on the FSCS website along with additional information about compensation arrangements, at [www.fscs.org.uk](http://www.fscs.org.uk), or you can refer in person to the FSCS by calling 0800 678 1100.

### 6.2 Complaints

6.2.1 We take complaints very seriously and have established procedures in accordance with the FCA’s requirements for complaint consideration and handling to ensure that complaints are dealt with fairly and promptly.

6.2.2 The written Complaints Policy, which is prepared in compliance with the FCA Rules governing complaints, is available to you via the Platform.

6.2.3 If you would like to make a complaint in relation to the Platform, you should contact CFSL in the first instance by contacting CFSL at CAF Financial Solutions Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4TA or by email to [investments@cafonline.org](mailto:investments@cafonline.org) or by calling 03000 123 333 to raise your complaint. You may also make a complaint in a number of ways as detailed within the Complaints Policy, including by writing to us as follows:

(a) If by post:

For the attention of The Manager, Client Services:  
Winterflood Business Services  
The Atrium Building Cannon Bridge House  
25 Dowgate Hill  
London EC4R 2GA

(b) If by email to: [wbsclientcomplaints@winterflood.com](mailto:wbsclientcomplaints@winterflood.com).

6.2.4 As an eligible complainant, if we do not provide you with a final response within eight (8) weeks from the date we receive your complaint, or if you do not agree or are dissatisfied with the outcome of the response, you have the right to refer your complaint to the Financial Ombudsman Service, which is an independent dispute resolution service.

6.2.5 The Financial Ombudsman Service can be contacted at: The Financial Ombudsman Service, Exchange Tower, Harbour Exchange Square, London, E14 9SR or on 0800 023 4567.

## 7. TERMINATION

7.1 We shall be entitled to terminate these Terms at any time by providing you either directly or via CFSL on your behalf with not less than thirty (30) calendar days’ prior written notice, unless a shorter period of notice is required in order to comply with Applicable Law. Any fees, charges and expenses which you owe to us under these Terms will become due and payable at the expiry of this notice period, however you will not incur any charges or fees from us for closing your Investment Account(s) or transferring any Client Money or Client Assets to another entity (although, please note, we may pass on any third party charges).

7.2 If you wish to terminate these Terms you may do so at any time subject to you or CFSL giving us notice in writing to be sent by post, and the notification will be effective immediately upon receipt by us, unless we specifically agree a later date with you or with CFSL on your behalf. These termination rights are separate to your cancellation rights under clause 2.2.8 and shall operate after the 14 calendar day cancellation period has concluded.

- 7.3 Subject to any other provisions of these Terms, the process for closing your Investment Account(s) and moving your assets away from us shall be as follows:
- (a) we will close the Investment Account(s); and
  - (b) we will return any cash held in the Investment Account(s) to your nominated bank account (as described in clause 2.2.9); and/or
  - (c) we will transfer your investments to another regulated financial services firm as nominated and instructed in accordance with these Terms; or
  - (d) we will sell your investments and return the cash proceeds from such sale, if instructed to do so.
- 7.4 Termination (or cancellation) of these Terms or closing any or all of your Investment Account(s) will not affect any transactions or Orders which you or any Authorised Users on your behalf have already asked us to carry out. Please note that if you have invested in a fund instrument, the sale and redemption of units or shares in the fund instrument will be subject to the rules set out in the relevant fund documentation (which will include any current fund prospectus), which may restrict your ability to sell these instruments.
- 7.5 Termination of these Terms by us or you shall not affect any rights or obligations which have already arisen, for example to settle transactions effected prior to the date of termination and/or to satisfy any liabilities or obligations owed to us, which shall include the making of any payments due under the Terms, in respect of which we shall be entitled to retain any of your monies or assets and apply them in or towards satisfaction of such liabilities and obligations. We shall also continue to have the right to disclose information where required to a UK or overseas regulator.
- 7.6 **Survival.** The following provisions of these Terms shall survive termination (including through cancellation) of the Terms for whatever reason: 2.1 (Services), 2.2.8 (Cancellation), 2.3 (Your Money), 2.4 (Custody of your Investments), 2.5 (Dealing), 2.6 (Contract Notes), 2.7 (Settlement), 2.8 (Default Remedies), 2.9 (Corporate Actions), 3 (Fees), 4 (Representations and Warranties), 5 (Risk Warnings), 6 (Compensation Scheme and Complaints), 7 (Termination), 8 (Legal and Regulatory), Appendix A (Glossary),

## 8. LEGAL AND REGULATORY

### 8.1 Legal information

- 8.1.1 **Agreement.** These Terms constitute the entire agreement between us and you and supersede all previous discussions, correspondence, negotiations, previous arrangements, understandings or agreements with us in respect of the subject matter of these Terms.
- 8.1.2 **Severability.** Each provision of the Terms is severable. This means that if for any reason any provision of these Terms becomes unenforceable, due to a change in Applicable Law for example, this will not affect the validity of all the remaining provisions which will continue to be valid to the fullest extent permitted by Applicable Law. In such circumstances, the provision in question and only that provision will be deemed not to be included in the Terms.
- 8.1.3 **No Third Party Rights.** These Terms are only enforceable between you and us, and no other person (which shall include CFSL) shall have any rights under the Contracts (Rights of Third Parties) Act 1999 or otherwise to enforce any provision of these Terms, except that our Nominee may enforce and rely on these Terms. 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 and that any attempt to do so shall be void. We will not unreasonably withhold or delay such consent, but consent may depend on successful credit and anti-money laundering checks.
- 8.1.4 **Assignment.** We may at any time (acting reasonably) assign or transfer any of our rights and/or obligations under these Terms or delegate all or any of the functions under these Terms to a third party, provided that we have given you or CFSL on your behalf at least thirty (30) calendar days written notice to that effect. Where we do this, you authorise us to transfer any of your money/assets held by us or on our behalf to the third party, or someone nominated by that person. We will only transfer your money and/or assets to another person who we believe will hold them under the FCA Rules or in respect of whom we have exercised all required due skill, care and diligence in assessing whether that person will apply adequate measures to protect it. Where we intend to do this, we will give you or CFSL at least ten (10) Business Days prior written notice and, following any transfer, no later than seven (7) Business Days later, we will write to you or to CFSL to advise you that it has taken place.

**If you object to such assignment, you may terminate these Terms in accordance with clause 7.2.** You will not incur any charges or fees from us for closing any Investment Account(s) or transferring any Client Money or Client Assets to another entity if you or CFSL on your behalf terminates under this clause.

8.1.5 **Changes to the Terms.** We may from time to time change or supplement these Terms for the following reasons:

- (a) to comply with or reflect a change of Applicable Law or a decision by an ombudsman or Competent Authority;
- (b) to make them more favourable to you or to correct a mistake or oversight (provided that any correction would not be detrimental to your rights);
- (c) to provide for the introduction of new systems, services, procedures, processes, changes in technology and products (provided that any change would not be detrimental to your rights); or
- (d) to add or remove a product or service.

We will notify you via CFSL of any proposed changes to the Terms by giving CFSL a message by email or post at least thirty (30) calendar days prior to the changes becoming effective. If, as a result of changes we propose to make to the Terms, you wish to close your Investment Account(s), you may do so in accordance with clause 7 (Termination) and/or as otherwise specified in the Terms. You will not incur any charges or fees from us for closing any Investment Account(s) or transferring any Client Money or Client Assets to another entity if you or CFSL on your behalf terminates under this clause.

8.1.6 **Waiver.** Any failure by us to exercise or delay in exercising a right or remedy provided by these Terms or under Applicable Law does not constitute a waiver of the right or remedy or a waiver of other rights or remedies.

8.1.7 **Anti-bribery and anti-corruption.** You warrant and undertake on an ongoing basis that you do and shall take a zero-tolerance approach to bribery and corruption and that you are familiar with and shall comply strictly with any and all Applicable Laws in relation to bribery, corruption and prohibited business practices including but not limited to the Bribery Act 2010.

8.1.8 **Third party websites.** We are not responsible and shall not be liable for the contents of any third party website, including without limitation the CAF Investment Account Website (with the sole exception of any information that we have provided to CFSL for provision to you via the CAF Investment Account Website, for which we are and will remain responsible in accordance with the liability provisions below) referred to and/or incorporated by reference in these Terms. Any such references are provided for information purposes only and have not been verified by us.

8.1.8 **Applicable Law and Jurisdiction.** These Terms and any related non-contractual matters are governed by and shall be construed in accordance with the laws of England and Wales. Any dispute or claim arising out of or in connection with these Terms or their formation (including non-contractual disputes or claims) will, except as expressly set out below, be subject to the exclusive jurisdiction of the courts of England and Wales.

## 8.2 Confidentiality

8.2.1 WBS and you shall each:

- 8.2.1.1 to keep confidential all Confidential Information (as defined below) received from the other party hereunder;
- 8.2.1.2 only to use Confidential Information for the purposes of exercising their rights and performing their obligations under the Terms; and
- 8.2.1.3 not, without the other party's prior written consent, to disclose Confidential Information to any person except to CFSL, those of their employees, directors, officers, agents, sub-contractors, professional advisors or Affiliates who are directly involved in, and need to know such Confidential Information for the purpose of, exercising their rights or performing their obligations under or in connection with the Terms.

8.3 WBS and you shall each ensure that their employees, directors, officers, agents, sub-contractors, professional advisors or Affiliates (and in the case of the Company, the Representative or any of the Company's customers) having access to Confidential Information are aware of and comply with the provisions of this paragraph 8.

8.4 The provisions of this paragraph 8 shall not apply to Confidential Information that:

- 8.4.1 is, or becomes, generally available in the public domain (otherwise than as a result of a breach of this paragraph 8);
- 8.4.2 was already in the lawful possession of the receiving party prior to entering into the Terms (and not subject to any obligations of confidentiality);
- 8.4.3 comes into the lawful possession of the receiving party (free from any obligations of confidentiality);
- 8.4.4 the parties agree in writing is not confidential, or may otherwise be disclosed;
- 8.4.5 is, or has been, independently developed by the receiving party (which the receiving party shall have the burden of demonstrating); or

8.4.6 is required to be disclosed by Applicable Law or requested or required by any judicial, governmental, quasi-governmental, regulatory, taxation or public body or authority of competent jurisdiction and such disclosure is kept to the minimum extent required. Before making any such disclosure the receiving party undertakes (to the extent permitted by law) to use reasonable endeavours to inform the disclosing party of the full circumstances of the disclosure and the Confidential Information that will be disclosed.

8.5 All references to “**Confidential Information**” in the above shall mean: all information, data or materials disclosed or made available by a party (whether directly or indirectly) to the other party, whether or not marked as confidential or proprietary, including but not limited to commercial, financial, business strategy, product marketing and technical information, know-how, designs, trade secrets, information relating to trading, custody and settlement, business processes and procedures, information on clients, customers and information about software, computer systems and software related documentation, of whatever nature and in any form or medium (whether written, oral, visual, digital, electronic form or otherwise) whether disclosed before or after the date of these Terms, together with any reproductions thereof.

## 8.6 Liability

8.6.1 **General.** Subject to clause 8.6.4 below, WBS (and where relevant its Nominee, directors, employees or agents) shall not be liable for any loss or damage which you (which shall include CFSL on your behalf or any other person) suffer under or in connection with these Terms, except and only to the extent that any such loss or damage has arisen directly as a result of our (or where relevant our Nominee’s, directors’, employees’ or agents’) fraud, negligence, breach of contract, wilful default or breach of the FCA Rules. We are not liable to you for any loss of revenue or loss of opportunity arising in connection with your use of the Platform or the Services.

8.6.2 **Exclusions.** Subject to clause 8.6.4 below, neither we nor our Nominee will be liable for any loss or damage of any kind that is attributable to:

- (a) your own acts or omissions (including any error, negligence or misconduct) or the acts or omissions of CFSL, the acts or omissions of any Authorised User;
- (b) the performance of any third party involved in the provision of Services, which may include without limitation, any fund manager, distributor or third party administrator connected with your investment in any fund(s), or any Executing Broker or (subject to clauses 2.3 and 2.4), any central counterparty, clearing agent, settlement agent, securities depository, third party bank or any Sub-Custodian;
- (c) events which we could not have foreseen even if we had taken all reasonable care;
- (d) our and/or our Nominee’s failure to take any action which, in our opinion, might breach an applicable FCA Rule or any other Applicable Law, or any action taken in order to comply with Applicable Law or the requirements of any Trading Venue or other market;
- (e) any fall in the value of investments, loss of opportunity or loss of revenue (including, without limitation, those which may occur due to delays during the process of verifying your identity in compliance with money laundering regulations) or any unavailability of the Platform or other Services under these Terms;
- (f) any reasonable refusal or failure to accept and/or execute any Order;
- (g) any indirect, special or consequential losses;
- (h) any loss of goodwill or reputation;
- (i) any loss of income, any loss of profits, loss of opportunity or loss of anticipated savings;
- (j) our reasonable reliance on any information, instructions, notices or communications that we believe to be from you and/or a person authorised by you to give the same, including CFSL.

8.6.3 **Force Majeure.** You also agree that we will not be liable for losses of any kind that you may suffer if we are unable to perform our obligations by reason of any cause beyond our reasonable control, including but not limited to: any failure, interruption or delay in the performance of our obligations resulting from a breakdown, failure or malfunction of any telecommunications or computer service or system, or any riot, civil unrest, commotion or rebellion; war or civil war (whether or not declared) or armed conflict, invasion and acts of foreign enemies, blockades, embargoes (including as to trade); any act (or credible threat) of terrorism, acts of Competent Authorities; explosion or fire, earthquake, extraordinary storm, flood, abnormal weather conditions or other natural catastrophe; any nuclear, chemical or biological contamination; or any strikes, lock-outs or other industrial disputes. If such an event happens, we will take reasonable action, in accordance with the FCA Rules on business continuity, in an attempt to mitigate its effect on our ability to perform our obligations to you.

8.6.4 Nothing in these Terms will exclude or limit any duty or liability to you which we or our Nominee (or our respective directors, employees or agents) may not exclude or limit under the FCA Rules or any Applicable Law, or for liability for

fraud, or for death or personal injury resulting from negligence, and nor will anything in these Terms require you to compensate us and/or our Nominee (as the case may be) to any extent prohibited by Applicable Law.

## 8.7 Intellectual Property Rights

8.7.1 We warrant and represent that we own (or have the right from a third party to use and allow you to use, where relevant) the Intellectual Property Rights in any systems, software or Market Data that are made available by us for use in the provision of the Service under these Terms. This shall include the provision of Services to the extent accessed via the CAF Investment Account Website. Nothing in these Terms shall be understood to invoke the transfer of any Intellectual Property Rights from us (and/or a third party) to you or to any third party on your behalf (including CFSL). You may not redistribute or otherwise make available in any way the Service (including any systems, software or Market Data received hereunder) to any third party.

8.7.2 Neither you nor CFSL or any other person shall acquire and we shall (and/or our third party licensors shall) retain all Intellectual Property Rights in and to the Services, including any system or software, including that made available via the Platform or the CAF Investment Account Website, accessed by you or any Authorised User on your behalf under or in connection with these Terms.

8.7.3 You are not entitled to use our name or any of our Affiliates' (including our Nominee's) names, logos or trademarks in any way whatsoever without first obtaining our prior written and explicit consent.

## 8.8 Disclaimer relating to Market Data

8.8.1 **No Warranty.** You acknowledge and agree that Market Data is purely indicative and provided to you or CFSL without any assurance as to its accuracy, completeness, relevance or timeliness, as market prices can change rapidly and actual execution prices for less liquid instruments may vary.

8.8.2 **No Liability.** Neither we nor any provider of Market Data shall be liable: (a) for Market Data in any way, including if the Market Data is inaccurate, incomplete or delayed in any respect; or (b) for any actions that you take or do not take based on the Market Data.

8.8.3 **No Distribution.** You will use Market Data solely for the purpose of using the Service and will not redistribute or, save as required under Applicable Law, disclose it to any third party whatsoever. All Intellectual Property Rights in and to Market Data are and shall remain our exclusive property and/or of our third party licensor(s), as the case may be.

## 8.9 Communications and Notices

8.9.1 Once we have sent you a communication, which shall be done either directly or via CFSL by email or by posting a message via the CAF Investment Account Website, or by post, we will and are entitled to consider that message has been received by you or by CFSL (as the case may be) as follows:

- (a) if sent by first class post, on the second Business Day after it was posted or if by standard post then on the fifth Business Day after it was posted;
- (b) if by email, at the time of dispatch evidenced by the email timestamp on the message; or
- (c) if via the CAF Investment Account Website, at the time of dispatch of an email (as evidenced by the email timestamp), which will be sent to notify you of the Website posting.

8.9.2 Where you or CFSL send us a communication, which shall be done by post to our address set out in the Key Points section at the beginning of these Terms or (in the case of complaints), by email to [wbsenquiries@winterflood.com](mailto:wbsenquiries@winterflood.com), or (in the case of Orders or other instructions) via the CAF Investment Account Website, unless otherwise explicitly stated in these Terms, you and CFSL are entitled to consider that message has been received by us as follows:

- (a) if sent by first class post, on the second Business Day after it was posted or if by standard post then on the fifth Business Day after it was posted; or
- (b) if by email, at the time of dispatch as evidenced by the email timestamp on the message; or
- (c) if in respect of Orders or other instructions given via the CAF Investment Account Website or such other form of electronic communication as may be agreed with CFSL, upon our confirmation of receipt thereof (but note that this is without prejudice to clauses 2.5 and 2.6 which describe when we are deemed to be bound (if at all) by such Orders and/or instructions which may differ to the above).

We will not be liable for any delay or non-delivery of a communication sent out in accordance with these Terms.

8.9.3 All communications between us will be in English.

8.9.4 You acknowledge that you are solely responsible for ensuring, or for having CFSL ensure on your behalf, that the email address and other contact details we hold for you are correct and current and for promptly notifying us in writing (via CFSL) if your details change. Where it is necessary to communicate with you or CFSL by post, we will send all postal communications to the address that we hold for you in respect of the relevant Investment Account(s).

8.9.5 If we become aware that either your email and/or postal address proves to be incorrect or obsolete, we will take reasonable steps to contact you or CFSL to obtain correct and current details. We shall have no liability whatsoever in relation to loss of any kind that results from us not being able to communicate with you or CFSL because of incorrect and/or out of date contact details.

8.9.6 You may provide us with an alternative postal address in the UK (unless we explicitly agree in writing to a foreign address) in addition to your permanent residential address in the UK.

8.9.7 You agree that we may also contact you or CFSL by telephone to discuss matters relating to your Investment Account(s).

8.9.8 You acknowledge that communications to you will be sent out as specified when your Investment Account was set up unless you have subsequently provided a valid instruction to CFSL to change your contact details and it has been duly acknowledged. In circumstances where it is necessary to communicate with you via post, we will only send mail to the primary contact for your Investment Account pursuant to which we will deem all communications as having been received by all account holders.

## 9.0 Recording of Communications

9.0.1 In order to comply with Applicable Law and internal legal or compliance requirements we may (subject to Applicable Law) in our absolute discretion record, monitor and retain all communications (which may include the recording and monitoring by a third party appointed by us), including facsimile, email and other electronic messaging, telephone conversations and other electronic communications with you and we will normally record telephone conversations and keep copies of relevant electronic communications (and may record mobile phone or other mobile handheld electronic communications device based conversations) between you and our employees who act in a trading, sales or client services capacity.

9.0.2 We will retain such records for such period(s) as may be required by Applicable Law and/or our internal legal and compliance requirements. Such records will be and remain the sole property of WBS, however may be made available to you upon request during the relevant period(s) prescribed by Applicable Law. Where you request such records, we may charge you an administration fee and such fee will be disclosed to you in advance of any related costs being incurred.

9.0.3 All telephone calls may be recorded and such recording remains our sole property. You accept that we may rely on these recordings in the event of a dispute.

## 9.1 Conflicts of Interest

9.1.1 In accordance with FCA Rules and our own conflicts of interest policies, we have in place arrangements to identify and prevent or manage conflicts of interest that arise between ourselves or our employees and our clients, and between our different business areas and between our different clients. However, these arrangements may not be sufficient in every case to ensure with a reasonable degree of confidence, that the risk of damage to your interests will be prevented. Where this is the case, we will inform you or CFSL of the general nature and/or source of the conflict of interest and the steps taken to mitigate those risks so that you can decide how to proceed before we undertake any business for you.

9.1.2 In relation to any transaction we execute or arrange with or for you, we may have an interest, relationship, arrangement, or duty which is material or which gives or may give rise to a conflict of interest with your interest(s) in relation to the investment or transaction concerned or investments or assets underlying, derived from or otherwise directly or indirectly related to such investments (a "**material interest**"). We will take all necessary steps to ensure fair treatment for you in relation to any such transactions and will identify and prevent or manage any conflict of interest in accordance with our conflicts of interest policies.

9.1.3 Your attention is drawn to the fact and you acknowledge that we are involved in a full range of services. As such we may have a material interest or a conflict of interest in the services or transactions we carry out with or for you. We have in place internal policies and procedures pursuant to our conflicts of interest policies to ensure that our various business areas and companies operate independently of each other and restrict access by the particular employee(s) responsible for handling your affairs to certain areas of information.

9.1.4 You agree that we are entitled to provide services to, or effect transactions with or for you, notwithstanding that we may have a material interest in, or a potential conflict of interest in relation to, the transaction or investment concerned and you consent to our acting in any manner that we would consider appropriate in such cases. A material interest may include but is not limited to circumstances where we may:

- (a) be dealing as principal for our own account by selling the investment concerned to you or buying it from you, or being a market-maker or otherwise having a holding or dealing position in the investment concerned or an associated investment;
- (b) be providing services to another person in relation to an investment in relation to which you are entering into transactions;
- (c) be matching your transaction with that of another person by acting on that person's behalf as well as yours where we are acting or seeking to act as agent for (and to receive and retain commission or other charges from) both parties;
- (d) have other business relationships with the company, or a related entity, in relation to whose securities you are entering into transactions;
- (e) trade (or may have traded) for our own account (or for or on behalf of other customers), have either a long or short position in the investment concerned, or other related investments or otherwise pursue our legitimate business as a market-maker or dealer (including entering into an agreement for the underwriting of an issue of financial instruments) in connection with the investment concerned or related or other investments;
- (f) enter into transactions as agent or principal, including for pre-hedging purposes, with a view to executing or facilitating the execution of the proposed transaction(s), based upon information you provide to us and any information held by us regarding your previous trading, when you provide us with the bid information, including when you ask us to provide a quotation for a portfolio trade involving the commitment of our capital or otherwise. Such transactions may impact upon the prices you subsequently obtain when we trade with you or when you trade with other firms;
- (g) be corporate adviser to the trustee, operator or manager of an investment fund in respect of any units which we are buying from or selling to you or buying or selling on your behalf; or
- (h) provide investment research.

9.1.5 Where we do have such a material interest in, or a potential conflict of interest in relation to, the transaction or investment concerned, the organisational and administrative arrangements we have established to prevent or manage conflicts of interest are not sufficient to ensure, with reasonable confidence, that the risk of damage to your interests will be prevented, we will disclose the conflict to you.

9.1.6 We may receive payment from, or share commissions and charges with our Affiliates or other third parties in connection with transactions carried out on your behalf. We or any Affiliate may benefit from commission, mark-ups, mark-downs or any other remuneration where we act for the counterparty to a transaction. Further details of this are available on request.

9.1.7 For further details on how we deal with conflicts, please see our Conflicts of Interest Policy which can be viewed on our Website or which is available on request from us.

## 9.2 Market Abuse

9.2.1 You agree that you will not, whether deliberately, recklessly, negligently or otherwise, by act or omission, engage in market abuse (within the meaning of Part VIII of the Financial Services and Markets Act 2000) or insider trading (within the meaning of Part V of the Criminal Justice Act 1993), or require or encourage another person to do so, including your Authorised Users. Market abuse is a civil and/or criminal offence, for which the sanctions may include a financial penalty and/or imprisonment. Insider trading is a criminal offence for which you can be prosecuted, fined and imprisoned.

9.2.2 Trading strategies which are aimed at exploiting errors in prices and/or concluding trades at off market prices (commonly known as arbitrage) are not accepted or permitted. If we consider that you and/or your Authorised Users either exploited or attempted to exploit such an error, we reserve all rights and may take any action we consider necessary to prevent future occurrences. This may include the close out, cancellation, termination or reversal of any relevant contract or open positions and/or termination of any Investment Account or of our Services under these Terms, as we consider necessary in order to comply with Applicable Law.

### 9.3 Data Protection and Privacy Policy

9.3.1 **General.** We will obtain, process and store your personal information in accordance with the UK Data Protection Act 1998 and, once in effect, Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (GDPR), as such act may be amended, supplemented or replaced from time to time (the “UK Data Protection Laws”). Our Privacy Policy (as amended from time to time), which may be accessed via the WBS Website, forms part of our agreement under these Terms. This section highlights some of the key ways in which we will hold, use, process and store personal data.

9.3.2 **Disclosure to Third Parties and Transfers Outside of the European Economic Area.** For the purposes of complying with Applicable Law, you consent that we can pass your personal data to other members of our corporate group, third party service providers in connection with the Services herein (which may include fund managers and distributors, third party fund administrators and transfer agents, other custodians (including any sub-custodian), our agents or sub-contractors, consultants required for the provision of the Services, Executing Brokers and third party payment providers), regulatory and other government authorities in any jurisdiction, and/or any other persons to whom we are required by Applicable Law to disclose, or where there is a public duty to disclose, or where our interests require disclosure, or which is required to be disclosed for the purpose of performance of our obligations under these Terms; and any other persons at your request or with your consent. **This may involve transfer of your personal information to countries outside the European Economic Area, including countries whose data privacy laws may not be as protective of privacy as those in the United Kingdom.**

9.3.3 You agree that, at any time and in order to comply with Applicable Law, we may send your information to credit reference and or fraud prevention or similar agencies that help us and others make credit decisions and which carry out identity, fraud prevention or credit control checks to help reduce the incidence of fraud. We will be supplied with credit information (although we do not offer lines of credit) as well as information from the electoral register. The agency will record the details of the search, irrespective of whether we accept your application. We may use automated credit scoring methods to assess your application and verify your identity. You further agree that we may provide information, data and documents received from or relating to you and transactions executed with or for you to (i) Competent Authorities where requested or required to do so in accordance with Applicable Law; (ii) appointed insolvency practitioners and those responsible for failed institutions; and (iii) manufacturers and other relevant third parties to the extent reasonably required in accordance with the FCA Rules and other Applicable Law.

9.3.4 **Data Access Requests.** You may under the UK Data Protection Laws request that we provide you with a copy of the personal data that we hold about and for you. You may obtain this personal data at a reasonable charge to the extent permitted under the UK Data Protection Laws which may be charged at our discretion.

9.3.5 **Duty to Notify.** You are wholly responsible for the accuracy of any information about you that you or CFSL provide to us and we accept no liability whatsoever should incorrect data received from you or from CFSL result in financial loss or damage (including any costs, expenses or liabilities) of any kind. You will notify us immediately and in writing if you discover that any information we hold for you is obsolete, incorrect, misleading, inconsistent and/or irrelevant in any way.

### 9.4 No Partnership

For the avoidance of doubt, nothing in the Terms constitutes, or shall be deemed to constitute, a partnership or joint venture between the parties. Except as expressly provided in the Terms, no party shall be deemed or regarded to be the agent of the other or hold itself out as the agent of the other.

## APPENDIX A

### GLOSSARY OF DEFINED TERMS

For the purposes of these Terms, wherever the following words appear, they shall have the meanings set out below, unless the context otherwise requires:

**"Affiliate"** means any affiliated companies (as defined by the FCA Rules) of Winterflood Securities Limited;

**"Applicable Law"** means, as applicable to the provision of the Services described in the Terms, any law, rule, regulation, order, ruling, judicial interpretation or directive (whether or not having the force of law) referred to in these Terms and/or which is applicable to you, CFSL, WBS or any Affiliate, any instructions, Orders or transactions and/or any Services provided hereunder, whether in England or elsewhere, from time to time, together with: (i) any rule, regulation, requirement, code, notice, guideline, practice note, circular, policy, recommendation or request (whether or not mandatory) made by any Competent Authority (including the FCA Rules); (ii) Market Requirements; and (iii) any statutes, executive orders, directives or regulations relating to US and EU economic sanctions, as modified, amended, restated or replaced from time to time;

**"Approved Bank"** means a bank where we may deposit money;

**"Authorised User"** means any person or entity appointed and authorised by you to give us instructions and/or Orders and otherwise act on your behalf under and in accordance with these Terms; and who has been issued with a Password or other login to use the Services or the Platform. It may include representatives of any financial advisor, discretionary investment manager or other person or entity appointed to make investment decisions on your behalf, who has been issued with a Password or other login to use the Services or the Platform;

**"BACS"** means the Bankers Automated Clearing System, which we use to pay money to your nominated bank account;

**"Business Day"** means a day when the London Stock Exchange is open for trading, excluding Saturdays, Sundays, public and bank holidays in England;

**"CAF Investment Account Website"** means the website (including any portal or graphical user interface) at [www.cafinvest.org](http://www.cafinvest.org) through which the Platform is made available;

**"CFSL"** means CAF Financial Solutions Limited (company number 2771873);

**"CHAPS"** means the Clearing House Automated Payment System;

**"Charity Commission"** means the Charity Commission body that registers and regulates charities in England and Wales (or, in relation to charities in Northern Ireland, The Charity Commission for Northern Ireland; or, in relation to charities in Scotland, the Office of the Scottish Charity Regulator) (and any successor(s));

**"Client Assets"** means financial instruments that belong to you and that we receive and/or hold for you, on your behalf, in accordance with the FCA Rules;

**"Client Money"** means money that belongs to you and that we receive and/or hold for you, on your behalf. This money is held in accordance with the FCA Rules on Client Money;

**"Commercial Settlement System"** means, as defined in the FCA Rules, a system commercially available to firms that are members or participants of the system, a purpose of which is to facilitate the settlement of transactions using money and/or assets held on one or more settlement accounts;

**"Competent Authority"** means any governmental, quasi-governmental, regulatory, judicial, revenue, public or administrative agency, authority or body of competent jurisdiction;

**"Complaints Policy"** means our policy and documented procedures for ensuring that we handle any complaint promptly and fairly in accordance with the FCA Rules. Our Complaints Policy is available at our website or upon request from us;

**"Conflict of Interest Policy"** means our policy on the management of conflicts of interests, which describes the steps we will take to identify and manage any conflicts that may arise. This policy is available at the WBS website or upon request from us;

**"Contract Note"** means the document prepared by us in relation to each Trade that we have executed for you, which contains essential information about your Trade such as the type of Order (e.g. a 'buy' or 'sell'), the quantity traded, the trading date and time of your Trade, all associated charges and such other information as required by the FCA Rules. Once a Contract Note has been created by us, it will be available for you to view via the CAF Investment Account Website;

**“Corporate Action”** means without limitation any rights, issue, calls, conversion, subscription or redemption rights and takeover or other offers or matters of a similar nature arising with respect of any financial instruments in your Investment Account(s);

**“CRD Credit Institution”** is a credit institution that has been approved to accept customer deposits and which is registered as legitimately providing the services of credit institutions according to the Capital Requirements Directive 2013/36/EU;

**“CREST”** means the centralised settlement system for securities trades on the London Stock Exchange;

**“Delivery vs Payment”** or **“DvP”** means a settlement procedure in which the buyer and the seller of a security agree that the seller will pay the buyer upon the security’s delivery to the seller;

**“DvP Exemption”** means the exemption under the FCA Rules which allows a firm to temporarily dis-apply the custody rules or the client money rules in relation to money or assets held where the transaction is conducted on a Delivery vs Payment basis;

**“Eligibility Criteria”** means, in relation to you as a prospective client or client of ours, the criteria of being and continuing to be a charitable organisation (a) registered with the Charity Commission for England and Wales, the Charity Commission for Northern Ireland or the Office of the Scottish Charity Regulator or (b) recognised by HMRC to have charitable status in the UK, during the term of the Agreement;

**“Executing Broker”** is the term given to any one or more third parties which may or may not be in the UK, through which we may execute Orders, as further defined in clause 2.5.6;

**“Execution Policy”** means the policy setting out the sufficient steps we will take to achieve the optimum result for our clients when executing an Order and for the prompt, fair and expeditious execution of Orders, in accordance with the FCA Rules. The Execution Policy may be amended from time to time. The current version of the Execution Policy is available at the WBS website or upon request from us;

**“FCA”** means the Financial Conduct Authority or any body that shall replace it, being the statutory regulator of the financial services industry in the United Kingdom that authorises and regulates WBS;

**“FCA Rules”** means the rules and regulations issued by the FCA as amended, supplemented or replaced from time to time;

**“HMRC”** means Her Majesty’s Revenue and Customs;

**“Income”** means money from dividends, fund distributions or interest, including interest on cash balances that we hold;

**“Intellectual Property Rights”** means any patents, trademarks, Service marks, registered designs, design rights, copyrights (including copyright in computer software), inventions, trade secrets and other confidential information, know-how, rights in databases, business or trade names and all other intellectual and industrial property and rights of a similar or corresponding nature in any part of the world, whether or not registered or capable of being registered, and including the right to apply for and all registrations or applications to register any of the foregoing rights;

**“Interest and Charges Schedule”** means the document (however titled and in whatever form) which details the interest applicable to any cash holding and all associated charges relating to the Services (and whether provided to you directly by us or via CFSL);

**“Investment Account”** means any account that you hold with us which will be subject to these Terms, as more fully described at clause 2.2;

**“KIID”** means the Key Investor Information Document or equivalent;

**“Limit Order”** means an Order to buy or sell a financial instrument at its specified price limit or better and for a specified amount. If we accept your request to place a Limit Order, then the provisions in these Terms will apply;

**“Market Data”** means any pricing, reference, static data, index or other financial data provided by us in connection with the Services, to you;

**“Market Requirements”** means the rules, requirements, customs, conventions and practice of any Trading Venue, securities or stock exchange, future exchange, market, over the counter market, relevant financial market association, clearing house, central counterparty, Commercial Settlement System or securities depository;

**“Nominee”** means any nominee company wholly owned by us which is used solely for holding investments separately and which does not carry on any other business;

**“Order”** means an instruction from you and/or from an Authorised User on your behalf to buy or sell investments on your behalf;

**“Password”** means any password, security number username or trading password chosen or allocated by you to access the Service via the CAF Investment Account Website;

**“Platform”** means the Services provided by WBS accessed via the CAF Investment Account Website;

**“Retail Client”** has the meaning set out in the FCA Rules;

**“Scrip Dividend”** is the process whereby a company may offer to shareholders the alternative right to elect to receive new shares instead of a cash dividend;

**“Services”** means the execution only (non-advisory) dealing service and related settlement and custody services that we provide under these Terms;

**“Settlement Date”** means the Business Day on which purchased securities are due for delivery to the buyer and payment is due to be made to the seller and vice versa for the purposes of a sale, and the investments or the title to the investments is transferred from the seller to the buyer;

**“Sub-Custodian”** means a bank or financial institution providing custody services in respect of a market or jurisdiction, on behalf of another custodian who may not have an operation in that market or jurisdiction;

**“Trade”** means the execution of a purchase or sale as a result of an Order;

**“Trading Venue”** means any regulated market, multilateral trading facility or organised trading facility, as defined in the FCA Rules;

**“US Person”** includes any citizen of the United States of America (“US”) or any person holding a US passport regardless of residency or domicile; or any company having a registered office in the US or anyone who has an obligation to pay tax to the US tax authorities on their worldwide income; and

**“WBS System”** means the WBS systems used for providing the Services.

## APPENDIX B

### CHARITABLE ORGANISATIONS

This Appendix to the Winterflood Business Services retail terms of business (the **WBS Terms**) relates to the CAF Investment Account and sets out additional terms that apply specifically to charity clients of CAF Financial Solutions Limited (**Customers**). Expressions defined in the WBS Terms have the same meanings in this Appendix. Where there is any inconsistency between this Appendix and the WBS Terms, this Appendix will prevail.

#### Eligibility

A Customer must satisfy the following Eligibility Criteria:

1. it must be registered as a charity with the Charity Commission for England and Wales, or the Charity Commission for Northern Ireland, or the Office of the Scottish Charity Regulator; or
2. it must be recognised by HMRC to have charitable status in the United Kingdom.

In addition, a Customer must have its registered office or its head office in the United Kingdom.

A Customer may be established in any legal form, as long as it meets the above eligibility requirements. As long as a Customer meets these eligibility requirements as a charity, WBS does not normally require further information about the beneficiaries of the charity. WBS reserves the right to require further information on beneficiaries and governance relating to a Customer at any time.

A Customer must be able to provide a legal entity identifier (**LEI**) issued by the Global Legal Entity Identifier Foundation in order to trade on the Platform.

#### Governing body

CFSL needs to obtain identification details for all of the members of the governing body of each Customer, whether they act as directors, trustees or under some other title.

It is not essential that every member of the governing body should be a UK national or be able to provide a UK national insurance number.

#### Beneficial owners

Where a person who is not a member of the governing body has any of the following powers in relation to a Customer, CFSL needs to obtain identification details for that person as a beneficial owner:

- Power to deal with property of the Customer
- Power to change the trust deed or other constitutional documents of the Customer
- Power to appoint or remove members of the governing body of the Customer
- Power to direct, withhold consent to or veto the exercise of any of the above powers

It is not essential that every beneficial owner should be a UK national or be able to provide a UK national insurance number.

#### Operating information

The Customer must provide details of:

1. the individual who will act as its primary contact for the purposes of the WBS Terms, who may give and receive notices on behalf of the Customer;
2. the individuals who will act as its Authorised Users for the purposes of the WBS Terms, including the level of authority granted to each Authorised User; and
3. the bank account of the Customer nominated as the account from which all cash amounts to be invested on the Platform will be paid, and to which all cash amounts withdrawn from the Platform are to be paid.

#### Changes in information

As and when any of the above information changes, the Customer must notify CFSL in advance (where possible) or as soon as practicable after the change takes place.